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 FINAL RESULTS

- Revenue amounted to RMB12,590.8 million, up by 38.2%
- Group gross margin of 32.1%, down by 7.6%
- EBITDA of RMB999.2 million, down by 14.8%
- Profit attributable to equity holders of the Company of RMB519.1 million, down by 26.4%
- Proposed final dividend for 2010 of RMB4.326 cents per share

CHAIRMAN'S STATEMENT

In spite of the adversity brought by the complicated domestic and international political and economic environments as well as frequent natural disasters, the overall economic development of the People's Republic of China (the "PRC") remained positive in 2010 as the PRC central government has reinforced and perfected its macro-economic control, thereby effectively strengthened the country's resistance to the global financial crisis. Gross domestic product (GDP) for the year reached RMB39,798.3 billion, 10.3% higher than that of last year. The per capita disposable income of urban residents for the year increased by 11.3% to RMB19,000. As a result, the PRC took the place of Japan in the second quarter as the second largest economy in the world. Looking forward, we expect that the PRC will continue to grow rapidly, generate enormous purchasing power and exert increasing influence over the world economy, and we believe this represents a great opportunity for the development of the fast-moving consumer goods industries.

2010 was an extraordinary year. The world turned the spotlight to the World Expo in Shanghai, China. While the major economies around the globe are still struggling for recovery, the Chinese market has already regained its momentum due to improved domestic consumption. Following 18 years of market expansion, the Group achieved a revenue of over RMB10 billion for the first time at the end of September 2010, with a record-breaking annual revenue of RMB12,590.8 million. Nevertheless, due to a continual surge in raw material prices, profit before taxation decreased to RMB682.5 million. Notwithstanding the merciless market competition and persistent rise in raw material prices and labour cost, Uni-President China Holdings Ltd. ("Uni-President China Holdings" or the "Company", together with its subsidiaries, the "Group" or "we" or "us") is confident that it will be able to overcome such challenges with its effective operation and optimised product mix.

Guided by the principle that fortune favors the brave, the operation team of the Group adhered to our unique development strategy and undertook an operational reform that has spanned three years. In contrast to the previous extensive operation which focused on a regional perspective, our marketing activities have become more sophisticated with the adoption of differentiated and specific marketing strategy for each unique market division. Initially launched in Guangdong and supported by its product quality and promotional effort, our new product, Assam Milk Tea, helped our milk tea stage a comeback as the top brand in the market. After two years of successful implementation of the instant noodles product mix adjustment, competitive key products in line with our development strategy have been selected from all the existing product items and kept for the purpose of focused operation, and the instant noodles business took on a new look and brought our instant noodles back to the stage of competition among major brands. "Lao Tan Pickled Cabbage" noodles became the hit products of the Company and ranked among the most favored noodles flavours in the PRC market.

Constant dropping wears a stone. Effective establishment and smooth running of the overall operating system are both vital to the sustainable and healthy growth of the Group. Our efforts begin with the recruitment of talents and our hiring decisions are made based solely on an individual's ability. We recruit external and local candidates of high calibre and promote talents from within so as to deploy suitable persons for appropriate tasks. The focus of our structural reform in 2011 will be to enhance cross-department cooperation and synergy, as well as enhance our execution effectiveness, speed and accuracy. We will continue to speed up the development of our sales channels, focus on building our brand and constantly introduce new products to the market in an active but prudent manner. Leveraging on our coordination ability, we will introduce better and innovative products with Chinese local characteristics one after another in the future.

The growth of an enterprise is built on the support of consumers. Consistent with our long-established corporate and social responsibility, the Group persists in strengthening our research and development capacity with an aim to offer more quality products to consumers. Starting from 2010, the Group has been continuing and will continue to expand our investment in the PRC each year. We believe world-class state-of-the-art production lines coupled with scientifically planned modern factories will meet rising market demand while benefiting regional economic development by creating jobs after being put into production.

Reciprocation has always been our motto. Yushu, Qinghai and Zhouqu, Gansu were successively hit by natural disasters and suffered great loss of lives and damages to properties. The Group acted immediately and expressed the condolence of all our staff. Unity is strength and a friend in need is a friend indeed. Support from and concern for the community are important to the development of an enterprise. A good and ethical corporate image could only be built by duly taking up social responsibility.

Feather by feather a goose can be plucked. Thus, while enjoying our current successes with a humble attitude, we will also review our operational defects. The coming year will mark the beginning of the Twelve Five-Year Plan and is a period which we believe will offer plenty of opportunities. We believe the consumption pattern will change significantly as the income inequality between urban and rural areas narrows. We believe the constant increase in per capita disposable income will also bring enormous room for development to the retail sector. According to the Twelve Five-Year Plan, the four east-west and four north-south high speed railways will greatly reduce the temporal and spatial distance between regions, while the daily living circle will be widened bit by bit. Six major special economic zones will enhance and expand the dimension of economic development. In this coming and challenging year, our ability to adapt to and take advantage of the PRC central government's policy of encouraging domestic consumption will be tested.

Staying in the valley shall never get over the hill. We shall turn our focus to the challenging future. Looking forward to 2011, we must continue to progress. We will spare no effort in strengthening the competitiveness of our businesses, building up an international food enterprise by providing quality and diversified products, following our business mission to achieve outstanding performance in three aspects and conduct business fairly while realising our corporate values of honesty, hardwork, innovation and perfection.

Lo Chih-Hsien
Chairman

29 March 2011

GROUP RESULTS

Uni-President China Holdings Ltd. (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2010.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2010

	Note	2010	2009
		RMB'000	RMB'000
Revenue	3	**12,590,784**	9,108,610
Cost of sales	4	**(8,547,727)**	(5,491,943)
Gross profit		**4,043,057**	3,616,667
Other gains – net		**55,848**	15,187
Other income		**74,962**	62,266
Selling and marketing expenses	4	**(3,291,481)**	(2,581,233)
Administrative expenses	4	**(324,149)**	(346,113)
Operating profit		**558,237**	766,774
Finance income		**59,807**	50,824
Finance costs		**(4,605)**	(3,866)
Finance income – net	5	**55,202**	46,958
Share of results of jointly controlled entities and associates		**69,026**	82,739
Profit before income tax		**682,465**	896,471
Income tax expense	6	**(163,397)**	(191,589)
Profit for the year and attributable to equity holders of the Company		**519,068**	704,882
Earnings per share for profit attributable to equity holders of the Company during the year *(expressed in RMB per share)*			
– Basic and diluted	7	**14.42 cents**	19.58 cents
Dividends	8	**155,712**	352,458

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

	2010	2009
	RMB'000	*RMB'000*
Profit for the year	**519,068**	704,882
Other comprehensive income:		
Transfer of fair value (gains)/losses previously taken to reserve to income statement upon disposal of available-for-sale financial assets	**(27,279)**	10,461
Fair value gains on available-for-sale financial assets, net of tax	**66,380**	140,412
Movements upon reclassification of an investment from available-for-sale financial asset to an associate		
– Transfer of fair value loss on available-for-sale financial asset, net of tax, previously taken to reserve	**–**	11,324
– Share of pre-acquisition profits and reserves of an associate	**–**	16,114
Other comprehensive income for the year, net of tax	**39,101**	178,311
Total comprehensive income for the year and attributable to equity holders of the Company	**558,169**	883,193

CONSOLIDATED BALANCE SHEET
As at 31 December 2010

	Note	2010 RMB'000	2009 RMB'000
ASSETS			
Non-current assets			
Leasehold land		**255,505**	184,985
Property, plant and equipment		**3,120,990**	2,174,043
Intangible assets		**10,705**	12,878
Interests in jointly controlled entities		**88,337**	446,640
Interests in associates		**740,121**	290,537
Available-for-sale financial assets		**532,828**	447,608
Deferred income tax assets		**130,147**	104,521
Other non-current receivables		**300,383**	–
		5,179,016	3,661,212
Current assets			
Inventories		**1,139,147**	687,988
Trade receivables	*9*	**400,995**	272,758
Prepayments, deposits and other receivables		**429,492**	147,430
Pledged bank deposits		**4,673**	24,627
Cash and cash equivalents		**2,427,362**	3,359,788
		4,401,669	4,492,591
Total assets		**9,580,685**	8,153,803

	Note	2010 RMB'000	2009 RMB'000
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**34,047**	34,047
Share premium account		**2,243,980**	2,243,980
Other reserves			
– Proposed dividends		**155,712**	352,458
– Others		**4,225,798**	3,823,341
Total equity		**6,659,537**	6,453,826
LIABILITIES			
Non-current liabilities			
Deferred income tax liability		**17,251**	17,119
Deferred government grants		**–**	3,239
		17,251	20,358
Current liabilities			
Trade and bills payables	*10*	**1,019,984**	507,391
Other payables and accruals		**1,655,642**	1,141,796
Borrowings		**165,639**	–
Current income tax liabilities		**62,632**	30,432
		2,903,897	1,679,619
Total liabilities		**2,921,148**	1,699,977
Total equity and liabilities		**9,580,685**	8,153,803
Net current assets		**1,497,772**	2,812,972
Total assets less current liabilities		**6,676,788**	6,474,184

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Uni-President China Holdings Ltd. (the "Company") was incorporated in the Cayman Islands on 4 July 2007 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of the Company's registered office is PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together the "Group") are principally engaged in the manufacturing and sale of beverages and instant noodles in the People's Republic of China (the "PRC") (the "PRC Beverages and Instant Noodles Businesses").

The Company completed its global initial public offering and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 17 December 2007 (the "Listing").

These consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 29 March 2011.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (the 'HKFRS'). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

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

- 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.

- HKAS 17 (amendment), "Leases", deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of HKAS 17, i.e. whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. HKAS 17 (amendment) has been applied retrospectively for annual periods beginning 1 January 2010 in accordance with the effective date and transitional provisions of the amendment. The Group has reassessed the classification of unexpired land use rights as at 1 January 2010 on the basis of information existing at the inception of those leases, and considered the leasehold land in the PRC remained as operating lease. As a result of the reassessment, the Group has not reclassified any leasehold land from operating lease to finance lease.

- HKAS 38 (amendment), 'Intangible assets', effective 1 January 2010. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives.

- HKAS 36 (amendment), 'Impairment of assets', effective 1 January 2010. The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of HKFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics).

(b) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2010 but not currently relevant to the group (although they may affect the accounting for future transactions and events)

- HK (IFRIC) 17, 'Distribution of non-cash assets to owners' (effective on or after 1 July 2009).

- HK (IFRIC) 9, 'Reassessment of embedded derivatives and HKAS 39, Financial instruments: Recognition and measurement', effective 1 July 2009.

- HK (IFRIC) 16, 'Hedges of a net investment in a foreign operation' effective 1 July 2009.

- HKAS 1 (amendment), 'Presentation of financial statements'.

- HKFRS 2 (amendments), 'Group cash-settled share-based payment transactions', effective form 1 January 2010.

- HKFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'.

(c) *New standards, amendments and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted*

The Group's and the Company's assessment of the impact of these new standards and interpretations is set out below.

- HKFRS 9, 'Financial instruments', issued in November 2009. This standard is the first step in the process to replace HKAS 39, 'Financial instruments: recognition and measurement'. HKFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The Group is yet to assess HKFRS 9's full impact.

- Revised HKAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes HKAS 24, 'Related party disclosures', issued in 2003. HKAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted.

  The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Group will apply the revised standard from 1 January 2011. It is not expected to have significant impact on the Group or the Company's financial statements.

- 'Classification of rights issues' (amendment to HKAS 32), issued in October 2009. The amendment applies to annual periods beginning on or after 1 February 2010. Earlier application is permitted. The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with HKAS 8 'Accounting policies, changes in accounting estimates and errors'. It is not expected to have significant impact on the Group or the Company's financial statements.

- HK (IFRIC) – Int 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The Group will apply the interpretation from 1 January 2011. It is not expected to have significant impact on the Group or the Company's financial statements.

- 'Prepayments of a minimum funding requirement' (amendments to HK (IFRIC) – Int 14). The amendments correct an unintended consequence of HK (IFRIC) – Int 14, 'HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when HK (IFRIC) – Int 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011. Earlier application is permitted. The amendments should be applied retrospectively to the earliest comparative period presented. It is not expected to have significant impact on the Group or the Company's financial statements.

3 REVENUE AND 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 from a product perspective as over 90% of the Group's 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 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 year ended 31 December 2010 and 2009 is as follows:

	2010				
	Beverages *RMB'000*	**Instant noodles** *RMB'000*	**Others** *RMB'000*	**Unallocated** *RMB'000*	**Group** *RMB'000*
Segment results					
Revenue	**8,796,361**	**3,549,082**	**245,341**	**–**	**12,590,784**
Segment profit/(loss)	**637,421**	**(9,946)**	**1,678**	**(70,916)**	**558,237**
Finance income – net					**55,202**
Share of results of jointly controlled entities and associates	**71,576**	**–**	**–**	**(2,550)**	**69,026**
Profit before income tax					**682,465**
Income tax expense					**(163,397)**
Profit for the year					**519,068**
Other segment items included in the income statement					
Depreciation and amortisation	**262,891**	**89,109**	**7,680**	**12,215**	**371,895**
Segment assets and liabilities					
Assets	**4,041,913**	**1,279,723**	**129,252**	**3,301,339**	**8,752,227**
Interests in jointly controlled entities	**78,710**	**–**	**–**	**9,627**	**88,337**
Interests in associates	**677,145**	**–**	**–**	**62,976**	**740,121**
Total assets					**9,580,685**
Liabilities	**1,682,019**	**890,378**	**47,787**	**300,964**	**2,921,148**
Total liabilities					**2,921,148**
Capital expenditure	**1,315,796**	**81,892**	**13,168**	**835**	**1,411,691**

	2009				
	Beverages	Instant noodles	Others	Unallocated	Group
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment results					
Revenue	6,926,916	2,120,483	61,211	–	9,108,610
Segment profit/(loss)	928,391	(68,997)	(9,922)	(82,698)	766,774
Finance income – net					46,958
Share of results of jointly controlled entities and associates	86,061	–	–	(3,322)	82,739
Profit before income tax					896,471
Income tax expense					(191,589)
Profit for the year					704,882
Other segment items included in the income statement					
Depreciation and amortisation	232,051	79,850	5,825	4,830	322,556
Segment assets and liabilities					
Assets	2,429,380	836,114	40,584	4,110,548	7,416,626
Interests in jointly controlled entities	444,587	–	–	2,053	446,640
Interests in associates	221,933	–	–	68,604	290,537
Total assets					8,153,803
Liabilities	1,149,160	458,155	13,697	78,965	1,699,977
Total liabilities					1,699,977
Capital expenditure	420,321	83,742	3,204	71,246	578,513

Assets grouped under unallocated category consisted primarily of deferred income tax assets, available-for-sale financial assets, pledged bank deposits and cash and cash equivalents.

Liabilities grouped under unallocated category comprised primarily of deferred income tax liabilities, current income tax liabilities and borrowings.

Capital expenditure comprised additions to leasehold land, property, plant and equipment and intangible assets.

4 EXPENSES BY NATURE

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

	2010	2009
	RMB'000	*RMB'000*
Raw materials, packaging materials, consumables and purchased commodity used	**7,056,622**	4,502,230
Changes in inventories of finished goods	**232,135**	41,435
Manufacturing outsourcing expenses	**274,724**	164,146
Promotion and advertising expenses	**1,425,747**	1,209,764
Employee benefit expenses, including directors' emoluments	**1,334,625**	1,016,162
Transportation expenses	**655,933**	472,878
Amortisation of leasehold land	**4,704**	4,152
Depreciation of property, plant and equipment	**363,699**	315,331
Amortisation of intangible assets	**3,492**	3,073
Operating lease in respect of buildings	**106,415**	84,815
Property tax and other taxes	**36,718**	31,656
Reversal of provision for impairment of property, plant and equipment	**(65)**	(505)
Reversal of provision for impairment of other receivables	**(31,247)**	–
Write-down of inventories to net realisable value	**8,556**	636
Provision/(reversal of provision) for impairment of trade receivables	**1,677**	(825)
Auditors' remunerations	**6,264**	6,433
Others	**683,358**	567,908
Total	**12,163,357**	8,419,289

5 FINANCE INCOME – NET

	2010	2009
	RMB'000	*RMB'000*
Finance income – interest income on cash and cash equivalents	**59,807**	50,824
Interest expenses on short-term bank borrowings	**(980)**	(581)
Net foreign exchange losses	**(3,625)**	(3,285)
Finance costs	**(4,605)**	(3,866)
Finance income – net	**55,202**	46,958

6 INCOME TAX EXPENSE

	2010	2009
	RMB'000	*RMB'000*
Current tax		
– Current tax on profit for the year	**178,978**	196,728
– Withholding tax on profit distributed by a PRC subsidiary	**11,500**	–
Deferred tax	**(27,081)**	(5,139)
	163,397	191,589

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.

Effective from 1 January 2008, the Company's subsidiaries incorporated in the PRC are subject to Corporate Income Tax ("CIT") in accordance with the New CIT Law as approved by the National People's congress on 16 March 2007 and the Detailed Implementations Regulations of the New CIT Law (the "DIR") as approved by the State Council on 6 December 2007. According to the New CIT Law and DIR, the income tax rates for both domestic and foreign investment enterprises would be unified at 25% effective from 1 January 2008. For enterprises which were established before the publication of the New CIT Law and entitled to preferential treatments of reduced CIT rates granted by relevant tax authorities, the new CIT rate will be gradually increased from the preferential rates to 25% within 5 years after 1 January 2008. 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. For enterprises that have not yet benefited from such preferential policies due to their accumulated loss positions, the preferential policies shall be deemed to commence from the 2008 tax year to kick-start the grandfathering period.

According to the New CIT Law, the profits of the PRC subsidiaries of the Group derived since 1 January 2008 will be subject to withholding tax at a rate of 10% (or 5% for the foreign investor which is incorporated in Hong Kong or other places as stipulated by the New CIT Law) upon the distribution of such profits to foreign investors.

Subsidiaries incorporated in Taiwan and Hong Kong are subject to income tax at the prevailing rates of 25% and 16.5% (2009: 25% and 16.5%) respectively.

7 EARNINGS PER SHARE

Basic

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

	2010	2009
Profit attributable to equity holders of the Company *(RMB'000)*	**519,068**	704,882
Weighted average number of ordinary shares in issue *(thousands)*	**3,599,445**	3,599,445
Basic earnings per share *(RMB per share)*	**14.42 cents**	19.58 cents

Diluted earnings per share is the same as basic earnings per share as there are no potential dilutive ordinary shares of the Company.

8 DIVIDENDS

	2010	2009
	RMB'000	*RMB'000*
Proposed final dividend of RMB4.326 cents (2009: RMB5.875 cents) per ordinary share	**155,712**	211,468
Proposed special dividend of RMB0.00 cents (2009: RMB3.917 cents) per ordinary share	**–**	140,990
	155,712	352,458

The directors of the Company recommend the payment of a final dividend of RMB4.326 cents (2009: RMB5.875 cents) and no special dividend (2009: RMB3.917 cents) per ordinary share, totalling approximately RMB155,712,000 (2009: RMB352,458,000) for the year ended 31 December 2010. Such dividends are to be approved by the shareholders of the Company at the Annual General Meeting to be held on 19 May 2011. These consolidated financial statements do not reflect these dividends payable.

9 TRADE RECEIVABLES – GROUP

	2010	2009
	RMB'000	*RMB'000*
Trade receivables from independent third parties	**403,503**	275,850
Less: provision for impairment	**(9,049)**	(8,152)
Trade receivables from independent third parties, net	**394,454**	267,698
Trade receivables from related parties	**6,541**	5,060
Trade receivables, net	**400,995**	272,758

The credit terms granted to customers by the Group are usually 60 to 90 days (2009: 60 to 90 days). The ageing analysis of trade receivables is as follows:

	2010	2009
	RMB'000	*RMB'000*
Trade receivables, gross		
– Within 90 days	**366,956**	249,299
– 91-180 days	**39,866**	27,179
– 181-365 days	**2,313**	1,790
– Over 1 year	**909**	2,642
	410,044	280,910

10 TRADE AND BILLS PAYABLES – GROUP

	2010	2009
	RMB'000	*RMB'000*
Trade payables		
– to independent third parties	**1,001,325**	462,272
– to related parties	**16,458**	43,130
	1,017,783	505,402
Bills payable		
– to independent third parties	**2,201**	1,989
	1,019,984	507,391

The credit terms granted by suppliers to the Group are usually 30 to 45 days. The ageing analysis of trade payables is as follows:

	2010	2009
	RMB'000	*RMB'000*
Trade payables		
– Within 180 days	**1,009,374**	497,751
– 181 to 365 days	**5,092**	5,060
– Over 1 year	**3,317**	2,591
	1,017,783	505,402

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC ENVIRONMENT

In review of 2010, benefited from effective macro-economic control measures, the economy of the PRC sustained high growth. GDP for the year recorded a year-on-year growth of 10.3%, which was 1.1 percentage points higher than that of last year. Total national retail sales of consumer goods for the year was RMB15,455.4 billion, representing a year-on-year growth of 18.4%. Total urban retail sales of consumer goods was RMB13,368.9 billion, representing a year-on-year growth of 18.8%. Total rural retail sales of consumer goods was RMB2,086.5 billion, representing a year-on-year growth of 16.1%. The per capita disposable income continued to grow at a fast pace. The national economy is developing on a healthy track with stable growth.

BUSINESS REVIEW

Owing to the joint effort of the operation team, the Group's operating revenue rose to a record high of more than RMB10 billion in 2010. However, despite the continuous effort to advance our technology and improve the gross profit of products during the year, gross profit margin decreased by 7.6% to 32.1% due to the surge in raw material prices. Net profit after tax declined to RMB519.1 million. The business performances of the Group's main operations are as follows:

FINANCIAL RESULTS

For the year ended 31 December 2010 (the "year under review"), the Group recorded a revenue of RMB12,590.8 million, representing an increase of 38.2% from RMB9,108.6 million for last year. Revenue from our instant noodles and beverages products amounted to RMB3,549.1 million and RMB8,796.4 million respectively, accounting for 28.2% and 69.9% respectively of the Group's total revenue. During the year under review, gross profit increased by 11.8% to RMB4,043.1 million and gross profit margin dropped 7.6% from 39.7% for last year to 32.1%. During the year under review, in spite of the satisfactory growth in revenue brought by the surging revenue from instant noodles and beverages products of 27.0% and 67.4% respectively, gross profit margin dropped due to the hiking prices of raw materials. In light of the continuous and rapid growth of the Chinese economy during the year, the Group seized the opportunity to expand its customer base and develop its markets by stepping up its efforts to improve marketing mix and strengthen product promotion, causing selling and marketing expenses during the year under review to increase to RMB3,291.5 million (2009: RMB2,581.2 million). During the year under review, administrative expenses decreased by 6.4% to RMB324.1 million (2009: RMB346.1 million), which was mainly attributable to the Group's efficient operation system which allows effective cost control in the supporting departments and enhancement of their operation efficiency, thereby maintaining a stable amount of administrative expenses amid increasing turnover and pressure on labour cost. Profit attributable to equity holders of the Company amounted to RMB519.1 million, dropped 26.4% from RMB704.9 million for last year. During the year under review, bank deposits of the Group were mainly denominated in Renminbi, and net finance income for the year increased to RMB55.2 million (2009: net finance income of RMB47.0 million). In addition, share of results of jointly controlled entities and associates fell by 16.6% to RMB69.0 million (2009: RMB82.7 million) due to the decrease in earnings of Jinmailang Beverage (Beijing) Co., Ltd. during the year. During the year under review, earnings per share were RMB14.42 cents (2009: RMB19.58 cents).

Instant Noodles

With the successful implementation of the product miix adjustment, revenue from the instant noodles business for 2010 was 67.4% higher than that of 2009. "Lao Tan Pickled Cabbage and Beef (老壇酸菜牛肉)" flavoured noodles were the focus of the operation of the Group's instant noodles and were well received and recognised by the general PRC market. As such, our instant noodles experienced a rapid increase in terms of results and market share and, again, became one of the active brands in the market. Nevertheless, during 2010, the continuous price rise of main raw materials such as flour and palm oil put heavy cost pressure on our instant noodles. Leveraging on the economies of scale due to impressive growth and effective control over costs and expenses, in the fourth quarter, the instant noodles business attained its first earnings after these years. In general, the operation, profitability and quality of the instant noodles business have been strengthened.

2010 was another prosperous year for the instant noodles business. The "Famous Brand"-and-"Popular Flavour"-oriented strategy was successfully implemented. The "Experience the Sourness and Al Dente" promotion allowed more consumers to taste the "Lao Tan Pickled Cabbage (老壇酸菜)" flavoured noodles and received satisfactory feedback from the PRC market. In view of the increase in individual purchasing power, we expect that more consumers will be interested in medium to high priced quality products and, thus, the results of the product mix optimisation of the Group's instant noodles will materialise. With increasing urbanisation, city distributors and rural joint sales entities were well spread across our channel network. It extended the channels for the Group's instant noodles to third and fourth tier cities and rural regions and materialised another transformation of the Group's instant noodles. Looking ahead into 2011, the Group's instant noodles will continue to focus on the sustainable enforcement of its products and channels and is confident in gaining competitive advantages.

Tea Drinks

According to ACNielsen, tea drinks market sustained a two-digit growth. The Group's tea drinks continued to grow faster than peers with revenue for the year hitting another new height. Under the heavier pressure of inflation, sharp rises in prices of major raw materials such as PET chips and white sugar, fierce market competition, price-cutting and common high winning rate "One More" promotion activities, the tea drinks business responded actively and rationalised the profit composition of its channels, furthered its market penetration in key regions, counties and towns, and further expanded the markets in which it has relative advantages with the Ice Tea and Green Tea as main products and Ice Jasmine as supplement.

In 2011, the tea drinks business will continue to implement the operating strategy of focus and differentiation in respect of the tea drinks and spare no effort to minimise the distance towards its competitors, so as to highlight its brand value and establish market position. Improvement in results will be the top priority of its marketing plan. It will establish the clear and distinct value of each brand and launch mid to high priced quality products to achieve a healthy cycle of brand image improvement.

Juice Drinks

According to ACNielsen, juice market showed an upward development trend and diluted juice still maintained a double-digit growth, reflecting huge consumption demand. The performance of the Group's juice business outpaced the growth of the industry.

Under the product diversification policy, the Group's juice put great effort in nourishing the popular "non-orange" flavours. During the period, "Grape" and "Peach" flavours showed good performance and the response from consumers of regional flavours Kumquat and Lemon Mix Drink（金橘檸檬）and Hawthorn and Syrup of Plum Drink（山楂酸梅） in the regions where they were launched were better than expected. Looking into 2011, leveraging on the established brand advantage of the Group's "More" brand orange juice and coupled with the multi-taste diversification strategy, we believe the Group's juice drinks will continue to extend its channel network and expand its rural markets, aiming at substantial improvement of results and rapid enhancement of market position.

Others

According to the marketing research of ACNielsen, milk tea and coffee products recorded a growth rate of over 15%. During the period, the results of the Group's milk tea and ready-to-drink coffee outweighed the average growth of the industry. Such results was outstanding among the operations of the Group's dairy drinks business in 2010. With continuous customer fostering and the excellent texture of Assam Milk Tea, the Group's milk tea regained its top position in the milk tea market. The Group's milk tea attained a market share of 47.5%, 14 percentage points higher than the brand that ranked second. The appeal of our milk tea products was still increasing. The operation of the Group's ready-to-drink coffee was also effective, occupying the third place in the ready-to-drink coffee market with a market share of over 15%. With good-tasting products and continuous promotion, we believe there will still be large room for growth.

Bottled water is typically considered as a regular drink as high quality water became scarce in the PRC. Targeted at mid to high priced quality bottled water, the Group's water business engaged in the provision of quality drinking water through bottling the water from Bama longevity village in Guangxi, following the successful launch of ALKAQUA water. In the future, the water business will focus on quality bottled water to satisfy consumers' health need.

While still focusing on the principle businesses, the Group strategically set foot in various markets with different foci. The Group focused on the refrigeration business in the southern China market and the operations of the Group's Sunshine Soy Milk（統一陽光豆奶）and the Group's Pudding in the eastern China market. We believe the diversified operating strategies will lead the Group to a better tomorrow.

We believe the vast PRC market provides unlimited business opportunities and in this fast growing consumption market, we will be prosperous. We hold the belief that opportunities abound amid challenges and we will always bear our goals in mind and tomorrow will not be far away.

RESEARCH AND DEVELOPMENT AND QUALITY CONTROL

The research and development centre of the Group has aimed to develop delicious and healthy products, strengthen our quality control, establish industry leading technology and continue to satisfy customers' needs.

Under the immense cost pressure coming from the rising international food and material prices in 2010, the research and development centre of the Group has, in addition to the development of products with high quality-to-price ratio, put much effort into improving our research and development technology as well as understanding the characteristics of raw materials so as to develop the most suitable formula. The introduction of delicious products to the consumers will at the same time provide more income sources to the Group for its sustainable development.

Development of new products

In respect of the development of new products, the highlights in 2010 were the creation of products incorporating regional characteristics, allowing instant enjoyment and meeting day-by-day wants. For example, the instant noodles business has developed Fermented Vegetable and Fish Noodle (酸菜魚麵) and Lao Tan Fermented Vegetable Stir-fried Noodle (老壇酸菜拌麵) that feature southwestern Chinese style; Noodles in fermented black bean stir-fried (豆豉拌麵), a product that use household Lao Gan Ma chili sauce; and the exotic "Soup Expert's Borscht Soup (湯達人羅宋湯)" flavour. Such products have widened the choices in the market and introduced instant noodles with intimate or wanted flavours. In accordance with the market demand for local southern and northern Chinese flavours and aiming at offering the most-wanted instant tea, the drinks business has also launched products such as Kumquat Lemon Mix Drink (金橘檸檬), Hawthorn and Syrup of Plum Drink (山楂酸梅湯) and Crunchy Fruit Tea (爽快果茶) as though fresh and delicious tea had been sealed in cans instantly in order to give umers an immediate fresh and cool delight. In the second half of 2010, three hot drinks, namely the Rich and Aromatic Latte (醇香拿鐵咖啡), Oolong Tea of Wuyi Mountain (武夷山烏龍茶) and Assam Milk Tea, were introduced as new product lines of the Group. With homey care in their designs and guaranteed rich and freshening flavours, these hot drinks offered a warm and heartfelt care to consumers in the severe winter.

Future research and development effort will be directed towards new and differentiated products with Chinese flavours. The research institute of the Group in mainland China will help optimise the Group's interests by ensuring that the food and beverages enjoyed by our customers will be of high quality, safe and delicious.

Quality assurance and optimisation of existing products

In response to market changes and consumers' need, the Group continued to put much emphasis on existing products through the inspection of incoming raw materials, online quality control, periodic factory and on-shelf sample testing and inspection of distribution channels. In addition, the Group will continue to improve and perfect its production and testing techniques in order to ensure product safety by improving our quality control standard through importing advanced equipment and technology regularly from abroad and conducting product and technological research and development with international players.

13 subordinate instant noodles and beverage production enterprises of the Group currently maintain the ISO9001 international quality management system and HACCP food safety and management certification. In 2010, the Group conducted food safety tests in respect of pesticide residues, artificial pigment bromate, heavy metal, trichloropropanol, Sudan I, Rose Red, transgene, HCN, nitrite, melamine, sodium thiocyanate and aldehyde, took timely remedies to correct potential non-compliances and evaluated the safety of our products. Furthermore, the food testing laboratory established by the Group has continuously passed the annual expert reviews conducted by China National Accreditation Service for Conformity Assessment since 2005. Its testing capability reaches advance standards in testing pesticide residues, preservatives, artificial colorants and artificial pigment bromate for food safety, and in analyzing heavy metal residues, amino acids, grease stability and food content of our products. The validity of our test reports are recognised by over 44 major economies, countries, and regions. This laboratory provides professional and authoritative testing services to the Group so as to ensure the safety and quality of the Group's products.

In the future, we will concentrate on enhancing the flavour of our products through continually improving our instant noodles, dairy drinks, cakes and refrigeration systems and perfecting the quality control standards of major raw materials.

INTERNAL CONTROL

The internal audit unit of the Company, which was subordinated to the Board, formulates the internal audit plan of the Group based on the strategic objectives analysis, business flow analysis, risk assessment and performance evaluation and the self-inspection mechanism with comprehensive risk management functions under the authority of the Board and the guidance of the audit committee. The objectives of the internal audit plan are to achieve the four major goals of the Company – strategy, operation, reporting and compliance, by effectively minimising the exposures, enhancing internal control and improving operating efficiency of the Company.

As at 31 December 2010, the members of the audit unit of the Company continued to perform their audit duties based on the internal control mechanism for comprehensive risk management according to the annual audit plan and monthly plans approved by the Board. Such audit work comprised financial, operation, statutory compliance and risk management, the audit on all group levels and functions of the Company and all of its subsidiaries and the examination of the effectiveness for the human cost of the Company. Besides various audit and planning work based on various degrees of risk exposures, the audit unit also carried out computer-aided internal audits to ensure the quality of the audit and the completion of the audit as scheduled.

FINANCIAL POSITION

As at 31 December 2010, the Group had a total of cash and cash equivalents of approximately RMB2,427.4 million (2009: approximately RMB3,359.8 million). Current assets amounted to approximately RMB4,401.7 million (2009: approximately RMB4,492.6 million) and current liabilities were approximately RMB2,903.9 million (2009: approximately RMB1,679.6 million). Contingent liabilities were approximately RMB199.0 million (2009: approximately RMB206.8 million). With net current assets of approximately RMB1,497.8 million (2009: approximately RMB2,813.0 million), the Group maintained strong financial liquidity. As at 31 December 2010, the Group had bank borrowings of approximately RMB165.6 million which were repayable within one year (2009: nil).

The gearing ratios of the Group at 31 December of 2010 and 2009 were as follows:

	2010	2009
	RMB'000	*RMB'000*
Total borrowings	**2,841,265**	1,649,187
Less: cash and cash equivalents	**(2,427,362)**	(3,359,788)
Net debt	**413,903**	(1,710,601)
Total equity	**6,659,537**	6,453,826
Total capital	**7,073,440**	4,743,225
Gearing ratio (negative)	**5.85%**	(36.06%)

(*Note:* Total borrowings include borrowings, trade and bill payables, other payables and accruals and other long-term liabilities as shown in the consolidated balance sheet. Total capital is calculated as total equity as shown in the consolidated balance sheet plus net debt.)

TREASURY POLICY

The Group has consistently followed its principles of financial prudence. Following the international financial crisis, domestic demand has become an increasingly significant component of economic growth in the PRC. By taking advantage of such favorable condition, the Group actively expanded its foothold in the domestic market, as well as modestly increased its capital expenditure for enhancing its infrastructure and operations, so as to secure a gradual and solid development. During the year under review, the Group saw a satisfactory progress in its product mix optimisation with an encouraging growth in the total revenue for the year which broke through RMB10 billion for the first time. Despite the fact that our performance for the year under review was hindered by the lowered gross profit margin due to the rising raw materials prices in domestic and international markets, the Group's overall financial position remained sound with a low gearing ratio and net cash position. 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 utilised by its subsidiaries and were interest-bearing loans. In light of the potential currency risks, most of the Group's bank deposits were denominated in Renminbi

HUMAN RESOURCES AND BENEFITS

As at 31 December 2010, the Group had 24,833 employees. Adhering to the principle of "recruiting on the basis of intellectual ability", the Group develops a comprehensive system of human resources focusing on hiring, training and retaining talents by internal promotion and external recruitment as well as enhanced training of staff, with a view to gather a pool of people of high calibre for the Group's mid- to long-term growth.

In 2011, the Group will further enhance its human resources function and continue to promote the pay scheme by position-points. Together with a flexible motivation system which aims at retaining only the best brains, the Group will ensure the provision of training to core staff and the supply of talents for major positions. Given the surge in labour costs, the future core strategy of the Group regarding human resources is to improve the average productivity of our staff in order to cope with the requirements of the Group's rapid growth.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2010 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

AUDIT COMMITTEE

The Audit Committee reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited financial statements for the year ended 31 December 2010.

FINAL DIVIDEND

The board of directors of the Company recommends the payment of a final dividend of RMB4.326 cents per share for the financial year ended 31 December 2010.

The final dividend will be paid in Hong Kong Dollars based on the average exchange rate of Renminbi against Hong Kong Dollars as quoted by the People's Bank of China for five days prior to the date of the annual general meeting of the Company. The final dividend will be paid on or around 21 June 2011 to shareholders whose names appear on the register of members of the Company on 17 May 2011.

* *For identification purpose only*

COMPLIANCE WITH THE CODE PROVISIONS OF THE CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the year ended 31 December 2010, the Company has complied with all the code provisions of the Code on Corporate Government Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the year.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 17 May 2011 to 19 May 2011 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, and be entitled to attend the annual general meeting of the Company, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 16 May 2011. Subject to the approval of shareholders at the forthcoming annual general meeting to be held on 19 May 2011, the final dividend will be paid on or around 21 June 2011.

PUBLICATION OF ANNUAL REPORT ON THE INTERNET WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The consolidated financial information set out above does not constitute the Company's statutory financial statements for the years ended 31 December 2009 or 2010 but is derived from those financial statements. The 2010 annual report of the Company will be published on the HKExnews website of The Stock Exchange of Hong Kong Limited at http://www.hkexnews.hk and on the Company's website at http://www.upch.com.cn in due course.

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

Hong Kong, 29 March 2011

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*