WANT WANT CHINA HOLDINGS LIMITED
中國旺旺控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0151)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

FINANCIAL HIGHLIGHTS

	Unaudited Six months ended 30 June		
	2015	2014	Change
Key income statement items	**US$'000**	US$'000	%
Revenue	**1,817,278**	1,852,601	-1.9
Gross profit	**771,584**	747,219	+3.3
Operating profit	**370,939**	394,743	-6.0
EBITDA [1]	**439,799**	454,823	-3.3
Profit attributable to equity holders of the Company	**285,527**	318,450	-10.3
Key financial ratios	**%**	%	% point
Gross profit margin	**42.5**	40.3	+2.2
Operating profit margin	**20.4**	21.3	-0.9
Margin of profit attributable to equity holders of the Company	**15.7**	17.2	-1.5
Net gearing ratio [2]	**-13.6**	-10.5	

1 EBITDA refers to earnings before interest, income tax, depreciation and amortisation. It is calculated by adding back depreciation and amortisation expenses to the operating profit for the period.

2 The calculation of net gearing ratio as at the end of the period is based on total borrowings net of cash and cash equivalents as a percentage of total equity (excluding non-controlling interests).

The board (the "Board") of directors (the "Directors") of Want Want China Holdings Limited (the "Company") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2015 together with the comparative figures for the corresponding period in the previous year as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2015

	Note	**Unaudited Six months ended 30 June**	
		2015	2014
		US$'000	*US$'000*
Revenue	4	**1,817,278**	1,852,601
Cost of sales		**(1,045,694)**	(1,105,382)
Gross profit		**771,584**	747,219
Other gains/(losses) – net	5	**85**	(1,805)
Other income	6	**50,890**	42,517
Distribution costs		**(262,804)**	(237,913)
Administrative expenses		**(188,816)**	(155,275)
Operating profit		**370,939**	394,743
Finance income		**30,941**	43,544
Finance costs		**(10,355)**	(12,086)
Finance income – net		**20,586**	31,458
Share of losses of associates		**(813)**	(29)
Profit before income tax		**390,712**	426,172
Income tax expense	7	**(105,570)**	(108,192)
Profit for the period		**285,142**	317,980
Profit attributable to:			
– Equity holders of the Company		**285,527**	318,450
– Non-controlling interests		**(385)**	(470)
		285,142	317,980
Earnings per share from profit attributable to equity holders of the Company			
Basic earnings per share	8	**US2.17 cents**	US2.41 cents
Diluted earnings per share	8	**US2.17 cents**	US2.41 cents
Dividends	9	**80,104**	159,672

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	Unaudited Six months ended 30 June	
	2015	2014
	US$'000	*US$'000*
Profit for the period	**285,142**	317,980
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Change in value of available-for-sale financial assets	**435**	(103)
Currency translation differences	**5,693**	(31,999)
Total items that may be reclassified subsequently to profit or loss	**6,128**	(32,102)
Total comprehensive income for the period	**291,270**	285,878
Total comprehensive income for the period attributable to:		
– Equity holders of the Company	**291,649**	286,408
– Non-controlling interests	**(379)**	(530)
	291,270	285,878

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2015

	Note	**Unaudited 30 June 2015 *US$'000***	Audited 31 December 2014 *US$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,500,553**	1,447,850
Leasehold land and land use rights		**204,009**	194,774
Investment properties		**6,859**	6,910
Intangible assets		**783**	872
Investments in associates		**7,958**	8,660
Deferred income tax assets		**32,883**	25,694
Available-for-sale financial assets		**10,111**	9,671
Total non-current assets		**1,763,156**	1,694,431
Current assets			
Inventories		**465,871**	667,255
Trade receivables	10	**98,898**	132,192
Prepayments, deposits and other receivables		**164,001**	139,963
Cash and cash equivalents		**1,531,291**	1,649,915
Total current assets		**2,260,061**	2,589,325
Total assets		**4,023,217**	4,283,756

	Note	Unaudited 30 June 2015 *US$'000*	Audited 31 December 2014 *US$'000*
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**262,636**	263,921
Reserves			
– Proposed dividend		**80,104**	159,628
– Others		**1,772,886**	1,626,460
		2,115,626	2,050,009
Non-controlling interests		**7,418**	7,797
Total equity		**2,123,044**	2,057,806
LIABILITIES			
Non-current liabilities			
Borrowings		**998,217**	897,917
Deferred income tax liabilities		**9,477**	15,229
Other non-current liabilities		**19,670**	19,530
Total non-current liabilities		**1,027,364**	932,676
Current liabilities			
Trade payables	11	**165,744**	196,730
Accruals and other payables		**410,920**	525,982
Current income tax liabilities		**50,247**	52,327
Borrowings		**245,898**	518,235
Total current liabilities		**872,809**	1,293,274
Total liabilities		**1,900,173**	2,225,950
Total equity and liabilities		**4,023,217**	4,283,756
Net current assets		**1,387,252**	1,296,051
Total assets less current liabilities		**3,150,408**	2,990,482

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

1. General information

Want Want China Holdings Limited ("the Company") and its subsidiaries (together "the Group") are principally engaged in the manufacturing and distribution of food and beverages. The Group's activities are primarily conducted in the People's Republic of China ("the PRC"), and its products are also sold to North America, East Asia, South-East Asia and Europe.

The Company was incorporated in the Cayman Islands on 3 October 2007 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is M&C Corporate Services Limited, P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company has had its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited since 26 March 2008.

This condensed consolidated interim financial information is presented in United States dollars ("US$"), unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 25 August 2015.

This condensed consolidated interim financial information has been reviewed, not audited.

2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2015 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 2014, which have been prepared in accordance with HKFRS.

3. Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those 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.

(a) New standards and amendments adopted by the Group

The following amendments to existing standards are mandatory for the first time for the financial year beginning on 1 January 2015.

- Amendment to HKAS 19 regarding defined benefit plans is effective for annual periods beginning on or after 1 July 2014. It applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

- Annual improvements 2012 include changes from the 2010-2012 cycle of the annual improvements project, that affect 7 standards, only the below are effective for annual periods beginning on or after 1 July 2014:

  Amendments to HKFRS 8 'Operating Segments' requires disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity's assets when segment assets are reported.

  Amendment to HKAS 16 'Property, Plant and Equipment' and HKAS 38 'Intangible Assets' clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

  Amendment to HKAS 24 'Related Party Disclosures' does not require to disclose the compensation paid by the management entity (as a related party) to the management entity's employee or directors, but requires to disclose the amounts charged to the reporting entity by the management entity for services provided.

- Annual improvements 2013 include the following changes from the 2011-2013 cycle of the annual improvements project, are effective for annual periods beginning on or after 1 July 2014:

  Amendment to HKFRS 3 'Business Combinations' clarifies that HKFRS 3 does not apply to the accounting for the formation of any joint arrangement under HKFRS 11 in the financial statements of the joint arrangement.

  Amendment to HKFRS 13 'Fair Value Measurement' clarifies that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9.

  Amendment to HKAS 40 'Investment Property' requires preparers also need to refer to the guidance in HKFRS 3 to determine whether the acquisition of an investment property is a business combination.

  The adoption of the above new amendments starting from 1 January 2015 did not give rise to any significant impact on the Group's results of operations and financial position for the six months ended 30 June 2015.

(b) New standards and amendments issued but are not yet effective for the financial year beginning on 1 January 2015 and have not been early adopted by the Group

A number of new standards and amendments to existing standards have been issued but are not yet effective for the financial year beginning on 1 January 2015, and have not been early adopted by the Group in preparing this condensed consolidated interim financial information. The Group is yet to assess the full impact of these new standards and amendments and intents to adopt them no later than the respective effective dates of these new standards and amendments. These new standards and amendments are set out below:

HKFRS 14 'Regulatory Deferral Accounts', effective for annual periods beginning on or after 1 January 2016.

Amendment to HKFRS 11 'Accounting for Acquisitions of Interests in Joint Operation', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKAS 16 and HKAS 38 'Clarification of Acceptable Methods of Depreciation and Amortisation', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKAS 16 and HKAS 41 'Agriculture: Bearer Plants', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKFRS 10 and HKAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture', effective for annual periods beginning on or after 1 January 2016.

Amendment to HKAS 27 'Equity Method in Separate Financial Statements', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 'Investment Entities: Applying the Consolidation Exception', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKAS 1 'Disclosure Initiative', effective for annual periods beginning on or after 1 January 2016.

Annual improvements 2014 that affect following standards: HKFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', HKFRS 7 'Financial instruments: Disclosures', HKAS 19 'Employee Benefits' and HKAS 34 'Interim Financial Reporting', effective for annual periods beginning on or after 1 January 2016.

HKFRS15 'Revenue from Contracts with Customers', effective for annual periods beginning on or after 1 January 2017.

HKFRS 9 'Financial Instruments', effective for annual periods beginning on or after 1 January 2018.

4. Segment information

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

The executive Directors consider the business from a product perspective and assess the performance of the operating segments based on a measure of segment profit or loss. Management assesses the performance of rice crackers, dairy products and beverages, snack foods and other products.

The Group's operations are mainly organized under four business segments, including manufacturing and sale of:

– Rice crackers, including sugar coated crackers, savoury crackers and fried crackers;

– Dairy products and beverages, including flavoured milk, yogurt drinks, ready-to-drink coffee, juice drinks, sports drinks, herbal tea and milk powder;

– Snack foods, including candies, popsicles and jellies, ball cakes and beans, nuts and others; and

– Other products, including mainly wine and other food products.

Over 90% of the Group's revenue and business activities are conducted in the PRC.

The executive Directors assess the performance of the business segments based on profit before income tax without allocation of finance income-net and share of losses of associates, which is consistent with that in the financial statements.

The segment information for the six months ended 30 June 2015 is as follows:

	Six months ended 30 June 2015					
	Rice crackers	**Dairy products and beverages**	**Snack foods**	**Other products**	**Unallocated**	**Group**
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***
Segment results						
Revenue	**335,380**	**935,740**	**539,751**	**6,407**	**–**	**1,817,278**
Segment profit/(loss)	**50,133**	**235,822**	**132,129**	**(6,701)**	**(40,444)**	**370,939**
Finance income – net						**20,586**
Share of losses of associates						**(813)**
Profit before income tax						**390,712**
Income tax expense						**(105,570)**
Profit for the period						**285,142**
Other segment items included in the income statement						
Depreciation of property, plant and equipment	**18,507**	**24,179**	**19,016**	**256**	**4,547**	**66,505**
Amortisation of leasehold land and land use rights	**333**	**1,165**	**521**	**99**	**16**	**2,134**
Depreciation of investment properties	**–**	**–**	**–**	**125**	**–**	**125**
Amortisation of intangible assets	**–**	**–**	**–**	**–**	**96**	**96**
Capital expenditure	**16,372**	**95,750**	**20,310**	**2,213**	**7,585**	**142,230**

The segment assets and liabilities as at 30 June 2015 are as follows:

	30 June 2015					
	Rice crackers	**Dairy products and beverages**	**Snack foods**	**Other products**	**Unallocated**	**Group**
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***
Segment assets and liabilities						
Segment assets	**734,175**	**2,046,862**	**1,047,978**	**122,462**	**63,782**	**4,015,259**
Investments in associates						**7,958**
Total assets						**4,023,217**
Total liabilities	**168,231**	**286,161**	**157,773**	**23,999**	**1,264,009**	**1,900,173**

The segment information for the six months ended 30 June 2014 is as follows:

	Six months ended 30 June 2014					
	Rice crackers *US$'000*	Dairy products and beverages *US$'000*	Snack foods *US$'000*	Other products *US$'000*	Unallocated *US$'000*	Group *US$'000*
Segment results						
Revenue	304,317	986,806	557,718	3,760	–	1,852,601
Segment profit/(loss)	50,158	242,641	137,896	(3,317)	(32,635)	394,743
Finance income – net						31,458
Share of losses of associates						(29)
Profit before income tax						426,172
Income tax expense						(108,192)
Profit for the period						317,980
Other segment items included in the income statement						
Depreciation of property, plant and equipment	16,352	22,081	17,467	402	1,814	58,116
Amortisation of leasehold land and land use rights	332	836	504	74	16	1,762
Depreciation of investment properties	–	–	–	100	–	100
Amortisation of intangible assets	–	–	–	–	102	102
Capital expenditure	25,678	117,018	13,905	1,512	16,809	174,922

The segment assets and liabilities as at 31 December 2014 are as follows:

	31 December 2014					
	Rice crackers *US$'000*	Dairy products and beverages *US$'000*	Snack foods *US$'000*	Other products *US$'000*	Unallocated *US$'000*	Group *US$'000*
Segment assets and liabilities						
Segment assets	769,737	2,285,181	1,053,471	117,860	48,847	4,275,096
Investments in associates						8,660
Total assets						4,283,756
Total liabilities	237,782	314,057	221,662	23,813	1,428,636	2,225,950

5. Other gains/(losses) – net

	Six months ended 30 June	
	2015	2014
	US$'000	*US$'000*
Net foreign exchange losses	**(943)**	(1,059)
Losses on disposal of property, plant and equipment, net	**(534)**	(409)
Donation expenses	**(225)**	(2,492)
Gains on the financial assets at fair value through profit or loss	**12**	14
Others	**1,775**	2,141
Total	**85**	(1,805)

6. Other income

	Six months ended 30 June	
	2015	2014
	US$'000	*US$'000*
Government grants	**45,767**	36,859
Sale of scraps	**4,672**	5,063
Rental income, net	**156**	216
Others	**295**	379
Total	**50,890**	42,517

7. Income tax expense

	Six months ended 30 June	
	2015	2014
	US$'000	*US$'000*
Current income tax		
– Chinese mainland	**102,099**	100,410
– Taiwan region	**392**	688
– Hong Kong Special Administrative Region and overseas	**8**	–
	102,499	101,098
Deferred income tax	**3,071**	7,094
Total	**105,570**	108,192

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

8. Earnings per share

(a) 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 period.

	Six months ended 30 June	
	2015	2014
Profit attributable to equity holders of the Company (US$'000)	**285,527**	318,450
Weighted average number of ordinary shares in issue (thousands)	**13,167,253**	13,211,571
Basic earnings per share	**US2.17 cents**	US2.41 cents

(b) Diluted

Diluted earnings per share are the same as the basic earnings per share since the Company does not have diluted shares.

9. Dividends

Final dividend of US$159,146,000 for the year ended 31 December 2014 was paid in May 2015 (2014: US$299,917,000).

An interim dividend of US0.61 cent per share (2014: US1.21 cents) was declared by the Board of Directors on 25 August 2015. It is payable on or about 14 October 2015 to shareholders who are on the register of members of the Company on 18 September 2015. This interim dividend, amounting to US$80,104,000 (2014: US$159,672,000), has not been recognised as a liability in this condensed consolidated interim financial information. It will be recognised in shareholders' equity in the year ending 31 December 2015.

10. Trade receivables

	30 June 2015 *US$'000*	31 December 2014 *US$'000*
Trade receivables		
– from third parties	**101,135**	134,748
– from related parties	**1,894**	1,646
	103,029	136,394
Less: provision for impairment	**(4,131)**	(4,202)
Trade receivables, net	**98,898**	132,192

Most of the Group's sales are on cash-on-delivery basis whereas those made through modern distribution channels are normally on credit terms ranging from 60 to 90 days (2014: 60 to 90 days).

As at 30 June 2015 and 31 December 2014, the ageing analysis of trade receivables, before provision for impairment, is as follows:

	30 June 2015 *US$'000*	31 December 2014 *US$'000*
Within 60 days	**75,593**	113,032
61-90 days	**11,638**	9,112
91-180 days	**12,054**	10,343
181-365 days	**1,077**	1,738
Over 365 days	**2,667**	2,169
Total	**103,029**	136,394

11. Trade payables

As at 30 June 2015 and 31 December 2014, the ageing analysis of the trade payables is as follows:

	30 June 2015 *US$'000*	31 December 2014 *US$'000*
Within 60 days	**137,156**	155,757
61 to 180 days	**21,438**	32,937
181 to 365 days	**4,450**	5,250
Over 365 days	**2,700**	2,786
Total	**165,744**	196,730

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY

During the first half of 2015, the downward pressure on China's economy was increasing. According to the information released by the National Bureau of Statistics of the PRC on 15 July 2015, China's gross domestic product grew by a record-low year-on-year rate of 7.0% during the first half of the year. The overall consumer market environment remained weak. Many regions in the PRC had abnormal cooler weather conditions since the second quarter which had adversely affected the sales of products in the beverage and popsicle industry.

Against these circumstances, the Group has been optimizing and expanding distribution channels, actively enhancing the displays and recruiting additional in-store promoters at retail points of sales to increase consumers' exposure to our products through diversified means of promotion.

The revenue achieved by the Group in the first half of 2015 was US$1,817.3 million, representing a decrease of 1.9% as compared with that in the same period of 2014. The revenue from three key product segments; the rice crackers and snack foods segments accounted for a total of 48.2% of the Group's total revenue, while that from the dairy products and beverages segment accounted for 51.5%.

The Group has adopted a balanced and diverse product development as its long term strategy. The major products are divided into 9 subcategories by their product nature, namely, core-brand rice crackers, sub-brand rice crackers, gift packs, candies, ball cakes, beans, nuts and other products, popsicles and jellies, Hot-Kid milk and beverages and others. Benefiting from the longer Chinese Lunar New Year sales period and innovative marketing activities, the aggregate revenue of six of the nine subcategories (core-brand rice crackers, sub-brand rice crackers, gift packs, candies, ball cakes and beans, nuts and other products) achieved a high single-digit growth in the first half of 2015. Differentiated product management gave each subcategory sufficient competitiveness and growth momentum. The revenue attributable to the two subcategories (popsicles and jellies, beverages and others) was affected by weather conditions, causing the aggregate revenue to drop by low double-digits. The revenue attributable to "Hot-Kid milk" dropped slightly as compared with that of the previous year.

Benefiting from the fall in the prices of key raw materials such as whole milk powder and the continuous enhancement of the product structure, the Group's gross profit margin showed a relatively significant recovery. The Group's gross profit margin for the first half of 2015 reached 42.5%, an increase of 2.2 percentage points from that in the same period of 2014.

In the first half of 2015, to consolidate the foundation for the steady business growth in the medium and long term, the Group increased its efforts in establishing the logistics distribution channel and split the traditional sales distribution channels into dry and wet product lines, while optimizing the reward system for our sales staff so as to motivate and boost their confidence in the Group's development amid the overall weak sales environment. Such initiatives have resulted in an increase in investment in human resources. Overall, due to the expansion of the sales organisation, labour costs increased and thus resulted in the operating expenses (distribution costs and administrative expenses) to increase by 14.9% and, as a percentage of revenue increase by 3.7 percentage points over the same period in 2014.

As a result, the profit attributable to equity holders of the Company in the first half of 2015 was US$285.5 million, representing a decrease of 10.3% as compared with that of the corresponding period in 2014.

Revenue

The Group's total revenue in the first half of 2015 was US$1,817.3 million, representing a year-on-year decrease of 1.9%. The changes in the revenue of the three key product segments, namely, rice crackers, dairy products and beverages and snack foods, on a year-on-year basis, are an increase of 10.2%, decrease of 5.2% and decrease of 3.2%, respectively.

Rice crackers

In the first half of 2015, the revenue of rice crackers was US$335.4 million, representing an increase of 10.2% as compared with that of the corresponding period in 2014, of which, the Chinese mainland recorded an increase of 14.5%. Benefiting from the longer sales period of the Chinese Lunar New Year in early this year, the revenue of rice crackers, particularly gift packs, increased significantly. Revenue of gift packs increased from US$23.59 million in the first half of 2014 to US$33.30 million in the first half of 2015, representing an increase of 41.2%. The revenue of the core-brand "Want Want" rice crackers, which accounted for around 88% of the overall revenue of rice crackers, also increased by 7.5% to US$294.9 million. Apart from the benefits of the Chinese Lunar New Year, the increase in promotional resources this year and the launch of the innovative display method, "Ge Ge Want" ("格格旺"), also brought about the growth in revenue in a generally weak sales environment. Thus, rice crackers achieved a double-digit volume growth in the first half of the year.

Ge Ge Want is a new special display method launched by the Group whereby a shelf consisted of four levels of basket displays a mix of a variety of popular products, and is supplemented by promotional sales, aiming at satisfying consumers' demand for a variety of products in small quantities and creating significant sales result.

In the second half of the year, we should also benefit from the favourable effects of the 2016 Chinese Lunar New Year. We will take advantage of the situation to strengthen the management in the areas which have weak sales, and will expand points of sales through focused management of distribution channels, so as to promote the continuous revenue growth of the rice crackers.

Dairy products and beverages

"Hot-Kid milk", having been intensively cultivated for 18 years in China, has been a leading product in the sub-market segment of children's flavoured milk. We believe that the healthy and long-term development of a brand can only be sustained by a healthy inventory aging, refined management of distribution channels and flexible and diversified in-store displays. In the first half of 2015, the dairy product industry carried out large-scale giveaway promotions due to the weak market environment so as to reduce the inventory level. Thus, in response thereof, we had to adjust the pace and methods of sales. Apart from increasing the numbers of speciality product displays and the frequency of product roadshow, we have also changed the display methods. We utilized innovative promotional materials such as "Magic Stickers"("魔法貼紙"), "Colouring Cards" ("塗塗卡") and "Happy Car" ("歡樂車"), complemented by decorating resources such as posters and display racks "House of Prosperity and Happiness" ("旺樂屋"), to build an unique set of speciality product displays and stimulate consumers' desire to keep on buying our products. In the first half of 2015, the revenue of "Hot-Kid milk", which accounted for 90% of the revenue of dairy products and beverages, amounted to US$843.5 million which is a reduction of 3.4% as compared with that of 2014. This reduction was resulted predominantly from the sales of "Hot-Kid milk" in the month of January 2015 as compared with that of 2014. However, sales volume only decreased marginally by 1.4%, indicating that "Hot-Kid milk" still had a strong vitality even in an overall weak market environment. In the future, the Group will take advantage of the effective dairy product sales operation in the modern channel to continue to enlarge the sales contribution from the modern channel. In addition, we will also monitor strictly channel inventory and freshness of our products to safeguard the long-term competitive advantage of our "Hot-Kid milk".

Affected by the abnormal cooler weather conditions in some regions, the revenue of beverages and other products in the first half of 2015 decreased significantly over the same period of last year. However, the Group's operational goals of enriching the product offering and expanding the scale of the sales of beverages had not changed. Following the satisfactory market response to the successful launch of the new packaging, PET bottled "O Bubble" ("O泡") fruit milk beverages in 2014, the Group continues to expand the types of product in PET packaging and introduced a series of new products like the PET bottled yogurt drink.

As a result of the above, the revenue of dairy products and beverages in the first half of 2015 was US$935.7 million, representing a year-on year decrease of 5.2%.

Snack foods

While the revenue of the subcategories such as candies and ball cakes increased by a single digit, the revenue of popsicles and jellies subcategory, which accounted for nearly 50% of the revenue of snack foods in the first half of the year, was adversely affected by the "Cool Summer" weather this year. As a result, the revenue of snack foods in the first half of 2015 was US$539.8 million, representing a year-on-year decrease of 3.2%.

Generally, the popsicles operation kicks off immediately after Chinese Lunar New Year each year. This year, the Chinese Lunar New Year was at a later date (19 days later than 2014), thus, resulted in the delay in the launching of the popsicles operation. In addition, as mentioned above, many regions in China have cooler summer this year. As a result of these factors, the popsicles sales failed to gain momentum and did not perform effectively. Thus, the revenue of popsicles and jellies in the first half of 2015 decreased by 10.3%. However, in the South China region, where the weather is relatively hotter, the revenue of popsicles still recorded a high single-digit growth. As one of the ten greatest popsicle manufacturers in the PRC, we continue to see a market opportunity in this industry. We will continue to work on furthering the market penetration, expanding points of sales in schools, strengthening the display in different types of points of sales and effectively managing the coordination between manufacturing and sales so as to ensure efficient operations and maintain the competitiveness of popsicles.

Furthermore, in this year, we split the traditional distribution channels into dry product (rice crackers and snack foods) and wet product (dairy products and beverages) lines and managed each line separately, as well as increased the investment in the points of sales. Under such circumstances, the revenue of candies and ball cakes increased by single digit year-on-year, which further testified the effectiveness of refined management of distribution channels and focused promotions in a generally weak market environment. In the future, we will step up the marketing project to ensure a balanced development of different snack food products.

Cost of sales

The cost of sales of the Group included mainly cost of key raw materials (such as milk powder, sugar, rice, palm oil and packaging materials), direct labour and manufacturing cost such as utilities. In the first half of 2015, the prices of some of the key raw materials like whole milk powder, sugar, palm oil and packaging materials were in a downward trend, particularly that of whole milk powder. The cost of whole milk powder decreased gradually which lowered the unit cost of sales of our products. As a result, total cost of sales decreased from US$1,105.4 million in the first half of 2014 to US$1,045.7 million in the first half of 2015. In the future, the Group will continue to integrate production bases and lines and optimize cost structure to achieve a high degree of cost-effectiveness.

Gross Profit

The fall in the prices of key raw materials contributed positively to the recovery of the gross profit margin. The Group's gross profit margin increased by 2.2 percentage points from 40.3% in the first half of 2014 to 42.5% in the first half of 2015. The gross profit increased by 3.3% from US$747.2 million in the first half of 2014 to US$771.6 million in the first half of 2015. We expect the fall in the price of whole milk powder should further raise the gross profit margin in the second half of the year.

Rice Crackers

The gross profit margin of rice crackers, following a significant rise in 2014, further increased by 1.9 percentage points from 38.6% in the first half of 2014 to 40.5% in the first half of 2015. In addition to benefiting from the fall in the price of key raw materials, such as palm oil and sugar, the persistent innovation in gift packs also contributed to the further improvement in the gross profit margin. In the future, the Group will maintain the gross profit margin within a certain range through measures such as adjusting the layout of production lines and streamlining automated production to enhance productivity and optimize cost structure.

Dairy products and beverages

As the price of whole milk powder kept falling, the Group's average cost of whole milk powder decreased on a year-on-year basis. As a result, the gross profit margin of dairy products and beverages in the first half of 2015 increased to 41.8%, representing an increase of 3.3 percentage points as compared with that of the corresponding period in 2014. We expect a further decrease in the cost of milk powder in the second half of the year which should improve the gross profit margin of dairy products and beverages.

Snack foods

The gross profit margin of snack foods increased by 0.8 percentage point from 45.2% in the first half of 2014 to 46.0% in the first half of 2015, mainly benefited from a certain degree of fall in the price of key raw materials such as sugar and gelatine. The optimization of product structure also contributed to such increase. In the second half of the year, we expect the price of sugar may increase and thus the gross profit margin of this segment may be affected. In the future, the Group will adhere to our strategy of parallel development of diversified products, continuous product structure optimization through the introduction of new products with high gross profit margin so as to maintain the relatively high profitability of the segment.

Distribution costs

In the first half of 2015, to refine product management, increase the number of points of sales and deal with products with unsatisfactory sales, we progressively extended the logistics distribution channel and split the traditional distribution channels into dry and wet product lines. It is expected that the above optimization of organisation structure should further improve our competitiveness in our extensive traditional distribution channels. As a result, the Group's distribution costs in the first half of 2015 increased to US$262.8 million, representing an increase of 10.5% from that of the same period in 2014, which was mainly due to the increase in labour costs. Distribution costs as a percentage of revenue increased by 1.7 percentage points from 12.8% in the first half of 2014 to 14.5% in the same period in 2015. In this regard, labour costs as a percentage of revenue increased by 1.6 percentage points over the same period in 2014, to 5.6%.

Despite target enhancement in the means and frequency of promotional sales, the Group managed its advertising and promotion expenses efficiently. This had resulted in advertising and promotion expenses to drop by 4.8% to US$68.48 million. The advertising and promotion expenses as a percentage of revenue decreased by 0.1 percentage point to 3.8% which is still within the management's expectation. The Group's transportation expenses as a percentage of revenue increased only marginally by 0.1 percentage point to 3.8% over the same period in 2014.

Administrative expenses

Administrative expenses of the Group increased from US$155.3 million in the first half of 2014 to US$188.8 million in the first half of 2015, representing an increase of 21.6% from that in the same period in 2014. The increase was primarily due to the increase in urban maintenance and construction tax and education surcharge and accounting reclassification of expenses as a result of production organisational adjustment. Excluding the effects mentioned above, administrative expenses in fact increased by 12.4% over the same period in last year, primarily due to the increase in labour costs.

Operating profit

Despite the increase in gross profit margin, the increase of labour in the logistics distribution channel and in operating the dry and wet product lines had affected the operating profit growth. As a result, the operating profit of the Group decreased by 6.0% from US$394.7 million in the first half of 2014 to US$370.9 million in the same period of 2015. Operating profit margin was 20.4%, representing a decrease of 0.9 percentage point as compared with that of the corresponding period in 2014. However, it is expected that the positive results of such increase of resources should be seen through an increased per capita production efficiency at the later stage.

Income tax expense

The Group's income tax expense decreased from US$108.2 million in the first half of 2014 to US$105.6 million in the first half of 2015. However, the effective income tax rate increased from 25.4% in the first half of 2014 to 27.0% in the first half of 2015, primarily due to the combined effects of the gradual expiry of various tax benefits, the low profit from the subsidiaries with low tax rate and provision for withholding tax on dividend distributions of the Company's subsidiaries in the Chinese mainland. In the future, it is expected that the income tax rate of the Group will be maintained at a level of within 26% and 27%.

Profit attributable to equity holders of the Company

Due to the combined effects of the decrease in the operating profit and the increase in income tax rate, profit attributable to equity holders of the Company decreased by 10.3% from US$318.5 million in the first half of 2014 to US$285.5 million in the first half of 2015. The margin of profit attributable to equity holders of the Company decreased from 17.2% in the first half of 2014 to 15.7% in the first half of 2015, representing a decrease of 1.5 percentage points.

Outlook of the Second Half of the Year

The Group has a great variety of quality products. However, so far, consumers are not familiar with all of them. Therefore, the Group's products still have a plenty of room for development. The Group can only rely on deepening and extending its distribution channels in order to deliver all its products to customers, providing them with more options and increasing the future growth momentum of the Group.

- *Further deepening and extension of channels*

  The modern channels showed signs of recovery and growth in the first half of the year and should be further improved in the second half of the year. As urbanization in China progresses and modern channels serve as an important display window to showcase products and narrow the distance with consumers, we realized that we need to put effort into modern channels while strengthening our traditional channels. In the first half of 2015, modern channels experienced a double-digit revenue growth. Initiatives taken in the first half of the year on strengthening and consolidating our distribution channels will be continued in the second half of the year, such as sorting out the contracts, segregating products between traditional distribution channels and modern channels, increasing investment in specialty displays, in-store promoters and ground stacking and display racks in order to increase the interaction with consumers and consumers' opportunities of choice.

  Cultivation and extension of traditional distribution channels: to avoid the situation where only the key products thrive and to make use of the advantages of the Group's full range of products, we will, on the basis of splitting the business units, refine the management of channels at county/town level by separate dry and wet product lines in order to ensure a balanced development in products and customer base in the medium and long run.

Extension of channels – development of maternity, e-commerce and special channels: besides cultivating the existing channels, we will continue to increase our investment in channels such as maternity, e-commerce and special channels and to extend the diversity of sales channels. This is in response to the change in the consumption habits of consumers and to promote the development of products which are currently not well received.

- *Strengthen the input of resources at retail points of sales*

  Our creative speciality product displays and product roadshows which were more than doubled in number in the first half of 2015 over the same period of last year, help to keep stimulating consumers' desire to purchase our products despite the weak consumers sentiment. In the future, the Group will continue to design and launch lively display such as "Ge Ge Want" and "House of Prosperity and Happiness". The Group firmly grasps the opportunities to interact with consumers directly. The Group will strengthen the diversity and innovation in deploying resource and use the attraction of in-store promoters and roadshows to strengthen consumers' desire to purchase.

  In the future, the Group will consider cooperating with "Qunar.com", the leading wireless and online travelling platform in the PRC, to launch promotional activities, hoping that through such cooperation, we can achieve a win-win situation through taking advantage of complementary strength in distribution channels and consumer resources. It is also hoped that we can provide consumers with a better user experience and pleasant surprise through the campaign. The Group will also actively explore different forms of integrated marketing and carry out experiments of more forms of cooperation in the new media age and to expand the reach of our brands and products to a more diversified consumer group.

- *Actively allocate resources to prepare for the peak season of the Chinese Lunar New Year*

  2015 is a remarkable year for the sales of gift packs. The operation period was longer as compared with that of 2014. With abundant experience and appropriate use of resources, we achieved outstanding results in the sales of gift packs in the first half of 2015. In preparation for the Chinese Lunar New Year of 2016, we will maintain the growth momentum in the first half of the year and introduce various types of products for the festival. Taking advantage of channel cultivation, we believe that the sales of gift packs will reach a higher level during the Chinese Lunar New Year sales period, particularly with the smooth operation of modern channels in 2015.

- *Continue to optimize the supply chain management and ensure product quality and safety*

  In order to provide food that is tasty and safe, the Group not only ensures zero tolerance of risk in production management, it also strives to improve the supply chain management. With the Supplier Management System (SRM), the Group has become more transparent and systematic in the bidding, management and rating of suppliers. To avoid the potential risk that may be arise from concentrated procurement, the Group will actively explore and cooperate with new suppliers of key raw materials in order to achieve diversity in procurement on the basis of safety. Meanwhile, we will continue to improve internal procedures to achieve an effective balance of inventory for the use of funds and production safety.

LIQUIDITY AND CAPITAL RESOURCES

Cash and borrowings

We finance our operations and capital expenditure primarily by internally generated cash flows as well as banking facilities provided by our principal banks.

As at 30 June 2015, our bank balances and deposits amounted to US$1,531.3 million (31 December 2014: US$1,649.9 million), representing a decrease of 7.2%. Over 96% of our cash was denominated in Renminbi ("RMB").

As at 30 June 2015, our total borrowings, mainly including bank borrowings and issued senior notes ("Notes") amounted to US$1,244.1 million (31 December 2014: US$1,416.2 million), representing a decrease of US$172.1 million as compared with that as at 31 December 2014. This was mainly due to the repayment of certain bank loans with our relatively sufficient working capital during the first half of the year. Over 99% of our borrowings were denominated in US$. Surplus of our subsidiaries in the PRC for each of the accounting period, upon consideration and approval from the board and after payment of the withholding tax levied on the dividends, would be remitted to their parent company for the purpose of paying dividends, purchase of raw materials and equipment from overseas. The borrowings of the Group are mainly used to settle the demand arising during the short period of time or from the difference in amounts between the foreign currency payment and surplus repatriation.

As the Group took advantage of the current low interest rate environment to fix the medium and long term interest costs, we issued US$600.0 million 5-year term Notes with an annual interest rate of 1.875% in May 2013. As at 30 June 2015, the balance of Notes payable amounted to US$598.2 million (31 December 2014: US$597.9 million).

As a result of the drop in the prices of key raw materials and the resumption of sales to a normal level in the first half of 2015, cash generated from operating activities significantly increased. We were in a net cash position (cash and cash equivalents less total borrowings) of US$287.2 million as at 30 June 2015 (31 December 2014: US$233.8 million). Cash and cash equivalents less total borrowings balance increased by US$53.40 million as compared with that as at 31 December 2014.

Our net gearing ratio (total borrowings net of cash and cash equivalents as a percentage of total equity at the end of the period (excluding non-controlling interests)) as at 30 June 2015 was -13.6% (30 June 2014: -10.5%). We currently maintain sufficient cash and available banking facilities for our working capital requirements and for capitalizing on any potential significant investment opportunities in the future. The management will from time to time make prudent financial arrangements and decisions to address changes in the domestic and international financial environment.

Cash flow

In the first half of 2015, our net cash generated from our operating activities was US$418.6 million, representing an increase of US$498.8 million as compared with that of the corresponding period in the previous year. This was mainly due to the decrease in cost of capital for inventory with the drop in the price of milk powder. The net cash outflow for financing activities was US$398.4 million, which was mainly used in paying our dividends of US$159.2 million. With our relatively sufficient working capital, we have repaid some of the bank loans, resulting in a decrease in the balance of bank borrowings of US$133.3 million and US$172.3 million respectively, as compared with that of the corresponding period in 2014 and as at 31 December 2014. The net cash outflow for investment activities amounted to US$142.0 million was mainly used in the expansion of production facilities and the purchase of property, plant and equipment.

Capital expenditure

The Group's capital expenditure in 2015 is estimated to be approximately US$250 million and will be used mainly for the acquisition of factory land, the construction of factories, the purchase of equipment and the addition of facilities of information technology, warehouses and storage facilities.

In the first half of 2015, our total capital expenditure amounted to US$142.2 million (in the first half of 2014: US$174.9 million). We invested approximately US$16.37 million, US$95.75 million and US$20.31 million to enhance factory buildings and facilities for rice crackers, dairy products and beverages and snack foods, respectively, so as to further enhance our production capacity for these products. The remaining capital expenditure was made mainly for the purpose of adding facilities for information technology and packaging.

The above capital expenditure was financed mainly by our internally generated cash flows and banking facilities.

Inventory analysis

Our inventory consists primarily of finished goods, goods in transit and work in progress for rice crackers, dairy products and beverages, snack foods and other products, as well as raw materials and packaging materials.

The following table sets forth the number of our inventory turnover days for the six months ended 30 June 2015 and the year ended 31 December 2014:

	Six months ended 30 June 2015	Year ended 31 December 2014
Inventory turnover days	**98**	97

Our inventories as at 30 June 2015 decreased by US$201.4 million as compared with that of 31 December 2014, and this was mainly due to the decrease in the price of whole milk powder. In the second half of the year, the Group is expected to continue to use low-priced milk powder, coupled with the continuous enhancement of supply chain, hence the efficiency of working capital will continue to improve.

Trade receivables

Our trade receivables represent the receivables from our customers. The terms of credit granted to our customers are usually 60 to 90 days. Our sales to most of the customers in the PRC are conducted on a cash-on-delivery basis. We only grant credit to customers in our modern distribution channels, which then on-sell our products to end-consumers.

The following table sets forth the number of our trade receivables turnover days for the six months ended 30 June 2015 and the year ended 31 December 2014:

	Six months ended 30 June 2015	Year ended 31 December 2014
Trade receivables turnover days	**11**	14

Trade payables

Our trade payables mainly relate to the purchase of raw materials from our suppliers with credit terms generally between 30 days and 60 days after receipt of goods and invoices.

The following table sets forth the number of our trade payables turnover days for the six months ended 30 June 2015 and the year ended 31 December 2014:

	Six months ended 30 June 2015	Year ended 31 December 2014
Trade payables turnover days	**31**	39

Pledge of assets

As at 30 June 2015, none of our assets was pledged.

HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

The Group's average number of employees was 52,000 in the first half of 2015, representing an increase of 3.7% as compared with that in the corresponding period in 2014, primarily due to additional employees required in the new logistics distribution channel and in operating the dry and wet product lines for the original channels. Total remuneration expenses for the first half of 2015 were US$301.3 million, representing an increase of 16.4% as compared with that of the corresponding period in the previous year, which is also due to the increase in number of employees. The remuneration package of our employees includes fixed salary, commissions and allowances (where applicable), and year-end rewards having regard to the Group's and the individual's performance.

We invest significantly in the continuing education and training programs of our employees to constantly improve their knowledge and skills. Training programs, both external and internal, are also provided to relevant staff as and when required.

FOREIGN EXCHANGE RISK

The Company's functional currency is US$ and majority of our subsidiaries' functional currency is RMB. Foreign exchange risk arises from future procurements from overseas and certain recognized assets or liabilities. The Group has not hedged against its foreign exchange risk as the Group considers that its exposure after netting off the assets and liabilities subject to foreign exchange risk is not significant.

SHARE REPURCHASE

In the first half of 2015, the Company has repurchased an aggregate of 64,249,000 shares with a total expenditure of US$66.89 million, and the repurchased shares have been cancelled. Since the listing of the Company's shares on the Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") in 2008, the Group has repurchased an aggregate of approximately 153 million shares from the open market with a total expenditure of approximately US$137 million. The Company has confidence in the sustainable operations and development in the future and will continue to monitor all the circumstances and make share repurchases as and when appropriate. Any repurchase will be made in compliance with all applicable laws and regulations and the Rules Governing the Listing of Securities on the HK Stock Exchange (the "Listing Rules").

AUDIT COMMITTEE

The Audit Committee comprises four independent non-executive Directors, namely Mr. Toh David Ka Hock (chairman), Dr. Pei Kerwei, Mr. Chien Wen-Guey and Mr. Lee Kwang-Chou.

The unaudited interim results of the Group for the six months ended 30 June 2015 have been reviewed by the Audit Committee and PricewaterhouseCoopers, the external 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.

CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 June 2015, the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as stated in Appendix 14 to the Listing Rules, except for the deviations from the code provisions A.2.1, A.4.1, A.6.7 and E.1.2. The reasons for these deviations are explained below.

Code provision A.2.1

Code provision A.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same person. Our Company deviates from this provision because Mr. Tsai Eng-Meng performs both the roles of chairman and chief executive. Mr. Tsai is the founder of our Group and has nearly 40 years of experience in the food and beverages industry. Given the current stage of development of our Group, the Board believes that vesting the two roles in the same person provides our Company with strong and consistent leadership and facilitates the implementation and execution of our Group's business strategies. We shall nevertheless review the structure from time to time in light of the prevailing circumstances.

Code provision A.4.1

Code provision A.4.1 provides that non-executive directors should be appointed for a specific term, subject to re-election. Our Company deviates from this provision because the non-executive Directors and independent non-executive Directors of our Company do not currently have specific terms of appointment. However, the articles of association of our Company provide that all the Directors are subject to retirement by rotation at least once every three years and at each annual general meeting, one-third of the Directors for the time being or, if the number is not a multiple of three, then, the number nearest to but not less than one-third, shall retire from office by rotation and offer themselves for re-election. As such, the Board considers that sufficient measures have been put in place to ensure our Company's corporate governance practice in this aspect provides sufficient protection for the interests of shareholders to a standard commensurate with that of the CG Code.

Code provision A.6.7 and E.1.2

Pursuant to code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders while code provision E.1.2 provides that the chairman of the board should attend the annual general meeting. Mr. Tsai Shao-Chung, a non-executive Director of the Company, and Mr. Tsai Eng-Meng, an executive Director and the Chairman of the Board, were unable to attend the annual general meeting of the Company held on 8 May 2015 due to other important engagement at that time.

The Company will periodically review and improve its corporate governance practices with reference to the latest corporate governance developments.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules regarding directors' securities transactions. Having made specific enquiries with our Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2015.

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

During the six months ended 30 June 2015, the Company repurchased 64,249,000 shares on the HK Stock Exchange for an aggregate amount (excluding expenses) of 519,004,650 Hong Kong dollars (HK$). Such repurchased shares were cancelled during the period.

Details of the above mentioned share repurchases are as follows:

Month of repurchases	**Total number of shares repurchased**	**Highest price paid per share** *(HK$)*	**Lowest price paid per share** *(HK$)*	**Aggregate amount paid (excluding expenses)** *(HK$)*
January 2015	1,680,000	9.10	9.02	15,201,760
February 2015	1,967,000	8.45	8.40	16,577,000
March 2015	33,545,000	7.99	7.74	263,824,340
April 2015	6,285,000	8.45	8.33	52,960,470
May 2015	11,900,000	8.40	8.17	98,694,590
June 2015	8,872,000	8.12	8.01	71,746,490
	64,249,000			519,004,650

The Directors of the Company believe that the above share repurchases are in the best interests of the Company and its shareholders and that such repurchases would lead to an enhancement of the earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the Notes) of the Company during the six months ended 30 June 2015 and up to the date of this announcement.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared an interim dividend of the Company of US0.61 cent per ordinary share of the Company for the six months ended 30 June 2015. The interim dividend is expected to be paid on or about 14 October 2015 to shareholders whose names appear on the register of members of the Company on 18 September 2015. Shareholders registered under the principal register of members in the Cayman Islands will automatically receive their cash dividends in United States dollars while shareholders registered under the Hong Kong branch register of members will automatically receive their cash dividends in Hong Kong dollars. The Hong Kong dollar interim dividend will be calculated with reference to the exchange rate of United States dollars against Hong Kong dollars on 18 September 2015.

In order to qualify for the entitlement to the above mentioned interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 pm on 15 September 2015. The register of members of the Company will be closed from 16 September 2015 to 18 September 2015 (both dates inclusive).

By order of the Board
Want Want China Holdings Limited
TSAI Eng-Meng
Chairman

Hong Kong, 25 August 2015

As at the date of this announcement, the executive Directors are Mr. TSAI Eng-Meng, Mr. LIAO Ching-Tsun, Mr. TSAI Wang-Chia, Mr. CHU Chi-Wen, Mr. CHAN Yu-Feng and Mr. HUANG Yung-Sung; the non-executive Directors are Mr. TSAI Shao-Chung, Mr. MAKI Haruo and Mr. CHENG Wen-Hsien; and the independent non-executive Directors are Mr. TOH David Ka Hock, Dr. PEI Kerwei, Mr. CHIEN Wen-Guey, Mr. LEE Kwang-Chou and Dr. KAO Ruey-Bin.