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 2008 FINAL RESULTS

- Revenue reached RMB9,241.6 million, up by 6.8%
- Group gross margin of 34.1%, up by 0.4%
- EBITDA of RMB878.7 million, up by 1.1%
- Profit attributable to equity holders of the Company of RMB343.8 million, down by 18.9%
- Proposed final dividend for 2008 of RMB2.866 cents per share and proposed special dividend for 2008 of RMB1.910 cents per share

CHAIRMAN'S STATEMENT

Amid the current steep downturn of the global economy, the three major economies of the world namely the United States, Europe and Japan are all in recession. For the PRC, the measures to stimulate domestic demand put in place by the government has started to yield results, and its GDP is still likely to record growth. We remain optimistic that the market for instant products will have a positive growth generally. Looking into 2009, as the global economy is not expected to turnaround in the near term, and despite the PRC may sustain an economic growth under the government's policies to expand domestic demand, the operation of enterprises will continue to face considerable challenges and adaptation issues.

Every economic crisis is a survival of the fittest test for business operations. Those who can adapt and restructure their operation more rapidly will remain and come out of the crisis stronger. Having operated and been exposed to tests in the China market for years, the operation team of Uni-President China Holdings Ltd. ("**Uni-President China**" or the "**Company**", together with its subsidiaries, the "**Group**") has gained extensive management experience and has the confidence to overcome this crisis. Since the third quarter of 2006, the Company has expedited the implementation of internal reforms and commenced a comprehensive restructuring of its operations. Although there are still many rooms for optimization, our improvement effort in the past two years has achieved results as indicated in an elevation of our overall competitiveness gradually. During 2008, under the influence of the business environment including the financial crisis, Uni-President China's operation encountered a number of impacts such as exchange loss which was beyond our control and dispute over receivables. As a result, our achievement of expected targets was affected. Nevertheless, our ongoing operation revenue sustained a stable growth on the whole and droved a continuous increase in our operational gross profit.

Uni-President China now enjoys a solid foundation, sound financial condition, core competitive advantages and robust operation and management capabilities. To achieve the operational targets set up by the board of directors of the Company, in 2009, we will seek to capture opportunities that may arise during this extraordinary financial crisis. We will also expand our market through the optimization of our organizational capability. To this end, we will accelerate internal restructuring, continually optimize our human resources and operation, improve product mix and enhance management and internal control. We are also implementing a more proactive appraisal and job rotation system to lift the quality and competitiveness of our staff. Meanwhile, in preparation for market opportunities after the crisis, we will integrate internal resources more effectively and allocate more resources to the construction of our production base and to investments. The following is a summary of our missions for 2009:

Further restructuring of our organization and operations

In order to enhance the service capability of our operation units and to facilitate a better alignment of our products with customers' preferences, we have been implementing an organizational restructuring program since 2007. We have set our targets in the program as to further develop the PRC market, construct effective sales platforms and enhance our service capability. At the same time, we have also implemented a business unit profit center system to enhance the operation capability of our product segments.

In reviewing of the restructuring taken place during the two years of 2007 and 2008, the Company has not only achieved expected targets in organizational restructuring, but also made sustaining and solid progress in its business, and improved its profitability substantially.

Looking forward to 2009, we will continue to implement the restructuring of our organization and operation as planned and enhance our core competitiveness. Our aim is to have our various operation functions attaining a professional and systematic management standard in our future operation.

Continual operational improvement and enhancing our capability

In 2008, revenue of the Group reached RMB9,241.6 million, representing an increase of approximately 6.8% over that of 2007. Due to product mix adjustment, revenue of instant noodle only amounted to RMB2,255.0 million, decreasing approximately 7.8% from 2007. The revenue of beverage was RMB6,940.3 million, representing an increase of approximately 13.0% when compared to 2007. The revenue of other business was RMB46.3 million, falling approximately 32.2% from 2007.

Affected by negative impacts such as one-off provisions, the overall profit of the Group in 2008 decreased by 18.9% from 2007 to RMB343.8 million. Although the prices of many raw materials start declining in 2009 due to the financial crisis, and the gross margin structure of various segments have improved, such external factor cannot be relied on in the long run. As such, we will still take the continual optimization of product and profit as the most important indicator for the performance appraisal of various segments. We will also control our cost more strictly and incorporate cost control into performance appraisal throughout the Group as a measure to improve operation and further enhance our comprehensive effectiveness.

Strengthening market position and expanding market

A full-scale product mix adjustment was conducted in the instant noodle business unit to optimize its operational structure in the long run. The result of such adjustment can be seen since the fourth quarter of 2008 as the operation result and profit of the business unit have been moving in the direction we expected. Leveraging on our core techniques, we will launch more prime products at appropriate times in 2009 to meet consumers' demand for higher quality.

Tea products segment continued to improve its products in 2008. We increased our exposure in nation-wide and local TV and online media. We adhered to the building of brand value and awareness through extensive interaction with target customer groups and penetration into the massive market of second and third tier cities in the PRC. On the basis of achieving a substantial increase of market share in 2008, we will continue our effort to increase the market share and to increase the profit of our tea products in 2009.

The operation of juice products started to rebound during the second half of 2008, and the refinement of "More" brand of orange juice (鮮橙多) was well received by the market. Under our diversification strategy, our "More" brand of peach juice (蜜桃多) has gained a leading position in both first and second tier cities in the PRC. During 2008, we introduced 100% tomato juice in major coastal cities to satisfy the needs of health-conscious consumers. For 2009, we will continue our product diversification strategy and launch more juice products to accelerate market expansion and channel establishment.

For packed water, its product mix and profit structure had improved in 2008 resulting in a turnaround from previous loss. Looking forward, we will introduce products with higher quality to meet the demand for quality of consumers in cities. The operation of milk tea and coffee has been stable with slight improvement in 2008. We will continue refining quality and product mix with the aim of achieving an even better result in 2009. As the GDP per capita of Guangdong Province in southern China has broken through the USD3,000 level, a fundamental change in consumption pattern will emerge and the demand for refrigerated products will increase gradually. We will remain focused in the operation of refrigerated products segment in Guangdong.

Goals & Strategies

The business goal of Uni-President China is "to provide safe, healthy and enjoyable products for consumers and to maximize shareholders' value". The following key principles will serve as the foundation for our long term growth strategy:

1. ***To become a domestic model enterprise through love and care:***

   To become a localized enterprise operating in harmony with the society and environment. To promote prosperity and development of the local economy through love and care.

2. ***Create competitive advantages using our existing network:***

   Our portfolio of products targets specific markets and our various distribution channels have come together to form unique networks complementing our operations. With such synergy, the Group should be able to create competitive strengths.

3. ***Customer satisfaction comes first:***

   We will continue to be responsive to changes in market conditions. We have established an effective customer feedback channel for gathering first hand customer information to implement our 'customer-oriented' marketing vision.

4. ***Propagation and maintenance of core corporate values:***

   We observe the values of being honest, diligent, innovative, proactive and healthy; these have become the benchmarks for our behaviour and conduct. We should be strong, upright, cheerful, humble, selfless, sincere and morally-committed, show respect to our profession, have team spirit and always express our gratitude to society.

5. ***Optimal mix of local talent and international management:***

   We select and cultivate local talent in order to maximize and make use of its ability, whilst internationalizing our operations team, which must be competent in international management.

6. ***A strategy-and-quality-focused operational management system:***

   We will adhere to the vision of setting a leading strategy and placing utmost importance on product quality. We will closely monitor internal and external growth opportunities related to our core operations, and consolidate and expand our market.

Acknowledgement

Thanks to the support and efforts from our stakeholders, the Company has been able to attain sustainable growth over the years. On behalf of the board of directors of the Company, I would like to express our sincere thanks for the generous support from our customers, suppliers, business partners and shareholders, and in particular, I would like to express our gratitude to our staff for their efforts and contributions over the past year.

Lo Chih-Hsien
Chairman

Tainan, Taiwan
16 April 2009

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 2008.

CONSOLIDATED INCOME STATEMENT

	Note	**2008**	2007
		RMB'000	*RMB'000*
Revenue	*3*	**9,241,571**	8,656,777
Cost of sales	*4*	**(6,085,853)**	(5,742,097)
Gross profit		**3,155,718**	2,914,680
Other losses – net		**(4,428)**	(1,062)
Other income		**62,202**	40,365
Selling and marketing expenses	*4*	**(2,277,750)**	(2,147,668)
Administrative expenses	*4*	**(416,191)**	(263,366)
Operating profit		**519,551**	542,949
Finance income		**80,873**	22,676
Finance costs		**(157,542)**	(40,359)
Finance costs – net	*5*	**(76,669)**	(17,683)
Share of losses of jointly controlled entities		**(734)**	(40,800)
Profit before income tax		**442,148**	484,466
Income tax expense	*6*	**(98,307)**	(60,461)
Profit for the year and attributable to equity holders of the Company		**343,841**	424,005
Earnings per share for profit attributable to equity holders of the Company during the year (expressed in RMB per share)			
– Basic	*7*	**9.56 cents**	14.04 cents
– Diluted		**9.56 cents**	14.04 cents
Dividends	*8*	**171,909**	–

CONSOLIDATED BALANCE SHEET

	Note	**2008**	2007
		RMB'000	*RMB'000*
ASSETS			
Non-current assets			
Leasehold land		**171,952**	158,438
Property, plant and equipment		**1,956,937**	1,889,691
Intangible assets		**8,383**	56,258
Interests in jointly controlled entities		**306,448**	235,382
Available-for-sale financial assets		**394,657**	231,164
Deferred income tax assets		**84,480**	43,895
		2,922,857	2,614,828
Current assets			
Inventories		**551,467**	567,087
Trade and bills receivables	*9*	**221,509**	239,536
Prepayments, deposits and other receivables		**145,486**	121,760
Pledged bank deposits		**10,803**	–
Cash and cash equivalents		**3,272,859**	3,411,868
		4,202,124	4,340,251
Total assets		**7,124,981**	6,955,079

	Note	**2008**	2007
		RMB'000	*RMB'000*
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**34,047**	33,370
Share premium account		**2,243,980**	1,960,248
Other reserves			
– Proposed dividends		**171,909**	–
– Others		**3,292,606**	3,191,209
Total equity		**5,742,542**	5,184,827
LIABILITIES			
Non-current liabilities			
Deferred government grants		**5,956**	8,673
Deferred income tax liabilities		**–**	6,813
		5,956	15,486
Current liabilities			
Trade and bills payables	*10*	**513,003**	471,218
Other payables and accruals		**821,139**	916,660
Borrowings		**8,562**	296,175
Other long-term liability – current portion		**5,685**	46,192
Current income tax liabilities		**28,094**	24,521
		1,376,483	1,754,766
Total liabilities		**1,382,439**	1,770,252
Total equity and liabilities		**7,124,981**	6,955,079
Net current assets		**2,825,641**	2,585,485
Total assets less current liabilities		**5,748,498**	5,200,313

Notes:

1. GENERAL INFORMATION OF THE GROUP AND GROUP REORGANISATION

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 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").

The ultimate holding company of the Group is 統一企業股份有限公司 (Uni-President Enterprises Corporation) ("Uni-President"), a company whose shares are listed on the Taiwan Stock Exchange Corporation. Prior to the establishment of the Company, Uni-President operated the PRC Beverages and Instant Noodles Businesses and other businesses, including the production of flour, edible oils, animals feeds, aquatic and livestock products, trading and retailing of food and carbonated beverages (collectively "Other Businesses") in the PRC through various subsidiaries. The Other Businesses have been managed separately from the PRC Beverages and Instant Noodles Businesses.

In preparation for the Listing, Uni-President conducted a reorganisation of the PRC Beverages and Instant Noodles Businesses (the "Reorganisation"). Pursuant to the Reorganisation, which was completed on 20 July 2007, the PRC Beverage and Instant Noodles Businesses were transferred to the Company such that the Company became the holding company of the subsidiaries now comprising the Group.

The Reorganisation involved companies under common control. Accordingly, comparative figures for the year ended 31 December 2007 have been prepared using the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and presented the results and cash flows of the Group as if the structure of the Group resulting from the Reorganisation had been in existence throughout the year ended 31 December 2007.

2. 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.

(a) Amendments and interpretations effective in 2008

Relevant to the Group's operations:

- The HKAS 39, 'Financial instruments: Recognition and measurement', amendment on reclassification of financial assets permits reclassification of certain financial assets out of the held-for-trading and available-for-sale categories if specified conditions are met. The related amendment to HKFRS 7, 'Financial instruments: Disclosures', introduces disclosure requirements with respect to financial assets reclassified out of the held-for-trading and available-for-sale categories. The amendment is effective prospectively from 1 July 2008. This amendment does not have any impact on the Group's financial statements as the Group has not reclassified any financial assets.

- HK(IFRIC)-Int 14, 'HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction', provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have significant impact on the Group's financial statements as the Group principally participates in defined contribution pension schemes.

Not relevant to the Group's operations:

- HK(IFRIC)-Int 11, 'HKFRS 2 – Group and treasury share transactions'.

- HK(IFRIC)-Int 12 'Service Concession arrangements'.

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2009 or later periods, and the Group has not early adopted them:

Relevant to the Group's operations:

- HKAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009).

- HKAS 23 (Revised), 'Borrowing costs' (effective from 1 January 2009).

- HKAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009).

- HKFRS 3 (Revised), 'Business combinations' (effective from 1 July 2009).

- HKFRS 8, 'Operating segments' (effective from 1 January 2009).

- HKICPA's improvements to HKFRS published in October 2008:

  – HKAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009).

  – HKAS 19 (Amendment), 'Employee benefits' (effective from 1 January 2009).

  – HKAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).

  – HKAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2009).

  – HKAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).

  – There are a number of minor amendments to HKFRS 7, 'Financial instruments: Disclosures', HKAS 8, 'Accounting policies, changes in accounting estimates and errors', HKAS 10, 'Events after the balance sheet date', HKAS 18, 'Revenue' and HKAS 34, 'Interim financial reporting' which are not addressed above.

Not relevant to the Group's operations:

- HKAS 28 (Amendment), 'Investments in associates' (and consequential amendments to HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009).

- HKAS 32 (Amendment), 'Financial instruments: Presentation', and HKAS 1 (Amendment), 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).

- HKAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).

- HKAS 39 (Amendment) 'Financial Instruments: Recognition and Measurement' – 'Eligible hedged items' (effective from 1 July 2009).

- HKFRS 1 (Amendment), 'First time adoption of HKFRS' and HKAS 27 'Consolidated and separate financial statements' (effective from 1 July 2009).

- HKFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).

- HK(IFRIC)-Int 13, 'Customer loyalty programmes' (effective from 1 July 2008).

- HK(IFRIC)-Int 15, 'Agreements for construction of real estates' (effective from 1 January 2009).

- HK(IFRIC) – Int 16, 'Hedges of a net investment in a foreign operation' (effective from 1 October 2008).

- HK(IFRIC)-Int 17- 'Distributions of non-cash assets to owners' (effective from 1 July 2009).

- HK(IFRIC)-Int 18- 'Transfers of assets from customers' (effective for transfer on or after 1 July 2009).

- HKICPA's improvements to HKFRS published in October 2008:

  – HKAS 16 (Amendment), 'Property, plant and equipment' (and consequential amendment to HKAS 7, 'Statement of cash flows') (effective from 1 January 2009).

  – HKAS 20 (Amendment), 'Accounting for government grants and disclosure of government assistance' (effective from 1 January 2009).

  – HKAS 27 (Amendment), 'Consolidated and separate financial statements' (effective from 1 January 2009).

  – HKAS 28 (Amendment), 'Investments in associates' (and consequential amendments to HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009).

  – HKAS 29 (Amendment), 'Financial reporting in hyperinflationary economies' (effective from 1 January 2009).

- HKAS 31 (Amendment), 'Interests in joint ventures' (and consequential amendments to HKAS 32 and HKFRS 7) (effective from 1 January 2009).

- HKAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).

- HKAS 40 (Amendment), 'Investment property' (and consequential amendments to HKAS 16) (effective from 1 January 2009).

- HKAS 41 (Amendment), 'Agriculture' (effective from 1 January 2009).

- HKFRS 5 (Amendment), 'Non-current assets held for sale and discontinued operations' (and consequential amendment to HKFRS 1, 'First-time adoption') (effective from 1 July 2009).

- The minor amendments to HKAS 20 'Accounting for government grants and disclosure of government assistance', HKAS 29, 'Financial reporting in hyperinflationary economies', HKAS 40, 'Investment property' and HKAS 41, 'Agriculture', which have not been addressed above.

3 REVENUE AND SEGMENT INFORMATION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities, net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary and only reporting format as over 90% of the Groups sales and business activities are conducted in the PRC.

The Group's operations are mainly organised under two principal business segments: manufacturing and sale of beverages and instant noodles.

An analysis by business segment is as follows:

	Year ended 31 December 2008				
	Beverages *RMB'000*	**Instant noodles** *RMB'000*	**Others** *RMB'000*	**Unallocated** *RMB'000*	**Group** *RMB'000*
Segment results					
Revenue	**6,940,344**	**2,255,042**	**46,185**	**–**	**9,241,571**
Segment profit/(loss)	**767,292**	**(103,049)**	**(10,937)**	**(133,755)**	**519,551**
Finance costs – net					**(76,669)**
Share of losses of jointly controlled entities	**(734)**	**–**	**–**	**–**	**(734)**
Profit before income tax					**442,148**
Income tax expense					**(98,307)**
Profit for the year					**343,841**

	Year ended 31 December 2007				
	Beverages	Instant noodles	Others	Unallocated	Group
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment results					
Revenue	6,143,016	2,445,484	68,277	–	8,656,777
Segment profit/(loss)	655,404	1,230	(23,462)	(90,223)	542,949
Finance costs – net					(17,683)
Share of losses of jointly controlled entities	(40,800)	–	–	–	(40,800)
Profit before income tax					484,466
Income tax expense					(60,461)
Profit for the year					424,005

4 EXPENSES BY NATURE

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

	2008	2007
	RMB'000	*RMB'000*
Raw materials, packaging materials, consumables and purchased commodity used	**5,167,872**	5,001,906
Changes in inventories of finished goods	**34,869**	(12,333)
Manufacturing outsourcing expenses	**137,934**	116,240
Promotion and advertising expenses	**1,013,453**	1,030,888
Employee benefit expenses, including directors' emoluments	**881,335**	764,472
Transportation expense	**477,564**	427,273
Amortisation of leasehold land	**3,855**	3,960
Depreciation of property, plant and equipment	**300,512**	307,071
Amortisation of intangible assets	**55,530**	55,749
Travelling expenses	**75,735**	60,030
Operating lease in respect of buildings	**65,904**	48,750
Property tax and other taxes	**33,646**	19,960
Reversal of provision for impairment of property, plant and equipment	**(1,164)**	(100)
Write-down of inventories to net realisable value	**2,702**	4,521
Provision/(reversal of provision) for impairment of trade receivables and prepayments	**100,425**	(5,268)
Auditors' remunerations for the year	**5,252**	3,687
Machinery maintenance expenses	**131,177**	93,317
Water and electricity expenses	**97,513**	91,825
Others	**195,680**	141,183
Total	**8,779,794**	8,153,131

5 FINANCE COSTS – NET

	2008	2007
	RMB'000	*RMB'000*
Interest expenses on short term bank borrowings	**5,566**	28,990
Net foreign exchange losses	**151,976**	11,369
Finance costs	**157,542**	40,359
Finance income – interest income on cash and cash equivalents	**(80,873)**	(22,676)
Finance costs – net	**76,669**	17,683

6 INCOME TAX EXPENSE

	2008	2007
	RMB'000	*RMB'000*
Current tax		
-Mainland China Corporate Income tax	**132,726**	90,944
Deferred tax	**(34,419)**	(30,483)
	98,307	60,461

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 shall determine and pay the Corporate Income Tax ("CIT") in accordance with the Corporate Income Tax Law of the People's Republic of China (the "New CIT Law") as approved by the National People's congress on 16 March 2007 and 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 were 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.

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.

	2008	2007
	RMB'000	*RMB'000*
Profit attributable to equity holders of the Company	**343,841**	424,005
Weighted average number of ordinary shares in issue (thousands)	**3,597,455**	3,020,206
Basic earnings per share (RMB per share)	**9.56 cents**	14.04 cents

In determining the number of shares in issue for the year ended 31 December 2007, a total of 3,000,000,000 shares issued at the incorporation of the Company and pursuant to the Capitalisation Issue prior to the Listing are deemed to have been issued since 1 January 2007.

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

	2008	2007
	RMB'000	*RMB'000*
Proposed final dividend of RMB2.866 cents (2007: Nil) per ordinary share	**103,160**	–
Proposed special dividend of RMB1.910 cents (2007: Nil) per ordinary share	**68,749**	–
	171,909	–

The directors of the Company recommend the payment of a final dividend of RMB2.866 cents (2007: Nil) and a special dividend of RMB1.910 cents (2007: Nil) per ordinary share, totalling approximately RMB171,909,000 (2007:Nil) for the year ended 31 December 2008. Such dividends are to be approved by the shareholders of the Company at the Annual General Meeting to be held on 1 June 2009. These consolidated financial statements do not reflect this dividends payable.

9 TRADE AND BILLS RECEIVABLES

	2008	2007
	RMB'000	*RMB'000*
Trade receivables from independent third parties	**231,873**	250,822
Less: provision for impairment	**(12,114)**	(13,573)
Trade receivables from independent third parties, net	**219,759**	237,249
Trade receivables from related parties, net	**1,513**	1,837
Bills receivable from independent third parties	**237**	450
Trade and bills receivables, net	**221,509**	239,536

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

	2008	2007
	RMB'000	*RMB'000*
Trade receivables, gross		
– Within 90 days	**198,966**	213,210
– 91-180 days	**24,631**	27,565
– 181-365 days	**3,267**	9,518
– Over 1 year	**6,522**	2,366
	233,386	252,659

10 TRADE AND BILLS PAYABLES

	2008	2007
	RMB'000	*RMB'000*
Trade payables		
– to independent third parties	**477,843**	437,347
– to related parties	**33,168**	31,316
	511,011	468,663
Bills payable		
– to independent third parties	**1,992**	2,555
	513,003	471,218

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

	2008	2007
	RMB'000	*RMB'000*
Trade payables		
– Within 180 days	**502,987**	460,600
– 181 to 365 days	**1,862**	5,394
– Over 1 year	**6,162**	2,669
	511,011	468,663

MANAGEMENT DISCUSSION & ANALYSIS

Overview

The Group strived to overcome the impact on the Group's business due to the economic correction as a result of the enormous natural disasters in the country and the global financial crisis with its corporate resilience and extensive operational and management experience.

Market Review

In 2008, the total retail sales of consumer goods in the PRC was RMB10,848.8 billion, representing a year on year growth of 21.6%, the total retail sales of consumer goods in cities was RMB7,373.5 billion, representing an increase of 22.1% as compared to the year of 2007 and the total retail sales of consumer goods in counties and level below was RMB3,475.3 billion, representing an increase of 20.7% as compared to the year of 2007. The urbanization process has been driving a general and sustained growth in consumption, which is a favourable condition for the development of enterprises.

Under the influence of financial crisis, the PRC financial system has lowered bank deposit rates, which will in turn reduce the real income of citizens. Whether this will affect the consumption sentiment of households and individuals remains to be seen.

Towards the end of 2008, the melamine issue has aroused general concern over food safety again in the PRC. As a result, consumers will seek not only value for price products, but will increasingly consider the image of food enterprises. Only "honest and reliable enterprises" could attract more consumers in the future.

Financial Results

For the year ended 31 December 2008 ("**the year under review**"), the Group recorded revenue of RMB9,241.6 million, representing a growth of 6.8% from RMB8,656.8 million for the previous year. Revenue from our instant noodles and beverages products amounted to RMB2,255.0 million and RMB6,940.3 million respectively, decreasing by 7.8% and increasing by 13.0% as compared to the previous year and accounting for 24.4% and 75.1% respectively of the Group's total revenue. During the year under review, gross profit increased by 8.3% to RMB3,155.7 million and gross profit margin rose to 34.1% from 33.7% of the previous year. The slowdown of growth in revenue and gross profit during the year was mainly attributable to the Group operational environment which was affected by the external economic correction and the product mix adjustment on the instant noodles business, whilst growth in gross profit margin mainly reflected that revenue from tea drinks, which had a higher marginal gross profit, accounted for a larger proportion of the total revenue. Profit attributable to equity holders of the Company amounted to RMB343.8 million, representing a decrease of 18.9 % from RMB424.0 million of the previous year. During the year under review, earnings per share were RMB9.56 cents (2007: RMB14.04 cents). Facing the adjustment in economic environment, the performance of the Group during the year under review was still satisfactory, which was mainly attributable to the increase in revenue driven by the active optimization of marketing strategies, continuous improvement on product mix and deepened market development. As revenue increased, total operating expenses and overall staff costs of the Group also increased. The Group actively expanded its customer base in the past few years, thereby increasing selling and marketing expenses to RMB2,277.8 million for the year under review (2007: RMB2,147.7 million). Administrative expenses increased 58.0% to RMB416.2 million (2007: RMB263.4 million), which was mainly attributable to the loss provision for the two sugar supply contracts entered into with Guangdong Zhong Gu Tang Ye Group Company Limited (please refer to the announcement of the Company dated 23 January 2009 for details) and increase in the number of employees. As the Renminbi had appreciated by 6.4% during the year, and a considerable amount of deposits and certain borrowings held by the Group were denominated in foreign currencies, financing costs significantly increased to RMB76.7 million (2007: RMB17.7 million). In addition, share of loss of jointly controlled entities decreased to RMB0.7 million (2007: RMB40.8 million) due to Jinmailang Beverage (Beijing) Co., Ltd. turning loss into profit during the year under review.

Business Review

Instant Noodles

The sales result for 2008 realized approximately RMB2,255.0 million, representing a decrease of approximately 7.8% as compared with 2007. In 2008, we conducted a comprehensive product mix adjustment in our instant noodles business to optimize its operational structure. Since the fourth quarter of 2008, the average selling price and overall gross margin had increased substantially after the adjustment, which is the beginning of changes we are expecting. In 2009, we will continue to launch more high quality products at appropriate times, refine operation process, enhance management efficiency and strengthen interaction with customers of different segments. We will also continue to meet consumers' demand for high quality with our core techniques and build the image of being a leader in quality.

Juice Drinks

The sales result of juice drinks for 2008 was approximately RMB2,408.1 million, representing a decrease of approximately 7.0% as compared with 2007. During the Chinese New Year in the first half of the year, the sudden huge snow disaster in recent 50 years caused substantial decrease in number of people who went home for reunion, which led to decrease in consumption of juice drinks of big package with the concept of sharing happiness and thus resulted in temporary fall in results. These were the main reasons for downturn in results of 2008. The operation, however, started to rise again in the second half of 2008. The optimization of products of United orange juice（統一鮮橙多）received recognition from the market. There were three shining spots worth reporting on the operation of juice drinks in 2008: (i) elevation of brand name: the 27 cities nationwide marketing activity kickoff "統一鮮橙多2008中國（南航）新空姐招募大會" in the second and third quarter with road shows and television programs significantly enhanced our brand's reputation; (ii) upgrade and launching of new-era "More" brand orange juice（鮮橙多）: the enhanced orange juice has a remarkable improvement in providing a real juice flavour and perfect balance in sourness and sweetness. Our "Excellent first squeeze orange juice"（第一道優橙原汁）product appeal was well received by consumers; and (iii) diversified choice: under our diversification policy, the "More" brand of peach juice（蜜桃多）has secured a leading position in first and second-tier cities in the PRC. In a survey of healthy products conducted in the fourth quarter, Uni-President juice drinks ranked higher than its peer in brand identity in respect of renowned brand, trustworthiness, choice of taste, advertisement/promotion activities. We launched 100% tomato juice in major coastal cities in 2008, providing health-conscious consumers another prime choice. Looking forward into 2009, our juice drinks operation will adhere to its diversification policy and launch more variety of juice drinks with supreme quality.

Tea Drinks

The sales result of tea drinks for 2008 was approximately RMB3,945.4 million, representing an increase of 29.5% as compared with 2007. The growth momentum of tea drinks in 2008 was brand enhancement and further development of second and third-tier markets. In 2008, tea drinks operation continued their effort in refining product package, and increased investment in nation-wide and local TV and network media, increasing the interaction with consumers extensively. This has promoted the brand value of Uni-President tea drinks and attracted consumers' preference. In 2009, we will keep on promoting the value of our brand further and expand the share market of our tea drinks.

Business Unit

We have built our sales platform in the following aspects in 2008: (i) strengthened the organization establishment and raised staff quality; (ii) continued in refining and computerizing sales management; (iii) improved the establishment of channels and accelerated sales channel sinking; (iv) consolidated operations in cities, and expanded other markets; and (v) promoted the establishment of an electronic information network platform for sales agents. In 2009, besides continuing the above works, we will set business unit as a profit center; strive to expand sales platform; develop and deepen channel operation; and improve the operation model of various channels in preparation for further growth.

Quality Control

Our research and development center in Kunshan is the research and development headquarters of the Group in the PRC, responsible for the research and development and quality assurance of various products for domestic and foreign markets. All our existing plants are equipped with ISO9001:2000 international quality management system and have obtained HACCP food safety and management certification. The food testing laboratory of the center has been recognized by the government since 2005. It is one of the few national testing laboratories in the industry meeting international standards in testing pesticide residues, preservatives, artificial colorants and heavy metal residues for food safety, and in analyzing nutrient ingredients including amino acids. The validity of our test reports are recognized by over 40 major economies, countries and regions. In 2009, we will develop more testing techniques, and strengthen qualification review, assessment and guidance for suppliers, to ensure that our consumers can enjoy safe products with leading quality at any time.

Prospects

Since the economic tsunami, China has launched a 4 trillion economic stimulus plan focusing on expanding domestic demand, as such, the Group remains positive on the macro-operational environment in the country in 2009. On the other hand, domestic consumers have raised their standards on food safety and consumption quality following a series of significant food safety incidents with far-reaching effects. The Group will turn adversity into opportunity by continuing to enhance the competitiveness of its renowned brands in the market and launching diversified and quality products; actively strengthening and expanding overseas markets, establishing a closer relationship with customers and consistently optimizing product mix, so as to increase the marginal profit of different products; aiming at a higher quality of internal operation, human resources and financial management to increase cost-effectiveness;

establishing an independent profit centre for the logistic network to manage sales platforms effectively; and strictly implementing quality control procedures to ensure products are in compliance with safety standards, with a view to achieving its objectives such as striving for sustainable development and maintaining shareholders' interests.

Financial Position

As at 31 December 2008, the Group had approximately RMB3,272.9 million (2007: approximately RMB3,411.9 million) cash and cash equivalent. Current assets amounted to approximately RMB4,202.1 million (2007: approximately RMB4,340.3 million) and current liabilities were approximately RMB1,376.5 million (2007: approximately RMB1,754.8 million). Contingent liabilities were approximately RMB246.7 million (2007: approximately RMB150.3 million). With net current assets of approximately RMB2,825.6 million (2007: approximately RMB2,585.5 million), the Group maintained strong liquidity. The Group's total borrowings comprised bank borrowings of approximately RMB8.6 million (2007: approximately RMB296.2 million), all of which were repayable within one year. The gearing ratios at 31 December of 2008 and 2007 were as follows:

	2008 ***RMB'000***	2007 *RMB'000*
Total borrowings	**1,348,389**	1,730,245
Less: cash and cash equivalent	**(3,272,859)**	(3,411,868)
Net debt	**(1,924,470)**	(1,681,623)
Total equity	**5,742,542**	5,184,827
Total capital	**3,818,072**	3,503,204
Gearing ratio (negative)	**(50.40%)**	(48.00%)

(*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 exercised its principles of financial prudence, which played an instrumental part against the backdrop of the current global financial tsunami. Notwithstanding that the business growth was slightly lower than expected during the year under review as a result of the domestic economic slowdown at the end of 2008 and the product mix adjustment of the Group, the Group continued to enjoy a strong financial standing with low gearing and a net cash position. The Group financed its operations and business development with a combination of internally generated resources, funds raised through the initial public offering in 2007 and banking facilities provided by its principal bankers. The borrowings of the Group were used by its subsidiaries and were interest-bearing loans. In light of the potential currency risks, the Group had converted large amount of bank deposits denominated in foreign currencies into Renminbi during the year.

Human Resources and Remuneration Policy

As at 31 December 2008, the Group had 18,439 employees, of whom approximately 1,131 were engineers or technicians who received education in professional institutions or holding higher qualifications. The companies within the Group enter into individual labour contracts with all of its employees, stipulating remuneration, statutory subsidies, employee benefits, workplace safety and hygienic conditions, confidentiality obligations and termination conditions. We provide bonus to employees who are innovative and with improved performance, as an incentive to encourage our staff to make more contribution to the Group. We arrange internal and external on-the job training for our employees. The scope of training programmes ranges from basic production methods to advanced skills training and professional management courses, with the aim to improve the productivity of staff at all levels. In accordance with the relevant social insurance laws in the PRC and regulations of local government, we insure for pension insurance, medical insurance, unemployment insurance and housing reserve fund for employees. To cover staff's living risk adequately, in addition to the above, we insure for employer responsibilities and subsidize employees' additional medical insurance covering out patient and hospitalization.

The Group has its labour union which is a member of the All-China Federation of Trade Unions. The labour union is responsible for organizing recreational activities, improving living quality of employees, acting as a bridge between the staff and the Group, and establishing a harmonious labour relation. We did not experience any strikes or labour disputes during the year.

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 2008.

FINAL DIVIDEND AND SPECIAL DIVIDEND

The board of directors of the Company recommends the payment of a final dividend of RMB2.866 cents per share and a special dividend of RMB1.910 cents per share, totaling approximately RMB171,909,000, for the financial year ended 31 December 2008.

The final dividend and special 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 and special dividend will be paid on or around 26 June 2009 to shareholders whose names appear on the register of members of the Company on 26 May 2009.

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

Throughout the year ended 31 December 2008, the Company has complied with all the code provisions of the Code on Corporate Government Practices as set out in Appendix 14 to 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 26 May 2009 to 1 June 2009 (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 special 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 25 May 2009. Subject to the approval of shareholders at the forthcoming annual general meeting to be held on 1 June 2009, the final dividend and special dividend will be payable on or around 26 June 2009.

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

The 2008 annual report will be published on the website of The Stock Exchange of Hong Kong Limited in due course.

The consolidated financial information set out above does not constitute the Company's statutory financial statements for the years ended 31 December 2007 or 2008 but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2008, which contain an unqualified auditors report, will be delivered to the Registrar of Companies, and despatched to shareholders as well as made available on the Company's website at http://www.upch.com.cn.

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

Hong Kong, 16 April 2009

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. Hwang Jenn-Tai, Mr. Yang Ing-Wuu and Mr. Lo Peter as independent non-executive directors.

* *For identification purpose only.*