

雅士利®

Yashili International Holdings Ltd
雅士利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 01230

2013

Interim Report 中期報告



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Corporate Information 公司資料

Board of Directors

Non-Executive Directors

Ms. Sun Yiping (*Chairman*)⁽¹⁾
Mr. Ding Sheng⁽¹⁾
Mr. Wu Jingshui⁽¹⁾
Mr. Chang Herman Hsiu-Guo⁽²⁾
Mr. Zhang Chi⁽²⁾

Executive Directors

Mr. Li Dongming⁽¹⁾
Mr. Zhang Lidian
Mr. Zhang Yanpeng
Mr. Zhang Likun⁽²⁾
Mr. Zhang Liming⁽²⁾
Mr. Zhang Libo⁽²⁾

Independent Non-executive Directors

Mr. Yu Shimao
Mr. Chen Yongquan
Mr. Samuel King On Wong
Mr. Liu Jinting

Nomination Committee

Ms. Sun Yiping (*Chairman*)⁽¹⁾
Mr. Yu Shimao
Mr. Chen Yongquan

Remuneration Committee

Mr. Yu Shimao (*Chairman*)
Ms. Sun Yiping⁽¹⁾
Mr. Zhang Lidian
Mr. Chen Yongquan
Mr. Samuel King On Wong⁽¹⁾

Notes:

- (1) appointed on 24 July 2013
(2) resigned on 13 August 2013

董事會

非執行董事

孫伊萍女士 (*主席*)⁽¹⁾
丁聖先生⁽¹⁾
吳景水先生⁽¹⁾
張淑國先生⁽²⁾
張弛先生⁽²⁾

執行董事

李東明先生⁽¹⁾
張利鈿先生
張雁鵬先生
張利坤先生⁽²⁾
張利明先生⁽²⁾
張利波先生⁽²⁾

獨立非執行董事

余世茂先生
陳永泉先生
黃敬安先生
劉錦庭先生

提名委員會

孫伊萍女士 (*主席*)⁽¹⁾
余世茂先生
陳永泉先生

薪酬委員會

余世茂先生 (*主席*)
孫伊萍女士⁽¹⁾
張利鈿先生
陳永泉先生
黃敬安先生⁽¹⁾

註：

- (1) 於2013年7月24日獲委任
(2) 於2013年8月13日辭任

Corporate Information (continued)**公司資料(續)****Audit Committee**

Mr. Samuel King On Wong (*Chairman*)
 Mr. Wu Jingshui⁽³⁾
 Mr. Zhang Chi⁽²⁾
 Mr. Yu Shimao

Independent Board Committee

Mr. Liu Jinting (*Chairman*)
 Mr. Samuel King On Wong
 Mr. Yu Shimao
 Mr. Chen Yongquan

Authorized Representatives

Mr. Zhang Lidian
 Mr. Wu Xiaonan

Joint Company Secretaries

Mr. Wu Xiaonan
 Ms. Ho Siu Pik

**Head Office and
Principal Place of Business in the PRC**

Yashili Industrial City
 Chaoan Avenue
 Chaozhou City
 Guangdong 515638
 The People's Republic of China
 (Post Code : 515638)

Note:

(3) appointed on 13 August 2013

審核委員會

黃敬安先生(主席)
 吳景水先生⁽³⁾
 張弛先生⁽²⁾
 余世茂先生

獨立董事委員會

劉錦庭先生(主席)
 黃敬安先生
 余世茂先生
 陳永泉先生

授權代表

張利鈿先生
 吳曉南先生

公司秘書

吳曉南先生
 何小碧女士

**總辦事處及
中國主要營業地點**

中華人民共和國
 廣東省
 潮州市
 潮安大道
 雅士利工業城
 (郵編 : 515638)

註:

(3) 於2013年8月13日獲委任

Corporate Information (continued)

公司資料(續)

Principal Place of Business in Hong Kong

Room 1614, 16th Floor
Times Square Tower 2
1 Matheson Street
Causeway Bay
Hong Kong

香港主要營業地址

香港
銅鑼灣
勿地臣街1號
時代廣場二座
16樓1614室

Company's Registered Address

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

公司註冊地址

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

Investor Relations Department

Office of the board

公司投資者關係部門

董事會辦公室

Investor Enquiry Hotline

+86-768-5820546

投資者諮詢電話

+86-768-5820546

Corporate Information (continued)**公司資料(續)****Investor Enquiry Email Address**

ir@yashili.com

Stock Code

Hong Kong Stock Exchange 01230

Company's Website

www.yashili.hk

Principal Bankers

Bank of China, Chao'an Branch
Industrial and Commercial Bank of China, Chao'an Branch

Legal Advisers

Hong Kong law
Orrick, Herrington & Sutcliffe

Cayman law
Conyers, Dill & Pearman

Auditor

KPMG

投資者諮詢郵箱

ir@yashili.com

股份代碼

香港聯合交易所01230

公司網站

www.yashili.hk

主要往來銀行

中國銀行潮安支行
中國工商銀行潮安支行

法律顧問

香港法律
奧睿律師事務所

開曼法律
Conyers, Dill & Pearman

核數師

畢馬威會計師事務所



Financial Highlights

財務摘要

Six months ended 30 June

截至6月30日止六個月

		2013 2013年 RMB million 人民幣百萬元	2012 2012年 RMB million 人民幣百萬元	Percentage change 變動比例
Turnover	營業額	2,152.9	1,689.1	27.5%
Gross profit	毛利	1,192.1	917.0	30.0%
Profit attributable to equity shareholders of the Company	本公司股權持有人應佔利潤	293.6	218.9	34.1%
Earnings per share (RMB cents)	每股盈利(人民幣：分)			
— Basic	— 基本	8.3	6.2	33.9%
— Diluted	— 攤薄	8.2	6.2	32.3%

- The Group recorded sales revenue of RMB2,152.9 million for the six months ended 30 June 2013, representing an increase of 27.5% over the same period in 2012.
- For the six months ended 30 June 2013, sales revenue grew by 27.5%, driving the gross profit up by 30.0%. In addition, the sales expense ratio declined from 33.5% for the six months ended 30 June 2012 to 33.1% over the same period in 2013 and net finance income decreased by RMB9.0 million over the same period in 2012. Due to the combined effect of the factors above mentioned, net profit attributable to equity shareholders of the Company for the six months ended 30 June 2013 amounted to RMB293.6 million, representing an increase of RMB74.7 million over the same period in 2012.
- The Group's basic earnings per share amounted to RMB8.3 cents for the six months ended 30 June 2013, representing an increase of 33.9% over the same period in 2012, and diluted earnings per share amounted to RMB8.2 cents for the six months ended 30 June 2013, representing an increase of 32.3% over the same period in 2012.
- 集團於截至2013年6月30日止六個月內共實現銷售收入人民幣2,152.9百萬元，較2012年同期增加27.5%。
- 截至2013年6月30日止六個月內，主要由於營業額增長27.5%，拉動毛利增長30.0%，銷售費用率從截至2012年6月30日止六個月的33.5%下降至2013年同期的33.1%，財務收入淨額則較2012年同期減少人民幣9.0百萬元，綜合上述因素後，本公司於截至2013年6月30日止六個月歸屬於股權持有人的淨利潤為人民幣293.6百萬元，較2012年同期增加了人民幣74.7百萬元。
- 集團於截至2013年6月30日止六個月內每股基本盈利為人民幣8.3分，較2012年同期上升了33.9%，於截至2013年6月30日止六個月內每股攤薄盈利為人民幣8.2分，較2012年同期上升了32.3%。

Management's Discussion and Analysis

管理層討論與分析

Industry Overview

In the first half of 2013, China's economy grew steadily and the overall environment remained stable. The GDP of China was RMB24.8 trillion in the first half of 2013, representing a year-on-year increase of 7.6%; total retail sales of social consumer goods increased 12.7% as compared to the same period of last year. The rate of economic growth attributable to residential consumption increased. During the first half of the year, the consumer price raised by 2.4% year-on-year, representing a drop of 0.9 percentage point as compared to the same period of last year, of which, that of the urban areas and rural areas increased by 2.4% and 2.5%, respectively. With the deepening trend of urbanization, the consumption and investment levels of the second- and third-tier cities grew significantly. The income of residents increased steadily while the growth rate of income of rural residents exceeded that of urban residents.

In the first half of 2013, Hong Kong, China, promulgated the export regulation on formula powder and some of the enterprises or supermarkets in Europe imposed measures to restrict the purchase of milk powder, which attracted extensive attention from the society and media. In May 2013, the PRC government considered to reinforce the control on quality and safety of infant milk powder, and stated that it is necessary to "monitor the quality of infant milk powder according to the strict administrative measures for drugs". In June 2013, nine ministries and commissions of the PRC government jointly issued the "Opinions on Further Strengthening the Quality and Safety of Infant Milk Formula Products", which proposed the followings, *inter alia*: infant milk formula products are to be administered strictly in accordance with the administrative measures for drugs; milk powder producers must develop and control their own milk sources; importers must ensure that the infant milk formula powder they imported is compliant with the national standards for food safety of the PRC; and the existing 127 milk powder enterprises are encouraged to undergo merger and consolidation. Under the opinions, eight provisions stated that reference shall be made to the regulations regarding drugs in regulating milk formula products with the aim to enhancing the concentration level of the infant milk formula industry of the PRC, stringently monitoring the quality of infant milk formula products and restoring the citizens' confidence in domestic milk powder. In June 2013, the National Development and Reform Commission of the PRC commenced an anti-monopoly investigation on the pricing of certain domestic brands of milk powder, which, in certain degree, restrained the unhealthy competitions in the market and helped improving the environment of the relatively fair and flexible milk powder market.

行業回顧

2013年上半年中國經濟穩中求進，形勢總體平穩。2013年中國上半年GDP為24.8萬億元人民幣，同比增長7.6%，社會消費品零售總額同比增長12.7%。居民消費對經濟增長的貢獻率有所提升，上半年，居民消費價格同比上漲2.4%，與去年同期相比回落0.9個百分點，其中，城市上漲2.4%，農村上漲2.5%。隨著城鎮化水平的深化，二、三線城市的消費和投資增長明顯。居民收入穩定增長，農村居民收入增速快於城鎮。

2013年上半年，中國香港地區推出「奶粉限帶令」的規定，歐洲一些商業企業或大型超市採取了一些奶粉限購措施，引起了社會和媒體的廣泛關注。2013年5月，中國政府研究部署進一步加強嬰幼兒奶粉質量安全工作，指出要「按照嚴格的藥品管理辦法監管嬰幼兒奶粉質量」。2013年6月，中國國家九部委聯合發佈了《關於進一步加強嬰幼兒配方乳粉質量安全工作的意見》，意見提出：參照藥品管理辦法嚴格管理、奶粉企業須自建自控奶源、進口商必須保證其進口的嬰幼兒配方乳粉符合中國食品安全國家標準、鼓勵奶粉現有的127家企業兼併重組等等，其中八項規定參照藥品管奶粉，旨在提高我國嬰幼兒奶粉產業的集中度，嚴格把控嬰幼兒奶粉質量，恢復國人對國產奶粉的信心。2013年6月，中國國家發展和改革委員會針對國內部分品牌奶粉的價格展開反壟斷調查，在一定程度上遏制了市場的不良競爭，有利於淨化相對公平及具有彈性的奶粉市場環境。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

In sum, the first half of 2013 was full of challenges and opportunities for the PRC infant milk formula powder industry. With the high concern and strict control of the government in the quality of milk powder, and the regulation and consolidation of the infant milk powder industry, it is expected that the milk powder market of the PRC will in general develop with a positive momentum.

Basic Information of the Company

Established in 1983, we mainly focus on the production and sales of paediatric milk formula products and nutrition food since 1998. In 2002, we launched the Scient brand paediatric milk formula. Our headquarters is situated in Chaozhou, Guangdong province with plants distributed in Guangdong, Shanxi and Heilongjiang, etc. Our plants in New Zealand and Zhengzhou are currently under preparation and construction.

We are a leading player in China's paediatric milk formula industry, and also have a leading position in the soymilk powder market in China. Our business model integrates high brand recognition, imported premium dairy raw materials and proprietary formula, and the unwavering commitment to establish a high standard quality supervision and quality assurance system. For aspects such as supply, production and distribution channels, quality control measures are improved continuously in the pursuit of becoming a first-class enterprise in the research and production of paediatric milk formula. We strictly follow the national standard to formulate a comprehensive quality assurance plan, which is fully implemented in the corporate level, and strive to provide consumers with safe and premium products.

The Group has two well recognized brands, under which various paediatric milk products targeting different consumer segments are sold. We also sell four types of nutrition food, namely soymilk powder and paediatric rice flour under Yashily brand, cereal under Zhengwei brand as well as milk powder for adults and teenagers under Youyi brand.

概而言之，2013年上半年，中國嬰幼兒配方奶粉行業充滿挑戰和機遇，隨著國家對奶粉質量的重點關注和嚴格管控，以及嬰幼兒奶粉行業調控和整合，中國奶粉市場總體會朝著利好的形勢發展。

公司基本情況

本集團始創1983年，自1998年起主要專注於生產和銷售嬰幼兒配方奶粉產品及營養食品業務。2002年推出施恩品牌嬰幼兒配方奶粉。本集團總部位於廣東潮州市，在廣東、山西、黑龍江等地擁有工廠，新西蘭和鄭州工廠目前正處於籌備和建設中。

本集團為中國嬰幼兒配方奶粉行業的領導企業，在中國的豆奶粉市場亦屬領導地位。本集團的業務模式結合品牌的高認知度、進口優質乳品原材料、自主研發配方、致力於建立高水平的質量監控和質量保證體系，在供應、生產和銷售渠道等各方面，不斷改進質量控制措施，努力發展成為研製嬰幼兒配方奶粉的一流企業。本集團嚴格遵守國家標準，制定全面的質量保證計劃，並在企業層面全面推行，力求向消費者提供安全和優質的產品。

本集團有兩大廣受認同的品牌銷售旗下嬰幼兒奶粉產品，針對不同消費群體。本集團亦出售四種營養食品，即雅士利品牌豆奶粉、嬰幼兒米粉和正味品牌麥片，以及優怡品牌的成人及青少年奶粉。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Business Highlights

Leveraging on the product series under the brands such as *Yashily*, *Scient*, *Zhengwei* and *Youyi*, we strive to develop trustworthy nutrition products for consumers, with a view to facilitate the healthy growth of infants and young children nationwide and satisfy the nutritional needs of adults. Our business model integrates key factors including imported premium dairy raw materials, proprietary milk formula, advanced production system and professional marketing team with thorough knowledge on local consumer market, thereby providing all consumers with products of assurance.

Introduction by Products

Paediatric milk formula products

We mainly develop paediatric milk formula products to satisfy the health and nutritional needs of infants and young children during daily feeding. Such products can serve as a major source of nutrition for infants and young children in auxiliary to breast milk. All of our branded paediatric milk formula products are mainly produced by imported premium raw materials procured from New Zealand. We are devoted to develop the milk formula with the most ideal nutrition mix to closely cater to the needs of infants and young children during different stages of their growth and development. The Group has established different paediatric milk formula product lines aiming at target customers of different consumption levels. The Group launched Super α -Golden Stage series originally imported milk powder from New Zealand, paediatric milk formula serial products in Golden Ambery brand under *Yashily* and *Merla* brand under *Scient*, which possess quality nutrition and target at consumers in high-end market. The Group's core products, *Yashily* α -Golden series and *Scient* Golden series, mainly focus on middle- to high-end consumer groups, while *Yashily*'s *Newwit* series and *Scient*'s *Ordinary Pack Series* mainly focus on middle-end consumer groups. *Yashily*'s *New Formula* series mainly focuses on low- to middle-end consumer groups.

業務摘要

本集團憑藉雅士利、施恩、正味及優怡等品牌的產品系列，致力於開發值得用戶信賴的營養產品，以期促進全國嬰幼兒的健康成長及滿足成人營養需要。本集團的業務模式結合了進口優質的乳品原材料、自主研發的配方奶粉產品、先進的生產系統及熟悉本地消費市場的專業營銷團隊等幾大因素，為廣大消費者提供具有信心保證的產品。

分類產品介紹

嬰幼兒配方奶粉

本集團開發的嬰幼兒配方奶粉產品主要滿足嬰幼兒日常哺喂的健康營養需求，可輔助母乳作為嬰幼兒的主要營養來源。本集團所有品牌嬰幼兒配方奶粉產品均主要使用來自新西蘭採購的優質進口原料，尋求開發營養組合最理想的配方奶粉，以切合嬰幼兒成長及發育的不同階段需要。本集團已設立針對不同消費水平分佈的目標客戶的嬰幼兒配方奶粉產品線。本集團雅士利旗下之產品新西蘭原裝進口超級 α 金裝系列奶粉、金裝安貝慧以及施恩旗下美兒樂系列的嬰幼兒配方奶粉系列產品，具備優質營養元素，針對高端市場消費者。核心產品雅士利 α 金裝系列以及施恩金裝系列主要針對中高端消費群。雅士利旗下能慧系列以及施恩普裝系列主要針對中端消費群。雅士利旗下新配方系列主要針對中低端消費群。



Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Nutrition food

We also sell four types of nutrition food, namely milk powder for adults and teenagers under Youyi brand, soymilk powder, rice flour and cereal under Yashily brand and cereal series under Zhengwei brand. These products include products with different nutritional combinations for consumers with special needs and products suitable for ordinary people.

Marketing

With an efficient and comprehensive sales and distribution network which covers all regions within mainland China, the Group sells and promotes its products through 1,500-odd regional distributors and over 105,000 retail outlets which are controlled by the Group directly or indirectly. In the first half of 2013, the Group attained a relatively rapid growth in the exploration and expansion of channels, in particular, we continued to achieve significant result in the exploration of the maternal channel. Our milk powder products are currently available in 25,000 stores, which effectively increased our market share in such channel, bringing about a new growth momentum for our results. While increasing our products' penetration rate in first- and second-tier cities, the Group also strengthened its channels exploration in second- and third-tier cities as well as rural areas, and accordingly achieved substantial growth, consolidated and maintained its leading advantage and position in that market.

The Group has implemented a stringent system of sales management and an efficient incentives system to continuously attract and motivate capable distributors and staff to increase the Group's revenue and market share. Our stringent control over the distribution network ensures that the Group's distribution policy and sales strategy are consistently enforced in a timely manner among all the distribution networks. Thanks to its meticulously managed EMP information platform, the Group realized an efficient connection between fees application and usage, budget control and performance indicative management, logistic distribution, sales data and inventory management of each level, hierarchical structure of organization and sales sub-division management, and made prompt response to the relevant matters. The increasing control over our distributors and improvement in their service quality have accelerated circulation of products and marketing activities.

營養食品

本集團亦出售四種營養食品，即優怡品牌的成人及青少年奶粉、雅士利品牌的豆奶粉、米粉、麥片及正味麥片系列。產品包括專為具有特殊需要的消費者而設的不同營養組合產品以及適合一般人士的產品。

市場推廣

本集團擁有強大而全面的銷售與分銷網絡覆蓋中國大陸所有地區，通過1,500多家一級經銷商及其直接或間接控制的超過105,000家零售點進行產品銷售和推廣。在2013年上半年，本集團在渠道開發和拓展方面取得較快發展，特別在繼續對母嬰渠道的開拓方面取得了明顯成效，目前奶粉產品已開拓25,000家，有效地推高在此渠道的市場佔有率，帶來了業績的新增長點。本集團在持續加大對一、二線城市產品滲透的同時，加強了對二、三線城市及鄉鎮的渠道拓展並取得了強勁增長，繼續穩固和保持了在該級市場的領先優勢和地位。

本集團實施了嚴格的銷售管理體系和高效的激勵機制，不斷吸納優秀的經銷商和人員，以調動他們的積極性，以提升本集團的收益和市場份額。本集團嚴格的分銷網絡控制體系確保本集團的分銷政策及銷售策略在各分銷商網絡得到及時貫徹和執行。本集團借助精細化管理的EMP信息平台，實現了從費用申請和使用，到預算控制和績效指針管理，到渠道貨流、各級銷售數據及庫存管理，到組織架構分級和銷售分區管理等有效銜接和快速處理，提高了對經銷商管控水平和服務質量，加速了產品流通和市場推廣。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

The marketing structure of the Group is managed by business departments, namely the milk powder, brewed food and liquid business departments, which were consolidated in accordance with the nature of products. The Group implemented refined management, under which we could focus on market segments to provide more tailored services and carry out more professional operation. In the first half of 2013, our efforts brought about an encouraging result that the operation standard of our sales team and the management level were improved considerably. The nutrition department of the Group is beginning to take shape while its function and performance have become clearer. During the first half of 2013, we organized several events under "Medical Salon on Chinese Maternal and Child Health" across the country with the participation of over 10 thousands maternal and child medical and nursery personnel, as well as over 500 small-scale educational events. Besides, more than 1,000 consumer education activities with over 40 thousands participants were organized to promote and spread the knowledge on eugenic birth, raising and education of children and infants, and enable us to interact with consumers, through which we directly narrowed the gap between consumers and us.

Brand Building

In terms of brand building, the Group has continuously enhanced the investment and promotion on premium milk source, professional manufacturing and professional services and continued its effort to enhance brand reputation. Starting from 2013, given that the "Super α -Golden Stage" series, originally imported high-end products from New Zealand, was successfully launched, we have adjusted our brand disseminating and promoting strategies to focus on promoting products under the "Super α -Golden Stage" series through online and offline means, while launching new commercials to add elements such as "high quality" and "100% imported from New Zealand's milk source" to our brand promotion slogan, "Genuine New Zealand, Love from Yashili". Through multi-dimensional and cross-coverage, the commercials were broadcasted on CCTV, satellite television channels as well as popular provincial and local channels, and displayed on internet and printed media. As shown in the qualitative and quantitative market research conducted by a professional market research institute engaged by us during the first half of 2013, the brand recognition and reputation of Yashili have been enhanced significantly.

本集團營銷組織實行事業部管理，按產品屬性整合為奶粉、沖調和液態事業部並進行精細化管理，專注於細分的市場，服務更精準，經營更專業，在2013年上半年取得了積極效果，營銷團隊經營指標明顯提升，管理水平明顯改善。本集團營養部的構建已初具規模，其作用及效果亦日趨突顯，2013年上半年在全國各地舉辦了多場次上萬名婦幼醫護人員參加的「中國母嬰健康主題醫學沙龍」活動及500多場小型教育活動。同時開展了消費者教育活動1,000多場，參加超過40,000人次，對優生、養、教知識推行宣傳和普及與消費者互動，直接拉近了與消費者的距離。

品牌建設

在品牌建設方面，本集團不斷強化優質奶源、專業製造、專業服務的投入和宣傳，繼續在提示品牌美譽度上下功夫。2013年起，基於新西蘭原裝進口高端產品「超級 α 金裝」的成功上市，品牌傳播和推廣策略上調整為線上線下集中資源以「超級 α 金裝」產品為宣傳重點，同時重新整合新廣告，仍以「純淨新西蘭，真愛雅士利」為品牌口號，注入「高質量」和「百分百新西蘭進口」等元素，在中央電視台、多家衛視及主流省級地面頻道、網絡及平面媒體上進行了立體交叉覆蓋組合傳播，2013年上半年委託專業市場研究機構進行的定性和定量市場研究活動顯示，雅士利品牌知名度和美譽度得到明顯的提升。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

After organizing interactive activities through online and offline interactive functions, namely “online interactive activities plus national parent-child roadshow”, for the second consecutive year, “Experience excellent milk sources with a trip in New Zealand”, a large-scale interacting and integrated brand promotion and marketing event held during the first half of 2013, was even more popular. Over 2 million people directly participated in our online game while more than 5,100 offline activities which covered nearly 100 first-, second- and third-tier cities in China and covered more than 4.6 million people were held, achieving impressive result in several aspects including permeating and disseminating our brand and enhancing the capacity of distributing products. Leveraging on this innovative event, we also won awards including the “Best Annual Marketing Innovation Award”.

To conform with the change in young mothers' habit of media exposure, the Group has emphasized the continuous investment in online media and strived for non-stop innovation in format. The Group has further strengthened the consumers' impression of and confidence in the pure milk sources of Yashili by sharing the experience trip in New Zealand of our consumers through live on Weibo. The Group was the first in the milk powder industry using WeChat, together with other online means including its online interactive community “Yashili's Motherland” and its official blog in Sina, the Group is able to show its care to the consumers instantly. The Group invited a famous Chinese authoritative expert in the field of paediatrics and preschool education to be a guest of an interview on Sina Weibo, realizing the authentic and zero-distance communication between the guest and internet audience through the new media. Furthermore, the Group also produced the “The Grow Up Journey of My Baby (寶寶養成記)”, a parenting video series, jointly with iqiyi.com, a leading video website, and broadcast parenting micro movies during nighttime, which enabled the Group to shorten the distance with a new generation of young parents.

In the process of development, the Group also gained acclaim and recognition from a number of social organizations and authoritative institutions. The Group was awarded the “National Key and Leading Agricultural Enterprises” for its development model to strengthen its standardized production infrastructure which emphasizes on accelerating the economic transformation, advancing technology and catering market demand. It was also the only paediatric milk powder manufacturer being awarded the “MIND AWARD”. In addition, the Group once again won the “Top 500 Most Valuable Brands in China”.

在連續2年以「網絡互動活動+全國親子路演」的線上線下聯動的方式舉辦互動活動之後，2013年上半年的「體驗好奶源，玩轉新西蘭」大型系列品牌互動整合營銷活動更趨火熱，在線遊戲的直接參與人數就超過200萬人，而線下活動約5,100多場，覆蓋了全國一、二、三線近百個城市，覆蓋人數超過460萬人，在滲透品牌傳播力和拓展產品分銷力等方面取得相當優異的表現，並以其富有創意的活動方式榮膺「年度最佳營銷創新獎」等。

順應年輕媽媽的媒介接觸習慣的變化，本集團注重網絡媒體持續投入並在形式上不斷創新。以微博直播等形式對消費者新西蘭體驗行程進行媒體信息推介，進一步加深了消費者對雅士利純淨奶源的印象和信心，並借助在奶粉行業首開微信、經營網絡互動社區「雅士利媽媽家園」、新浪官方微博等網絡形式對消費者進行實時關懷。本集團特別邀請國內著名的兒科、早教權威專家作客新浪微訪談，借助新媒體的力量，真正實現了嘉賓與網友之間的零距離交流。此外，本集團還與業內領先的視頻網站愛奇藝網共同拍攝系列育兒視頻「寶寶養成記」，推出晚間育兒微電影，拉近與新生代父母的距離。

本集團在不斷發展過程中也獲得了大量社會組織及權威機構的積極評價和認可，本集團以加快轉變經濟發展方式為主線，以科技進步為先導，以市場需求為坐標，加強標準化生產基地建設，獲評「農業產業化國家重點龍頭企業」；本集團獲得「MIND AWARD營銷獎」，是獲獎品牌中唯一一家嬰幼兒奶粉生產企業；本集團再次榮膺「中國500最具價值品牌」稱號。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Quality Control

We consider the quality of products as the vitality in an enterprise and are dedicated to establishing and continuously improving a comprehensive system of quality control spanning across the entire value chain from procurement to retail sales. In respect of internal quality control, the Group upholds overall quality management on every process of all products from milk sources to final products by conducting inspection at different levels and testing each batch of products in order to ensure product safety. We carefully select reputable suppliers located outside China such as Fonterra Limited to secure quality and reliable raw materials; implement strict inspection on raw materials and finished products according to a stringent process control, management and inspection system with the application of advanced inspection equipment; adopt nutritious, safe and scientific formula for production with the use of international leading production equipment and technologies; ensure the scientific management of the whole supply chain from raw materials to finished products; recruit professional and outstanding talents to conduct production management in a highly efficient manner. The Group successfully passed six renewal assessments on management system, namely ISO9001, ISO14001, OHSAS18001, ISO22000, HACCP for dairy products and GMP for dairy products, and received certificates with all items passed in June 2013.

For professional and independent monitor and inspection, in August 2010, the Group established the Food Quality and Safety Committee, which is formed by various top experts worldwide and responsible for conducting independent investigation and supervision on food safety and quality control, and reports to the board directly. In 2013, the committee carried out inspection on our milk powder production workshop and operation of laboratories, and provided professional guidelines on our production management, quality control and research and development direction of products. Moreover, the committee enhanced the training of the Group in respect of international food safety standards and good operation practices, which enabled the Group's food safety rules to better link up with international standards. With the help of the committee, the Group will continue to strengthen the exchange activities and co-operation works in food safety programmes organized by Asia-Pacific Economic Cooperation with a view to enhancing its international vision and food safety control.

品質監控

本集團以產品質量為企業生命並致力於建立起一套從採購至零售的整條價值鏈的全面質量監控系統並不斷改良。在內部質量管控方面，本集團堅持從奶源到成品全流程各環節的全面質量管理，實行層層篩查，批批檢測，確保產品安全。從境外精挑細選如新西蘭恒天然(Fonterra Limited)等知名供貨商，確保原料優質可靠；按照嚴格的過程控制管理、檢測制度並利用先進的檢測設備對原料及成品進行嚴格檢測；採用營養安全科學的配方並結合國際先進生產設備和工藝進行生產；保證從原料到成品整個供應鏈的科學管理；聘請專業優秀的人才進行高效的生產管理。本集團於2013年6月順利通過ISO9001、ISO14001、OHSAS18001、ISO22000、乳製品HACCP以及乳製品GMP六項管理體系的換證審核並均以各項全部合格通過認證。

在專業獨立監查方面，本集團在2010年8月整合世界各地頂級權威的專家資源組成的食品質量安全委員會，專門負責對食品安全及質量控制進行獨立調查和監管，直接向董事會報告。委員會在2013年對本集團的奶粉生產車間和實驗室運作情況進行了審查並對本集團的生產管理、質量控制及產品研發方向提供了專業性指導意見。此外，委員會還加強了對本集團參與更多國際食品安全標準和優良操作規範方面的培訓，使得本集團食品安全規則更好地與國際標準接軌。在委員會幫助下本集團也將繼續加強與亞太經貿組織的食品安全項目和活動交流和合作，以提高本集團國際視野和食品安全控制水平。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Product Research and Development

For paediatric milk powder, we have completed the research and development of fruit and vegetable milk powder and originally imported Super Golden Ambery series in the first half of 2013. We will promote and sell those products step by step depending on market demand.

In respect of the paediatric rice flour, we have completed the research and development of the brand new high-protein series of nutritious paediatric rice flour. The content of quality milk protein of the whole rice flour series has been enriched, which can, as a supplementary food, satisfy the nutritional needs of infants and young children. This series is expected to be launched in the second half of this year.

To better meet the needs of consumers and improve the overall quality of milk powder for adults under Yashily brand, we also developed two brand new types of high-end milk powder for adults, namely milk powder for middle-aged and elderly people which features plant sterol and main function of improving the conditions of cardio-cerebral blood vessel, and milk powder for students which includes AA and DHA for brain development.

As markets for soymilk powder and brewed cereal products are competitive, the Group considerably enriched the flavours of its soymilk powder through the improvement in production process and formula, and commenced full production of soymilk powder with new flavours. We also developed a cane sugar-free soymilk powder targeting at middle-aged and elderly people. For cereal, we developed a new product named Hi-calcium Nutritious Milk Cereal (牛奶高鈣營養麥片), which received high acclaim in our internal assessment. Meanwhile, a product series of cereal gift box was also launched into the market, expanding the product profile of the Group and strengthening its competitive edge in products under brewing category.

產品研發

嬰幼兒奶粉方面，2013年上半年完成了果蔬奶粉和原裝超級金裝安貝慧系列產品開發，產品將根據市場需要逐步進行推廣和銷售。

嬰幼兒米粉方面，全新高蛋白系列嬰幼兒營養奶米粉已經完成研發工作，該系列米粉全面提高了優質牛奶蛋白的含量，更能滿足嬰幼兒輔食方面的營養需求，預計將於今年下半年投入市場。

成人系列奶粉，全新高端成人奶粉開發，主要有採用植物甾醇作為主要賣點，主要功能訴求為心腦血管健康的中老年奶粉，添加有益於腦部發育的AA和DHA的學生奶粉，更加符合消費人群需要，提升了雅士利品牌成人奶粉的整體質量。

豆奶粉及麥片沖調類產品市場競爭激烈，本集團通過對生產工藝和配方的改進，大大提升豆奶粉的口感，新口感的豆奶粉已經全部投產，同時開發了中老年無添加蔗糖豆奶粉；麥片方面，開發了新品牛奶高鈣營養麥片，在內部測評中都取得了良好評價。同時，本集團推出了麥片禮盒系列產品，豐富了本集團產品線，強化了在沖調類產品上的優勢。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Social Responsibilities

As a national leading paediatric milk powder enterprise, the Group has a very high sense of social responsibilities, and performs corporate social responsibilities in an active and passionate manner during the course of enterprise development. During the first half of 2013, the Group donated quality dairy products and cash to China Foundation for Poverty Alleviation in "World Milk Day", provided financial support and materials to the poor and handicapped in Chaozhou in the "National Assistance to Poor and Handicapped Day", and donated cash and materials to the earthquake-stricken areas in Ya'an, Sichuan and supported the relief and post-disaster reconstruction of that area.

In the first half of 2013, the Group donated money and materials with a total value of over RMB2.2 million to charitable initiatives.

Human Resources

As at 30 June 2013, the Group has a total of 6,222 employees. We place high concern on the motivation of staff, and have established and maintained a performance review system and remuneration system based on staff's performance and competence, which matches employees' income positively with personal effectiveness. We provide guidance on staff's career development and improvement in capabilities, together with basic salary and basic incentives such as performance-based bonus, welfare and benefits as well as long-term incentive of share option schemes, to attract and retain more outstanding talents.

Upholding the concept that "talents are the most invaluable asset of the Company", the Group formulates middle and long term human resources plans in accordance with its needs on strategic development in the future, while fostering the building of its pools of talents and provides elites with systematic and specific nurturing plans. The Group also continues to promote the optimisation of its training system, and will commence the construction of the Corporate University of Yashili, with an aim to establish a strong and industry-leading talent development system in line with its future corporate development.

社會責任

本集團作為國內嬰幼兒奶粉的第一陣營品牌企業，具備高度的社會責任感，在企業發展的同時，積極、熱心地履行企業社會責任。2013年上半年，本集團在「世界牛奶日」向中國扶貧基金會捐贈了優質乳製品及現金；在「全國助殘日」期間向潮州受助者發放慰問物品；在四川雅安地震時為災區捐款捐物，支持災區救援重建工作。

2013年上半年，本集團合計為慈善公益事業捐款捐物價值超過人民幣2.2百萬元。

人力資源

截至2013年6月30日，本集團共有6,222名僱員。本集團注重員工激勵，建立健全基於業績和能力的績效評價與薪酬激勵體系，將僱員的收益和個人工作成效正向匹配，為僱員的職業發展和能力提升提供方向指引，同時結合基本薪金、績效花紅及福利等基礎激勵，股權計劃的長期激勵，以吸引和保留更多優秀人才。

本集團貫徹「人才是公司最重要資產」的理念，結合未來戰略發展需要建立中長期人力規劃，推進人才梯隊建設，並為優秀人才提供系統及針對性的培養計劃。集團已持續推動培訓體系的精進並將啟動雅士利企業大學平台建設，以期建立配合未來企業發展以及行業領先的強大人才發展系統。



Management's Discussion and Analysis (continued)

管理層討論與分析(續)

The Group also strives to deepen the establishment of corporate culture, and has started to refine the corporate culture and concept of Yashili. Our aim is to fully utilise our soft power, motivate and encourage our staff and build up a professional team with passion and relentless pursuit of excellence through establishing the core culture and the concept of sharing of value, matching strategies as well as guidance on the establishment of corporate policies and human resources structure, which will in turn enhance the overall operation efficiency of the enterprise, staff loyalty as well as overall profitability.

Corporate Governance and Investor Relations

The Group considers that the effective communication with shareholders, investors and prospective investors is the essential element for enhancing investor relations and allowing investors to understand the business performance and strategies of the Group. The Group maintains good communication and exchanges with investors through various channels and means such as on-site receptions, telephone conferences and non-trade roadshows, etc.

In order to facilitate effective communication, we have set up a website (www.yashili.hk) which contains our latest financial information, practices on corporate governance and other data for public inspection.

Future Prospects

- **Policy Influences**

The Chinese government and regulatory authorities will pay more attention and attach more importance to the food industry, especially the paediatric milk powder industry. Under such backdrop, stricter supervision will be imposed on paediatric milk powder products and measures and policy regime aiming at imposing stricter regulation on the milk powder industry will be continuously introduced. Besides, cooperation and consolidation within the industry will be encouraged and reinforced, which would weed out substandard small and medium sized enterprises, standardize the management of dairy products companies and industry order and promote the healthy development of the paediatric milk powder industry.

本集團還致力於深化企業文化建設，目前已啟動雅士利企業文化理念提煉梳理項目，以期通過建立核心文化與共享價值理念，匹配戰略、並指引公司制度與人力資源體系建設，充分發揮軟實力功能，激發員工的工作源動力與積極性，建設富於激情、追求卓越的職業化團隊，從而提高企業的整體運營效率、員工向心力和整體盈利能力。

企業管治和投資者關係

本集團認為，與股東、投資者及潛在投資者進行有效溝通，乃提升投資者關係及讓投資者瞭解本集團業務表現及策略的要素。本集團通過現場接待、電話會議及參加券商投資峰會等多種渠道和方式與投資者進行良好地溝通和交流。

為促進有效溝通，本集團設有網站 www.yashili.hk，刊載有關本集團財務資料、企業管治常規及其他數據的最新情況，以供公眾查閱。

未來展望

- **政策影響**

隨著中國政府及監管機構對食品行業特別是嬰幼兒奶粉行業的更加關注和重視，對嬰幼兒奶粉的監管會更加嚴格，會持續出台加強奶粉行業的監管措施及政策制度，並鼓勵和加強行業間的合作和整合，整頓淘汰不規範的中小企業，規範乳製品企業管理和行業秩序，推動奶粉行業的健康發展。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

The paediatric milk powder industry is characterized by high standards and strict requirements. According to the "Opinions on Further Strengthening the Quality and Safety of Infant Milk Formula Products" promulgated by nine ministries and commissions of the Chinese government, the Chinese authorities will regulate the paediatric milk powder industry with reference to the administrative measures for drugs. It can be expected that regulatory standard will be more stringent and regulation will be more transparent through which better guarantee can be given for the orderly operation of the entire industry and the quality management of products. Under the new national standards and policies, the production and competition environment of the domestic paediatric milk powder industry will be improved progressively while consumer confidence will gradually rebound.

• Industry Trend

In the second half year, it is expected that China's GDP will maintain steady growth and disposable income per capita will increase as well. Consumer confidence index will rise to a higher level, sales growth of milk powder will surpass that of the entire dairy products category and more consumers will pay greater attention to brand recognition and safety of products. In consideration of the increasingly stringent and comprehensive national regulation, the pricing system of the dairy products will be modified and adjusted accordingly. Large-scale brands and products will face further integration and penetration, while major brands will continue to benefit from their competitive edges.

In the next half year, the consumption and investment in second- and third-tier cities will be continuously driven by the urbanization process initiated by the State. Looking into the future of the paediatric milk powder sales market, the monopolistic advantage of international chain stores will diminish. In fact, the maternal and child stores have become important retail outlets of paediatric milk powder, their increase in number is particularly fast in second- and third-tier cities, providing a wider sales platform for the Group, which has built a solid sales foundation in those cities.

嬰幼兒奶粉行業是高標準嚴要求行業，根據中國國家九部委《關於進一步加強嬰幼兒配方乳粉質量安全工作的意見》，中國監管機構將參照藥品管理辦法對嬰幼兒配方乳粉進行管理，標準將更加嚴格，監管將更加透徹，這為整個行業的經營秩序和產品的質量管理提供了更加安全的保障。在新的國家標準和政策指引下，國產嬰幼兒奶粉行業的生產和競爭環境日趨優質，消費者信心指數也逐步回升。

• 行業趨勢

下半年，預計中國GDP將繼續保持穩定的增長，人均可支配收入將有所增加，消費者信心指數呈現較高水平，奶粉銷量的增長率高於整體乳品類銷量的增長率，更多的消費者將更加關注產品品牌及安全。基於國家監管日趨嚴格和完善，乳製品的價格體系將有相應的變化和調整，各大品牌及產品將面臨進一步的整合和滲透，大品牌的優勢仍然趨於穩定。

下半年，國家實行的城鎮化進程將繼續拉動二、三線城市的消費和投資，未來的嬰幼兒奶粉銷售市場中，國際性連鎖賣場的壟斷優勢不再明顯，母嬰店已經成為嬰幼兒奶粉銷售的重要零售終端，二、三線城鎮的母嬰門店開發數量增長更加迅猛，這為在二、三線城鎮有堅實銷售基礎的本集團提供了更廣的銷售平台。



Management's Discussion and Analysis (continued)

管理層討論與分析(續)

• Corporate Strategies

In the second half of 2013, the Group, in consideration of the influence of policies and the change of the industry trend, will adopt more active and effective strategies for development, maintain the efficient exploration of sales channels, intensify its efforts in brand building, enhance product research and development capabilities and give more impetus to overseas projects. While strengthening our market competitive edges, we will also commence comprehensive cooperation with Mengniu Group. Our goal is to leverage on the leading position of Mengniu Group in the domestic dairy industry to realize the integration of resources of both parties and offer complementary advantages, which would enable us to develop into a stronger and bigger company and promote the long-term development of the corporate. Our major initiatives will be as follow:

— *Maintain efficient exploration of sales channels*

In the next half year, the Group will continue to undergo market segmentation according to target customer groups. While maintaining our leading positions in third- and fourth-tier cities, we will also continue to carry out meticulous and comprehensive management of the entire sales channel and increase the market coverage rate of products. We will persist in reinforcing our efforts to secure international outlets in first- and second-tier cities, step up our efforts in increasing market coverage and at the same time boost up the sales of single store. The Group will endeavor to explore and improve the maternal and child channels, develop specialized products to support the exploration of mother channels in order to strive for a better market performance; and actively adopt new marketing models such as online marketing to explore electronic commerce and the internet channel and understand new shopping habits and psychology of consumers. Leveraging on the extensive network coverage, more young consumers in second-, third- and fourth-tier cities can participate in the online activities of any products.

• 公司策略

2013年下半年，本集團將針對政策影響和行業趨勢的變化，採取更加積極有效的發展策略，繼續保持營銷渠道有效開拓、強化品牌建設力度、加大產品研發水平、加強海外項目建設，在加強市場競爭優勢的同時，與蒙牛集團開展全面合作，通過蒙牛集團在國內乳業的領先地位，實現雙方資源的整合與優勢互補，把企業繼續做強做大，促進企業的長遠發展。主要舉措如下：

— *保持營銷渠道有效開拓*

下半年，本集團根據顧客目標群不斷細分市場，在保持三、四線城市強勢地位同時，繼續精耕全通路，提升產品鋪市率；繼續加大對一、二線城市國際型賣場維護，在增加門店鋪市力度的同時，進一步鞏固和拉升單店銷量。本集團致力於母嬰渠道開拓和完善，開發專門產品支持母親渠道拓展，以爭取更好的市場表現；並積極採用包括網絡營銷等營銷新模式，拓展電子商務和網絡渠道，掌握消費者新的購買習慣和消費心理，並憑藉強大的網絡覆蓋優勢，讓更多的二、三、四線城市的年輕消費者同樣可以參與任何產品的在線活動。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

In the second half year, the Group will adopt a more active and effective sales strategy for its products, and strengthen and optimize its product structure. To provide premium and safe products which fulfil all kinds of requirements, we will take a proactive stance to launch ultra high-end and high-end products on the foundation of the effective promotion of middle- and high-end products, and will also increase our penetration rate of middle-end products with affordable price in rural markets. The Group will intensify its efforts in the promotion of "milk source imported from New Zealand" and the internationalization campaign, which encompasses importing raw materials from New Zealand and carrying out the canning process and establishing factories in New Zealand, to promote the high-end and international development of brand name. We will improve the sales and marketing activities through launching the "gorgeous display" project, which will perfect the image of shelves and enhance retail performance. Along with the corresponding online/offline thematic activities, our sales volume is set to scale greater heights.

In the next half year, the Group will continue to promote the establishment of direct sales channels and strengthen the management of distributors and policy enforcement. We will monitor and control the procurement, sale and inventory of products in the channels with the application of the system software. Moreover, thanks to the real-time connection between our professional sales team and extensive sales guidance system, we would provide more precise services and management for the distributors to ensure that our products can be quickly circulated, penetrated and promoted.

In the second half year, the Group will continue to enhance the management level of our internal sales team and build up organizational functionality. We will carry out a more meticulous and accurate team management of the milk powder business segment, develop and expand the team of brewed food business segment and improve the level of professional services offered by our team in nutrition department. In addition, we will establish competitive incentive and assessment management scheme and offer competitive remuneration package in order to boost up the growth of sales and achieve better market performance.

下半年，本集團將採取更加積極有效的產品銷售策略，堅固和優化產品結構，在有效推動中高端產品的基礎上，積極推進超高端及高端產品的上市，加大中端平價產品在鄉鎮市場的滲透，為消費者提供優質安全且符合各層次需求的產品。本集團將強化「新西蘭進口奶源」以及從新西蘭原料到新西蘭罐裝到建廠的國際化進程的宣傳，推動品牌高端化和國際化；加強銷售和促銷活動，通過「華貴陳列」專案的投入，優化貨架形象，提升終端表現能力；同時結合相互呼應的地線上／線下主題活動，拉動市場銷量的提升。

下半年，本集團將持續推進渠道扁平化建設，繼續加大對經銷商的管理和政策執行力，通過系統軟件對渠道產品的進銷存進行監控和管理，並由專業化的營銷團隊和龐大的導購系統實時對接，為經銷商提供更加精準的服務和管理，確保產品快速流通、滲透和推廣。

下半年，本集團將繼續加強內部營銷團隊的管理水平和組織機能建設，加強對奶粉事業部團隊的精細化和精準化管理，發展和壯大沖調事業部的團隊建設，提升營養部團隊的專業化服務水平，並配套具有競爭力的激勵考核管理辦法和薪酬體系，以更有效地推動銷售的快速增長，獲取最佳的市場表現。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

— Enhance brand building

Brand competition is the comprehensive competition of quality management and brand recognition. In the second half of the year, to maintain the continuous increase in sales of existing products, the Group will keep promoting its core brand value of "100% pure, confidence and love".

In respect of traditional media, we will increase our investment in promotion by placing advertisements on CCTV, a major television broadcast platform with quality resources, together with various popular television channels to promote our Super α -Golden Stage series, a high-end product originally imported from New Zealand.

In respect of on-ground promotion which combines online and offline activities, we will continue to hold parent-child activities across the country and continue to increase the number of activities in order to enrich consumers' experience through face-to-face communication with them.

In respect of new media, we will increase investment and continue to expand interactive activities by consolidating our efforts in marketing, development of mobile apps about breeding, and innovative promotion via online videos to increase the influence of Yashily brand amongst a new generation of young parents.

In respect of promotion of professional image, we will continue to strengthen our basic maternal and child support by hiring more experts to share experiences relating to eugenics and quality education, breast feeding, early education and international new technology with the general maternal and child medical and nursery personnel and consumers and provide relevant training to enhance our professional brand image.

— 強化品牌建設力度

品牌的競爭就是質量管理力和品牌力的綜合競爭。下半年，本集團將再繼續宣傳「純淨百分百，信任百分百，真愛百分百」核心品牌價值，以支持現有產品銷售的不斷增長。

傳統媒體方面，加大宣傳投入，透過央視這一核心電視傳播平台的優質資源，結合多家優勢電視媒體，對新西蘭原裝進口超級 α 金裝高端產品進行廣告支持。

線上線下結合的地面宣傳方面，繼續在全國範圍內舉行親子系列活動，繼續增加活動場次，與消費者開展面對面的溝通，增加消費者產品體驗。

新媒體方面，加大投入，繼續加大互動活動整合營銷、育兒手機APP開發、網絡視頻創意營銷等方面的力度，提升雅士利品牌在新生代父母中的影響力。

專業形象宣傳方面，繼續加強對基層母嬰事業的支持，聘請更多的專家為基層母嬰醫護人員、消費者進行從優生優育、母乳餵養、早教、國際新技術等經驗的分享和培訓，以提升專業品牌形象。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

In the second half of the year, to enhance a sense of intimacy of our brand, the Group will continue to select celebrities with healthy images to be our spokespersons. We will also keep increasing our own professional organizational capability to implement a harmonious, predictable and convincing advertising campaign which involves the promotion and broadcast, formulation, optimization, execution and assessment of the brand by means of advertisements, sales promotion, marketing events, packaging and network media which would help to establish our brand image. As a result, every promotion and marketing activities will be well connected and united with each other and this could deepen the target consumers' impression to our brand. Through the above measures and strategies, we could send our brand connotation to the consumers, accumulate brand assets and enhance brand reputation.

— Enhancing product research and development and promotion of new products

With the research and development strategy of "apply research and development as well as advanced researches by generation", in the second half of 2013, the Group will continue to strengthen the investment in product research and development, consolidate and perfect the product structure, enhance the production technology and optimize the product formula, in order to provide Chinese customers with more higher quality and safer product series.

For paediatric milk powder, in order to meet the demand of consumers of various consumption levels, we are planning to develop Yashily Golden milk powder and Super Golden paediatric milk powder series so as to enrich the product mix.

For paediatric rice flour, we plan to complete the development of mixed-grain nutritional rice flour in the second half of the year so as to enrich the types of products.

For adult milk powder, we will complete the development of Golden high-calcium and high-iron milk powder, and will improve the calcium content of milk products in response to the demand of high-calcium so as to highlight the concept of high-quality calcium.

下半年，本集團將繼續選用健康的明星為品牌代言，增加品牌親和力，不斷提升自身專業策劃能力，執行品牌的整合營銷傳播，制定、優化、執行並評價協調的、可測度的、有說服力的品牌傳播計劃，將廣告、銷售促進、市場營銷、包裝、網絡媒體等行為以有利於品牌的形式呈現，讓每一個營銷動作之間相互呼應，又融為一體。以深刻強化目標消費群對於品牌的印象，通過這些手段及策略向消費者傳達品牌信息，累積品牌資產，提升品牌美譽度。

— 加大產品研發和新品推廣

本著「裝備一代，研發一代，預研一代」的研發策略，本集團將在2013年下半年持續加強對產品研發的投入，鞏固和完善完整的產品結構，提升製造工藝，優化產品配方，為中國消費者提供更多更優質更安全的系列產品。

嬰幼兒奶粉方面，計劃開發雅士利金裝奶粉和超級金裝系列嬰幼兒奶粉，豐富產品品種，滿足不同消費水平消費者的需求。

嬰幼兒米粉方面，下半年擬完成五穀營養米粉的開發，豐富產品品種。

成人奶粉方面，完成金裝高鈣高鐵奶粉的開發，在高鈣的訴求點上強化乳鈣，突出優質鈣的概念。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

For soymilk powder and cereal, we plan to develop high-fiber cereal and medicinal and multi-vitamin soymilk powder with multiple nutrients added in the second half of the year so as to enrich the types of products.

The Group will make a strong push into the liquid-form nutritious drinks industry in the second half of 2013. Our new product will be high plant protein drinks targeting at middle to high-end markets. The Group is now conducting activities such as market research, product research and development, packaging design, advertising plans and promotion strategies in accordance with the launching plans. With the commencement of subsequently relevant work, liquid-form nutritious drinks industry will certainly become a new growth point of the Group.

— *Giving more impetus to overseas projects*

In the second half of the year, while adhering to the policy of importing premium dairy raw materials, the Group will also strengthen the preparation and implementation of the New Zealand factory project. The Group will continue to consolidate and expand the competitive advantages over other manufacturers of paediatric milk formula in China. We will ceaselessly integrate international resources to reinforce the product quality and safety, and strive to develop the Group into an internationalized, professionalized and standardized international enterprise.

— *Enhancing the collaboration with Mengniu*

In the second half of the year, the Group will actively develop comprehensive collaboration with Mengniu Group to carry out integration of resources and create supplementary advantages in order to exert the synergy effect fully and procure the largest support from Mengniu Group in brand, resources and technology. We hope to further increase the influence of the Group's brand, the penetration rate of channels, the market competitiveness and the execution capabilities of management in order to achieve faster and stronger corporate development.

豆奶粉及麥片方面，下半年計劃開發高纖類麥片、添加多種營養素和藥食同源的多維豆奶粉，豐富產品品種。

本集團將在2013年下半年強勢進軍液態營養飲品事業領域，該新品是定位於中高端的高蛋白植物蛋白飲品。目前正按既定上市計劃，開展市場研究、產品研發、包裝設計、傳播規劃、推廣策略等工作。伴隨後續相關工作的開展，液態營養事業必將成為本集團全新的業績增長點。

— *加強海外項目建設*

下半年，本集團在繼續堅持採用進口優質乳品材料政策的同時，將加強新西蘭工廠項目的籌建進程和實施力度，繼續穩固和擴大與國內其他中國嬰幼兒配方奶粉生產商的競爭優勢，不斷整合國際資源強化產品質量和安全，努力將本集團打造成為國際化、專業化和規範化的國際企業。

— *加強與蒙牛合作*

下半年，本集團將積極與蒙牛集團開展全面合作，進行資源整合和優勢互補，充分發揮協同效應，獲取蒙牛集團在品牌、資源及技術上的最大支持，以期進一步加強本集團品牌的影響力、渠道的滲透力、市場的競爭力以及管理執行力，更好地促進企業更快更強的發展。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Financial Review

Turnover

For the six months ended 30 June 2013, the Group's revenue amounted to RMB2,152.9 million (same period of 2012: RMB1,689.1 million), representing an increase of 27.5% compared to the same period of the preceding year.

Revenue breakdown by brand and product category

財務回顧

收入

截至2013年6月30日止六個月，本集團之收入達人民幣2,152.9百萬元(2012年同期：人民幣1,689.1百萬元)，較去年同期增長27.5%。

按品牌及產品類別劃分之收入

Six months ended 30 June

截至6月30日止六個月

		2013 2013年 RMB million 人民幣百萬元	2012 2012年 RMB million 人民幣百萬元	Percentage change 變動比例
Yashily paediatric milk formula products	雅士利嬰幼兒配方奶粉	1,520.5	1,144.2	32.9%
Scient paediatric milk formula products	施恩嬰幼兒配方奶粉	369.0	304.7	21.1%
Nutrition products	營養食品	258.4	227.4	13.6%
Others	其他	5.0	12.8	-60.9%
Total	總計	2,152.9	1,689.1	27.5%

For the six months ended 30 June 2013, sales revenue from our Yashily paediatric milk formula products amounted to RMB1,520.5 million (same period in 2012: RMB1,144.2 million), representing an increase of 32.9% from the same period last year. Sales revenue from our Scient paediatric milk formula amounted to RMB369.0 million (same period in 2012: RMB304.7 million), representing an increase of 21.1% from the same period last year.

Sales growth achieved in both brands was mainly attributable to the increase in sales volume boosted by the successful sales strategies. In addition, the Group continuously launched high-end products such as Merla under Scient and Golden Ambery and Super α -Golden under Yashily since the mid of 2012, which was also a new drive for sales growth.

截至2013年6月30日止六個月，雅士利品牌嬰幼兒配方奶粉產品實現銷售收入人民幣1,520.5百萬元(2012年同期：人民幣1,144.2百萬元)，較去年同期增長32.9%，而施恩品牌嬰幼兒配方奶粉產品則實現銷售收入人民幣369.0百萬元(2012年同期：人民幣304.7百萬元)，相比去年同期增長21.1%。

兩個品牌銷售增長主要源自成功的銷售策略拉動的銷售量增長。此外，自2012年年中以來，本集團陸續推出的施恩美兒樂，雅士利金裝安貝慧以及超級 α 金裝等高端產品也成為帶動銷售成長的新動力。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

For the six months ended 30 June 2013, sales revenue from our nutrition products amounted to RMB258.4 million (same period in 2012: RMB227.4 million), representing an increase of 13.6% from the same period last year, which was mainly due to the growth in sales revenue from cereal and milk powder for adults driven by the growth in market demand.

截至2013年6月30日止六個月，營養食品實現銷售收入人民幣258.4百萬元(2012年同期：人民幣227.4百萬元)，較去年同期增長13.6%，增長主要來自於市場需求增加而帶動的麥片以及成人系列奶粉銷售收入的增長。

Revenue by city tiers

— Yashily paediatric milk formula

按城市級別劃分之收入

— 雅士利嬰幼兒配方奶粉

		Six months ended 30 June 截至6月30日止六個月		Percentage change 變動比例
		2013 2013年 RMB million 人民幣百萬元	2012 2012年 RMB million 人民幣百萬元	
First-tier cities ⁽¹⁾	一線城市 ⁽¹⁾	152.5	155.5	-1.9%
Second-tier cities ⁽²⁾	二線城市 ⁽²⁾	603.1	530.5	13.7%
Third-tier cities and others ⁽³⁾	三線城市及其他 ⁽³⁾	764.9	458.2	66.9%
Total	總計	1,520.5	1,144.2	32.9%

— Scient paediatric milk formula

— 施恩嬰幼兒配方奶粉

		Six months ended 30 June 截至6月30日止六個月		Percentage change 變動比例
		2013 2013年 RMB million 人民幣百萬元	2012 2012年 RMB million 人民幣百萬元	
First-tier cities ⁽¹⁾	一線城市 ⁽¹⁾	37.8	31.2	21.2%
Second-tier cities ⁽²⁾	二線城市 ⁽²⁾	239.5	204.0	17.4%
Third-tier cities and others ⁽³⁾	三線城市及其他 ⁽³⁾	91.7	69.5	31.9%
Total	總計	369.0	304.7	21.1%

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

- | | |
|--|---|
| <p>(1) Includes direct-controlled municipalities, provincial capital cities and capital cities of autonomous regions such as Beijing, Shanghai, Guangzhou, Chongqing, Nanchang and Shijiazhuang.</p> <p>(2) Includes prefecture-level cities such as Dongguan, Nanyang, Jiujiang, Mianyang and Foshan.</p> <p>(3) Includes county-level cities such as Jinjiang, Yunmeng, Bozhou, Kunshan and Luohe.</p> | <p>(1) 包括北京、上海、廣州、重慶、南昌及石家莊等直轄市、省會城市及自治區首府。</p> <p>(2) 包括東莞、南陽、九江、綿陽及佛山等地級市。</p> <p>(3) 包括晉江、雲夢、亳州、昆山及漯河等縣級市。</p> |
|--|---|

The above sales are classified based on the tier of the cities where the distributors are registered.

上述銷售是以經銷商註冊所在地歸屬的城市級別劃分的。

In the first half of 2013, both Yashily and Scient have further expanded their distribution channel downward. Some of the third-tier and other markets originally covered by distributors in first- and second-tier cities are operated by local distributors. Sales in third-tier and other cities for both brands reported outstanding growth in the first half of 2013.

於2013年上半年，雅士利及施恩進一步進行分銷渠道下沉，部分的原來由一、二線城市經銷商覆蓋的三線城市及其他市場由當地的經銷商經營。兩個品牌2013年上半年在三線及其他城市的銷售增長突出。

Boosted by the successful sales strategies, sales for Yashily paediatric milk formula grew substantially on second-tier and third-tier cities. Leveraging on brand advantage and reputation accumulated in all times on third-tier and other cities, Yashily's sales growth was more outstanding in third-tier and other cities.

在成功的銷售策略拉動下，雅士利嬰幼兒奶粉在二、三線城市取得顯著的成長。憑藉在三線及其他城市一直以來積累的品牌優勢和口碑，雅士利在三線及其他城市的增長更為突出。

Sales of Scient paediatric milk formula in cities of all tiers grew for the first half of 2013 as compared to the same period last year. The launch of high-end Merla was also a new drive for the sales growth.

與去年同期比較，施恩品牌嬰幼兒奶粉於2013年上半年實現全線上漲，美兒樂高端產品的上市也為其成長注入了新的動力。

Gross profit

For the six months ended 30 June 2013, the Group recorded gross profit of RMB1,192.1 million (same period in 2012: RMB917.0 million), representing an increase of 30.0% from the same period last year, and gross profit margin was 55.4% (same period in 2012: 54.3%). The improvement in gross profit margin was mainly attributable to the optimization of product structure and the decrease in the average cost of raw milk powder as compared with that of the same period last year.

毛利

截至2013年6月30日止六個月，本集團錄得毛利為人民幣1,192.1百萬元(2012年同期：人民幣917.0百萬元)，較去年同期上升30.0%，毛利率為55.4%(2012年同期：54.3%)。毛利率的增長主要得益於產品優化結構以及原料奶粉平均成本較去年同期有所下降。



Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Selling and distribution expenses

For the six months ended 30 June 2013, the Group has incurred selling and distribution expenses of RMB712.2 million (same period in 2012: RMB565.8 million), representing an increase of 25.9% from the same period last year, which was mainly due to the increase in salary, social security fees and promotion expenses. During the period, sales revenue grew by 27.5% while selling and distribution expenses increased by only 25.9% and therefore, the ratio of selling and distribution expenses over the Group's revenue decreased to 33.1% (same period in 2012: 33.5%).

Administrative expenses

For the six months ended 30 June 2013, administrative expenses amounted to RMB114.1 million (same period in 2012: RMB98.3 million), representing an increase of 16.1% from the same period last year, which was mainly due to the increase in salary, social security fees and other taxes expenses.

Net finance income

For the six months ended 30 June 2013, net finance income amounted to RMB37.9 million (same period in 2012: net finance income of RMB46.9 million). The decrease in net finance income was mainly because People's Bank of China adjusted down benchmark deposit interest rate in the second half of 2012, leading to the decline in yield rates from wealth management products and term deposits of the Group.

Income tax expenses

For the six months ended 30 June 2013, the Group has provided for income tax expenses of RMB115.2 million (same period in 2012: RMB86.0 million), and the effective income tax rate was 28.1% (same period in 2012: 28.2%).

銷售及經銷開支

截至2013年6月30日止六個月，本集團產生銷售及經銷開支為人民幣712.2百萬元(2012年同期：人民幣565.8百萬元)，較去年同期增加了25.9%，主要由於工資社保費以及推廣促銷費用的增加所致。本期銷售額增長27.5%，而銷售及經銷開支增幅只有25.9%，銷售及經銷開支佔本集團收入的比例因此下降至33.1%(2012年同期：33.5%)。

行政開支

截至2013年6月30日止六個月，行政開支為人民幣114.1百萬元(2012年同期：人民幣98.3百萬元)，較去年同期增加了16.1%，主要由於工資社保費用以及稅費增加所致。

財務收入淨額

截至2013年6月30日止六個月，財務收入淨額為人民幣37.9百萬元(2012年同期：財務收入淨額為人民幣46.9百萬元)。財務收入淨額有所下降主要是因為中國人民銀行於2012年下半年下調了存款基準利率，本集團理財及定期存款收益率因此有所下降。

所得稅開支

截至2013年6月30日止六個月，本集團計提的所得稅開支為人民幣115.2百萬元(2012年同期：人民幣86.0百萬元)，實際所得稅率為28.1%(2012年同期：28.2%)。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Prepayments and other receivables

As at 30 June 2013, the balance of non-current prepayments and other receivables amounted to RMB57.7 million (31 December 2012: RMB184.2 million). The decrease in balance was mainly due to the receipt of some of the equipment for production of liquid milk in the Group's Zhengzhou plant and the related prepayment was recognised as property, plant and equipment. In addition, a land purchase agreement has been entered into for the land bid by the Group in the second half of 2012 for construction of new headquarters in Mainland China and Food Research Institute. Related deposit was reclassified from prepayments and other receivables into lease prepayments as a result.

Inventory

As at 30 June 2013, the Group's inventory balance amounted to RMB828.4 million (31 December 2012: RMB652.9 million), of which, raw materials increased from RMB350.3 million as at 31 December 2012 to RMB524.5 million at the end of the period. Higher raw material balance was kept to satisfy the increasing market demand in the second half of the year. In addition, the Group adopted a strategic policy to purchase more raw materials which are of unstable supply. The balance for raw materials increased accordingly.

Other investment

As at 30 June 2013, other investments were conservative wealth management products which were principal guaranteed. The anticipated annualised yields were ranged from 4.1% to 5.5% (at 31 December 2012: 2.8% to 3.7%).

Trade and bills receivables

As at 30 June 2013, the Group's trade and bills receivables amounted to RMB25.3 million (31 December 2012: RMB26.8 million). The decrease in the balance was mainly due to the improvement of credit limit control by the Group. In the first half of 2013, the trade receivable turnover days were 2.1 days (same period in 2012: 2.4 days).

預付及其他應收款

於2013年6月30日，非流動預付款及其他應收款餘額為人民幣57.7百萬元(2012年12月31日：人民幣184.2百萬元)，餘額的減少主要是因為本集團位於鄭州的工廠生產液態奶所需的部分設備已收到，其相應預付款項確認為物業、廠房及設備。此外，本集團於2012年下半年投得的用於國內新總部及食品研究院建設的土地已正式簽署了土地出讓合同，相應訂金款項也從預付及其他款應收款重新分類至預付租金中。

存貨

於2013年6月30日，本集團存貨餘額為人民幣828.4百萬元(2012年12月31日：人民幣652.9百萬元)，其中原材料從2012年12月31日人民幣350.3百萬元增加至本期末的人民幣524.5百萬元。為保障下半年更加旺盛的市場需求，本集團增加了原材料的庫存儲備。此外，有一部分的原材料供應不穩定，本集團於上半年實施了策略增加採購，原材料庫存相應增加。

其他投資

於2013年6月30日，其他投資為穩健型保本理財產品。預期年化收益率為4.1%至5.5%(於2012年12月31日：2.8%至3.7%)。

貿易應收款及應收票據

於2013年6月30日，本集團貿易應收款及應收票據金額為人民幣25.3百萬元(2012年12月31日：人民幣26.8百萬元)，餘額下降主要由於本集團更完善的信限控制。於2013年上半年，貿易應收款周轉天數為2.1天(2012年同期：2.4天)。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Trade and other payables

As at 30 June 2013, the balance of trade and other payables of the Group amounted to RMB2,378.7 million (31 December 2012: RMB1,028.6 million). The increase in balance was mainly due to the declaration of special dividends and final dividends amounting to approximately RMB1,400.3 million approved by the annual general meeting held on 6 June 2013. The dividends have been paid on 5 July 2013.

Human resources and employees' remuneration

As at 30 June 2013, the Group had a total of 6,222 (30 June 2012: 5,576) full time employees. Total employee cost for the period was approximately RMB183.4 million (same period in 2012: RMB150.7 million). The increment in employee cost was mainly due to the increase in head count, average salary and expenses on social insurance.

Contingent liabilities

As at 30 June 2013, the Group did not have any material contingent liabilities (31 December 2012: nil).

Capital commitment

As at 30 June 2013, total capital commitment of the Group amounted to RMB1,031.5 million (31 December 2012: RMB824.3 million). The balance as of 30 June 2013 included part of the capital expenditure budget for the production plant of Yashili in New Zealand amounting to RMB913.2 million, authorized by the board but not contracted.

貿易及其他應付款

於2013年6月30日，本集團貿易及其他應付款餘額為人民幣2,378.7百萬元(2012年12月31日：人民幣1,028.6百萬元)。餘額的增加主要是因為2013年6月6日股東週年大會通過分派特別股息及年末股息合計人民幣約1,400.3百萬元，該股息已於2013年7月5日實際派發。

人力資源及僱員薪酬

於2013年6月30日，本集團共有6,222名全職僱員(2012年6月30日：5,576名)。僱員本期總成本約為人民幣183.4百萬元(2012年同期：人民幣150.7百萬元)。僱員總成本的增加主要是因為員工人數的增加以及員工平均薪酬及社保費用增加。

或然負債

於2013年6月30日，本集團並無重大或然負債(2012年12月31日：無)。

資本承擔

於2013年6月30日，本集團資本承擔總額為人民幣1,031.5百萬元(2012年12月31日：人民幣824.3百萬元)。於2013年6月30日的結餘包括了董事會已批准但未訂約的雅士利新西蘭生產廠房部分資本開支預算人民幣913.2百萬元。

Management's Discussion and Analysis (continued)

管理層討論與分析(續)

Application of net IPO Proceeds

The net proceeds from the Company's initial public offering were approximately RMB1,965.8 million, after deduction of related expenses. We have utilised such net proceeds in the manner consistent with that mentioned on the Company's prospectus dated 30 October 2010 under the section headed "Future Plans and Use of Proceeds". As such, the net proceeds utilised up to 30 June 2013 were as follows:

首次公開招股所得款項淨額用途

本公司於扣除有關開支後的首次公开发售所得款項淨額約為人民幣1,965.8百萬元。本公司已按照2010年10月30日的招股章程「未來計劃及所得款項用途」一節所披露的方式運用這些款項淨額。因此，截至2013年6月30日所得款項淨額用途如下：

Item	項目	Available for utilisation as at the end of 2012 於 2012年底 可動用 RMB'000 人民幣千元	Utilised in the six months ended 30 June 2013 截至 2013年 6月30日止 六個月動用 RMB'000 人民幣千元	Unutilised as at 30 June 2013 於 2013年 6月30日 未動用 RMB'000 人民幣千元
Expansion of production capacity for paediatric milk formula and nutritional food products	用於擴大嬰幼兒配方奶粉及營養食品之產能	280,168	45,942	234,226
Acquisition of integrated dairy companies engaged in the production of raw milk and raw milk powder and establishment of vertically-integrated production facilities overseas	收購從事原奶及原料奶粉生產的綜合乳製品公司及在海外建立垂直整合的生產設施	488,314	7,106	481,208
Promotional activities in television networks and popular baby nursing forums as well as major magazines, newspapers and other printing media	電視網絡及流行育嬰論壇網站，以及主要雜誌、報紙及其他印刷媒體的廣告活動	364,679	115,899	248,780
Enhancement on our research and development capabilities	提高本集團的研發能力	136,247	92,794	43,453
Development and promotion of sales of existing and new products	開發及推銷現有產品及新產品	—	—	—
Funding of our working capital and general corporate purposes	本集團營運資金及一般企業用途	—	—	—
Total	合計	1,269,408	261,741	1,007,667

Report of the Directors

董事會報告

The board of directors (the “**Directors**” or the “**Board**”) of the Company would like to present their interim report together with the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2013.

本公司董事會(「**董事**」或「**董事會**」)謹此提呈其中期報告，連同本公司及其附屬公司(「**本集團**」)截至2013年6月30日止六個月的未經審核簡明合併財務報表。

Interim Dividends

The Board does not recommend an interim dividend for the six months ended 30 June 2013 (for the six months ended 30 June 2012: nil), and recommends to retain the profit for the period.

中期股息

董事會建議不派發截至2013年6月30日止六個月的中期股息(截至2012年6月30日止六個月：無)，並建議保留期內盈利。

Report of the Directors (continued)

董事會報告(續)

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures as at 30 June 2013

As at 30 June 2013, the Directors and the chief executives of the Company and their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong) ("SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the directors and the chief executives of the Company are taken or deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO, or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"):

(i) Directors' interests in the shares of Zhang International Investment Ltd. ("Zhang International") (being a holding company of the Company) as at 30 June, 2013

Name of director 董事名稱	Capacity/nature of interest 身份/權益性質	Number of shares 股份數目	Percentage of the share capital 佔股本百分比
Zhang Likun 張利坤	Beneficial owner 實益擁有人	18	18%
Zhang Liming 張利明	Beneficial owner 實益擁有人	18	18%
Zhang Lidian 張利鈿	Beneficial owner 實益擁有人	18	18%
Zhang Libo 張利波	Beneficial owner 實益擁有人	18	18%

於2013年6月30日董事及主要行政人員於股份、相關股份和債權證之權益及淡倉

於2013年6月30日，本公司董事及主要行政人員及彼等各自的聯繫人於本公司及其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部份)之股份、相關股份及債權證中，擁有已根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括本公司董事及主要行政人員根據證券及期貨條例的該等條文被當作或視為擁有的權益及淡倉)，或須根據證券及期貨條例第352條規定存置的登記冊內之權益及淡倉，或根據聯交所證券上市規則(「上市規則」)附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

(i) 於2013年6月30日董事於張氏國際投資有限公司(「張氏國際」)(即本公司控股公司)的股份的權益

Report of the Directors (continued)

董事會報告(續)

(ii) Director's interests in the share and underlying shares of the Company as at 30 June, 2013

(ii) 於2013年6月30日董事於本公司的股份及相關股份的權益

Name of director 董事名稱	Capacity/nature of interest 身份/權益性質	Number of shares 股份數目	Percentage of the share capital 佔股本百分比
Zhang Lidian ⁽¹⁾ 張利鈿 ⁽¹⁾	Beneficial owner 實益擁有人	15,547,248(L)(長) ⁽³⁾	0.44%
Zhang Yanpeng ⁽²⁾ 張雁鵬 ⁽²⁾	Beneficial owner 實益擁有人	3,124,489(L)(長) ⁽³⁾	0.09%

Notes:

- Mr. Zhang Lidian was interested in 9,328,344 shares as the beneficial owner and 6,218,904 underlying shares of the Company by virtue of Pre-IPO Share Options granted to him.
- Mr. Zhang Yanpeng was interested in 2,174,688 shares as the beneficial owner and 949,801 underlying shares by virtue of Pre-IPO Share Options granted to him.
- "L" denotes long position.

附註：

- 張利鈿先生以實益擁有人的身份於9,328,344股股份中擁有權益，並因獲授予首次公開發售前購股權而於6,218,904股本公司相關股份中擁有權益。
- 張雁鵬先生以實益擁有人的身份於2,174,688股股份中擁有權益，並因獲授予首次公開發售前購股權而於949,801股相關股份中擁有權益。
- 「長」指長倉。

Save as disclosed above, as at 30 June 2013, none of the directors or chief executive of the Company had, or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code. Save as disclosed above, at no time during the six months ended 30 June 2013 was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

除上文所披露者外，於2013年6月30日，本公司董事或主要行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有或視作擁有本公司根據證券及期貨條例第352條存置的登記冊所記錄的任何權益或淡倉，或根據標準守則已知會本公司及聯交所的權益或淡倉。除上文所披露者外，於2013年6月30日止六個月期間任何時間，本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司的董事及主要行政人員(包括彼等的配偶及未滿18歲子女)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中持有任何權益或淡倉。

Report of the Directors (continued)

董事會報告(續)

Substantial shareholders' interests and short positions in shares and underlying shares as at 30 June 2013

So far as is known to any director or chief executive of the Company, as at 30 June 2013, the persons or corporations (other than director or chief executive of the Company) who had interest or short positions in the shares and underlying shares of the Company or its associated corporation(s) which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

於2013年6月30日主要股東於股份及相關股份的權益及淡倉

就本公司任何董事或主要行政人員所知，於2013年6月30日，於本公司或其相聯法團的股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須披露予本公司的權益或淡倉，或已記入根據證券及期貨條例第336條規定存置的登記冊內的權益或淡倉的人士或法團(並非本公司董事或主要行政人員)如下：

Name of substantial shareholder 主要股東名稱	Capacity/nature of interest 身份／權益性質	Number of shares 股份數目	Percentage of the share capital 佔股本百分比
Zhang International ⁽¹⁾ 張氏國際 ⁽¹⁾	Beneficial owner 實益擁有人	1,826,808,760(L) ⁽³⁾	51.33%
CA Dairy Holdings ("Carlyle") ⁽²⁾ CA Dairy Holdings (「凱雷」) ⁽²⁾	Beneficial owner 實益擁有人	853,631,240(L) ⁽³⁾	23.98%
Carlyle Asia Partners III L.P.	Interest in a controlled corporation 受控制法團權益	853,631,240(L) ⁽³⁾	23.98%

Notes:

- Zhang International was held by Mr. Zhang Likun, Mr. Zhang Lihui, Mr. Zhang Liming, Mr. Zhang Lidian, Mr. Zhang Libo and Ms. She Lifang (collectively referred to as "Zhang's family") as their wholly-owned investment holding company to hold their shares in our Company.
- Carlyle is wholly-owned by Carlyle Asia Partners III L.P.
- "L" denotes long position.

附註：

- 張氏國際由張利坤先生、張利輝先生、張利明先生、張利鈿先生、張利波先生及余麗芳女士(統稱為「張氏家族」)擁有，作為彼等的全資投資控股公司，以持有其於本公司的股份。
- 凱雷由Carlyle Asia Partners III L.P.全資擁有。
- 「長」指長倉。

Save as disclosed above, as at 30 June 2013, the directors of the Company are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company or its associated corporation(s) which would require to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，於2013年6月30日，本公司董事概不知悉任何其他人士或公司於本公司或其相聯法團的股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

Report of the Directors (continued)

董事會報告(續)

Share Options Schemes

Pre-IPO Share Option Scheme

The Company has adopted a share option scheme on 8 October 2010 (the “**Pre-IPO Share Option Scheme**”) for the purpose of giving its employees an opportunity to have a personal stake in the Company and helping motivate employees to optimise their performance and efficiency, and retaining its employees whose contributions are important to the long term growth and profitability of the Group. Options to subscribe for an aggregate of 94,975,662 Shares (the “**Underlying Shares**”) were granted to 181 participants, including 2 executive directors. These options represent share options originally granted by our subsidiary, 廣東雅士利集團有限公司 (Guangdong Yashili Group Company Limited) (“**Yashili (Guangdong)**”), to the grantees on 1 January 2009 and 1 August 2010 in respect of the shares in the Company, which were exchanged into the Pre-IPO Share Options on 8 October 2010.

Options to subscribe for an aggregate of 73,525,056 Shares at an exercise price of RMB0.11 per Share and options to subscribe for an aggregate of 21,450,606 Shares at an exercise price RMB1.84 per Share have been granted under the Pre-IPO Share Option Scheme.

No further options were granted under the Pre-IPO Share Option Scheme on or after the 1 November 2010, the date of our Shares first commenced dealings on the Stock Exchange (“**Listing Date**”). All options granted under the Pre-IPO Share Option Scheme (the “**Pre-IPO Share Options**”) were vested and will vest and may only be exercised in the following manner:

- one fifth of the options were vested on 1 January 2011, the date which is two months after the Listing Date (the “**First Vesting Date**”);
- one fifth of the options were vested on the first anniversary of the First Vesting Date;
- one fifth of the options were vested on the second anniversary of the First Vesting Date;

購股權計劃

首次公開發售前購股權計劃

本公司已於2010年10月8日採納購股權計劃(「**首次公開發售前購股權計劃**」)，其目標為向員工提供於本公司擁有個人權益之機會及鼓勵員工發揮彼等所長，提升工作效率，及挽留對本集團之長期增長及盈利能力有重要貢獻之員工。可供認購合共94,975,662股股份(「**相關股份**」)的購股權已授予181名僱員，包括2名執行董事。該等購股權指本集團附屬公司廣東雅士利集團有限公司(「**廣東雅士利**」)於2009年1月1日及2010年8月1日原先授予承授人的有關本公司股份的購股權，其已於2010年10月8日獲交換為首次公開發售前購股權。

根據首次公開發售前購股權計劃，可供認購合共73,525,056股股份的購股權已以每股人民幣0.11元的行使價及合共21,450,606股股份的購股權已以每股人民幣1.84元的行使價授出。

於2010年11月1日(即股份首次於聯交所買賣當日(「**上市日期**」)或之後，將不會根據首次公開發售前購股權計劃授出其他購股權。根據首次公開發售前購股權計劃授出之所有購股權(「**首次公開發售購股權**」)已經及將會歸屬，並僅可按以下方式行使：

- 五分之一的購股權已於2011年1月1日(即上市日期後兩個月當日(「**首個歸屬日**」))歸屬；
- 五分之一的購股權已於首個歸屬日首週年歸屬；
- 五分之一的購股權已於首個歸屬日第二個週年歸屬；

Report of the Directors (continued)

董事會報告(續)

- one fifth of the options shall vest on the third anniversary of the First Vesting Date;
- one fifth of the options shall vest on the fourth anniversary of the First Vesting Date; and
- 五分之一的購股權將於首個歸屬日第三個週年歸屬；
- 五分之一的購股權將於首個歸屬日第四個週年歸屬；及

each option granted under the Pre-IPO Share Option Scheme is exercisable within 15 days from the date on which such option becomes vested.

首次公開發售前購股權計劃所授出的每份購股權由該等購股權歸屬日期起計十五日內可予行使。

Details of changes in share options during the period are as follows:

期內購股權變動之詳情列載如下：

Name or class of participant(s)	As at	Exercised	Lapsed during the period	As at	Closing market
	1 January 2013	during the period		30 June 2013	price per share for exercised options
參與者名稱或類別	於2013年1月1日	期內行使	期內失效	於2013年6月30日	已行使購股權的每股收市價 港元
Directors					
董事					
Zhang Lidian 張利鈿	9,328,352	3,109,448	—	6,218,904	2.49
Zhang Yanpeng 張雁鵬	1,424,697	474,896	—	949,801	2.49
Other staff	29,329,799 ¹	9,624,709	617,584	19,087,506	2.49
其他員工					
Other staff	9,671,156 ²	3,060,171	302,324	6,308,661	2.49
其他員工					
Total	49,754,004	16,269,224	919,908	32,564,872	N/A
合計					不適用

Notes:

附註：

1. The exercise price for these options is RMB0.11 per Share and granted on 1 January 2009.
2. The exercise price for these options is RMB1.84 per Share and granted on 1 August 2010.

1. 該等購股權的行使價為每股人民幣0.11元，並已於2009年1月1日授出。
2. 該等購股權的行使價為每股人民幣1.84元，並已於2010年8月1日授出。

Report of the Directors (continued)

董事會報告(續)

Share Option Scheme

The Company has adopted the Share Option Scheme on 8 October 2010 for the purpose of motivating eligible persons to optimise their future contributions to the Group and/or reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The maximum number of share which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the shares in issue as at the Listing Date, that is, 350,000,000 Shares. No option may be granted to any participant of the Share Option Scheme such that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK\$1 upon acceptance of the grant on or before the 28 days after the offer date. The exercise price of the options is determined by the board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a share;
- (b) the closing price of a share as stated in the Stock Exchange's daily quotations sheets on the offer date; and
- (c) the average closing price of a share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from the Listing Date, after which no further options will be granted or offered.

購股權計劃

本公司已於2010年10月8日採納購股權計劃，其目標為激勵相關參與者，令其對本集團的未來貢獻達致最佳及／或獎勵彼等過往的貢獻，吸引及挽留或以其他方式維持與該等對本集團的表現、增長或成功而言屬有利或將會有利的參與者。

因行使根據購股權計劃及本集團任何其他計劃將予授出的所有購股權而可能發行的最高股份數目，合共不得超過截至上市日期已發行股份的10%，即350,000,000股股份。本公司概不得向任何一名購股權計劃參與人士授出購股權，致使在任何截至最終授出當日止12個月期間行使已授出及將授出的購股權而發行及將予發行的股份總數超過本公司不時已發行股本的1%。

購股權可根據購股權計劃條款於任何董事會釐定的期間內任何時間予以行使，惟不得超過授出日期起計10年。於購股權可獲行使前並無最短持有購股權的期限。購股權計劃參與人在要約日期起計28天內接納授出購股權須向本公司繳付1港元。購股權的行使價由董事會全權酌情釐定，惟不得低於下列三者中的最高者：

- (a) 股份面值；
- (b) 於要約日期在聯交所每日報價表所列的股份收市；及
- (c) 緊接要約日期前五個營業日股份於聯交所每日報價表所列的平均收市價。

購股權計劃將由上市日期起計10年期間內有效及生效，於該期間後，將不會授出或提呈其他購股權。

Report of the Directors (continued)

董事會報告(續)

During the six months ended 30 June 2013, movements in the share options granted under the Share Option Scheme are set out below:

根據購股權計劃，截至2013年6月30日止六個月授出的購股權的變動列載如下：

Date of grant	Exercise price per share HK\$	As at 1 January 2013 於2013年1月1日	Exercised during the period 期內行使	Cancelled/lapsed during the period 期內註銷/失效	As at 30 June 2013 於2013年6月30日	Closing market price per share for options exercised 已行使購股權的每股收市價 HK\$
授出日期	每股行使價 港元					港元
29 August 2011 2011年8月29日	1.50	41,256,736	19,954,866	1,346,986	19,954,884	3.63

The vesting schedule is as follows:

歸屬期的時間表如下：

Vesting date 歸屬日期	Percentage of the share option to vest 購股權歸屬比例
29 August 2011 2011年8月29日	25% of the share option 購股權的25%
29 August 2012 2012年8月29日	25% of the share option 購股權的25%
29 August 2013 2013年8月29日	25% of the share option 購股權的25%
29 August 2014 2014年8月29日	25% of the share option 購股權的25%

Subject to the Share Option Scheme, none of the Grantees with share option is a director, chief executive or substantial shareholder of the Company or any associate of any of them.

根據購股權計劃，獲授予購股權的承授人概非本公司董事、主要行政人員或主要股東或是彼等的聯繫人。

Foreign Currency Risk

The Group is exposed to foreign currency risk primarily from bank deposits, other receivable and bank loan, denominated in foreign currency, of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Hong Kong dollars and US dollars.

外幣風險

本集團的外匯風險主要來自以外幣計價之銀行存款、其他應收款以及銀行貸款，即與營運相關交易之功能貨幣以外的貨幣。引致風險之貨幣主要為港幣及美元。

Report of the Directors (continued)

董事會報告(續)

Pledge of Assets

As at 30 June 2013, the Group has pledged bank deposits and certain property, plant and equipment of approximately RMB170.0 million in aggregate (31 December 2012: RMB417.0 million).

Capital Structure, Liquidity and Financial Resources

As at 30 June 2013, the Group's liquidity included cash and cash equivalents, restricted bank deposits to be released within one year, short-term bank deposits and other investment amounting to RMB2,722.9 million in total (31 December 2012: RMB3,184.7 million), representing a decrease of 14.5%. The decrease was mainly due to the increase in long-term bank deposits, investment in property, plant and equipment and loan repayment.

Operating activities

For the six months ended 30 June 2013, our operations provided RMB14.1 million of cash (six months ended 30 June 2012: RMB218.3 million). The decrease in net operating cash inflow was mainly due to the increase in inventory reserve by RMB175.6 million based on our strategic purchase and the increasing market demand in the second half of the year.

Investing activities

For the six months ended 30 June 2013, net cash generated from investing activities amounted to RMB1.6 million. The cash outflow for investing activities was mainly the net off result of investment in property, plant and equipment of RMB123.4 million, increase in other investment of RMB114.0 million, redemption of matured term deposit of RMB183.2 million and interest received.

Financing activities

For the six months ended 30 June 2013, net cash used in financing activities amounted to RMB147.6 million, which was primarily used for repayment of bank loans.

已抵押資產

於2013年6月30日，本集團已抵押之銀行存款及若干物業、廠房及設備合共約人民幣170.0百萬元(2012年12月31日：人民幣417.0百萬元)。

資本結構、流動資金及財務資源

於2013年6月30日，本集團的流動資金包括現金及現金等價物，一年內解除限制的受限銀行存款、短期銀行存款及其他投資合計人民幣2,722.9百萬元(2012年12月31日：人民幣3,184.7百萬元)，下降14.5%。下跌的原因主要是長期銀行存款增加，對物業、廠房及設備投資，和償還借款所導致。

經營活動

截至2013年6月30日止六個月內，本集團的業務帶來人民幣14.1百萬元現金(截至2012年6月30日止六個月：人民幣218.3百萬元)。經營現金淨流入下降主要因為基於策略性採購及保障下半年更加旺盛的生產需求，本集團增加了庫存儲備人民幣175.6百萬元。

投資活動

截至2013年6月30日止六個月內，投資活動所得現金淨額為人民幣1.6百萬元，投資活動現金流出主要是以下因素相抵銷的結果：物業、廠房及機器設備各投資人民幣123.4百萬元；增加其他投資人民幣114.0百萬元，到期贖回定期存款人民幣183.2百萬元及已收利息。

融資活動

截至2013年6月30日止六個月內，融資活動所用現金淨額為人民幣147.6百萬元，主要用於償還銀行貸款。

Report of the Directors (continued)

董事會報告(續)

Loans and borrowings

As at 30 June 2013, our bank loans amounted to RMB62.1 million (31 December 2012: RMB330.9 million), which are required to be repaid on demand/within a year.

As at 30 June 2013, our total equity amounted to RMB2,984.2 million (31 December 2012: RMB4,082.3 million), and the debt-to-equity ratio (total bank loans at period end divided by total equity at period end) was 2.1% (31 December 2012: 8.1%).

We annually review our capital structure with our Board, including our dividend policy and share repurchase activity..

Corporate Governance

The Group is dedicated to ensure high standards of corporate governance with an emphasis on a diligent Board, sound internal control, and increasing transparency and accountability to shareholders. The Board acknowledges that good corporate governance practises and procedures are beneficial to the Group and its shareholders.

Save as disclosed below, the Company has applied the principles and complied with all code provisions of the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the period from 1 January 2013 to 30 June 2013. In respect of code provision A.2.1 of the CG Code, the Company does not have any officer with the title of “Chief Executive Officer”. During the period from 1 January 2013 to 30 June 2013, the Chairman of the board was Mr. Zhang Lidian who was primarily responsible for the overall corporate strategic planning and business development of the Group. Daily management is shared among the executive directors and senior management.

貸款及借款

於2013年6月30日，本集團的銀行貸款為人民幣62.1百萬元(2012年12月31日：人民幣330.9百萬元)，須於按要求／一年內償還。

於2013年6月30日，本集團的總權益為人民幣2,984.2百萬元(2012年12月31日：人民幣4,082.3百萬元)，債務權益比率(銀行貸款期末總額除以權益期末總額)為2.1%(2012年12月31日：8.1%)。

本集團每年與董事會審閱資本結構，包括本集團股息政策及股份購回活動。

企業管治

本集團致力確保企業管治達致高水平，尤其著重組建勤勉盡職的董事會和健全的內部監控制度，以提高透明度及對股東之間責任性。董事會知悉，良好企業管治常規及程序對本集團及其股東有利。

除下文所披露者外，本公司已採納，並已於2013年1月1日至2013年6月30日期間內遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載的企業管治守則(「企業管治守則」)的所有守則條文。就企業管治守則的守則條文第A.2.1條而言，本公司並無任何人員擔任「行政總裁」職務。於2013年1月1日至2013年6月30日期間，張利鈿先生為董事會主席，主要負責本集團的整體企業策略性規劃及業務發展。日常管理由執行董事及高級管理層共同分擔。



Report of the Directors (continued)

董事會報告(續)

Board of Directors

For the six months ended 30 June 2013, the Board comprised of five (5) executive directors, two (2) non-executive directors and four (4) independent non-executive directors. The executive directors were Mr. Zhang Lidian (Chairman), Mr. Zhang Likun, Mr. Zhang Liming, Mr. Zhang Libo and Mr. Zhang Yanpeng; the non-executive directors of the Company were Mr. Zhang Chi and Mr. Chang Herman Hsiu-Guo; and the independent non-executive directors of the Company were Mr. Yu Shimao, Mr. Chen Yongquan, Mr. Samuel King On Wong and Mr. Liu Jinting.

Appointment of Directors

On 24 July 2013, Ms. Sun Yiping, Mr. Ding Sheng and Mr. Wu Jingshui were appointed as non-executive directors of the Company and Mr. Li Dongming was appointed as an executive director of the Company.

Appointment of Chairman

On 24 July 2013, Ms. Sun Yiping was appointed as the Chairman of the Company in place of Mr. Zhang Lidian.

The list of directors (by category) is also disclosed in all corporate communications issued by the Group pursuant to the Listing Rules from time to time. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules.

In accordance with the Company's Articles of Association, all directors of the Company are subject to retirement by rotation at least once every three years and any director appointed to fill a causal vacancy or appointed as an addition to the existing board shall hold office only until the next general meeting for the re-election of shareholders. Accordingly, Mr. Zhang Lidian, Mr. Zhang Yanpeng, Mr. Chen Yongquan, Mr. Samuel King On Wong and Mr. Liu Jinting have retired by rotation in the annual general meeting of the Company held on 6 June 2013, and were re-elected in that meeting.

董事會

截至2013年6月30日止六個月內，董事會由五(5)位執行董事、兩(2)位非執行董事及四(4)位獨立非執行董事組成。執行董事為張利鈿先生(主席)、張利坤先生、張利明先生、張利波先生及張雁鵬先生；本公司非執行董事為張弛先生及張淑國先生；以及本公司獨立非執行董事為余世茂先生、陳永泉先生、黃敬安先生及劉錦庭先生。

委任董事

於2013年7月24日，孫伊萍女士、丁聖先生及吳景水先生獲委任為本公司之非執行董事，而李東明先生獲委任為本公司之執行董事。

委任主席

於2013年7月24日，孫伊萍女士獲委任接替張利鈿先生出任本公司主席。

董事名單(按類別排列)亦不時根據上市規則披露於本集團發出的所有企業通訊中。根據上市規則，獨立非執行董事會於所有企業通訊中明確識別。

根據本公司的組織章程細則，本公司所有董事須至少每三年輪值退任一次，而任何獲委任以填補臨時空缺或加入董事會的新增董事須於獲委任後的下一次股東大會上接受股東重選。因此，張利鈿先生、張雁鵬先生、陳永泉先生、黃敬安先生及劉錦庭先生已在本公司於2013年6月6日舉行的股東週年大會上輪值退任，並在會上獲重選連任。

Report of the Directors (continued)

董事會報告(續)

Independent Non-executive directors (“INED”)

Pursuant to Rule 3.10A of the Listing Rules, INED should represent at least one-third of the board. During the period from 1 January 2013 to 30 June 2013, the Company's board comprises eleven (11) members, four (4) of whom are INEDs. Therefore, Rule 3.10A has been duly complied with during the said period.

Upon the appointments of directors with effect from 24 July 2013, the number of INEDs of the Company has fallen below the minimum required under the Listing Rules. The number of INEDs of the Company will cease to be below the minimum number required under the Listing Rules upon the resignations of Mr. Zhang Likun, Mr. Zhang Liming, Mr. Zhang Libo, Mr. Zhang Chi and Mr. Chang Herman Hsiu-Guo, which will, pursuant to the Irrevocable Undertakings, take effect on the Final Closing Date (as defined in the announcement of the Company dated 24 July 2013).

Directors' Attendance Records

For the six months ended 30 June 2013, eight board meeting(s) were held. The attendance records of each director at the board meetings are set out below:

Name of Director 董事姓名		Attendance 出席次數
Mr. Zhang Lidian	張利鈿先生	8/8
Mr. Zhang Likun	張利坤先生	7/8
Mr. Zhang Liming	張利明先生	8/8
Mr. Zhang Libo	張利波先生	8/8
Mr. Zhang Yanpeng	張雁鵬先生	8/8
Mr. Chang Herman Hsiu-Guo	張淑國先生	8/8
Mr. Zhang Chi	張弛先生	8/8
Mr. Yu Shimao	余世茂先生	8/8
Mr. Chen Yongquan	陳永泉先生	8/8
Mr. Samuel King On Wong	黃敬安先生	8/8
Mr. Liu Jinting	劉錦庭先生	7/8

獨立非執行董事

根據上市規則第3.10A條，獨立非執行董事應最少佔董事會成員的三分之一。於2013年1月1日至2013年6月30日期間，本公司董事會由十一(11)名成員組成，當中四(4)人為獨立非執行董事。因此，本公司於上述期間已妥為遵守第3.10A條。

自2013年7月24日起委任董事後，本公司獨立非執行董事數目低於上市規則所規定之最低人數。當張利坤先生、張利明先生、張利波先生、張弛先生及張淑國先生根據不可撤銷承諾於最後截止日期(定義見本公司日期為2013年7月24日之公告)辭去董事職務後，本公司獨立非執行董事數目將不再低於上市規則規定之最低人數。

董事出席會議記錄

截至2013年6月30日止六個月內，本公司舉行了八次董事會會議。每名董事於董事會會議的出席記錄載列如下：

Report of the Directors (continued)

董事會報告(續)

Securities Transactions of Directors

The Board has adopted the Model Code as its code and rule for the practises of the Company's securities transactions by the directors of the Company. Upon specific enquiries made by the Company, the directors have confirmed that they have complied with the necessary standards as set out in the Model Code for the six months ended 30 June 2013.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2013.

Company Secretary

Mr. Wu Xiaonan and Ms. Ho Siu Pik are the joint company secretaries of the Company.

Audit Committee

As at 5 August 2013, the audit committee comprises two independent non-executive directors, namely Mr. Samuel King On Wong (Chairman) and Mr. Yu Shimao, and one non-executive director, namely Mr. Zhang Chi (including one independent non-executive director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the audit committee is a former partner of the Company's existing external auditor.

The audit committee has reviewed the unaudited financial statements for the six months ended 30 June 2013 and considered that the results complied with relevant accounting standards and that the Company has made appropriate disclosures.

董事的證券交易

董事會已採納標準守則，作為本公司董事進行本公司證券交易的行為守則及規則。經本公司作出特定查詢後，董事確認，彼等於截至2013年6月30日止六個月內一直遵守標準守則所載之所需準則。

購買、出售或贖回本公司上市證券

截至2013年6月30日止六個月，本公司或其任何附屬公司概無購買、贖回或出售本公司的任何上市證券。

公司秘書

吳曉南先生及何小碧女士為本公司聯席公司秘書。

審核委員會

於2013年8月5日，本公司審核委員會包括兩名獨立非執行董事(即黃敬安先生(主席)及余世茂先生)及一名非執行董事(即張弛先生)(包括一名具備適當專業資格或會計或相關財務管理專業知識的獨立非執行董事)。概無審核委員會成員為本公司現任外聘核數師的前合夥人。

審核委員會已審閱截至2013年6月30日止六個月的未經審核財務報表，並認為結果符合相關會計準則且本公司已作出適當披露。

Report of the Directors (continued)

董事會報告(續)

Publication of Interim Report

The interim report of the Company for the six months ended 30 June 2013 containing all the applicable information required by the Listing Rules will be dispatched to the shareholders of the Company and made available for review on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.yashili.hk) in due course.

On behalf of the Board

Sun Yiping

Chairman

Hong Kong, 5 August 2013

刊登中期報告

載有上市規則規定的所有適用資料的本公司截至2013年6月30日止六個月中期報告將會寄發予本公司股東，並將在適當時間於香港聯合交易所有限公司網站(www.hkexnews.hk)及本公司網站(www.yashili.hk)備供查閱。

代表董事會

孫伊萍

主席

香港，2013年8月5日



Consolidated Income Statement

合併收益表

For the six months ended 30 June 2013 — unaudited (Expressed in Renminbi)
截至2013年6月30日止六個月(未經審核)(以人民幣列值)

			Six months ended 30 June 截至6月30日止六個月	
			2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
		Note 附註		
Turnover	營業額	5	2,152,874	1,689,114
Cost of sales	銷售成本		(960,783)	(772,151)
Gross profit	毛利		1,192,091	916,963
Other revenue	其他收入		10,597	18,563
Other net loss	其他虧損淨額		(322)	(204)
Selling and distribution expenses	銷售及經銷開支		(712,180)	(565,827)
Administrative expenses	行政開支		(114,127)	(98,270)
Other expenses	其他開支		(3,452)	(12,513)
Profit from operations	經營溢利		372,607	258,712
Finance income	財務收入	6(a)	41,545	47,562
Finance costs	財務成本	6(a)	(3,672)	(690)
Net finance income	財務收入淨額		37,873	46,872
Profit before taxation	除稅前溢利	6	410,480	305,584
Income tax expenses	所得稅開支	7	(115,190)	(86,039)
Profit for the period	期間溢利		295,290	219,545
Attributable to:	以下人士分佔：			
Equity shareholders of the Company	本公司股權持有人		293,580	218,903
Non-controlling interests	非控股權益		1,710	642
Profit for the period	期間溢利		295,290	219,545
			RMB cents 人民幣分	RMB cents 人民幣分
Earnings per share	每股盈利			
Basic	基本	8(a)	8.3	6.2
Diluted	攤薄	8(b)	8.2	6.2

The notes on pages 50 to 82 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 19(a).

第50頁至82頁所載的附註為本中期財務報告的一部份。

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the six months ended 30 June 2013 — unaudited (Expressed in Renminbi)
截至2013年6月30日止六個月(未經審核)(以人民幣列值)

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Profit for the period	期間溢利	295,290	219,545
Other comprehensive income for the period	期間其他綜合收益		
Exchange differences on translation of financial statements of overseas subsidiaries	以外幣換算海外附屬公司的財務報表所產生的匯兌差額	7,948	(1,831)
Total comprehensive income for the period	期間綜合收益總額	303,238	217,714
Attributable to:	以下人士分佔：		
Equity shareholders of the Company	本公司股權持有人	301,528	217,072
Non-controlling interests	非控股權益	1,710	642
Total comprehensive income for the period	期間綜合收益總額	303,238	217,714

The notes on pages 50 to 82 form part of this interim financial report.

第50頁至82頁所載的附註為本中期財務報告的一部份。



Consolidated Balance Sheet

合併資產負債表

At 30 June 2013 — unaudited (Expressed in Renminbi)
於2013年6月30日(未經審核)(以人民幣列值)

			At 30 June 2013	At 31 December 2012
			於2013年 6月30日	於2012年 12月31日
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	863,461	743,863
Investment properties	投資性物業		114,290	112,004
Lease prepayments	預付租金	10	219,594	130,432
Intangible assets	無形資產		3,225	3,937
Deferred tax assets	遞延稅項資產		82,292	80,015
Prepayment for acquisition of property, plant and equipment	收購物業、廠房及設備的 預付款	13	57,683	184,170
Long-term bank deposits	長期銀行存款	15	413,986	306,142
Other non-current assets	其他非流動資產		7,410	8,285
			1,761,941	1,568,848
Current assets	流動資產			
Inventories	存貨	11	828,397	652,922
Trade and bills receivables	貿易應收款及應收票據	12	25,271	26,779
Prepayments and other receivables	預付款及其他應收款	13	197,839	135,667
Amounts due from related parties	應收關連方款項	22	508	911
Restricted bank deposits	受限制銀行存款	14	153,939	299,609
Cash and cash equivalents	現金及現金等價物	15	1,934,990	2,073,161
Short-term bank deposits	短期銀行存款	15	319,985	611,972
Other investments	其他投資	16	314,000	200,000
			3,774,929	4,001,021
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	17	2,378,741	1,028,573
Loans and borrowings	貸款及借款	18	62,139	330,912
Amounts due to related parties	應付關連方款項	22	3,170	2,188
Income tax payables	應付所得稅		81,278	89,223
			2,525,328	1,450,896
Net current assets	流動資產淨額		1,249,601	2,550,125
Total assets less current liabilities	總資產減流動負債		3,011,542	4,118,973

Consolidated Balance Sheet (continued)

合併資產負債表(續)

At 30 June 2013 — unaudited (Expressed in Renminbi)
於2013年6月30日(未經審核)(以人民幣列值)

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
		Note 附註	
Non-current liabilities	非流動負債		
Deferred income	遞延收益	15,356	18,627
Deferred tax liabilities	遞延稅項負債	12,000	18,000
		27,356	36,627
Net assets	資產淨額	2,984,186	4,082,346
Capital and reserves	資本及儲備		
Capital	資本	19 305,532	302,601
Reserves	儲備	19 2,678,654	3,776,458
Total equity attributable to equity shareholders of the Company	本公司股權持有人應佔 權益總額	2,984,186	4,079,059
Non-controlling interests	非控股權益	—	3,287
Total equity	權益總額	2,984,186	4,082,346

Approved and authorised for issue by the board of directors on 5 August 2013. 於2013年8月5日經董事會批准及授權刊發。

Directors

董事

The notes on pages 50 to 82 form part of this interim financial report.

第50頁至82頁所載的附註為本中期財務報告的一部份。

Condensed Consolidated Cash Flow Statement

簡明合併現金流量表

For the six months ended 30 June 2013 — unaudited (Expressed in Renminbi)
截至2013年6月30日止六個月(未經審核)(以人民幣列值)

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
	Note 附註		
Cash generated from operations	經營活動所得現金	143,433	298,599
Income tax paid	已付所得稅	(129,326)	(80,333)
Net cash generated from operating activities	經營活動所得現金淨額	14,107	218,266
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	1,632	(1,022,250)
Net cash used in financing activities	融資活動所用現金淨額	(147,570)	(150,277)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(131,831)	(954,261)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	2,073,161	2,581,563
Effect of foreign exchange rate changes	匯率波動影響	(6,340)	(1,831)
Cash and cash equivalents at 30 June	於6月30日的現金及現金等價物	1,934,990	1,625,471
	15		

The notes on pages 50 to 82 form part of this interim financial report.

第50頁至82頁所載的附註為本中期財務報告的一部份。



Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

1 Basis of preparation

Yashili International Holdings Ltd (the “Company”) was incorporated in the Cayman Islands. The interim financial report of the Company as at and for six months ended 30 June 2013 comprises the Company and its subsidiaries (together referred to as the “Group”).

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 5 August 2013.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2012 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2013 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. In preparing this interim financial report, the significant judgements made by management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those that were applied to 2012 annual financial statements.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2012 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

1 編製基準

雅士利國際控股有限公司(「本公司」)乃於開曼群島註冊成立。本公司於2013年6月30日及截至該日止六個月的中期財務報告包括本公司及其附屬公司(統稱為「本集團」)。

本中期財務報告乃根據香港聯合交易所有限公司證券上市規則的適用披露規定編製，包括遵循國際會計準則理事會(「國際會計準則理事會」)頒佈的國際會計準則(「國際會計準則」)第34號「中期財務報告」。本中期財務報告已於2013年8月5日獲准刊發。

除預期於2013年年度財務報表反映的會計政策變更外，本中期財務報告所採用的會計政策與2012年年度財務報表所採用者相同。上述會計政策變更詳情載於附註2。

編製符合國際會計準則第34號的中期財務報告時需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響本年度截至現時為止所採用的政策及所呈報的資產、負債、收入及開支金額。實際結果或有別於此等估計。於編製本中期財務報告時，管理層對應用本集團會計政策及主要不確定估計因素作出的重大判斷，與應用於2012年年度財務報表者相同。

本中期財務報告載有簡明合併財務報表及相關解釋附註。附註載有對了解本集團在編製2012年年度財務報表後的財政狀況及表現的變動十分重要的事項及交易之闡釋。簡明合併中期財務報表及其附註並不包括根據國際財務報告準則(「國際財務報告準則」)編製整份財務報表須呈報的所有資料。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

1 Basis of preparation (Continued)

The interim financial report is unaudited, but has been reviewed by KPMG 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 (“HKICPA”).

The financial information relating to the financial year ended 31 December 2012 that is included in the interim financial report as being previously reported information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2012 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 25 March 2013.

2 Changes in accounting policies

The IASB has issued a few amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. None of the developments are relevant to the Group’s financial statements and the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 編製基準(續)

本中期財務報告乃未經審核，惟已由畢馬威會計師事務所根據香港會計師公會(「香港會計師公會」)頒佈的《香港審閱工作準則》第2410號「實體的獨立核數師對中期財務資料的審閱」進行審閱。

載入本中期財務報告中的屬於之前已呈報資料的截至2012年12月31日止財政年度財務資料並不構成本公司該財政年度的法定財務報表，惟乃摘錄自該法定財務報表。截至2012年12月31日止財政年度的財務報表可以從本公司之註冊辦事處索取。核數師於2013年3月25日出具的報告中，對該等財務報表發表無保留意見。

2 會計政策變更

國際會計準則理事會已頒佈個別國際財務報告準則的修訂，於本集團及本公司的本會計期間首次生效。該等變更並不適用於本集團財務報表的詮釋。本集團並未採納任何尚未於本會計期間生效的新訂準則或詮釋。



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

3 Acquisition of a subsidiary

On 31 May 2013, the Group obtained the control of Scient Nurture International (Singapore) Pte. Ltd (“Scient (Singapore)”) by acquiring entire equity interest for RMB28,000,000, which was determined by arm’s length negotiation with reference to the carrying value of Scient (Singapore)’s net assets. The directors of the Company considered the purpose of the acquisition was to obtain an additional 5% equity interest in Scient (Guangzhou) Baby Nourishment Co., Ltd (“Scient (Guangzhou)”) held by of Scient (Singapore). Thus the Group considered the substance of this business combination was acquisition of non-controlling interest in Scient (Guangzhou).

Scient (Singapore) is an investment holding subsidiary and did not generate any revenue or profit for the period ended 30 June 2013.

The following summarises the nature of consideration transferred, and the recognised amounts of assets acquired and liability assumed at the acquisition date:

Consideration transferred:

		RMB 人民幣
Cash	現金	28,000,000

Identifiable assets acquired and liabilities assumed:

		RMB 人民幣
Cash and cash equivalent	現金及現金等價物	7
Other investment (note)	其他投資(註)	27,999,993
Total net identified assets	可辨認淨資產總額	28,000,000

Note: Other investment represents 5% equity interest in Scient (Guangzhou).

3 附屬公司的收購

於2013年5月31日，本集團以人民幣28,000,000元收購施恩營養國際(新加坡)有限公司(「施恩(新加坡)」)全部股權，取得該公司的控制權，而該項收購乃根據參考施恩(新加坡)淨資產賬面價值經公平磋商確定。本公司董事會認為收購的目的是取得施恩(新加坡)對施恩(廣州)嬰幼兒營養品有限公司(「施恩(廣州)」)的5%的權益。因此，本集團認為本次商業合併的本質是收購施恩(廣州)的少數股東權益。

施恩(新加坡)是一家投資控股附屬公司。於截至2013年6月30日的期間，不產生任何收入和利潤。

以下概述所轉撥的代價的性質，以及於收購日期收購的資產及承擔的負債的確認金額：

已轉撥代價：

		RMB 人民幣
Cash	現金	28,000,000

所收購的可識別資產及所承擔的負債：

		RMB 人民幣
Cash and cash equivalent	現金及現金等價物	7
Other investment (note)	其他投資(註)	27,999,993
Total net identified assets	可辨認淨資產總額	28,000,000

註：其他投資代表對施恩(廣州)5%的權益。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

3 Acquisition of a subsidiary (Continued)

The acquisition increased the Group's ownership interest in Scient (Guangzhou) from 95% to 100%. The carrying amount of Scient (Guangzhou)'s net assets in the combined financial statements on the date of acquisition was RMB99,963,000. The Group recognised a decrease in non-controlling interest of RMB4,997,000, and an increase in other capital reserve within equity of RMB23,003,000.

4 Segment reporting

The Group manages its business by product lines. In a manner consistent with the way in which information is reported internally to the Group's senior executive management which has been identified as the chief operating decision-maker for the purpose of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments:

- Production and sale of Yashily paediatric milk formula products: this segment includes development, manufacture and sale of Yashily paediatric milk formula products and milk formula for pregnant women in the PRC.
- Production and sale of Scient paediatric milk formula products: this segment includes development, manufacture and sale of Scient paediatric milk formula products and milk formula for pregnant women in the PRC.
- Production and sale of nutrition products: this segment includes development, manufacture and sale of milk powder for adults and teenagers, soybean milk, rice flour and cereal products in the PRC.

Other operations include the production and sale of packing materials, which mainly serve the Group's internal use, and sales of surplus raw materials. The results of these operations are included in the "Others" column.

3 附屬公司的收購(續)

本次收購使本集團對施恩(廣州)的權益由95%增加到100%。施恩(廣州)在合併財務報表中的淨資產的賬面價值在收購日為人民幣99,963,000元。本集團確認非控股權益減少人民幣4,997,000元，及權益下的資本儲備增加人民幣23,003,000元。

4 分部呈報

本集團按產品種類劃分管理業務。本集團按與就資源分配及表現評估向本集團高級行政管理人員(確定為主要營運決策人)內部呈報資料方式一致的方式，呈列以下三個可呈報分部。概無將任何經營分部合併，以構成下列的可呈報分部：

- 生產及銷售雅士利嬰幼兒配方奶粉產品：包括在中國開發、生產及銷售雅士利嬰幼兒配方奶粉產品及為孕婦設計的配方奶粉。
- 生產及銷售施恩嬰幼兒配方奶粉產品：包括在中國開發、生產及銷售施恩嬰幼兒配方奶粉產品及為孕婦設計的配方奶粉。
- 生產及銷售營養品：包括在中國開發、生產及銷售成人及青少年奶粉、豆奶、米粉及麥片產品。

其他業務包括生產及銷售包裝材料(主要供本集團內部使用)及銷售盈餘原材料。該等業務的業績載於「其他」一欄。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

4 Segment reporting (Continued)

For the purpose of assessing segment performance and allocating resources among segments, the senior executive management team assesses the performance of the operating segments based on a measure of "reportable segment profit" i.e. "revenue less cost of sales and selling and distribution expenses". The Group does not allocate other revenue, other net income or loss, net finance income, expenses other than selling and distribution expenses to its segments, as the senior executive management does not use this information to allocate resources to or evaluate the performance of the operating segments. Segment assets and liabilities are not regularly reported to the Group's senior executive management and therefore information of reportable segment assets and liabilities are not presented in these financial statements.

(a) Information about reportable segments

For the six months ended 30 June 2013

		Yashily paediatric milk formula products 雅士利 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元	Scient paediatric milk formula products 施恩 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元	Nutrition products 營養品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶的收入	1,520,486	369,041	258,376	4,971	2,152,874
Inter-segment revenue	分部間收入	—	—	—	68,586	68,586
Reportable segment revenue	可呈報分部收入	1,520,486	369,041	258,376	73,557	2,221,460
Reportable segment profit	可呈報分部溢利	440,590	80,079	76,211	1,033	597,913
Segment depreciation and amortization	分部折舊及攤銷	15,687	12,506	1,992	1,372	31,557

4 分部呈報(續)

為便於評估分部表現以及在分部之間分配資源，高級行政管理人員會根據「可呈報分部溢利」的計量(即「收入減去銷售成本和銷售及經銷開支」)來評估經營分部的表現。本集團不會把其他收入、其他虧損淨額、財務收入淨額、銷售及經銷開支以外的開支分配至分部中，原因是高級行政管理團隊並不會使用上述資料分配經營分部的資源或評估其表現。由於本集團不會定期向高級行政管理人員匯報分部資產及負債，因此，該等財務報表內並無呈列可呈報分部資產及負債的資料。

(a) 有關可呈報分部的資料

截至2013年6月30日止
六個月

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

4 Segment reporting (Continued)

(a) Information about reportable segments

(Continued)

For the six months ended 30 June 2012

4 分部呈報(續)

(a) 有關可呈報分部的資料

(續)

截至2012年6月30日止
六個月

		Yashily paediatric milk formula products 雅士利 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元	Scient paediatric milk formula products 施恩 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元	Nutrition products 營養品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶的收入	1,144,153	304,752	227,396	12,813	1,689,114
Inter-segment revenue	分部間收入	—	—	—	63,554	63,554
Reportable segment revenue	可呈報分部收入	1,144,153	304,752	227,396	76,367	1,752,668
Reportable segment profit	可呈報分部溢利	341,362	37,158	64,278	1,241	444,039
Segment depreciation and amortization	分部折舊及攤銷	16,580	10,564	2,598	1,506	31,248



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

4 Segment reporting (Continued)

(b) Reconciliations of reportable segment revenues and profit or loss

4 分部呈報(續)

(b) 可呈報分部收入與損益的對賬

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Revenue	收入		
Total reportable segment revenue	可呈報分部收入總額	2,221,460	1,752,668
Elimination of inter-segment revenue	抵銷分部間收入	(68,586)	(63,554)
Turnover	合併收入	2,152,874	1,689,114
Profit or loss	損益		
Reportable segment profit	可呈報分部溢利	597,913	444,039
Other revenue and net loss	其他收入及虧損淨額	10,275	18,359
Unallocated amounts:	未分配金額：		
Selling and distribution expenses	銷售及經銷開支	(118,002)	(92,903)
Administrative expenses	行政開支	(114,127)	(98,270)
Net finance income	財務收入淨額	37,873	46,872
Other expenses	其他開支	(3,452)	(12,513)
Profit before taxation	除稅前溢利	410,480	305,584

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

4 Segment reporting (Continued)

(c) Geographical information

The Group's revenue is solely from domestic sales during the period. No export sales were recorded during the periods ended 30 June 2012 and 2013. The Group's senior executive management periodically review the geographic analysis of the revenue derived from Yashily and Scient paediatric milk formula products, which summarises the revenue by different tiers of cities where the Group's customers operate. The classification of the tiers is set out below:

- First-tier cities generally include direct-controlled municipalities, the highest level of cities under the direct administration of the PRC central government, and provincial capital cities, including but not limited to Beijing, Shanghai, Nanchang, Chongqing, Shijiazhuang and Guangzhou. As there is no official classification, such classification is determined based on our directors' knowledge and experience;
- Second-tier cities generally refer to prefecture-level cities, the administrative division of the PRC, ranking below a province and above a county in China's administrative structure, including but not limited to Dongguan, Nanyang, Jiujiang, Mianyang and Foshan. As there is no official classification, such classification is determined based on our directors' knowledge and experience;
- Third-tier cities generally refer to county-level cities, the county-level administrative divisions of the PRC, including but not limited to Jinjiang, Yunmeng, Bozhou, Kunshan and Luohe. As there is no official classification, such classification is determined based on our directors' knowledge and experience.

4 分部呈報(續)

(c) 地區資料

於本期間，本集團的收入全部源自內銷。截至2012年及2013年6月30日止各期間，均無錄得出口銷售。本集團的高級行政管理人員定期審閱雅士利及施恩嬰幼兒配方奶粉產品所產生的收入的地區分析，當中概列本集團客戶經營所在的不同等級城市的收入。等級劃分如下：

- 一線城市一般包括直轄市、由中國中央政府直接管轄的最高層級城市及省會城市，包括但不限於北京、上海、南昌、重慶、石家莊及廣州。由於沒有官方分類，該等分類乃根據本集團董事的知識及經驗釐定；
- 二線城市泛指地級城市，於中國的行政架構中低於省、高於縣的行政區，包括但不限於東莞、南陽、九江、綿陽及佛山。由於沒有官方分類，該等分類乃根據本集團董事的知識及經驗釐定；
- 三線城市泛指縣級市(即中國的縣級行政區)，包括但不限於晉江、雲夢、亳州、昆山及漯河。由於沒有官方分類，該等分類乃根據本集團董事的知識及經驗釐定。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

4 Segment reporting (Continued)

(c) Geographical information

4 分部呈報(續)

(c) 地區資料

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Yashily paediatric milk formula products	雅士利嬰幼兒配方奶粉產品		
Revenue derived from	來自以下地區的收入		
— First-tier cities	— 一線城市	152,508	155,475
— Second-tier cities	— 二線城市	603,037	530,490
— Third-tier cities and others	— 三線城市及其他	764,941	458,188
Total	合計	1,520,486	1,144,153
Scient paediatric milk formula products	施恩嬰幼兒配方奶粉產品		
Revenue from	來自以下地區的收入		
— First-tier cities	— 一線城市	37,811	31,163
— Second-tier cities	— 二線城市	239,526	203,975
— Third-tier cities and others	— 三線城市及其他	91,704	69,614
Total	合計	369,041	304,752

5 Turnover

The Group is principally engaged in the manufacturing and sales of dairy and nourishment products. Turnover represents the sales value of goods supplied to customers. Turnover excludes sales taxes and surcharge and is after deduction of any trade discounts.

The Group's customer base is diversified and no revenue from transactions with a single customer amounted to 10% or more of the Group's total turnover during the period.

5 營業額

本集團主要從事乳製品及營養品生產及銷售。營業額指向客戶供應的貨品的銷售價值。營業額不包括銷售稅，並經扣除任何銷售折扣。

本集團的客戶基礎多元化，於本期間，並無任何與單一客戶的交易所帶來的收入佔本集團總營業額的10%或以上。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

6 Profit before taxation

Profit before taxation is arrived at after (crediting)/charging:

(a) Finance (income)/costs

6 除稅前溢利

除稅前溢利乃經(計入)/扣除以下各項後達致：

(a) 財務(收入)/成本

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Finance income	財務收入		
Interest income	利息收入	(23,805)	(17,970)
Net foreign exchange gain	匯兌收益淨額	—	(622)
Net realised and unrealised gains on trading assets	交易資產的已實現及未實現收益淨額	(17,740)	(28,970)
Sub-total	小計	(41,545)	(47,562)
Finance costs	財務成本		
Interest expense	利息開支	2,874	649
Net foreign exchange loss	匯兌虧損淨額	798	41
Sub-total	小計	3,672	690
Net finance income	財務收入淨額	(37,873)	(46,872)

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

6 Profit before taxation (Continued)

(b) Staff costs

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	160,485	133,865
Contributions to defined contribution retirement schemes	界定供款退休計劃供款	19,858	13,069
Equity-settled share-based payment expenses	股權結算股份支付開支	3,104	3,786
Total	合計	183,447	150,720

Staff costs included directors' and senior management's remuneration.

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries participate in a defined contribution retirement benefit scheme (the "Scheme") organised by the local authority whereby the PRC subsidiaries are required to make contributions to the Scheme based on certain percentages of the eligible employee's salaries. The local government authority is responsible for the entire pension obligations payable to the retired employees. The Group has no other obligations for payments of retirement and other post-retirement benefits of employees other than the contributions described above.

6 除稅前溢利(續)

(b) 員工成本

員工成本包括董事及高級管理人員的酬金。

根據中國相關的勞工規定及法規，中國附屬公司參與一項由地方政府營辦的界定供款退休福利計劃(「該計劃」)，據此，中國附屬公司須按照合資格僱員的薪金的特定百分比，向該計劃作出供款。地方政府機構須負責向退休僱員支付所有退休金。本集團除按上文所述作出供款外，概不就支付僱員的退休金及其他退休後福利承擔任何其他責任。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

6 Profit before taxation (Continued)

6 除稅前溢利(續)

(c) Other items

(c) 其他項目

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Cost of inventories (i)	存貨成本(i)	983,275	876,884
Depreciation:	折舊：		
— Property, plant and equipment (i)	— 物業、廠房及設備(i)	34,090	35,858
— Investment properties	— 投資物業	1,670	869
Amortisation:	攤銷：		
— Lease prepayments	— 預付租金	1,467	1,467
— Intangible assets	— 無形資產	1,035	992
— Other non-current assets	— 其他非流動資產	1,606	1,169
Operating lease charges	經營租賃費用		
— Hire of plant, machinery and properties	— 租用廠房、機器及物業	4,295	6,245
Auditors' remuneration:	核數師酬金：		
— audit/review service	— 審核／審閱服務	1,877	1,200
— non-audit service on circular documents in connection with the proposed acquisition by China Mengniu Dairy Company Limited ("Mengniu Group")	— 有關被中國蒙牛乳業有限公司(「蒙牛集團」)收購通函的非審核服務	1,113	—
Net loss on disposal of plant and equipment	出售廠房及設備的虧損淨額	322	204
Impairment loss/(write-back)	減值損失／(轉回)		
— on trade receivables	— 貿易應收款	102	(6)
— on other receivables	— 其他應收款	19	—
Rentals receivable from investment properties less direct outgoings (ii)	投資物業應收租金減去直接支出(ii)	(3,799)	(2,380)

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

6 Profit before taxation (Continued)

(c) Other items: (Continued)

- (i) Cost of inventories includes RMB57,180,000 for the six months ended 30 June 2013 relating to staff costs and depreciation (for the six months ended 30 June 2012: RMB54,421,000), which amounts are also included in the respective total amounts disclosed above or in note 6(b) for each of these types of expenses.
- (ii) Direct outgoings of investment properties (excluding depreciation which is separately disclosed above) are RMB11,000 for the six months ended 30 June 2013 (for the six months ended 30 June 2012: RMB nil).

6 除稅前溢利(續)

(c) 其他項目：(續)

- (i) 存貨成本包括截至2013年6月30日止六個月的人民幣57,180,000元，乃與員工成本及折舊有關(截至2012年6月30日止六個月：人民幣54,421,000元)，而該筆金額亦計入在上文或附註6(b)另外披露的各項相應開支總額中。
- (ii) 截至2013年6月30日止六個月的投資物業的直接支出(不含以上已另作披露的折舊)為人民幣11,000元(截至2012年6月30日止六個月：人民幣零元)。

7 Income tax expense

7 所得稅開支

		Six months ended 30 June 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Current tax — PRC income tax	即期稅項 — 中國所得稅		
Provision for the period	期間撥備	121,117	72,019
Over/(under) provision in respect of prior year	過往年度超額/(不足)撥備	2,349	(257)
Deferred tax — PRC income tax	遞延稅項 — 中國所得稅	(8,276)	14,277
Total income tax expense	所得稅開支總額	115,190	86,039

Notes to the Unaudited Interim Financial Report (continued)**未經審核中期財務報告附註(續)**

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

8 Earnings per share**(a) Basic earnings per share**

The calculation of basic earnings per share is based on the consolidated profit attributable to ordinary equity shareholders of the Company for the six months ended 30 June 2013 of RMB293,580,000 (six months ended 30 June 2012: RMB218,903,000) and the weighted average of 3,539,520,796 ordinary shares (six months ended 30 June 2012: 3,522,946,132 ordinary shares) in issue during the interim period.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the consolidated profit attributable to ordinary equity shareholders of the Company for the six months ended 30 June 2013 of RMB293,580,000 (six months ended 30 June 2012: RMB218,903,000) and the weighted average number of ordinary shares (diluted) of 3,575,044,967 shares (six months ended 30 June 2012: 3,557,618,354 shares) after adjusting for the effect of deemed issue of shares for nil consideration under the Company's share option schemes.

The Company's three share option schemes were granted on 1 January 2009, 1 August 2010 and 29 August 2011 respectively.

8 每股盈利**(a) 每股基本盈利**

每股基本盈利乃根據本公司普通股持有人於截至2013年6月30日止六個月應佔合併溢利人民幣293,580,000元(截至2012年6月30日止六個月:人民幣218,903,000元)·以及中期期間已發行普通股的加權平均數3,539,520,796股(截至2012年6月30日止六個月:3,522,946,132股普通股)計算。

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司普通股持有人於截至2013年6月30日止六個月應佔合併溢利人民幣293,580,000元(截至2012年6月30日止六個月:人民幣218,903,000元)·以及普通股(攤薄)加權平均數3,575,044,967股(截至2012年6月30日止六個月:3,557,618,354股)計算·並已就本公司購股權計劃項下的被視為以零代價發行股份的影響作出調整。

本公司的三項員工購股權計劃分別於2009年1月1日、2010年8月1日、及2011年8月29日授出。



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

9 Property, plant and equipment

9 物業、廠房及設備

		Construction in progress	Plant and buildings	Machinery and equipment	Motor vehicles	Office and other equipment	Total
		在建工程	廠房及樓宇	機械及設備	機動車	辦公室及 其他設備	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost:	成本：						
At 1 January 2013	於2013年1月1日	124,274	468,226	365,963	58,520	71,618	1,088,601
Addition	添置	151,433	801	1,566	1,297	3,466	158,563
Transfer from/(out) construction in progress	轉撥自/(出) 在建工程	(10,262)	651	8,084	—	—	(1,527)
Transfer to investment property	轉入投資性房地產	—	(3,922)	—	—	—	(3,922)
Disposal	處置	—	(138)	(3,387)	(4,695)	(356)	(8,576)
At 30 June 2013	於2013年6月30日	265,445	465,618	372,226	55,122	74,728	1,233,139
Accumulated depreciation:	累計折舊：						
At 1 January 2013	於2013年1月1日	—	(85,862)	(169,007)	(41,598)	(48,271)	(344,738)
Charge for the period	期間折舊	—	(10,208)	(16,425)	(2,739)	(4,718)	(34,090)
Written back on disposal	處置時轉回	—	35	2,691	4,202	310	7,238
Transfer to construction in progress	轉撥至 在建工程	—	—	1,527	—	—	1,527
Transfer to investment property	轉入投資性房地產	—	385	—	—	—	385
At 30 June 2013	於2013年6月30日	—	(95,650)	(181,214)	(40,135)	(52,679)	(369,678)
Net book value:	賬面淨值：						
At 30 June 2013	於2013年6月30日	265,445	369,968	191,012	14,987	22,049	863,461
At 31 December 2012	於2012年12月31日	124,274	382,364	196,956	16,922	23,347	743,863

10 Lease prepayments

Interest in leasehold land represents prepayment of land use right premium to the PRC authorities by the Group. The Group is granted land use rights for a period of 50 years.

10 預付租金

租賃土地權益為本集團向中國機關預付的土地使用權出讓金。本集團獲授為期50年的土地使用權。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

11 Inventories

11 存貨

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Raw materials	原材料	524,512	350,315
Finished goods	成品	151,892	204,590
Work in progress	在製品	120,411	65,522
Packing materials	包裝材料	24,223	25,349
Low value consumables	低值易耗品	7,359	7,146
		828,397	652,922

During the six months ended 30 June 2013, RMB158,000 (for the six month ended 30 June 2012: RMB8,755,000) has been recognised as an expense in profit or loss during the period, being the amount of a write-down of inventories to estimated net realisable value.

於截至2013年6月30日止六個月，人民幣158,000元(截至2012年6月30日止六個月：人民幣8,755,000元)於本期間損益確認為開支，即將存貨撇減至估計可變現淨值的金額。

12 Trade and bills receivables

12 貿易應收款及應收票據

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Bills receivables	應收票據	—	1,022
Trade receivables	貿易應收款	26,246	26,640
Less: Allowance for doubtful debts	減：呆賬撥備	(975)	(883)
		25,271	26,779

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

12 Trade and bills receivables (Continued)

In respects of trade receivables, the Group has established a credit policy in place: fixed credits are granted to supermarkets and the periods range from 60 to 90 days; temporary credits are offered on transaction-by-transaction basis to distributor customers who have been trading with the Group for many years and have a good trading record and the credit periods range from 10 to 90 days. Special credit is granted to credit-worthy distributor customers when the Group promotes certain line of products.

An ageing analysis of trade and bills receivables (net of allowance) by due date are as follows:

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Current	即期	23,207	19,892
Less than 3 months past due	逾期不足3個月	1,591	4,417
More than 3 months	逾期超過3個月	473	2,470
		2,064	6,887
		25,271	26,779

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

12 貿易應收款及應收票據(續)

就貿易應收款而言，本集團已訂有信貸政策：向大型超級市場提供介乎60至90日的固定信貸；以逐次批核的形式向與本集團交易多年且具有良好交易紀錄的經銷商客戶提供介乎10至90日的臨時信貸。倘本集團推廣某系列產品，信用良好的經銷商客戶可獲得特別信貸。

貿易應收款及應收票據(扣除撥備後)按到期日的賬齡分析如下：

逾期但並無作出減值的應收款與多名獨立客戶有關，該等客戶與本集團維持良好業績記錄。根據過往經驗，管理層認為毋須就此等結餘作出減值撥備，原因是信貸質素並無重大變動，且結餘仍被視為可以全數收回。本集團並無就此等結餘持有任何抵押品。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

13 Prepayments and other receivables

13 預付款及其他應收款

Current assets

流動資產部分

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepaid advertising expenses	預付廣告開支	27,503	20,339
Prepayments for purchase of raw materials	購買原材料的預付款	4,164	10,012
Advances to sales offices	聯絡點備用金	6,374	2,102
VAT recoverable	待抵扣增值稅	127,603	72,412
Others	其他	32,195	30,802
		197,839	135,667

Non-current assets

非流動資產部分

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepayment for acquisition of property, plant and equipment	購買固定資產的預付款	57,683	93,540
Deposit for acquisition of Land use right	購買土地的定金	—	90,630
		57,683	184,170

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

14 Restricted bank deposits

14 受限制銀行存款

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Pledged for	已質押用於下列各項：		
— issuing letters of credit	— 開具信用證	50,389	37,739
— bank loans	— 獲取銀行貸款	103,550	261,870
		153,939	299,609

15 Cash and cash equivalents

15 現金及現金等價物

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash on hand	手頭現金	803	620
Cash at bank	銀行存款	1,934,187	2,072,541
		1,934,990	2,073,161
Short-term bank deposits (i)	短期銀行存款(i)	319,985	611,972
Long-term bank deposits (ii)	長期銀行存款(ii)	413,986	306,142
Total	合計	2,668,961	2,991,275

(i) The effective interest rates on short-term bank deposits as at 30 June 2013 were 2.50%–3.25% (at 31 December 2012: 3.270%–3.575%) per annum and will be mature in one year.

(ii) The effective interest rates on long-term bank deposits as at 30 June 2013 were 4.125%–4.675% (at 31 December 2012: 4.125%–4.675%) per annum and will be mature after 1 year but within 3 years.

(i) 於2013年6月30日，短期定期銀行存單有效年利率約為2.50%–3.25%（於2012年12月31日：3.270%–3.575%），將於一年內到期。

(ii) 於2013年6月30日，長期定期銀行存單有效年利率約為4.125%–4.675%（於2012年12月31日：4.125%–4.675%），將於一年後三年內到期。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

16 Other investments

16 其他投資

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets designated at fair value through profit or loss	指定以公允價值計量其變動計入當期損益的金融資產	64,000	200,000
Available-for-sale financial assets	可供出售金融資產	250,000	—
Total	合計	314,000	200,000

As at 30 June 2013, other investment represents wealth management product with capital preservation and anticipated annualized yields ranging from 4.1% to 5.5% (at 31 December 2012: 2.8% to 3.7%).

於2013年6月30日，其他投資是指保本且預期年化收益率為4.1%到5.5%的理財產品(於2012年12月31日：2.8%–3.7%)。

17 Trade and other payables

17 貿易及其他應付款

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables (i)	貿易應付款 (i)	409,097	410,757
Advances from customers	客戶預付款	317,156	398,143
Accrued payroll	應計薪金	52,773	56,534
Other taxes payable	其他應付稅項	67,978	39,597
Advances from local government (ii)	地方政府借款 (ii)	33,500	33,500
Pledged deposits from customers	客戶的有抵押保證金	41,152	36,495
Dividend payable (iii)	應付股利 (iii)	1,400,284	19,800
Other payables and accruals (iv)	其他應付款及應計費用 (iv)	56,801	33,747
		2,378,741	1,028,573

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

17 Trade and other payables (Continued)

- (i) The credit period granted by the suppliers ranges from 30 days to 90 days. An ageing analysis of trade payables by due date is as follows:

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Due within 1 month or on demand	一個月內或按要求	49,881	115,126
Due after 1 month but within 3 months	一個月後但三個月內	313,100	240,758
Due after 3 months but within 6 months	三個月後但六個月內	45,073	50,875
After 6 months	六個月後	1,043	3,998
		409,097	410,757

- (ii) At 30 June 2013, an advance of RMB30,000,000 was from the People's Government of Ying County (at 31 December 2012: RMB30,000,000), which borne a fixed interest rate of 5.76% per annum and was secured by plant and machinery of Shanxi Yashili Dairy Co., Ltd. There were no fixed repayment terms for the advances as at 30 June 2013.
- (iii) The company announced final dividend in respect of profit of financial year ended 31 December 2012 which amounted to RMB400,283,000. On 5 May 2013 the company announced a special dividend amounted to RMB1,000,001,000. The said dividends have been paid at equivalent value of Hong Kong dollars on 5 July 2013.
- (iv) Other payables and accruals mainly consist of payables for acquisition of non-current assets and other accrued expenses

17 貿易及其他應付款(續)

- (i) 供應商授出的信貸期介乎30日至90日不等。貿易應付款按到期日的賬齡分析如下：

- (ii) 於2013年6月30日，來自應縣人民政府的人民幣30,000,000元墊款(於2012年12月31日：人民幣30,000,000元)，按固定年利率5.76%計息，並以山西雅士利乳業有限公司的廠房及機器作抵押。於2013年6月30日，該等墊款並無固定還款期。

- (iii) 本公司針對截至2012年12月31日止財政年度溢利宣告派發股息人民幣400,283,000元。於2013年5月5日，本公司宣告派發特別股息約人民幣1,000,001,000元。前述股息於2013年7月5日按港幣換算股息派發支付。

- (iv) 其他應付款及應計費用主要包括收購非流動資產及其他應計開支的應付款。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

18 Loans and borrowings

The bank loans were repayable as follows:

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year or on demand	一年內或按要求	62,139	330,912

18 貸款及借款

銀行貸款的償還方式如下：

Details of the loans and borrowings are as follows:

貸款及借款的詳情如下：

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans denominated in	銀行貸款		
— United States dollar (“US dollar”) (i)	— 以美元計值(i)	12,278	—
— RMB	— 以人民幣計值	—	250,000
— HK dollar (ii)	— 以港幣計值(ii)	49,861	80,912
Total	合計	62,139	330,912

(i) The bank loans carried an interest rate of 0.89% per annum as at 30 June 2013 (at 31 December 2012: nil).

(i) 於2013年6月30日，美元銀行貸款按加權平均年利率0.89%（於2012年12月31日：無）計息。

(ii) The bank loans carried an interest rate of 1.55% per annum as at 30 June 2013 (at 31 December 2012: 1.55%).

(ii) 於2013年6月30日，港幣銀行貸款按加權平均年利率1.55%（於2012年12月31日：1.55%）計息。



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

19 Capital, reserves and dividends

(a) Dividend

- (i) Dividends payable to equity shareholders of the Company attributable to the previous financial year, declared and approved during the interim period

19 股本、儲備及股息

(a) 股息

- (i) 本中期期間已宣告並獲批准的應付本公司股權持有人的過往財政年度股息

Six months ended 30 June

截至6月30日止六個月

	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved during the following interim period, of RMB11.31 cents per ordinary share (distributed at equivalent value of HK14.21 cents) (six months ended 30 June 2012: RMB5.68 cents per ordinary share (distributed at equivalent value of HK6.97 cents))		
於其後之中期期間批准的過往財政年度末期股息每股普通股人民幣11.31分(按等值港幣14.21仙派發)(截至2012年6月30日止六個月：每股普通股人民幣5.68分(按等值港幣6.97仙派發))	402,432	200,103

The final dividend in respect of financial year ended 31 December 2011 has been paid on 4 June 2012, and the final dividend in respect of financial year ended 31 December 2012 has been paid on 5 July 2013.

截至2011年12月31日止財政年度的末期股息已經於2012年6月4日派發，截至2012年12月31日止財政年度的末期股息已經於2013年7月5日派發。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

19 Capital, reserves and dividends (Continued)

19 股本、儲備及股息(續)

(a) Dividend (Continued)

(ii) Dividends declared and payable to equity shareholders of the Company during the interim period

(a) 股息(續)

(ii) 本中期期間已宣告並應付本公司股權持有人的股息

Six months ended 30 June

截至6月30日止六個月

	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
A special dividend declared and approved during the interim period of RMB28.25 cents per ordinary share (distributed at equivalent value of HK35.50 cents) (six months ended 30 June 2012: nil)	1,005,371	—

於本中期期間宣告並獲批准的特別股息每股普通股人民幣28.25分(按等值港幣35.50仙派發)(截至2012年6月30日止六個月：無)

(b) Share capital

The Company was incorporated on 3 June 2010 with authorised capital of 3,800,000 shares at HK\$0.10 per share. As part of the Reorganisation, the authorised capital of the Company was increased to HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.10 each.

As at 30 June 2013, 3,559,170,222 shares of the Company (at 31 December 2012: 3,522,946,132) had been issued and were fully paid.

(b) 股本

本公司於2010年6月3日註冊成立，法定股本為3,800,000股每股面值0.10港元的股份。作為重組的一部分，本公司的法定股本增至1,000,000,000港元，分為10,000,000,000股每股面值0.10港元之股份。

於2013年6月30日，3,559,170,222股本公司股份已發行及繳足(2012年12月31日：3,522,946,132股)。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

19 Capital, reserves and dividends (Continued)

(b) Share capital (Continued)

During the period, pursuant to the Company's share option schemes (note 20), options were exercised to subscribe for 36,224,090 (2012: 14,026,051) ordinary shares in the Company at a consideration of RMB31,301,000 (2012: RMB1,542,000) of which RMB28,370,000 (2012: RMB404,000) was credited into the share premium account, and meanwhile, RMB6,818,000 (2012: RMB1,499,000) has been transferred from the equity-settled share-based payment reserve to share premium account. As at 30 June 2013, the total number of shares which may be issued upon the exercise of all options outstanding from the Company's share option schemes is 52,519,756 (31 December 2012: 91,010,740).

During the period ended 30 June 2011, the Company totally repurchased its own ordinary shares of 100,000,000 shares at aggregate price of HK\$18,692,000 (equivalent to RMB15,509,000), which was charged to retained profits.

The repurchased shares were cancelled in the second half of 2011 and an amount equivalent to the par value of the shares cancelled of HK\$1,000,000 (equivalent to RMB818,000) was transferred to the capital redemption reserve. No repurchased shares were held by the Company for the period ended 30 June 2013.

19 股本、儲備及股息(續)

(b) 股本(續)

於本期間，因根據本公司的購股權計劃(附註20)行使購股權，引致認購36,224,090股(2012年：14,062,051)本公司普通股，代價為人民幣31,301,000元(2012年：人民幣1,542,000元)，其中人民幣28,370,000元(2012年：人民幣404,000元)計入股份溢價，人民幣6,818,000元(2012年：人民幣1,499,000元)已自股權結算股份支付儲備轉撥至股份溢價。於2013年6月30日，倘本公司購股權計劃中所有尚未行使的購股權獲行使，則可予發行的股份總數為52,519,756股(2012年12月31日：91,010,740股)。

於2011年6月30日止期間，本公司合共購回其自身的普通股100,000,000股，總價格為18,692,000港元(相當於人民幣15,509,000元)，並已自保留溢利中扣除。

回購股份已於2011年下半年被註銷，註銷股份的面值港幣1,000,000元(等值人民幣818,000元)轉入股份回購儲備中。於2013年6月30日止期間本公司無回購自身股份。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

19 Capital, reserves and dividends (Continued)

(c) Share premium

The excess of the issued price net of any issuance expenses over the par value of the shares issued has been credited to the share premium account of the Company.

Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(d) Merger reserve

As part of the Reorganisation, the then shareholders of Yashili (Guangdong) transferred their equity interests in Yashili (Guangdong) to Yashili International Group Limited on 2 July 2010. A merger reserve of RMB1,367,204,000 was resulted from these transfers for the purposes of the consolidated financial statements.

(e) PRC statutory reserves

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries in PRC. Transfers to the reserves were approved by the board of directors.

(f) Equity-settled share-based payment reserve

Equity-settled share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group in accordance with the accounting policy adopted for share-based payments.

19 股本、儲備及股息(續)

(c) 股份溢價

發行價(扣除任何發行開支)超出已發行股份面值的數額已計入本公司的股份溢價。

根據開曼群島公司法(經修訂)，本公司股份溢價的資金可分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中的到期債務。

(d) 合併儲備

作為重組的一部份，於2010年7月2日，廣東雅士利當時的股東將其於廣東雅士利的股權轉讓予雅士利國際集團有限公司。就合併財務報表而言，合併儲備人民幣1,367,204,000元乃因該等轉讓而產生。

(e) 中國法定儲備

中國法定儲備乃根據相關中國規則及法規以及本公司中國附屬公司的組織章程細則設立。向儲備的轉撥乃經董事會批准。

(f) 股權結算股份支付儲備

股權結算股份支付儲備指授予本集團僱員的未行使購股權實際或估計數目按就股份支付採納的會計政策得出的公允價值。



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

19 Capital, reserves and dividends (Continued)

(g) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy.

20 Equity-settled share-based transaction

The Group adopted share option schemes that entitle key management personnel to purchase shares in the Company. The terms and conditions of the share option schemes were disclosed in the consolidated financial statements as at and for the year ended 31 December 2012.

- (i) The number and weighted average exercise prices of share options are as follows:

	At 30 June 2013 2013年6月30日		At 31 December 2012 2012年12月31日	
	Weighted average exercise price per share 每股加權平均行使價 RMB 人民幣	Number of options 購股權數目	Weighted average exercise price per share 每股加權平均行使價 RMB 人民幣	Number of options 購股權數目
Outstanding at the beginning of the period 期初尚未行使	0.80	91,010,740	0.78	118,959,988
Forfeited during the period 期內已失效	1.01	(2,266,894)	1.33	(13,923,197)
Exercised during the period 期內已行使	0.87	(36,224,090)	0.11	(14,026,051)
Outstanding at the end of the period 期末尚未行使	0.74	52,519,756	0.80	91,010,740

The 2009 and 2010 Employee Share Options outstanding at 30 June 2013 weighted average remaining expected life 1 years (31 December 2012: 1.5 years).

19 股本、儲備及股息(續)

(g) 換算儲備

換算儲備包括因換算海外業務的財務報表而產生的所有外匯差額。該儲備乃根據會計政策處理。

20 股權結算股份支付交易

本集團已採納購股權計劃，以授予主要管理人員購買本公司股份之權利。購股權計劃的條款及條件披露於2012年12月31日以及截至該日止年度的合併財務報表。

- (i) 購股權的數目及加權平均行使價如下：

於2013年6月30日尚未行使的2009年及2010年員工購股權的加權平均剩餘預期年期為1年(2012年12月31日：1.5年)。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

20 Equity-settled share-based transaction

(Continued)

The 2011 Employee Share Options outstanding at 30 June 2013 weighted average remaining expected life 7.3 years (31 December 2012: 7.8 years).

(ii) Fair value of share options and assumptions:

The fair value of services received in return for the share options is measured by reference to the fair value of share options granted. The estimated fair value of the share options is measured based on a binomial option pricing model. The contractual life of the share option is used as an input into this model.

During the six months ended 30 June 2013, equity-settled share-based payment expenses amounting to RMB3,104,000 (six months ended 30 June 2012: RMB3,786,000) were recognised in the consolidated income statement.

(iii) Pursuant to the mandatory unconditional cash offer made by China Mengniu Dairy Company Limited ("Mengniu Group") as required under the Hong Kong Code on Takeovers and Mergers, all share options were offered at a cash consideration on 18 June 2013. Mengniu Group received valid acceptances in respect of (i) 26,256,224 shares options with exercise price at RMB0.11 for 2009 employee share options, (ii) 6,308,648 share options with exercise price at RMB1.84 for 2010 employee share options; and (iii) 19,954,884 shares options with exercise price at HK\$1.50 for 2011 employee share options under the mandatory unconditional cash offer.

20 股權結算股份支付交易(續)

於2013年6月30日尚未行使的2011年員工購股權的加權平均剩餘預期年期為7.3年(2012年12月31日: 7.8年)。

(ii) 購股權公允價值及假設:

作為授出購股權的代價而收取的服務的公允價值乃經參考所授出的購股權的公允價值計量。購股權的估計公允價值乃根據二項式期權定價模式計量。購股權的合約年期乃用作此模式的一項輸入參數。

截至2013年6月30日止六個月，股權結算股份支付開支錄得人民幣3,104,000元(截至2012年6月30日止六個月: 人民幣3,786,000元)，並已於合併收益表確認。

(iii) 根據本公司按照香港公司收購及合併守則規定所作出由中國蒙牛乳業有限公司提出之強制無條件現金要約，所有購股權於2013年6月18日以現金代價要約收購。雅士利國際控股有限公司已就強制無條件現金要約項下之(i)2009年僱員購股權計劃26,256,224份購股權(行使價為人民幣0.11元)(ii)2010年僱員購股權計劃6,308,648份購股權(行使價為人民幣1.84元); (ii)2011年僱員購股權計劃19,954,884份購股權(行使價為1.50港元)獲得有效接納。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

21 Commitments

- (a) Capital commitments, outstanding at 30 June 2013 not provided for in the financial statements were as follows:

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contracted for	已訂約	118,358	124,255
Authorised but not contracted for	已批准未簽訂	913,186	700,000

- (b) At 30 June 2013, the total future minimum lease payments under non-cancellable operating leases in respect of land and properties were payable as follows:

		At 30 June 2013	At 31 December 2012
		於2013年 6月30日	於2012年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within one year	一年內	9,694	13,902
After one year but within five years	一年後但五年內	10,844	11,889
After five years	五年後	—	670
		20,538	26,461

The Group leases a number of land and properties under operating leases. The leases run for period from one to twenty-six years, certain of the leases are with an option to renew when all terms are renegotiated. None of the leases includes contingent rentals.

本集團以經營租賃出租若干土地及物業。租賃為期一至二十六年，部分租賃附帶選擇權，可在所有條款獲重新磋商後重續租賃。概無租賃包括或然租金。

21 承擔

- (a) 於2013年6月30日尚未履行且並無於財務報表計提撥備的資本承擔如下：

- (b) 於2013年6月30日，不可取消經營租賃項下就土地及物業應付的未來最低租賃款項總額如下：

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

22 Material related party transactions

During the six months ended 30 June 2013, the directors are of the view that related parties of the Group include the following individuals/companies.

Name of related party

關連方名稱

Mr. Zhang Likun, Mr. Zhang Lihui, Mr. Zhang Liming, Mr. Zhang Lidian, Mr. Zhang Libo and Ms. She Lifang (collectively referred to as "Zhang's Family")

張利坤先生、張利輝先生、張利明先生、張利鈿先生、張利波先生及佘麗芳女士(統稱為「張氏家族」)

Shantou Zhang's Investment Co., Ltd. ("Zhang's Investment")
(“汕頭張氏投資有限公司”)(i)

汕頭張氏投資有限公司(「張氏投資」)(i)

Haoweijia Food Co., Ltd ("Haoweijia Food")
(廣東好味佳食品有限公司)(i)

廣東好味佳食品有限公司(「好味佳食品」)(i)

Chaoan County Anbu Yingjia Paper and Plastic Products Factory
(“Yingjia”)(潮安縣庵埠營佳紙塑製品廠)(i)

潮安縣庵埠營佳紙塑製品廠(「營佳」)(i)

(i) The official name of the entity is in Chinese. The English translation of the name is for reference only.

22 重大關連方交易

於截至2013年6月30日止六個月，董事認為本集團的關連方包括以下人士／公司。

Relationship

關係

the Controlling Shareholders

控股股東

Under common control of the Controlling Shareholders

受控股股東的共同控制

Under common control of the Controlling Shareholder

受控股股東的共同控制

Under the control of a close family member of a director of the Company

受本公司一名董事的親屬控制

(i) 實體官方名稱為中文名稱。英文譯名僅供參考。



Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

22 Material related party transactions (Continued)

(a) Recurring transactions

Particulars of significant transactions between the Group and the above related parties during the period are as follows:

		Six months ended 30 June	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sale of packing materials to Haoweijia Food	銷售包裝材料予好味佳食品	778	857
Purchase of preserved fruit products from Haoweijia Food	自好味佳食品購買涼果產品	1,237	1,396
Rent of property and plant from the Zhang's Investment	自張氏投資租賃物業及廠房	1,515	1,515
Purchase of plastic spoons and covers from Yingjia	自營佳購買塑料湯匙及蓋子	5,599	4,774

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms in the ordinary course of business.

22 重大關連方交易(續)

(a) 經常性交易

本集團與以上關連方於本期間內的重重大交易詳情如下：

本公司董事認為，以上關連方交易乃按一般商業條款，在日常業務過程中進行。

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

22 Material related party transactions (Continued) 22 重大關連方交易(續)

(b) Balances with related parties

(i) Amounts due from related parties

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Trade related	貿易相關		
— Haoweijia Food	— 好味佳食品	481	879
Non-trade related	非貿易相關		
Other receivables from	來自以下的其他應收款	27	32
— Haoweijia Food	— 好味佳食品		
		508	911

(b) 與關連方的結餘

(i) 應收關連方款項

(ii) Amounts due to related parties

(ii) 應付關連方款項

		At 30 June 2013 於2013年 6月30日 RMB'000 人民幣千元	At 31 December 2012 於2012年 12月31日 RMB'000 人民幣千元
Trade related	貿易相關		
— Yingjia	— 營佳	1,153	1,859
— Haoweijia Food	— 好味佳食品	647	300
Non-trade related	非貿易相關		
Other payable to	其他應付		
— Zhang's Investment	— 張氏投資	1,370	29
		3,170	2,188

Notes to the Unaudited Interim Financial Report (continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，以人民幣列值)

22 Material related party transactions (Continued)

(b) Balances with related parties (Continued)

(ii) Amounts due to related parties (Continued)

The amounts due from/to related parties as at 30 June 2013 and 31 December 2012 were expected to be recovered/repaid within one year. All advances to/from related parties are unsecured.

23 Non-adjusted subsequent events

On 18 June 2013, Mengniu Group and the Group issued Joint offer Announcement to make a voluntary general offer (i) to acquire all of the outstanding Shares in the issued share capital of the Group; and (ii) to cancel all of the outstanding Options of the Group.

On 16 July 2013, the acquisition of all the outstanding shares in the issued share capital of the Group and the cancellation of the outstanding options of the Group by way of a voluntary general offer was approved and confirmed at the Extraordinary General Meeting of Mengniu Group. Further details are disclosed in note 20.

The Group is in the process of making an estimation of what the impact of these cancellation of the outstanding options is expected to be and it has concluded that the cancellation of the share options would accelerate amortization of the remaining expenses amounting to RMB3,306,000 in the consolidated income statement for year ending 31 December 2013.

22 重大關連方交易(續)

(b) 與關連方的結餘(續)

(ii) 應付關連方款項(續)

於2013年6月30日及2012年12月31日，應收／應付關連方款額預期會於一年內收回／償還。所有墊付予關連方／由關連方墊付的款項均為無抵押。

23 非調整期後事項

2013年6月18日，蒙牛集團和本集團發佈聯合要約公告，要約人提出自願性全面收購要約：(i)收購本集團已發行股本中的全部已發行股份；(ii)註銷本集團全部尚未行使的期權。

2013年7月16日，收購本集團已發行股本中的全部已發行股份並註銷本集團全部尚未行使的期權的自願性全面收購要約在蒙牛集團特別股東大會上獲得通過和確認。進一步詳情在附註20中披露。

本集團正在對註銷未行使的期權可能產生的影響進行估計。本集團認為股票期權的註銷將使得總值人民幣3,306,000元的剩餘成本在截至2013年12月31日的合併損益表中加速攤銷。

Review Report 審閱報告



Review report to the board of directors of Yashili International Holdings Ltd

(incorporated in the Cayman Islands with limited liability)

致雅士利國際控股有限公司董事會之 審閱報告

(於開曼群島註冊成立的有限公司)

Introduction

We have reviewed the interim financial report set out on pages 44 to 82 which comprises the consolidated balance sheet of Yashili International Holdings Ltd as of 30 June 2013 and the related consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, Interim Financial Reporting, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review 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. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

引言

我們已審閱列載於第44頁至第82頁雅士利國際控股有限公司的中期財務報告，此中期財務報告包括於2013年6月30日的合併資產負債表與截至該日止六個月期間的合併損益表、合併綜合收益表、合併權益變動表和簡明合併現金流量表以及附註解釋。根據《香港聯合交易所有限公司證券上市規則》，上市公司必須符合上市規則中的相關規定和國際會計準則委員會採用的《國際會計準則》第34號「中期財務報告」的規定編製中期財務報告。董事須負責根據《國際會計準則》第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「實體的獨立核數師對中期財務資料的審閱」進行審閱。中期財務報告審閱工作包括主要向負責財務會計事項的人員詢問，並實施分析和其他審閱程序。由於審閱的範圍遠較按照《香港核數準則》進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表任何審核意見。

Review Report (continued)

審閱報告(續)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim Financial Reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
5 August 2013

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信於2013年6月30日的中期財務報告在所有重大方面沒有按照《國際會計準則》第34號「中期財務報告」的規定編製。

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2013年8月5日

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