



蒙牛[®]

只為點滴幸福

China Mengniu Dairy Company Limited
中國蒙牛乳業有限公司*

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

Stock Code 股份代號：2319

2013 年報 ANNUAL REPORT



* For identification purpose only 僅供識別

CORPORATE PROFILE

公司簡介



China Mengniu Dairy Company Limited and its subsidiaries manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with **MENGNU** as its core brand. Mengniu's diversified products range includes liquid milk products (such as UHT milk, milk beverages and yogurt), ice cream, milk formula and other dairy products (such as cheese). Mengniu's liquid milk products ranked first, in terms of sales volume and sales value, among similar products in China in 2013, according to China Industrial Information Issuing Centre. By the end of December 2013, the Group's annual production capacity reached 7.77 million tons. In March 2014, Mengniu became a Hang Seng Index constituent, making it the first blue chip Chinese dairy product manufacturer.

中國蒙牛乳業有限公司及其子公司於中國生產及銷售優質乳製品。憑藉其主要品牌**蒙牛**，蒙牛已成為中國領先的乳製品生產商之一。蒙牛提供多元化的產品，包括液體奶(如UHT奶、乳飲料及酸奶)、冰淇淋、奶粉及其他乳製品(如奶酪等)。根據中國行業企業資訊發佈中心的資料，蒙牛液體奶榮列2013年全國市場同類產品銷量、銷售額第一名。於2013年12月底，集團乳製品的年生產能力達777萬噸。2014年3月，蒙牛獲納入恒生指數成份股，成為首家中國乳製品企業藍籌股。

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HIGHLIGHTS

摘要

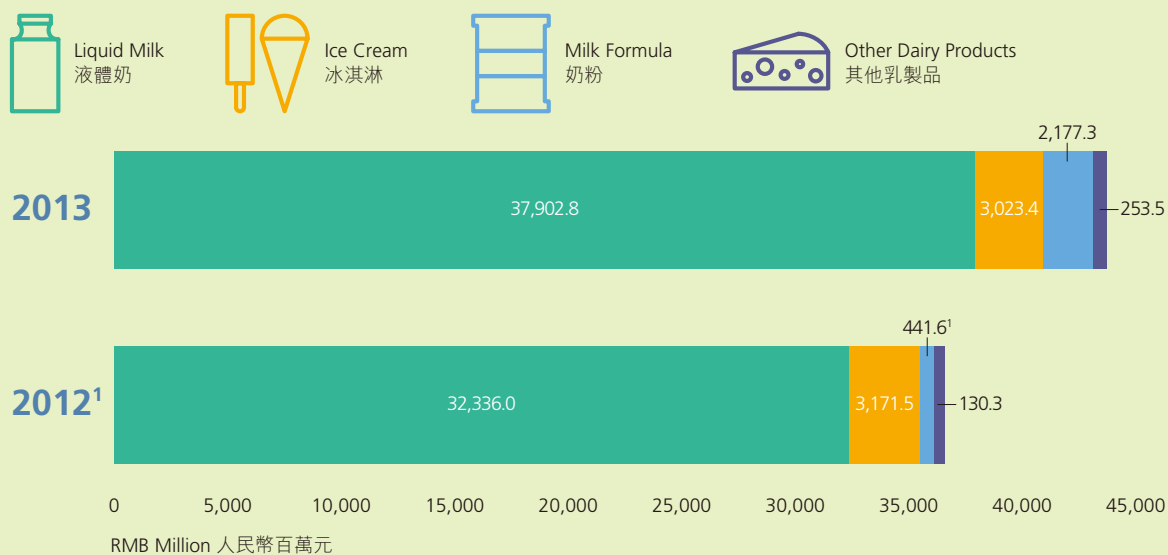
		2013	2012	Change
		二零一三年	二零一二年	變動
		RMB'000	RMB'000	%
		人民幣千元	Restated* 人民幣千元	
For the year ended 31 December	截至十二月三十一日止年度		經重述*	百分比
Revenue	收入	43,356,908	35,999,990	20.4%
Gross profit	毛利	11,697,245	8,949,998	30.7%
Profit attributable to owners of the Company	本公司擁有人應佔利潤	1,630,925	1,303,101	25.2%
Net cash inflow from operating activities	經營業務產生的淨現金流入	3,283,679	1,881,484	74.5%
Earnings per share (RMB)	每股盈利(人民幣元)			
– Basic	– 基本	0.904	0.737	22.7%
– Diluted	– 攤薄	0.896	0.737	21.6%

* Certain amounts stated above do not correspond to the consolidated financial statements as at 31 December 2012. According to the revised requirements of IFRS 11 on “Joint Venture Arrangement”, Mengniu’s investment in Mengniu-Arla joint venture has been adjusted from based on the proportion of investment to recognition using the equity method.

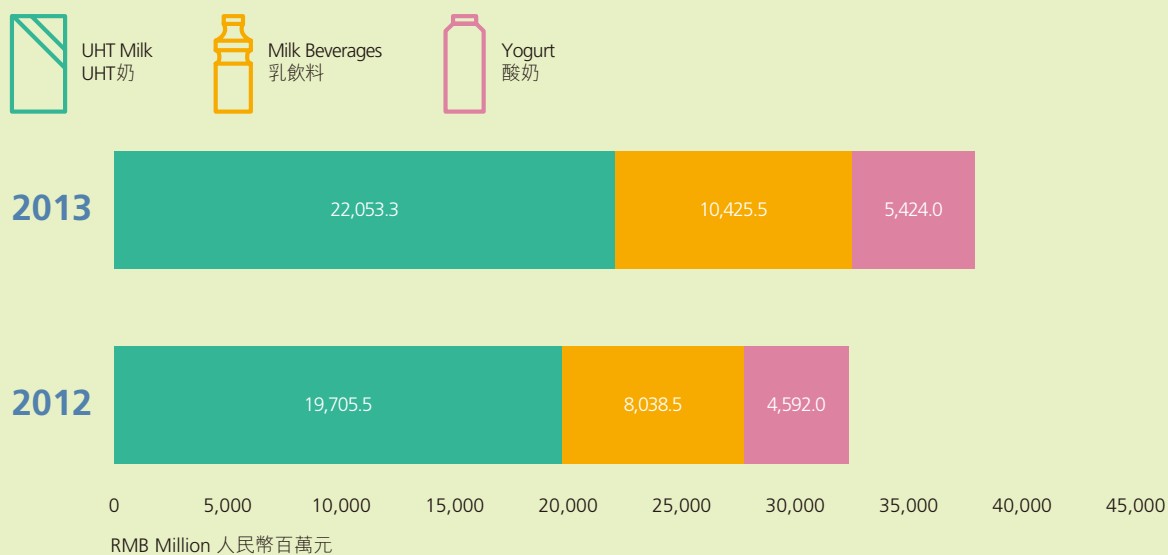
* 上述若干數額並不對應二零一二年十二月三十一日之年度綜合財務報表。根據國際財務報告準則第11號對「合營安排」的規定，蒙牛對合營企業歐世蒙牛的投資由按投資比例合併追溯調整為權益法入帳。

- The Chinese government has initiated policies to facilitate industry consolidation, set higher entry barriers, investigate monopolistic practices on imported milk formula products and relax the one-child policy. These policies support the long term healthy development of the industry and create immense opportunities for leading enterprises such as Mengniu.
- Mengniu has actively adjusted product portfolio based on the market situation, embarked on the development of the yogurt and milk beverage businesses with stronger growth potential, and reduced the proportion of raw milk-based products. The Group enhanced its profitability through restructuring of its brands, allocating more resources to key brands, and integrating sales channels. These efforts have steadily boosted the Group’s revenue and profit.
- The ratio of milk sources provided by scaled ranches and farms has reached 94%, ensuring product safety from the source.
- Mengniu has increased shareholding in Modern Dairy and invested in YST Dairy to better assure quality milk sources.
- Mengniu has signed a framework agreement with Danone Group to integrate and restructure both parties’ chilled dairy business in China and jointly develop the chilled product business through a joint venture.
- Mengniu has acquired Yashili to capture the swift growth opportunities in the domestic pediatric milk formula market.
- Data from Nielsen Company, a market research firm, reveals that Mengniu’s liquid milk and chilled yogurt retained their throne in terms of market share in 2013.
- 中國政府出台了一系列政策，鼓勵行業兼併重組、提高准入門檻、對進口奶粉產品進行反壟斷調查、放寬一孩政策等，既有利行業長遠健康發展，也為蒙牛等龍頭企業帶來了龐大機遇。
- 蒙牛因應市場情況積極調整產品結構，著力發展增長強勁的酸奶及乳飲料業務，降低過度依賴原奶的產品比例，並通過品牌梳理，聚焦重點品牌，整合銷售渠道，提升盈利能力，促使本集團收入和利潤均錄得穩定增長。
- 規模化奶源比例達到94%，從源頭上保證產品安全。
- 增持現代牧業及入股原生態牧業，加強對優質奶源的把控。
- 蒙牛與Danone集團簽署框架協議，合併重組雙方在中國的低溫乳製品業務，透過合資公司共同發展低溫業務。
- 收購雅士利，捕捉國內嬰幼兒配方奶粉市場快速增長的商機。
- 根據市場研究機構尼爾森公司的數據顯示，蒙牛液體奶及低溫酸奶二零一三年的市場份額繼續穩居市場第一。

Revenue by Product Mix (For the year ended 31 December) 按產品劃分之收入(截至十二月三十一日止年度)



Revenue by Product Mix in Liquid Milk Segment (For the year ended 31 December) 按液體奶產品劃分之收入(截至十二月三十一日止年度)



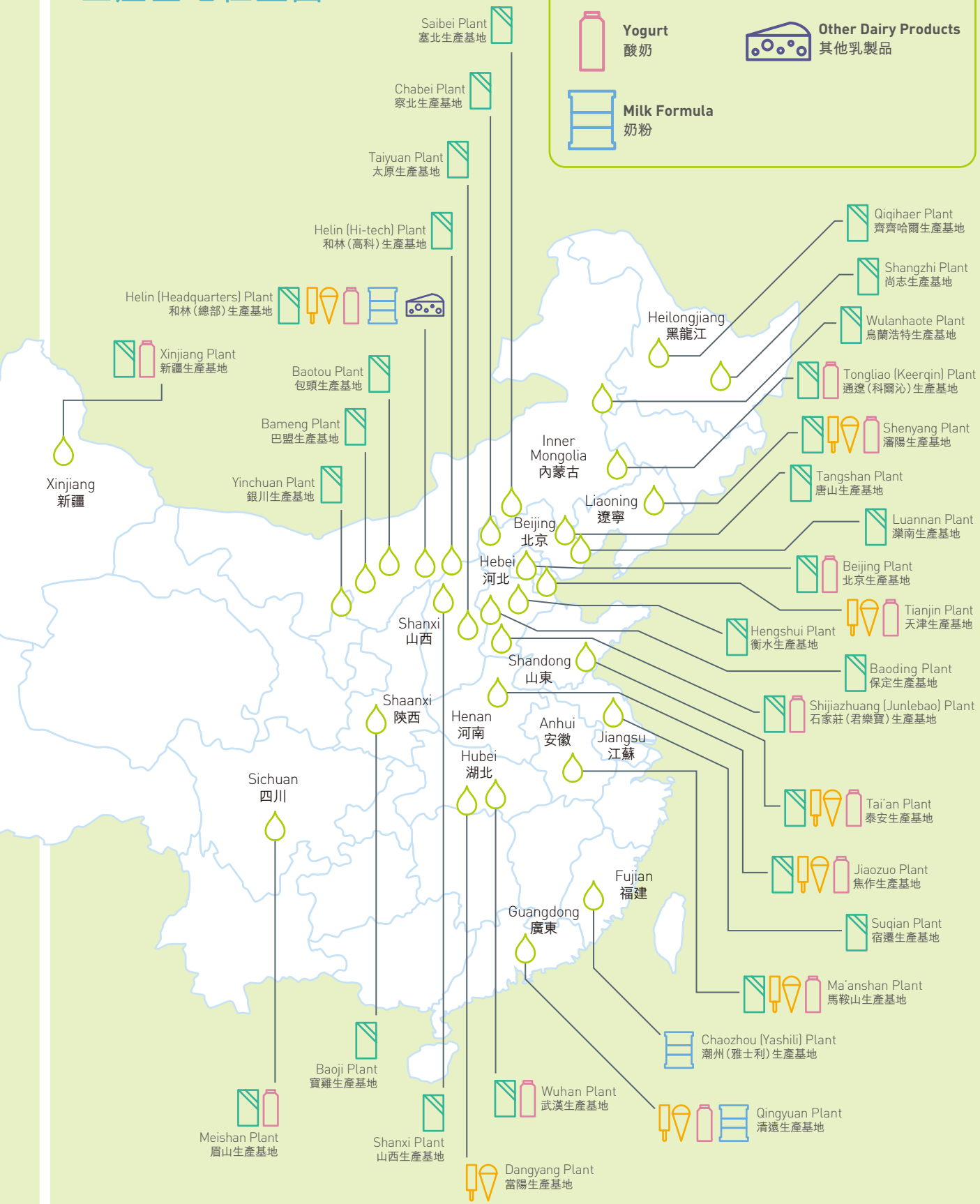
¹ For illustration purpose, it included 50% of revenue of the joint venture Mengniu Arla and before equity accounting adjustment.

¹ 為方便說明，此包括合營公司歐世蒙牛50%的收入及作出權益調整前數據。

PLANT MAP

生產基地位置圖

	UHT Milk and Milk Beverages UHT 奶及乳飲料		Ice Cream 冰淇淋
	Yogurt 酸奶		Other Dairy Products 其他乳製品
	Milk Formula 奶粉		



MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮



The Group

Became a pilot enterprise for the "Food Safety Traceability System" introduced by the Ministry of Industry and Information Technology

Received the "Best Investor Relations during a Corporate Transaction" award at the *IR Magazine* Greater China 2013

Received the "The Asset Triple A Award – 2012 China's Most Promising Company" and the "Excellence in Management and Corporate Governance 2013 – Titanium Award" from *The Asset* magazine in Hong Kong

Became the only company receiving Weibo's "Outstanding Contribution to Charity for the Year Award", thanks to the strong influence of the campaign "Mengniu Cares" within the Weibo community

Received the "2013 Top Brand with the Best Social Responsibility Practice" award from the Organising Committee of the China Business Leaders & Media Leaders Annual Conference

Management

Ms. Sun Yiping, CEO, was honoured with the "Outstanding Entrepreneurship Award" at the 4th Asia Pacific Entrepreneurship Awards from Enterprise Asia

Ms. Sun Yiping, CEO, garnered the "2013 China Corporate Social Responsibility Award for an Outstanding Entrepreneur" from the Xinhua Net and the Research Center for Corporate Social Responsibility, Chinese Academy of Social Sciences

Mengniu Brand

Elected as the "Favourite Brand of PARKnSHOP Award" by Hong Kong supermarket chain PARKnSHOP

Mengniu Products

Milk Deluxe garnered the "Gold Award of Dairy Products" at the 7th BioFach China, co-hosted by China Green Food Development Center and NürnbergMesse Group

Yoyi C received two honours, the "Rising Star" and "Mother's Favourite Brand Award" at the "14th Favourite Brands Awards" by Hong Kong supermarket chain Wellcome

Yoyi C retained the top position in the "Lactic Acid Bacteria Drinks C-BPI" compiled by the Chinese Enterprise Brand Research Center

Champion was ranked first in the "Yogurt C-BPI Brand" category by the Chinese Enterprise Brand Research Center

Oushi Infant Milk Formula received the "Products with Stable Quality" certification from the China Dairy Industry Association

本集團

成為中國工信部「食品品質安全可追溯體系」建設試點企業

獲《IR Magazine》2013大中國區「企業交易最佳投資者關係」獎

獲香港《財資》雜誌「The Asset Triple A Award-2012最具潛力中國企業」獎及「2013年最佳公司治理－鈦金獎」

憑藉「蒙牛心行動」的強大微博影響力，榮獲「微博年度公益貢獻獎」，成為唯一獲獎的企業

榮獲中國企業領袖與媒體領袖年會組委會頒發「2013年度最具社會責任品牌」大獎

管理層

總裁孫伊萍女士榮獲亞洲企業商會頒發亞太企業精神獎第四屆「行業領袖獎」

總裁孫伊萍女士獲新華網與中國社會科學院經濟學部企業社會責任研究中心「2013年度中國企業社會責任傑出企業家獎」

蒙牛品牌

獲香港百佳超市評選為「百佳最愛品牌大獎」

蒙牛產品

特侖蘇在中國綠色食品發展中心與紐倫堡展覽集團共同主辦的第七屆中國國際有機產品博覽會上榮獲「乳品金獎」

優益C於香港惠康「第14屆超市名牌選舉」中榮獲「最具潛力品牌大獎」及「媽媽最愛品牌大獎」兩項殊榮

優益C獲中國企業品牌研究中心評為「乳酸菌飲料 C-BPI品牌力第一名」

冠益乳獲中國企業品牌研究中心評為「酸奶 C-BPI品牌力第一名」

歐世嬰幼兒配方奶粉榮獲中國乳製品工業協會頒發「品質穩定產品」稱號

10 MAJOR EVENTS OF MENGNIU IN 2013

二零一三年度蒙牛十大事件

Mar Initiating value-added cross-departmental collaboration project (Project V) 啟動跨系統協作增值項目(V項目)

In light of the surge in raw material costs in 2013, departments of operation, marketing and R&D joined forces to establish Project V to optimise internal costs. Cross-departmental collaboration brought enormous economic benefit to the Group.

因應2013年原料漲價導致成本大幅上漲的情況，營運、營銷及研發系統共同成立了V項目，優化內部成本。通過跨系統協作，為本集團創造了巨大的經濟效益。



20/4 Disaster relief in Ya'an City, Sichuan Province 赴四川雅安救災

Immediately after the outbreak of the Magnitude 7 earthquake in Ya'an City, Sichuan Province, Mengniu donated more than 10,000 cartons of milk and a cash amount of RMB10 million. Mengniu had also sent a rescue team of volunteers to offer a helping hand on relief work in the disaster area.

四川雅安市發生7級地震，蒙牛捐贈逾10,000箱牛奶及人民幣1,000萬元現金，並派出志願者救援隊第一時間抵達災區，全力救援。



8/5 Reinforcing its leading position in the raw milk sourcing by increasing shareholding in Modern Dairy 增持現代牧業，強化奶源領先優勢

Mengniu became the single largest shareholder of Modern Dairy, the largest dairy breeding company in China, with its stake rising from 1% to 28%. Mengniu's milk sources provided by ranches and scaled farms reached about 94%, with a goal to reach 100% by 2015.

蒙牛增持中國最大的奶牛養殖企業現代牧業的股份，從原有的1%增至28%，成為現代牧業單一最大股東。蒙牛目前規模化、集約化奶源已提升至約94%，目標於2015年之前實現100%奶源規模化、集約化。



只為點滴幸福



20/5 Speeding up the development of yogurt business in China through collaboration with COFCO Group and Danone Group 蒙牛、中糧集團、DANONE集團攜手加速發展中國酸奶奶業務

Mengniu, COFCO Group and Danone Group entered into an agreement, whereby Danone Group becomes a strategic shareholder with approximately 4% of Mengniu's shares through the establishment of a joint venture with COFCO Group. Meanwhile, Mengniu and Danone Group would merge their chilled yogurt business in China and establish a joint venture, engaged in the production and sales of chilled yogurt. With the synergies created by the introduction of Danone Group's globally-leading technology in quality control and innovation capabilities, Mengniu would be able to provide consumers with a wider range of quality yogurt products in China.

蒙牛、中糧集團及Danone集團簽署協議，Danone集團通過與中糧集團成立合資企業，持有蒙牛約4%股份，成為蒙牛的战略股東；同時，蒙牛與Danone集團將合併中國的低溫酸奶奶業務，組建合資公司產銷低溫酸奶。蒙牛引進Danone集團全球領先的品質管理技術和產品創新力，創造協同效益，將為中國消費者提供更多優質酸奶產品。



29/5 Organising a charity campaign – "Looking for Teachers with the Most Beautiful Hearts in Rural Areas" 「尋找最美鄉村教師」公益活動

Supported by the extensive efforts from all of its staff and business partners, Mengniu organised a charity campaign "Looking for Teachers with the Most Beautiful Hearts in Rural Areas" in 22 provinces and cities across the country, along with a number of charity events such as "Have a Lesson in My Hometown", "Happy Gift", "Public Lessons by Teachers in Rural Areas" and "Care from Ten CEOs for Teachers with the Most Beautiful Hearts in Rural Areas".

蒙牛再次匯聚全體員工和合作夥伴的力量，在全國22個省市尋找最美鄉村教師，同時開展「我回老家上堂課」、「幸福禮單」、「鄉村教師公開課」、「十大CEO關注最美鄉村教師」等多項公益活動。





Launching Mengniu's first-of-its-kind UHT yogurt Just Yoghurt
首款常溫酸牛奶純甄上市

31/5

Just Yoghurt, the first-of-its-kind UHT yogurt of Mengniu, was launched. In recent years, UHT yogurt products have been considered by the industry as a dairy category enjoying ever-growing potential in China, which is expected to reach a value of over RMB10 billion by 2015. As one of Mengniu's opportunity brands, Just Yoghurt can better meet consumers' demand for healthy food at present days, and is set to be blessed with unlimited market potential.

蒙牛首款常溫酸牛奶純甄上市。近年來，業界視常溫酸奶為國內乳品的新興藍海，預計2015年市場空間在人民幣100億元以上。作為蒙牛的機會品牌之一，純甄更契合現代人對健康食品的追求，必然會釋放市場的無限潛能。



Building a leading platform of infant milk formula through a controlling interest in Yashili
控股雅士利，打造領先嬰幼兒奶粉平台

18/6

Mengniu made a general offer to Yashili at a consideration of HK\$11.4 billion. Both parties will leverage their respective advantages in products, brands, channels, etc. through resources integration and complementary synergies, thus accelerating the high-end milk formula business. The PRC government is committed to enhancing the quality and safety of infant milk formula, while encouraging the market consolidation and thus raising industry competitiveness. Against this backdrop, the cooperation between Mengniu and Yashili is of remarkable significance.

蒙牛以約114億港元向雅士利發出全面收購要約。雙方通過資源整合與互補，利用各自在产品、品牌、渠道等方面的優勢，加快高端奶粉業務升級。中國政府銳意加強嬰幼兒奶粉質量安全，鼓勵嬰幼兒奶企兼併重組，提高產業集中度和競爭力。在這樣的背景下，蒙牛與雅士利的合作意義非凡。



Initiating the SAP project, implementing an information technology system with the most extensive operations coverage within Mengniu to date
啟動SAP項目，是蒙牛迄今覆蓋業務範圍最廣的信息化項目

22/6

The implementation of the IT system from SAP, an internationally-leading software supplier, in fields including commercial intelligence, information management, corporate governance and risk management, more closely links Mengniu's business strategies and their implementation, thereby optimising operation. The SAP system is pivotal to the upgrade and transformation of Mengniu's internal system as well as the standardisation of management flows, and can realise the rationalisation of end-to-end business flows and standards.

蒙牛借助國際一流的軟件商SAP在商務智能，信息管理，公司治理，風險管理等多領域的應用，使業務戰略和執行緊密銜接，達到最佳運營狀態。SAP系統是蒙牛內部系統升級轉型、管理流程標準化的關鍵過程，亦是對端到端業務流程和標準的梳理。



Setting up a five-tier incentive system
構建五重激勵體系

Jun

To incentivise employees' intrinsic potential in pace with Mengniu's business growth, the Group has set up a five-tier incentive system covering the entire group. This represents a significant evolution of the Group's incentive system in recent years.

為激發員工內在潛能使員工與企業共同成長，本集團構建了五重激勵體系，覆蓋全員，乃近年來本集團激勵體系的一次蝶變。



Issuing US\$500 million bonds, got A- rating – highest in the industry – by Standard & Poor's
發行5億美元債券，獲標普給予行業A-的最高評級

21/11

Mengniu has closed the book building of its US\$500 million 5-year debut bonds issued overseas. This bond issue has received much interest from international investors, with orders from over 200 institutional investors, and an over-subscription exceeding 5 times. The aggregate subscription amount reached US\$3.25 billion. An international credit rating institution Standard & Poor's has given an A- credit rating, the highest assigned to a company in China's fast-moving consumer goods to date. The bond issue provided Mengniu with overseas funds on a long-term, stable basis at a low cost, and also reflected the strong confidence of international investors in Mengniu.

蒙牛完成首次海外發行五年期5億美元債券的簿記工作。此次債券發行獲得國際投資者的高度關注，接獲逾200家機構投資者的訂單，獲得逾5倍超額認購，認購總額達32.5億美元，更獲國際信用評級機構標準普爾給予A-的信用評級，為中國快消品企業迄今所獲得的最高評級。發行債券不僅使蒙牛獲得長期穩定、低成本的海外資金，也反映了國際投資者對蒙牛投下信心一票。



CEO'S STATEMENT

總裁致辭

BUILDING A COMPREHENSIVE PLATFORM TO DRIVE LONG TERM DEVELOPMENT

打造全方位平台
著力長遠發展



Ms. Sun Yiping
孫伊萍
Chief Executive Officer
總裁

The year 2013 was pivotal for Mengniu, eyeing new horizons as well as evolving and transforming our business model based on the solid foundation we had built. Further to the reform starting within the Group in 2012, through various effective initiatives Mengniu advanced by great leaps in strengthening the groundwork of the reform, seeking organic growth as well as external cooperation opportunities with a broader vision. The Group put in place a system reinforcing internal and external linkage and vertical integration, thereby framing the basic blueprint for our Five-Year Strategic Plan and the development beyond.

Looking back into 2013, with the strong support from our major shareholder COFCO Group, and on the basis of our Five-Year Strategic Plan, Mengniu embarked on a full-range expansion of our business portfolio by capitalising on the opportunities arising from industry-wide consolidation and internationalisation as we forged a number of strategic partnerships. In May, Mengniu became the single largest shareholder of China Modern Dairy Holdings Ltd. ("Modern Dairy", stock code: 1117) by increasing the shareholding interest therein to 28%, thus providing Mengniu with a better assurance of the quality and supply of premium milk sources.

二零一三年對蒙牛而言是承上啟下、升級轉型的關鍵一年。承接二零一二年的內部變革，蒙牛進一步以誠懇的態度和實際的行動深化變革，夯實基礎；同時，以更廣闊的視野追求自身增長與外部的合作發展，建設內外聯動、上下貫通的體系，為實現新五年規劃乃至更長遠的發展奠定了基調。

回顧二零一三年，在大股東中糧集團有限公司（「中糧集團」）的支持下，基於五年戰略規劃，蒙牛積極把握行業整合及國際化發展的機遇，開展多項戰略合作，全方位拓展自身的業務佈局。五月，蒙牛增持中國現代牧業控股有限公司（「現代牧業」，股份代號：1117）股份至28%，成為其最大單一股東，藉此加強對優質奶源的質量及供應把控。



In the same month, we embraced Danone S.A. and its subsidiaries (collectively the "Danone Group") as our international partner, as both parties agreed to form a joint venture engaged in the manufacturing and sales of yogurt and other chilled products. Leveraging Danone Group's global-leading R&D in yogurt, brand management and marketing experience, Mengniu will further tap the huge potential of China's yogurt market, while bolstering our technological innovation capabilities. In February 2014, Mengniu offered Danone Group to increase its interest in Mengniu to 9.9% through private placement, thus further strengthening the strategic collaboration between the parties on both shareholding and operational level. The transaction presents a good opportunity for COFCO Group, Danone Group and Arla Foods to integrate their equity interests in Mengniu through formation of a joint venture. Thanks to the support for Mengniu from our three strategic shareholders over the past years, we are confident that we can better seize the opportunities to mature into a global dairy product enterprise by leveraging their respective strengths.

同月，我們引進國際健康食品領軍者Danone S.A.及其子公司(統稱「Danone集團」)為蒙牛的國際合作夥伴，雙方協議組建合資公司產銷酸奶等低溫產品。借鑒Danone集團全球領先的酸奶研發技術、品牌管理和市場推廣經驗，蒙牛將進一步開發中國酸奶市場的巨大潛力，同時提升技術創新力。於二零一四年二月，蒙牛向Danone集團定向增發股份至9.9%，雙方進一步加強股權及經營層面的戰略合作。以此次交易為契機，中糧集團、Danone集團及Arla Foods將透過組建合資公司，整合在蒙牛的股權。很感謝三位戰略股東多年來對蒙牛的鼎力支持，憑藉戰略股東的各自優勢，我們有信心能更好地把握機遇，成為全球乳製品企業。

In order to capture the business opportunities arising from the robust growth in the milk formula market in the PRC, Mengniu made a general offer to Yashili International Holdings Ltd (“Yashili”, stock code: 1230) at a consideration of approximately HK\$11.4 billion in June 2013. Subsequently, Mengniu became a controlling shareholder of Yashili as the two companies joined forces to establish a leading infant milk formula platform. These initiatives have been significant steps taken by Mengniu during the course of the transformation, paving a more solid path for us to remain in the top spot in China's dairy industry.

During the year, we have faced challenges brought by the tightening supply and the hikes in prices of raw milk. We actively adjusted our product portfolio based on the market situation. We embarked on the development of the yogurt and milk beverage businesses with stronger growth potential, and reduced the proportion of products with over-reliance on raw milk. Through rationalisation, Mengniu focused on driving growth of key brands. Profitability was enhanced through the integration of our sales channels. On the other hand, we reinforced our leading position in milk sourcing by increasing our shareholding equity in Modern Dairy and becoming the cornerstone investor of YuanShengTai Dairy Farm Limited (“YST Dairy”, stock code: 1431).

As for the internal systems, our quality management system has benchmarked against international standards. We have safeguarded the quality of our products through the “four carriages”, including a centralised quality and safety management system together with three quality management centers of milk sources, operations and sales respectively. With the introduction of Arla Foods' advanced ranch management expertise and the adoption of European standards, we have beefed up our ranch technology and management. Through the establishment of the joint venture with Danone Group, the commencement of streamlined management plus the application of its extensive globalised management experience, we have been continuously enhancing our operation and management standards.

為捕捉中國奶粉市場快速增長的商機，蒙牛於二零一三年六月以約114億港元向雅士利國際控股有限公司（「雅士利」，股份代號：1230）發出全面收購要約，繼而成為雅士利的控股股東，共同打造領先的嬰幼兒配方奶粉平台。這些戰略舉措是蒙牛轉型歷程上的重要步驟，使我們的基礎更加紮實，從而更有助於穩固行業領先地位。

在這一年中，我們經歷了原奶供應趨緊及漲價所帶來的挑戰。蒙牛因應市場情況積極調整產品結構，著力發展增長強勁的酸奶及乳飲料業務，降低過度依賴原奶的產品比例，並通過品牌梳理，聚焦重點品牌，整合銷售渠道，提升盈利能力。另一方面，蒙牛透過增持現代牧業及成為原生態牧業有限公司（「原生態牧業」，股份代號：1431）的基石投資者，鞏固領先的奶源優勢。

在內部體系方面，我們接軌國際質量管理體系標準，透過質量安全管理系統和奶源、營運、銷售三大質量管理中心這「四架馬車」層層把關，為產品質量保駕護航；我們引入Arla Foods先進牧場管理經驗，採用歐盟標準，提高牧場技術保障和管理水平；通過與Danone集團建立合資企業，開展精細化管理，借鑒其豐富的國際化管理經驗，不斷提升運營及管理水平。



Mengniu's past success would have been impossible without the unstinting efforts of employees and our well-established corporate culture. During the year, enterprise-wide efforts were made on fulfilling the Group's responsibility to the community, as most readily seen in the all-out efforts made by our local staff on assisting the disaster relief efforts at the frontline of the disaster zone immediately after the outbreak of the earthquake in Ya'an City, Sichuan Province in April. Each and every one at Mengniu is committed to upholding and practicing the corporate culture of "Sunshine, Nobility, Responsibility and Innovation" to make Mengniu a trusted brand, and we are really proud of that. In 2013, we spurred our employees into ongoing contributions to Mengniu's sustainable development by formulating a comprehensive incentive scheme, including a restricted share award scheme in which restricted shares are granted to core management and outstanding employees at various levels. This serves as an incentive to give them a sense of ownership, thus forming a solid base for us to take Mengniu to a higher level of growth.

The organisational restructuring and the changes in workflow have imposed higher requirements for Mengniu's management model and efficiency. Over the past year, with the standardisation of our workflow and information data along with the investment of huge resources in installing a powerful SAP intelligent information management system, the effectiveness of our operation was boosted, and our workflow has been continually optimised.

As the Internet has become an essential sales channel, social media are in widespread use among consumers around the globe and information spread at an unprecedented speed. We have also initiated e-commerce and digital marketing activities as we explore new capabilities through transformation, so as to capture new opportunities emerging from market development trends.

Strengthening the communication with consumers was also one of our top priorities. During 2013, more than 1,000,000 consumers toured Mengniu's factories and ranches. On the Internet, Mengniu has established more direct and highly efficient communication with consumers through a number of interactive platforms including "Mengniu CS Weibo" and "Your Question, Our Responsibility".

蒙牛過往的成功離不開敬業的員工和良好的企業文化。這一年來，本集團上下表現出高度的社會責任感。四月，四川省雅安地震，我們當地的多名基層員工第一時間趕到受災前線，全力救災。每一位蒙牛人都身體力行，傳承蒙牛「陽光、高尚、責任、創新」的企業文化，重塑蒙牛品牌，對此我們無比自豪。二零一三年，我們制定了完善的員工激勵政策，包括限制性股票獎勵計劃，向核心管理團隊及各級優秀員工授予限制性股票，以激發他們的主人翁意識，為蒙牛持續發展作出貢獻，為打造更好的蒙牛做好基礎。

組織結構的調整和業務流程的變化對蒙牛的管理模式和效率要求更高。過去一年，我們投入不少資源建立高效的SAP智能信息管理系統，使業務流程和信息數據標準化，從而提高運營效率，不斷優化業務流程。

互聯網已經成為重要的營銷渠道，全球消費者正逐步轉向社交媒體，各種資訊也以前所未有的速度傳播。我們也開始在電子商務和數碼營銷方面作出新嘗試，以轉型來發展全新的組織能力，從而把握市場發展趨勢所帶來的新機會。

加強與消費者的溝通也是蒙牛工作重點之一。二零一三年，超過100萬消費者走進蒙牛的工廠和牧場，實地參觀考察；而在線上，通過「蒙牛微客服」、「你的疑問，我的責任」等消費互動平台，蒙牛與消費者更直接和高效地溝通。



With our committed effort over the year, Mengniu has received many accolades as well as wide recognition. As a testament to our strong presence in Hong Kong's capital market, Mengniu was selected into Hang Seng Index on 10 March 2014. Our products have been warmly received by consumers, winning us numerous awards within and outside China. *Milk Deluxe* garnered the gold award at BioFach in Nuremberg, while *Yoyi C* was granted the "Mothers' Favourite Brand Award" and the "Rising Star" in the 14th Favourite Brands Awards by Hong Kong supermarket chain Wellcome. Regarding corporate governance and investor relations, Mengniu received praise from authoritative magazines and institutions, notably the "Excellence in Management and Corporate Governance 2013 – Titanium Award" from Hong Kong magazine *The Asset* and the "Best Investor Relations during a Corporate Transaction" award at the *IR Magazine* Greater China 2013. On top of that, Mengniu was assigned an A- rating by Standard & Poor's, a globally authoritative credit rating institution, and the best rating ever received by a fast-moving consumer goods corporation in China. These successes were testimony to Mengniu's prudent financial management system, prominent market position and unrivalled nationwide distribution network. International investors also showed strong faith in Mengniu. We successfully completed the book building for the initial offshore issuance of 5-year US\$500,000,000 bonds on 21 November, meaning that international investors have cast a vote of strong confidence in Mengniu's core competitive edge and future development strategies.

We are fully aware that Mengniu needs comprehensive and system-wide reforms, rather than partial changes. Going forward, we intend to adhere to our philosophy of being "strategically-oriented and market-driven, while striving for upgrade and transformation as well as shared growth" and execution of our Five-Year Strategic Plan. Mengniu will engage in close cooperation with promising dairy partners at home and abroad. In addition to reinforcing our liquid milk business, Mengniu aims to consolidate the newly acquired milk formula platform Yashili and the yogurt business of Danone Group, initiating a seamless integration at the levels of shareholding, technology and operation. In terms of building milk sources, we have increased the proportion of raw milk provided by ranches and scaled farms to 94% and will continue to optimise the structure of milk sources in order to manage the costs of raw milk. To support the scale development of the Group, we plan to allocate funds for third parties to build small- and medium-sized ranches, with a goal of diversifying the raw milk supply for Mengniu in the medium and long run. Mengniu is stepping up market penetration and expansion of sales channels, so as to build a more comprehensive

蒙牛這一年的努力，贏得不少讚譽與肯定。二零一四年三月十日，蒙牛獲納入恆生指數成份股，晉身藍籌股之列，顯示蒙牛在香港資本市場的地位舉足輕重。我們的產品屢獲國內外大獎，得到消費者的青睞，*特侖蘇*在紐倫堡國際有機產品博覽會中榮獲金獎，以及*優益C*於香港第十四屆惠康超市名牌選舉中一舉奪得「媽媽最愛品牌大獎」和「最具潛力品牌大獎」。在企業管治及投資者關係方面，蒙牛亦獲得權威雜誌及機構的認可，包括香港《財資》雜誌「2013年最佳公司治理—鈦金獎」及《IR Magazine》2013年大中國區「企業交易最佳投資者關係」殊榮等。此外，蒙牛獲得世界權威信用評級機構標準普爾給予的A-評級，該評級是中國快消品公司迄今所獲得的最高評級，以示對蒙牛審慎的財務管理體系、領先的市場地位及全國分銷網路實力的認可。國際投資者也對蒙牛投下信心一票，我們於十一月二十一日成功完成首次海外發行五年期5億美元債券的簿記工作，反映了國際投資者對蒙牛核心競爭力及未來發展戰略的肯定和信心。

我們深知，蒙牛需要的不是局部改變，而是全方位、全系統的變革。展望未來，我們將堅持「戰略導向、市場驅動、升級轉型、共同成長」的方針，貫徹五年發展戰略規劃。蒙牛將會加強與國內外優秀乳業夥伴合作，在鞏固液體奶業務的基礎上，整合新加入蒙牛大家庭的雅士利奶粉平台及Danone集團的酸奶業務，開展股權、技術和業務層面的全面對接。奶源建設方面，我們現時來自規模化、集約化奶源比例已提升至94%。我們將繼續優化奶源結構，把控原奶成本。為支撐本集團規模化發展，我們計劃投入資金，支持第三方建設中小型規模化牧場，從而拓寬蒙牛中長期的原奶供應。蒙牛將進一步強化市場滲透和渠道擴張，打造更完善的全國銷售網絡；我們還將通過



sales network across the country. By relentlessly striving for production innovation, we will further adjust our product portfolio, subdividing product categories, rationalising brands and defining brand positioning. Resources will be concentrated on the promotion of key brands.

Mengniu offers tens of millions of consumer quality dairy products every single day. Recognising our responsibility to satisfy such a large number of consumers, each and every one of us in Mengniu is more determined to achieve premium quality, our top priority of all the time. As we care deeply about the health of consumers, we never seek business growth at the expense of quality. We are dedicated to the provision of nutritious and healthy food as we endeavor to become an innovative fast-moving product enterprise in China. This is a reflection of our long-held values of "Sunshine, Nobility, Responsibility and Innovation".

In contrast to the past, today's Mengniu has been undergoing significant changes as we gradually attain international standards ranging from quality to management. Yet, we remain unchanged in our unwavering dedication to milk quality: We have been constantly committed to producing quality milk with every effort, every change and every step, so that everyone in China can enjoy health, happiness, growth and well-being. As always, Mengniu will continue to provide consumers with safe, quality and healthy dairy products, and to grow side by side with our customers, employees, consumers, shareholders and all interested parties, in an effort to create greater value. Looking forward, I hope that Mengniu will become a well-respected world-class company with internationalised management standards.

Sun Yiping
Chief Executive Officer

Hong Kong, 25 March 2014

持續的產品創新，進一步調整產品結構，細分品類、梳理品牌，明確品牌定位，集中資源推廣重點品牌。

蒙牛每天要為數以千萬的消費者提供乳製品，我們深知這個數字背後承載的責任，這個責任讓全體蒙牛人更加堅定，我們時刻將質量放在首位，不追求沒有質量的增長，以消費者為中心，提供營養健康的食品，銳意成為中國極具創新能力的快速消費品企業，這也體現了我們「陽光、高尚、責任、創新」的價值觀。

較之以往的蒙牛，今日之蒙牛有了全新的變化，從品質到管理正逐步全面接軌國際。不變的是我們對牛奶本質的堅持：通過點滴努力、點滴改變、點滴行動生產出優質牛奶，讓每一位中國人都感受到點滴健康、點滴快樂、點滴成長和點滴幸福。蒙牛將一如既往為消費者提供安全、優質、健康的乳製品，與客戶、員工、消費者、股東及所有利益相關方共同成長，創造更大的價值。展望明日之蒙牛，我希望蒙牛能成為受人尊敬、具有國際化管理水平的世界級企業。

孫伊萍
總裁

香港，二零一四年三月二十五日





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MANAGEMENT DISCUSSION AND ANALYSIS

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MARKET REVIEW

In 2013, China's dairy cumulative production was about 27 million tons, a year-on-year increase of 5.2%, while consumption rose by 6.7% to more than 28 million tons. In particular, the consumption of liquid milk was about 23 million tons, a year-on-year increase of 6.4%, maintaining growth momentum. As the world's second largest milk producing country, China is also one of the largest dairy consumers. However, the per capita consumption of dairy products is less than one-third of the world's average, reflecting that China's dairy industry has a broad scope for development. With the continued enhancement of China's per capita disposable income and the accelerated pace of urbanisation, consumers are increasingly in pursuit of higher quality and healthier products, a trend which has benefitted the dairy industry.

Dairy consumption of China's urban residents is comprised of mainly liquid milk, making up a major part of the total consumption, followed by yogurt and milk formula. The development of the domestic liquid milk market is relatively mature. Meanwhile, along with the rapid growth of the yogurt market in previous years, its current consumption accounts for 20% of the dairy market. Yogurt represents an important direction in the development of the market, and without doubt will become a new growth point of the dairy industry.

To restore the community's confidence in local dairy products, the PRC government introduced a number of significant measures in 2013 with a view to improve environment for the dairy industry. During the year under review, nine ministries including the China

市場回顧

二零一三年，中國乳製品累計產量約2,700萬噸，同比增長5.2%；消費量則逾2,800萬噸，同比增長6.7%，其中液體奶消費量約2,300萬噸，同比增長6.4%，保持增長態勢。中國作為全球第二大牛奶生產國，亦是最大的乳製品消費國家之一，然而人均乳製品消費量尚未及世界平均水平的三分之一，中國乳製品行業的發展空間廣闊。隨著中國人均可支配收入不斷提高及城鎮化進程加快，消費者日趨追求品質與健康產品升級，此趨勢有利乳製品行業。

中國城鎮居民的乳品消費以液體奶為主，在消費總量中佔主導地位，酸奶排行第二，奶粉第三。國內液體奶市場發展相對成熟，而酸奶市場經歷了前幾年的高速發展，目前消費量佔乳製品市場20%。酸奶是市場發展的重要方向，勢必會成為乳製品行業的新增長點。

為了重塑社會對本土乳製品的信心，中國政府於二零一三年推出多項重大措施，冀改善乳業環境。回顧年內，先有國家食品藥品監督管理總局（「食品藥品監管總局」）及工業和信息化部（「工信



Charity campaign – “Looking for Teachers with the Most Beautiful Hearts in Rural Areas”
「尋找最美鄉村教師」公益活動



Mengniu wins Weibo’s “Outstanding Contribution to Charity for the Year Award”
蒙牛榮獲「微博年度公益貢獻獎」

Food and Drug Administration (“CFDA”) and the Ministry of Industry and Information Technology (“MIIT”) initiated measures to raise the industry’s entry barriers with an intention to phase out original equipment manufacturers (“OEM”) and rationalise the market. Infant milk formula companies are required by MIIT to comply with Good Manufacturing Practice certification in international pharmaceutical production. Also, MIIT encourages infant milk formula companies to conduct mergers and acquisitions, so that within two years 10 famous dairy giants with annual sales income over RMB2 billion and intellectual property rights that are internationally competitive can be formed. The degree of concentration within the milk formula industry will then be raised to more than 70%, strengthening the competitiveness of local brands, which will in turn benefit the long-term positive development of the industry and bring enormous opportunities for leading players such as Mengniu.

In addition, the National Development and Reform Commission has conducted an anti-monopoly investigation on the imported milk formula products, leading to a fall in the prices of imported milk formula and the divestment of some foreign dairy companies. This bodes well for domestic dairy companies. Another measure of far-reaching significance on the milk industry during the year was the relaxation of the one-child policy, whereas, a couple among which either the wife or husband is an only child is allowed to have two children, thus expanding prospects for the infant milk formula industry. Moreover, at the end of the year, the CFDA issued a notice prohibiting the production of infant milk formula by way of commission, OEM, sub-packaging, etc., thereby further reinforcing the quality and safety supervision on infant milk formula.

部)等九部委提高行業的准入門檻，淘汰貼牌生產企業，整頓市場秩序；繼而工信部要求嬰幼兒奶粉企業遵從國際藥品生產的良好藥品生產規範認證；再有工信部鼓勵嬰幼兒配方乳粉企業的兼併重組，冀兩年內扶持10家年銷售收入逾人民幣20億元、具有自主知識產權的知名品牌和具國際競爭力的大型企業，將奶粉行業集中度提高至70%以上，以加強本土品牌競爭力，既有利行業長遠健康發展，也為蒙牛等龍頭企業帶來了龐大機遇。

此外，國家發展改革委員會對進口奶粉產品進行反壟斷調查，促使進口奶粉降價，更有外資乳製品企業撤資。在此消彼長的情況下，有利一眾國內奶企。年內另一影響奶粉行業深遠的放寬一孩政策，容許其中一方是獨生子女的夫婦生育兩個孩子，拓闊了嬰幼兒奶粉行業的發展前景。食品藥品監管總局亦於年底發出公告，禁止以委托、貼牌、分裝等方式生產嬰幼兒配方乳粉，進一步加強嬰幼兒配方乳粉質量安全監管。



BUSINESS REVIEW

In 2013, strategic initiatives undertaken by Mengniu included both the control of upstream milk sources, as well as the adherence to international standards through strategic cooperation with foreign companies, thereby achieving a comprehensive upgrade from quality control to technology management. These initiatives involved both vertical and horizontal cooperation among dairy enterprises. They were reflections of Mengniu's confidence in the dairy market with the support of COFCO Group. The positive response from the capital market was also an indication of the strong vote of confidence in a series of major investments made by Mengniu.

In response to the consolidation and internationalisation trend of China's dairy industry, Mengniu actively expanded its business and extended its position along the industry chain, so as to pave a solid path for its future development. Mengniu has engaged in M&As and strategic partnerships with a number of top-notch enterprises within and outside China, thus assuring quality raw milk supply, expanding the chilled business and establishing a milk formula platform.

Strategic Cooperation

– Raw milk supply: Modern Dairy and YST Dairy

The Company became the largest single shareholder of Modern Dairy by increasing its equity shareholdings in Modern Dairy to about 28% at a consideration of approximately HK\$3,177.5 million in May. The Company also became the cornerstone investor of YST Dairy at US\$60 million (approximately HK\$469.8 million) in November. The Group thus has retained its unparalleled edge in milk sourcing. Based on the size of the livestock population, both Modern Dairy and YST Dairy are leading suppliers of raw milk in China. In particular, Modern Dairy is the largest supplier of raw milk for Mengniu. Given the present intense situation of milk resources in China, the increase in equity shareholdings in Modern Dairy and YST Dairy better assures Mengniu of quality raw milk supply.

業務回顧

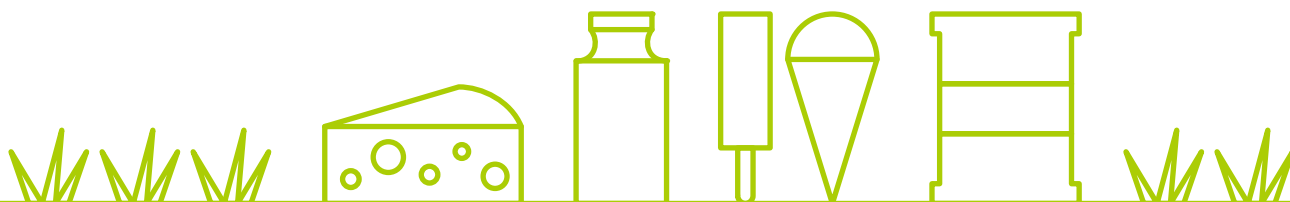
二零一三年，蒙牛的戰略佈局既包括對上游產業鏈奶源的掌控，也通過與外資公司的戰略合作接軌國際，從質量管控到技術管理全面提升。這些舉措涉及了乳業間的縱向、橫向合作，充分表明在中糧集團的支持下，蒙牛對乳業市場的信心，而資本市場的正面反應也顯示了市場對蒙牛一系列重大投資舉措的看好。

蒙牛因應中國乳製品行業整合及國際化的趨勢，積極拓展業務及延伸產業鏈，為未來發展做好鋪墊。蒙牛與多家國內外領先企業進行了併購及戰略性合作，以保障原奶供應、拓展低溫業務及建立奶粉平台。

戰略合作

– 原奶供應：現代牧業及原生態牧業

繼五月以約31.775億港元增持現代牧業股本至約28%、成為其最大單一股東後，本公司於十一月再以6,000萬美元（約4.698億港元）成為原生態牧業的基石投資者，保持在奶源的領先優勢。按畜牧群大小計算，現代牧業及原生態牧業均為中國領先的原奶供應商，現代牧業更是蒙牛最大的原奶供應商，在目前國內奶源緊張的情況下，增持現代牧業及入股原生態牧業皆有助蒙牛加強對優質奶源的保障。



– Chilled business: Danone Group

The Group, through its operating subsidiary, entered into a framework agreement with Danone Group, the world's largest fresh dairy enterprise, dated 20 May 2013 for a joint venture in relation to the merger and reorganisation of their chilled dairy business in China and the establishment of a long-term equity joint venture as the only platform to acquire, invest and operate the business of chilled yogurt, chilled yogurt drinks and chilled spoonable dairy based desserts in China.

In addition, COFCO Group, through a joint venture with Danone Group, transferred a part of the Company's shares to a joint venture set up by Danone Group and COFCO Group, which officially became a strategic shareholder holding approximately 4% of the shares in the Company. On 9 August, the Group and Danone Group further entered into an Equity Joint Venture Contract to set up a joint venture engaging in chilled business. The joint venture is 80% held by Mengniu and 20% held by Danone Group.

On 12 February 2014, Mengniu and Danone Group further boosted their cooperation in share capital. Through COFCO Dairy Investments Limited, Danone Group increased its holdings in Mengniu from 4.0% to 9.9% of the enlarged share capital, involving a consideration of HK\$5,153 million (about US\$665 million). The transaction was approved by independent shareholders of Mengniu on 20 March.

By leveraging Danone Group's global-leading yogurt R&D technology, brand management and marketing experience, Mengniu will further tap the potential of China's yogurt market. Meanwhile, Mengniu's technological innovation capability within the dairy industry will be beefed up, placing it in a better position to offer consumers a wider array of quality yogurt products.

– 低溫業務：Danone集團

二零一三年五月二十日，本集團通過營運子公司與全球第一鮮乳製品企業Danone集團簽署框架協議，合併重組雙方在中國的低溫乳製品業務，構建長期合資公司作為在中國收購、投資及經營低溫酸奶、低溫酸奶飲品和可勺型乳品甜點的唯一平台。

此外，中糧集團透過與Danone集團設立合資公司，轉讓予Danone集團部分本公司股份，Danone集團從而持有本公司約4%股份，正式成為本公司的戰略股東。八月九日，蒙牛與Danone集團進一步訂立關於設立低溫合資控股公司的《合資經營合同》，蒙牛持有合資公司80%股份，而Danone集團則持有20%。

二零一四年二月十二日，蒙牛與Danone集團在股本層面進一步加強合作。透過COFCO Dairy Investments，Danone集團持有的蒙牛股本由4.0%增至經擴大後股本的9.9%，涉及資金預計為51.53億港元（約6.65億美元），交易已於三月二十日獲蒙牛的獨立股東批准。

借鑒Danone集團全球領先的酸奶研發技術、品牌管理和市場推廣經驗，蒙牛將進一步挖掘中國酸奶市場的潛力，同時提升蒙牛在乳品行業的技術創新力，為消費者提供更多優質酸奶產品。



– **Milk formula business: Yashili**

On 18 June 2013, Mengniu announced to make a general offer to acquire Yashili at a consideration of approximately HK\$11.4 billion, the largest acquisition in China's dairy industry so far. As at 13 August (the final closing date of the offer), valid acceptances of the share offer have been received in respect of 3,196,747,945 Yashili shares, representing approximately 89.82% of the issued share capital of Yashili. To comply with the minimum percentage of public float prescribed by the Stock Exchange of Hong Kong and to maintain Yashili's independent operating listing platform, Mengniu, through its subsidiary, sold 471,135,389 shares of Yashili at HK\$3.50 per share on 11 November, with a total consideration of about HK\$1,649.0 million. Upon the transaction, the number of Yashili shares held by Mengniu was reduced to 2,725,612,556 shares, representing approximately 76.58% of the issued share capital of Yashili.

Yashili is one of the largest manufacturers and distributors of milk formula in China. Its quality imported dairy raw materials, self developed milk formula products, advanced production systems and professional marketing team which understands China's consumer market will bring significant growth to Mengniu's milk formula business, enabling the Group to capture high growth opportunities in the domestic infant milk formula market.

As per the announcement dated 6 January 2014, Mengniu acquired 100% equity interest in Yashili (Zhengzhou) Nourishment Co., Ltd. ("Yashili (Zhengzhou)") at a consideration of RMB376.66 million in conjunction with The WhiteWave Foods Company, a packaged food and beverages company in North America. Both parties would hold a 51% and 49% interest respectively in Yashili (Zhengzhou) through a joint venture. Yashili (Zhengzhou) is mainly engaged in the manufacturing, packaging and distribution of nutritious products in China. The acquisition helps Mengniu extend into the nutrition business with higher profitability, while allowing Yashili to focus on the milk formula business, thereby achieving a win-win result. Yashili's independent shareholders approved the sale of the entire equity in Yashili (Zhengzhou) on February 18.

– **奶粉業務：雅士利**

二零一三年六月十八日，蒙牛宣佈以約114億港元向雅士利發出全面收購要約，成為中國乳製品行業迄今最大宗收購。截至八月十三日（即收購要約最後截止日期），股份要約已接獲之有效接納涉及3,196,747,945股雅士利股份，相當於雅士利已發行股本約89.82%。為符合香港交易所訂明最低公眾持股比例以保留雅士利獨立運營的上市平台，於十一月十一日，蒙牛透過子公司按每股3.50港元出售471,135,389股雅士利股份，涉及約16.490億港元。交易後，蒙牛持有的雅士利股份減至2,725,612,556股，相當於雅士利已發行股本約76.58%。

雅士利是目前國內最大的配方奶粉生產銷售商之一，憑藉優質的進口乳品原材料、自行研發的配方奶粉產品、先進的生產系統及熟悉中國消費市場的專業營銷團隊，將為蒙牛的奶粉業務帶來顯著增長，有助本集團捕捉國內嬰幼兒配方奶粉市場快速增長的商機。

二零一四年一月六日，蒙牛聯同北美包裝食品飲料公司The WhiteWave Foods Company宣佈以人民幣3.7666億元收購雅士利(鄭州)營養品有限公司(「雅士利(鄭州)」)100%股權，雙方將通過合資公司分別持有雅士利(鄭州)51%及49%的權益。雅士利(鄭州)將主要在中國製造、包裝及經銷營養產品。收購既有助蒙牛拓展盈利較高的營養品業務，同時讓雅士利專注於奶粉業務，達致雙贏。雅士利的獨立股東已於二月十八日批准出售雅士利(鄭州)全部股權。



– Arla Foods Amba (“Arla Foods”)

Mengniu introduced Arla Foods, an European dairy company as a strategic shareholder in 2012. Through the China-Denmark Milk Technical and Cooperation Center, Mengniu has introduced advanced dairy technology and quality management systems from Denmark. In 2013, Mengniu, Arla Foods and Denmark’s FOSS Analytical A/S Company collaborated in joint research to develop “raw milk fingerprint spectrum” testing technology, which facilitates the effective monitoring and early warning of abnormal raw milk through spectral data in screening. This detection technology has been recognised by the relevant government institutions of the PRC. This recognition is an indication of the successful development and application of the technology as an efficient, controllable new approach that helps assure the quality and safety of raw milk. The widespread application of the technology in the industry is under consideration.

On the product front, in light of the rapidly emerging high-end dairy market and the increasingly stringent expectations for product quality from consumers, Mengniu has introduced organic products of Arla Foods gradually. In April, it rolled out premium *Baby&Me Organic Infant Milk Formula*, while in September, Mengniu introduced Arla Foods’ UHT organic milk in Shanghai and through mainstream e-commerce platforms. Mengniu intends to introduce a wider diversity of quality products such as Arla Foods’ cheese and butter.

Quality Management

In 2013, Mengniu reinforced industry chain-wide quality management by setting up standards and strengthening the end-to-end quality control capability.

The “four carriages”, namely a quality and safety management system and three quality management centers on milk sources, operations and sales respectively, are operationally coordinated. Discussions are held monthly with focus on strengthening quality management in various processes. The quality and safety management system led the three quality management centers to assess the maturity of regional quality management, in order to have a good grasp of the quality control level at production, supply and sales processes.

– Arla Foods

蒙牛於二零一二年引入歐洲乳品企業 Arla Foods 為戰略股東，借助中丹乳品技術合作中心的平台，從丹麥引入了先進的乳品技術及質量管理體系。二零一三年，蒙牛與 Arla Foods 及同樣來自丹麥的 FOSS Analytical A/S 公司合作，共同研發「原奶指紋圖譜」檢測技術，通過篩選異常原奶的光譜數據，有效監控及預警異常原奶。中國相關政府機構對此項檢測技術非常認可，表示技術的成功開發應用，為保障原奶質量安全提供了快捷、可控的新方法，將考慮於行業推廣應用。

產品方面，針對迅速崛起的高端乳製品市場和消費者對產品質素日益嚴格的要求，蒙牛逐步引入 Arla Foods 的有機產品。四月推出超高端的 *Baby&Me* 有機嬰幼兒配方奶粉，九月，蒙牛在上海及主流電子商貿平台引入 Arla Foods 的 UHT 有機奶，未來，蒙牛將陸續引入 Arla Foods 奶酪及黃油等更多優質產品。

質量管理

二零一三年，蒙牛加強了全產業鏈的質量管控，對各質量控制環節制定管理標準，加強端到端的質量控制能力。

「四駕馬車」(即質量安全管理系統及三個質量管理中心，分別為奶源質量管理中心、營運質量管理中心及銷售質量管理中心)協調運營，每月組織質量管理溝通會，統一質量管理方向，使質量管理更聚焦，提升各環節質量管理能力。質量安全管理系統牽頭，組織三大質量管理中心開展區域質量管理成熟度評估，掌握區域產、供、銷的質量管理水平。

The quality management centre on milk sources has standardised ranch technology and improved cow breeding techniques so as to enhance the quality of raw milk. Meanwhile, it has also set up a quality management system for the plants and adopted Statistical Processes Control tools to strengthen its control over production. In order to solve the problem of “heat stress”, Mengniu has installed fans and water-cooled air conditioning systems for suppliers in the southern region, which greatly improves the breeding environment for milking cows. In addition, Mengniu has organised a centralised tender on raw milk suppliers and implemented stringent requirements ranging from fodder to packaging specifications so that fodder and veterinary drugs can be better controlled and the food safety problems arising from counterfeiting, license assignment and restrictions can be eradicated. To further build up quality assurance, Mengniu’s raw milk suppliers are equipped with self-inspection capability. Mengniu has implemented precautionary quality measures for the plants. If raw milk fails to meet the standards, the suppliers will be notified to take immediate pre-emptive measures.

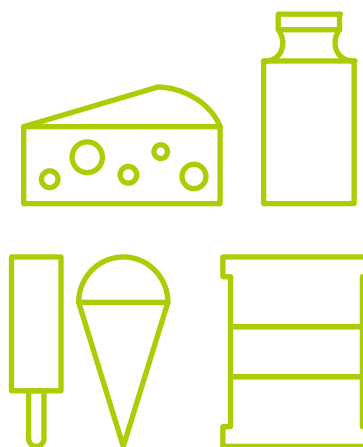
Based on the comprehensive quality management model, the operations quality management center has rationalised its product processing workflow so as to achieve end-to-end quality control over the production chain and ensure that raw milk production and transportation processes are conducted in a completely closed environment. The raw milk transported to the plants must pass inspection. Meanwhile, the center has set up laboratory management standards for raw and auxiliary materials and unified the management flow for inspection equipment in order to ensure that all the raw and auxiliary materials used for production fulfill the requirements.

奶源質量管理中心推行牧場技術標準化，提高養牛技術，從而提升原奶質量；又建立了工廠級質量安全管理體系，應用統計過程控制工具，加強生產過程控制。為解決「熱應激」問題，蒙牛為南方供應商安裝風扇及水冷空調，大大改善了奶牛的養殖環境。另外，蒙牛對奶源供應商統一招標，由飼料至包裝規格都有嚴格要求，以達致飼料、獸藥可控，杜絕虛假、套牌、違禁等情況導致食品安全問題。為了進一步保證質量，蒙牛奶源供應商配備自檢能力，並開展工廠質量預警工作，若檢出未達標項目，即時通知奶源供應商，第一時間整改，防隱患於未然。

營運質量管理中心按照全面質量管理模式梳理了生產加工的業務流程，以達致產品端到端全鏈條的質量控制，保證奶源生產及運輸過程完全封閉運行，原奶進廠必須通過檢測；又建立了原輔料實驗室管理標準，統一檢測設備的管理流程，確保用於生產的原輔料都合格。



Mengniu Quality and Safety Monthly Conference
蒙牛質量與安全月會



The sales quality management center has conducted planning and improvements for the identification, prevention and handling of quality and safety risks and established the online institute of sales management system. The platform was launched in September and covered 11 courses in three categories, in which sales personnel/distributors can polish their skills, such as market negotiation, sales techniques and quality management. In respect to the standardisation of market quality management, Mengniu has cultivated the awareness for quality management among its distributors so as to implement effective retail quality management.

With the support from the Government of the PRC and New Zealand, Mengniu, alongside with COFCO Group and PricewaterhouseCoopers in New Zealand, signed a cooperation framework agreement with a New Zealand state-owned enterprise, AsureQuality Limited – the largest food quality and safety certification institution in the Southern Hemisphere – proposing the establishment of a third party independent certification institution in food quality and safety. It helps Mengniu pioneer the introduction of international advanced food quality and safety certification, and promote such certification within the national dairy industry chain so as to satisfy consumers' escalating demands for food safety.

Building Milk Sources

In 2013, a supply shortage brought about hikes in raw milk prices, posing a mounting challenge to dairy enterprises in the PRC. With regard to supply, dairy farmers, faced with declining profits and a decreasing inventory of dairy cows, exited at a pace unmatched by construction of scaled ranches. Restricted import of international milk formula exacerbated the milk sources shortage across the country. Meanwhile, the demand for dairy products was spurred by a gradual recovery of consumer confidence, causing a wider gap between the supply and demand and an ongoing increase of raw milk prices. In order to mitigate the cost pressure brought by higher raw milk prices, Mengniu sped up the construction of its own base of milk sources. Eight self-built ranches have already commenced operation, four of which have started milk production. The remaining four are to follow suit in a staged manner during 2014. Mengniu plans to kick-start the construction of two additional ranches in 2014, with a view to further boost its own supply of milk sources.

銷售質量管理中心對質量安全風險識別、預防、處理等進行了一系列策劃與改善工作，建立了銷售管理系統網絡學院，該平台於九月正式運行，涵蓋三個類別共11個課程，透過網上學習，提升銷售人員／經銷商的市場談判、銷售技巧、質量管理等。在市場質量管理標準化方面，蒙牛培養經銷商的質量管理意識，實施有效的零售質量管理。

在中國和新西蘭兩國政府的支持下，蒙牛與南半球最大的食品質量安全認證機構—新西蘭國有企業AsureQuality有限公司，聯同中糧集團及新西蘭普華永道會計師事務所簽署合作框架協定，擬成立食品質量安全第三方獨立認證機構，助蒙牛率先引入國際領先的食品質量安全認證，並最終推廣至國內乳品行業的全產業鏈，滿足消費者對食品安全日漸嚴格的要求。

奶源建設

受供需矛盾影响，原奶價格上漲成為中國乳企二零一三年面對的最大挑戰之一。在供給方面，由於奶農利潤逐步下降，奶牛存欄頭數減少，規模化牧場建設速度不及奶農退出速度，加上國際奶粉進口受限，使國內奶源緊張。在需求方面，隨著消費者信心逐漸恢復，乳製品需求增加，供需差距擴大，導致奶價持續高漲。為有效緩解奶價上漲導致的成本壓力，蒙牛加快建設自有奶源基地，縮窄供需缺口。八個自建牧場已完全投入使用，其中四個牧場開始產奶，其餘四個牧場將於二零一四年陸續開始產奶。蒙牛計劃於二零一四年開工建設額外兩個牧場，進一步增加自有奶源供應。



As a leading domestic dairy enterprise, Mengniu shoulders the responsibility to enhance food safety. It aims to support the modernised development of dairy farmers, scaling of ranches with better technical guidance in order to increase the unit production of dairy cows. Such assistance ensures an improved efficiency for dairy farmers and product quality at its sources and encourages consumers' confidence in the safety of dairy products. After taking measures of consolidation, milk suppliers of Mengniu decreased from 3,200 in 2010 to almost 2,000 in 2013, with a ratio of milk sources provided by scaled ranches and farms of 94%. Mengniu regards the dairy industry chain as a big family where all market players thrive or die together and a collection of the best milk farmers would be favourable to Mengniu. Thus, other than financial allowances, Mengniu also shares with milk farmers industry-leading farm operational experience so as to enhance their technological standards and efficiency.

Sales Channels

Mengniu has established sales operations standards and improved its distribution and retail sales model. While the Regional Business Unit ("RBU") covers the 18 major sales regions across the nation, model markets, such as the Central Business Unit ("CBU") and "branch company direct operations", have also been set up as reference business models for new distributors. The RBU deploys specialised staff to expand point of sales in third – and fourth-tier cities to improve product penetration. The CBU deploys supporting staff to manage retail outlets and distributors to ensure a thorough implementation of Mengniu's policies in its retail channels, so that expenses are utilised in a more specialised and timely manner which enhances the control over channels and retail outlets. In contrast, the establishment of branch company for direct operations enables Mengniu to strengthen its control over brand promotion and product sales channels in core markets in first- and second-tier cities.

In terms of Mengniu's focus on modern sales channels, through standardisation and process management of major hypermarkets, the service and operating efficiency of retail customers can be enhanced. Quarterly business review and planning meetings have been held between headquarters client team and KA teams of key regions, dealer's KA team and retail client headquarters as well as regional trading departments and retail outlets. Modern sales channel retailers have been managed systematically at the levels of headquarters, major regions and retail outlets. Each level is supported by a corresponding service team, resulting in

作為本土乳製品龍頭企業，蒙牛肩負起提升食品安全的責任，在優化奶源的同時，扶持奶農發展現代化、規模化牧場，加強技術指導，提升奶牛的單位產量，既可提升奶農效益，亦從源頭上保證產品安全，為消費者提供安全放心的乳製品。經過合併取締等措施，蒙牛供奶方已經從二零一零年的3,200家降至二零一三年近2,000家，規模化奶源比例達到94%。蒙牛視乳品產業鏈為生息與共的大家庭，相信只要聚集最卓越的奶農，蒙牛也將受惠其中。因此，除了在經濟上補貼奶農，蒙牛也與他們分享領先的農場經驗，有助提高技術水平及效益。

銷售渠道

蒙牛建立了銷售作業標準，改善了分銷及終端銷售模式，除了覆蓋全國18個銷售大區的「區域業務單元」(「RBU」)外，還增設「核心業務單元」(「CBU」)及「分公司直營」等樣板市場，作為供加盟者參考模仿的運營模式。RBU通過派駐專職的業務員，加強開發三四線市場的網點，提升產品滲透率；CBU通過支持人員管理終端及經銷商，使蒙牛的政策能夠在渠道終端切實執行，使費用投入更具針對性和時效性，提升渠道和終端的掌控；而設置分公司直營則使蒙牛加強掌控一二線城市核心市場的品牌推廣及產品銷售渠道。

蒙牛針對現代渠道，通過將大型賣場的管理標準化、流程化，提升零售客戶的服務水平及執行效率。總部客戶團隊聯同大區KA團隊、經銷商KA團隊與零售客戶總部、地區採購部門及門市進行多層級的「季度業務回顧及計劃會議」，從總部、大區、門市系統管理現代渠道零售商，使每層級均有相應的對接服務團隊，以加強溝通，提升服

improved communication, service and management quality. The KA management center and the SAP project team have established a database, which enables KA management personnel to track the latest weekly sales data of retail customer outlets, creating a sophisticated data-based sales management model for Mengniu.

In addition to the establishment of KA business management team, Mengniu has also expanded its customer base and sales reach by providing products only for special channels, such as hotels, catering and aviation.

Branding Strategy

Branding forms the foundation of a business, with quality and safety absolutely essential to win the trust of consumers. Therefore Mengniu has devoted significant energy and resources into activities aimed at securing their confidence in its brands. Towards this end, it has maintained open, transparent and direct communication with consumers in order to further understand their needs and concerns. This effort has also proven to be a key driver for its continuous growth. Mengniu has built an online communication mechanism "Your Question, Our Responsibility", as well as platforms such as Weibo, CS Weibo and WeChat for consumers to ask questions at any time. Besides, Mengniu has also opened its plants to visitors across the country. For instance, through its nationwide promotion "Enjoyable Visits to Green Mengniu", consumers can witness Mengniu's strict supervision of milk sources, quality management, inspection, etc.. These initiatives have helped them better understand how Mengniu has fulfilled its promise, thus increasing their confidence in Mengniu.

務和管理質素。KA管理中心協同SAP項目組搭建了數據平台，讓KA管理人員可按周實時追蹤零售客戶門市銷售數據，使蒙牛的銷售管理模式精細化、數據化。

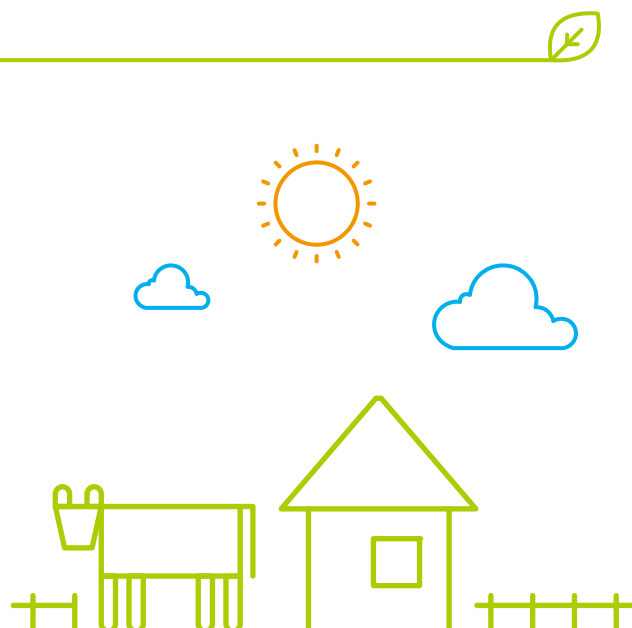
除了組建KA業務管理團隊，蒙牛亦通過提供專供產品，開拓酒店、餐飲及航空等特殊渠道，以開發新客戶，拓展銷售。

品牌策略

品牌，顧名思義，由品立牌。品質與安全是品牌的基石，是贏取消費者信任的不二法門，為此蒙牛投入大量精力。實現此目標的關鍵在於公開、透明，以及與消費者直接對話，了解其需求與關注，這是蒙牛品牌得以茁壯成長的原因。因此，蒙牛設有與消費者互動的網上對話機制「你的疑問，我的責任」，消費者亦可隨時透過官方微博、微客服及官方微信提出問題。此外，蒙牛以不同形式向外開放工廠，歡迎消費者前往參觀。例如透過「綠色蒙牛，幸福暢游」的全國大型推廣活動，消費者可親眼見證蒙牛在奶源、質量管理、檢驗等各方面的嚴謹把控。這點點滴滴的行動，讓消費者感受到蒙牛的言行一致，逐步提高消費者對蒙牛的信心。



Consumers visit Mengniu's plant in Suqian
消費者參觀蒙牛宿遷工廠





Mengniu has categorised its brands into star brands, backbone brands, profit contributor brands and opportunity brands, excluding Junlebao, Youzhiyou and Yashili

蒙牛將品牌歸類為明星品牌、基礎品牌、利潤貢獻品牌及機會品牌，歸類未包含君樂寶、友芝友及雅士利

Mengniu has also streamlined its product portfolio and optimised its brand structure in response to market demand. By reducing the number of brands and categorising them into star brands, backbone brands, profit contributor brands and opportunity brands respectively, Mengniu can pool more resources to promote its key products, thus boosting the profits with clear brand positioning. Star brands and opportunity brands have posted growth well ahead of the average growth of Mengniu and the market.

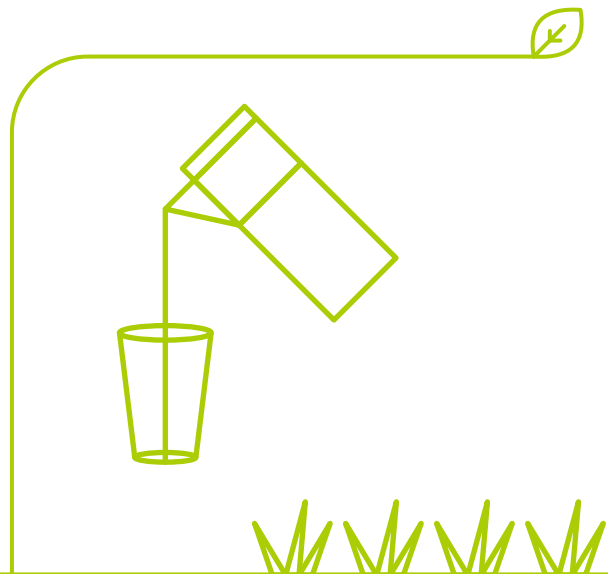
另一方面，蒙牛以市場主導，精簡產品組合，優化品牌結構，將品牌歸類為明星品牌、基礎品牌、利潤貢獻品牌及機會品牌，聚焦資源推廣主打產品。清晰的目標及定位促進了本集團的盈利增長，明星品牌及機會品牌表現突出，遠超蒙牛及市場的平均增長。

In utilising the media for its branding campaigns, in addition to traditional channels including TV, newspapers and magazines, Mengniu has increased the use of digital media, which has effectively enhanced the return of investment. Currently, Mengniu has over two million followers in total for its WeChat and Weibo accounts. On top of tapping different new social media and mobile network and platforms, Mengniu has also used creative videos for promotion with the aim to increase its branding exposure and reach.

在媒體投放方面，除了傳統的電視、報刊外，蒙牛還增加對數碼媒體的投資，有效提升投資回報率。蒙牛善用各種新興社會媒體及移動網絡平台，其中微信及微博粉絲總計逾200萬人；同時，積極使用創意十足的視頻作宣傳，藉著多元化的媒體投放，進一步提高品牌知名度。



Over two million followers at Mengniu's WeChat and Weibo
蒙牛微信及微博粉絲總計逾200萬人



Mengniu's *Suan Suan Ru* has become the title sponsor of a popular music reality show *The X Factor* on Hunan Satellite TV to demonstrate its young and energetic branding image. The TV program has enjoyed a high rating during the same time slot in China and every episode has ranked first among the age 12 to 19 audience segment, thereby effectively targeting the youth market. The Group has captured a 41% share of voice as a result of its 25% share of spending on the title sponsorship, a highly satisfactory return. This superbly executed marketing campaign has boosted brand awareness, enabling *Suan Suan Ru* to win three accolades at the China Advertising Great-wall Awards hosted by China Advertising Association, namely the "2013 Advertising Marketing Communications Award – Gold", the "Interactive Creative Award – Silver" and "Media and Marketing Award – Silver".

Mengniu employed innovative 3D music to portray a unique *Latte* experience by correlating its brand with multi-sensory enjoyment. *Latte* leverages the surround-sound 3D music to stimulate the ears as well as the taste buds of consumers, offering consumers a new sensation far beyond the flat 2D traditional taste and feeling. Since its launch, the 3D music has recorded a high hit rate and has been widely shared by consumers across various social media, bringing consumers superior enjoyment through the superior 3D music experience. This marketing campaign represents another successful example of digital marketing.

蒙牛酸酸乳冠名贊助湖南衛視的強勢音樂真人秀《中國最強音》，彰顯酸酸乳年輕、有活力的品牌形象。節目在全國同時段收視報捷，單計12至19歲年齡層的收視率，每集均高踞全國榜首，有效針對年輕人的市場。冠名贊助以25%的媒體投資比重取得41%的媒體佔有比重，媒體投放效果令人滿意。出色的市場推廣有效提升品牌知名度，使酸酸乳贏得中國廣告協會「中國廣告長城獎•2013年度廣告主行銷傳播金獎」、「互動創意銀獎」及「媒介行銷銀獎」三個獎項。

蒙牛以創新的3D音樂打造特別的奶特時光，將品牌與多感會享受聯繫在一起。奶特以環迴立體的3D音樂喚醒消費者的味蕾和耳朵，打破傳統味覺上的平面感受，為消費者帶來嶄新的感官體驗。3D音樂推出至今，點擊率節節上升，獲消費者廣泛分享到各社交媒體，透過極致的3D音樂體驗，為消費者帶來極致的享受，創下數碼營銷又一成功案例。



Mengniu's *Suan Suan Ru* is the title sponsor of *The X Factor*
蒙牛酸酸乳冠名贊助《中國最強音》



The 3D music of Latte has recorded a high hit rate and has been widely shared by consumers across various social media
奶特3D音樂的點擊率節節上升，獲消費者廣泛分享到社交媒體

E-commerce has experienced substantial uptake in China and online sales has emerged as an important channel. To tap this unprecedented opportunity to expand its customer base and attract young consumers, Mengniu has commenced online sales across a wide range of major e-commerce platforms. These efforts are aimed at further boosting market share of its products, while maximising its value with the lowest operating cost. During the Tmall.com shopping festival at the week of 11 November, also known as Singles' Day, five high-end products, *Milk Deluxe*, *Latte*, *Just Yoghurt*, *Awakening Youth* and *Banana Organic Milk* registered an outstanding sales performance at Mengniu's flagship online store. Tmall.com is China's largest B2C integrated online marketplace with more than 400 million buyers.

Management System

Adhering to its Five-Year Strategic Plan and to enhance its competitiveness, Mengniu has applied the world leading SAP system to boost its management capabilities in six aspects – precise marketing and in-depth sales channel management, an integrated management platform for business and finance, a responsive synergetic system for production, supply and sales, integrated quality management and refined quality tracking, rational industrial planning and efficient management on procurement and logistics. The aim is to substantially enhance operating efficiency and cut management costs.

As Mengniu's most comprehensive informationalisation project, the SAP system covers milk sourcing, procurement, planning, production, storage, logistics, sales, sales terminals, marketing, quality and finance. The SAP projects comprise an Enterprise

另外，中國電子商貿業務近年穩步增長，網上銷售成為重要渠道。為擴大客戶群及吸引年輕消費者，蒙牛積極在各大電子商貿平台開展網上銷售，進一步提高產品的市場佔有率，希望以最低的經營成本達成價值最大化。在天貓網雙十一購物周活動上，特侖蘇、奶特、純甄、煥輕、香蕉有機奶這五款高端產品於蒙牛網上旗艦店熱賣。天貓網為國內最大的B2C綜合購物網站，擁有逾4億名買家。

管理系統

基於五年戰略規劃的需要及為了加強競爭力，蒙牛借助全球領先的SAP系統，提升六方面的管理能力，包括精準營銷及深度渠道管理、業務與財務一體化的管控平台、反應快速的供產銷協同體系、集成的質量管理與逐步完善的質量追溯、科學合理的產業佈局和高效的採購及物流管理，藉此有效提升運營效率、降低管理成本。

SAP系統覆蓋奶源、採購、規劃、生產、倉儲、物流、銷售、終端、市場、質量、財務等範疇，是蒙牛迄今覆蓋業務範圍最廣的信息化項目。SAP項目包括企業資源規劃(「ERP」)、客戶關係管



Resource Planning (ERP) System, a Customer Relationship Management (CRM) System, an Advanced Planning Optimisation System, a Dealer Management System, a Sales Force Automation System, a Transportation Management System and a Business Intelligence System. The projects are being implemented in three stages, with the first phase focusing on the two sub-projects ERP and CRM.

The blueprint design of the ERP project has been completed, with a full pilot run scheduled for the first half of 2014. Mengniu aims to unify commands for supply chain management plan, process business information and boost the management capability of an integrated supply chain through the ERP information platform, with a view to balancing resources allocation with markets, factories and ranches as well as monitoring service implementation and supporting subsequent managerial decisions.

Meanwhile, the CRM project has completed the “Purchase-Sale-Stock Collection” for all customers in late 2013 and is now conducting a trial run for “in-depth network management”, with the full implementation scheduled for mid-2014. The “Lean Sales Management” system also got underway and is expected to be applied in late 2014. The CRM project is to extend the value chain and supply chain system aiming to strengthen sales channels and market integration. It enhances data analysis, creates synergies and promotes the management capability across various sales levels and sharpens the market competitiveness for Mengniu’s products.

理(「CRM」)、高級計劃優化、經銷商管理、銷售自動化、運輸管理及智能業務等系統。項目分三期，目前處於第一期，主要推行ERP、CRM兩個子項目。

ERP項目已完成藍圖設計，將於二零一四年上半年全面試運行。透過ERP信息平台，蒙牛試圖整合供應鏈管理計劃指令及執行業務信息，提升一體化供應鏈管理能力，使市場、工廠、牧場等資源供給平衡，並持續監控服務執行，以支持後續的管理決策。

至於CRM項目已於二零一三年底完成了對所有客戶的「進銷存收集」，目前進入「深化網點管理」的試點運行，計劃於二零一四年中全面應用；同步開展的還有「精細化銷售管理」系統，擬於二零一四年底應用。CRM項目基於價值鏈和供應鏈體系的延伸，旨在深化渠道、整合市場，藉此加強數據分析及協同，提升各級銷售的管控能力，提升蒙牛產品的市場競爭力。

FINANCIAL REVIEW

Revenue

Mengniu kept making further adjustments on its internal structure, perfecting its quality management system, extending its sales network and streamlining its product portfolio, with a view to reconstructing its brand credibility and boosting customer loyalty. As the Group has carried out a series of reforms to stimulate organic growth, in addition to the revenue generated since the acquisition of Yashili during the year, the Group's revenue for 2013 grew by 20.4% to RMB43,356.9 million (2012: RMB36,000.0 million). Excluding Yashili, the Group's revenue for 2013 rose by 16.3% to RMB41,857.8 million. The products with a greater revenue contribution were *Milk Deluxe*, *Yoyi C* and *Champion*, while *Milk Deluxe*, *Champion*, *Yoyi C*, *Latte*, *Future Star* and *Fruit Milk Drink* achieved scale of sales and rapid growth, each recording a double-digit growth rate.

Yashili's revenue for the year amounted to RMB3,890.0 million (2012: RMB3,655.1 million), representing a year-on-year increase of 6.4%. Profit attributable to owners of the company for the year amounted to RMB437.6 million (2012: RMB468.5 million).

In August 2013, Yashili was consolidated into Mengniu's financial statements, contributing a revenue of RMB1,499.1 million and a profit of RMB95.3 million to the Group.

Gross Profit

In addition to addressing the increase in raw milk prices, the Group has endeavoured to enhance the quality of milk sources and increase the proportion provided by ranches and scaled farms, while allocating more staff and equipment for quality inspection, which led to rising costs for raw milk and quality control – an inevitable industry trend. Nevertheless, the Group has been proactively grasping the trends of market development. Efforts were made to adjust product portfolio and develop high-end products with higher margins. As a result, the gross profit of the Group increased to RMB11,697.2 million (2012: RMB8,950.0 million), while gross profit margin reached 27.0% (2012: 24.9%), representing an increase of 2.1 percentage points as compared with last year. Excluding Yashili, the Group's gross profit was RMB10,918.4 million, while gross profit margin rose 1.2 percentage points to 26.1% as compared with last year.

Yashili's gross profit for the year amounted to RMB2,080.1 million (2012: RMB1,961.7 million), recording a year-on-year increase of 6.0%.

財務回顧

收入

蒙牛繼續深化內部結構調整、完善質量管理體系、拓展銷售網點、精簡產品組合，以重建品牌公信力，提升消費者忠誠度。由於本集團一系列變革帶來的自身增長，加上年內收購雅士利後所得的貢獻，使本集團二零一三年度收入增長20.4%至人民幣433.569億元(二零一二年：人民幣360.000億元)；不含雅士利，本集團二零一三年度收入增長16.3%，達人民幣418.578億元。對收入貢獻較大的產品為特侖蘇、優益C及冠益乳，而具銷售規模同時增長較迅速的產品為特侖蘇、冠益乳、優益C、奶特、未來星及真果粒，均保持雙位數增長。

雅士利之年度收入為人民幣38.900億元(二零一二年：人民幣36.551億元)，同比增加6.4%。全年該公司擁有人應佔利潤為人民幣4.376億元(二零一二年：人民幣4.685億元)。

雅士利自二零一三年八月納入蒙牛合併範圍，分享收入人民幣14.991億元，為本集團貢獻利潤人民幣0.953億元。

毛利

除原奶價格上漲外，為提升奶源質量，本集團提高規模化、集約化牧場奶源比例，並增加質檢人員人數及設備，使原奶及質檢成本增加，此乃行業不可避免的趨勢。然而，本集團積極把握市場發展趨勢，調整產品結構，著力發展利潤可觀的高端產品，使本集團毛利增至人民幣116.972億元(二零一二年：人民幣89.500億元)，毛利率亦較去年上升2.1個百分點至27.0%(二零一二年：24.9%)。不含雅士利，本集團毛利為人民幣109.184億元，毛利率為26.1%，較去年上升1.2個百分點。

雅士利之年度毛利為人民幣20.801億元(二零一二年：人民幣19.617億元)，同比增加6.0%。

Operating Expenses

In 2013, the Group modified its strategies on expenditures in response to market conditions. As a result, operating expenses rose to RMB10,134.1 million (2012: RMB7,591.4 million), representing approximately 23.4% (2012: 21.1%) of the Group's revenue. Excluding Yashili, the Group's operating expenses were RMB9,464.1 million, representing 22.6% of the revenue excluding Yashili.

Selling and distribution expenses increased by 31.3% to RMB8,168.2 million (2012: RMB6,222.7 million), and its percentage to the Group's revenue increased to 18.8% (2012: 17.3%). Excluding Yashili, the selling and distribution expenses were RMB7,604.0 million, representing 18.2% of the revenue excluding Yashili, up 0.9 percentage point as compared with last year. The increase was mainly attributed to the expansion of the sales network and a greater investment in sales channels and the increase in sales staff costs.

Meanwhile, the Group's escalated efforts in digital media resulted in an increase in advertising and promotion expenses of 20.0% to RMB2,710.1 million (2012: RMB2,257.6 million), representing 6.3% of the Group's revenue (2012: 6.3%). Excluding Yashili, the Group's advertising and promotion expenses rose by 10.8% to RMB2,502.5 million, representing 6.0% of the revenue excluding Yashili, down 0.3 percentage point as compared with last year.

Administrative and other operating expenses increased by 43.6% to RMB1,965.9 million (2012: RMB1,368.7 million), and its percentage to the revenue increased to 4.5% (2012: 3.8%). Excluding Yashili, the Group's administrative and other operating expenses was RMB1,860.1 million, representing 4.4% of the revenue excluding Yashili, up 0.6 percentage point as compared with last year. The increase was mainly a result of the rise in salaries of management staff, the grant of restricted shares, the increase in taxes and the professional agency fees incurred in relation to mergers and acquisitions.

Profit from Operating Activities and Profit Attributable to the Owners of the Company

Despite the growth in revenue and gross profit was partially offset by the increase in cost and operating expenses, the Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by 27.3% to RMB3,247.4 million (2012: RMB2,550.6 million). The EBITDA margin grew to 7.5% (2012: 7.1%). Excluding Yashili, the Group's EBITDA was RMB3,086.5 million, and the EBITDA margin was up to 7.4%.

經營費用

二零一三年，本集團因應市場需要調整費用投入策略，使經營費用上升至人民幣101.341億元(二零一二年：人民幣75.914億元)，約佔本集團收入23.4%(二零一二年：21.1%)；不含雅士利，本集團二零一三年經營費用為人民幣94.641億元，佔不含雅士利收入的22.6%。

銷售及經銷費用上升31.3%至人民幣81.682億元(二零一二年：人民幣62.227億元)，佔本集團收入比例上升至18.8%(二零一二年：17.3%)；不含雅士利，本集團的銷售及經銷費用為人民幣76.040億元，佔不含雅士利收入18.2%，較去年上升0.9個百分點。上升的主要原因是拓展銷售網點及加強銷售渠道投入，以及銷售人員成本上漲。

本集團加大對數碼媒體的投入，使廣告及宣傳費用上升20.0%至人民幣27.101億元(二零一二年：人民幣22.576億元)，佔收入6.3%(二零一二年：6.3%)。不含雅士利，本集團廣告及宣傳費用上升10.8%至人民幣25.025億元，佔不含雅士利收入6.0%，較去年下降0.3個百分點。

行政及其他經營費用上升43.6%至人民幣19.659億元(二零一二年：人民幣13.687億元)，佔收入比例上升至4.5%(二零一二年：3.8%)；不含雅士利，本集團行政及其他經營費用人民幣18.601億元，佔不含雅士利收入4.4%，較去年上升0.6個百分點，主要由於管理人員工資上升、發放限制性股票、各種稅費增加，以及兼併過程中產生的中介費用。

經營業務利潤及本公司擁有人應佔利潤

縱使收入和毛利的增加部份被上升的成本和經營費用所抵銷，本集團息稅折舊攤銷前利潤(EBITDA)仍上升27.3%至人民幣32.474億元(二零一二年：人民幣25.506億元)。EBITDA利潤率上升至7.5%(二零一二年：7.1%)。不含雅士利，本集團EBITDA為人民幣30.865億元，EBITDA利潤率上升至7.4%。

Profit attributable to owners of the Company amounted to RMB1,630.9 million (2012: RMB1,303.1 million), representing a growth of 25.2% as compared with last year. Basic earnings per share amounted to RMB0.904 (2012: RMB0.737), representing a year-on-year increase of 22.7%. Excluding Yashili, profit attributable to owners of the Company was up 17.8% to RMB1,535.6 million as compared with last year, and basic earnings per share rose to RMB0.851, representing a year-on-year increase of 15.5%.

Income Tax Expenses

In 2013, the effective income tax rate for the Group was 16.6%, representing a year-on-year increase of 2.4 percentage points over last year. Excluding Yashili, the effective income tax rate rose to 17.0%, representing a year-on-year growth of 2.8 percentage points. The increase in income tax rate was due to the gradual reduction of tax incentives enjoyed by the Group.

Capital Expenditure

As of the end of 2013, the total capital expenditure (CAPEX) of the Group amounted to RMB12,596.5 million (2012: RMB2,263.1 million), a 456.6% increase as compared with last year. Excluding Yashili, the total CAPEX of the Group was RMB12,374.6 million. The CAPEX was mainly used in: land, construction of production plants and procurement of equipment amounting to RMB2,508.1 million; purchase of biological assets amounting to RMB359.0 million and the equity investments expenses amounting to RMB9,729.4 million (among which, RMB2,536.6 million for Modern Dairy and RMB6,795.6 million for Yashili). The Group has adopted a prudent policy in its CAPEX so as to lay a solid foundation for future development.

During the consolidation period of Yashili, its CAPEX amounted to RMB221.9 million, mainly used on the construction of the plant in New Zealand.

Capital Structure, Liquidity and Financial Resource

The Group's net cash inflow from operating activities increased to RMB3,283.7 million (2012: RMB1,881.5 million). The increase was primarily attributable to the tightened credit limit extended to customers in addition to the higher revenue and profit of the Group.

As of 31 December 2013, the Group's net borrowings (cash and bank deposits net of total bank loans and bonds) amounted to RMB4,595.5 million (31 December 2012: net cash of RMB5,178.3 million). Excluding Yashili, the Group's net borrowings was

本公司擁有人應佔利潤為人民幣16.309億元(二零一二年：人民幣13.031億元)，較去年上升25.2%。每股基本盈利為人民幣0.904元(二零一二年：人民幣0.737元)，同比上升22.7%。不含雅士利，本公司擁有人應佔利潤為人民幣15.356億元，較去年上升17.8%，每股基本盈利為人民幣0.851元，同比上升15.5%。

所得稅支出

本集團二零一三年的所得稅有效稅率為16.6%，同比上升2.4個百分點；不含雅士利，本集團所得稅有效稅率17.0%，同比上升2.8個百分點。由於本集團享受優惠政策逐漸減少，所得稅率有所增加。

資本支出

截至二零一三年底，本集團資本支出總額為人民幣125.965億元(二零一二年：人民幣22.631億元)，較去年上升456.6%。不含雅士利，本集團資本支出總額為人民幣123.746億元。資本支出主要用於土地、生產廠房及設備建設，達人民幣25.081億元；購入生物資產達人民幣3.590億元；股權投資支出達人民幣97.294億元(其中入股現代牧業及雅士利分別達人民幣25.366億元及人民幣67.956億元)。本集團採取穩健的資本支出策略，為未來發展打好基礎。

合併雅士利期間，雅士利的資本支出為人民幣2.219億元，主要用於建設新西蘭工廠。

資本架構、流動資金及財務資源

本集團經營業務所產生的現金淨流入增加至人民幣32.837億元(二零一二年：人民幣18.815億元)，主要是在收入及盈利能力提升的基礎上，加強了對客戶的賒銷額度管理。

本集團於二零一三年十二月三十一日之淨負債(現金及銀行存款扣除銀行貸款及債券總額)為人民幣45.955億元(二零一二年十二月三十一日：淨現金人民幣51.783億元)；不含雅士利，本集團之淨負

RMB5,204.0 million. The change was primarily attributable to the increase in equity interest in Modern Dairy, the acquisition of equity interest in Yashili and the equity investment in YST Dairy, involving a total cash consideration of approximately RMB9,701.5 million.

As of 21 November 2013, the Group successfully completed the book building for the first offshore issuance of 5-year US\$500,000,000 bonds. The proceeds of the bond issue would be fully used to repay a bridge loan incurred due to the acquisition of Yashili. Resulting from the equity investments in Modern Dairy and Yashili, the Group's outstanding bank loans and bonds as at 31 December 2013 surged to RMB11,697.0 million. Excluding Yashili, the Group's outstanding bank loans and bonds amounted to RMB11,495.5 million (31 December 2012: RMB573.8 million).

On 12 February 2014, Mengniu announced to place shares to Danone Group for estimated proceeds of HK\$5,153.0 million (approximately US\$665.0 million), which would be fully utilised to pay the related outstanding amount of loans for the acquisition of Yashili and other outstanding corporate debts in order to improve Mengniu's capital structure.

The total equity of the Group was RMB18,011.1 million as of 31 December 2013 (31 December 2012: RMB13,121.1 million), while the debt-to-equity ratio (total bank loans and bonds over total equity) was 64.9% (31 December 2012: 4.4%).

The Group's finance costs amounted to RMB160.4 million (2012: RMB39.16 million), accounting for approximately 0.4% of the Group's revenue (2012: 0.1%). Excluding Yashili, the Group's finance costs were RMB150.3 million, representing a 0.4% of the revenue excluding Yashili, up 0.3 percentage point as compared with last year.

Products

As upmarket spending intensifies and diversifies within the PRC, coupled with a shortage of raw milk supply, Mengniu has proactively adjusted its product portfolio to achieve a stable growth of market share for its basic products. At the same time, it has increased the percentage of high-end products and diversified its products. Mengniu has strengthened the yogurt and the milk formula businesses which have enormous potential, while reducing the proportion of products over-relying on raw milk.

債為人民幣52.040億元。變動主要由於增持現代牧業及收購雅士利、投資原生態牧業股權所致，涉及總現金代價約人民幣97.015億元。

於二零一三年十一月二十一日，本集團完成首次海外發行五年期5億美元債券的簿記工作，發債獲得的資金全部用於償還因收購雅士利而發生的過橋貸款。由於入股現代牧業和雅士利，至二零一三年十二月三十一日本集團之尚未償還銀行貸款及債券上升至人民幣116.970億元，不含雅士利，本集團尚未償還銀行貸款及債券為人民幣114.955億元(二零一二年十二月三十一日：人民幣5.738億元)。

於二零一四年二月十二日，蒙牛宣佈向Danone集團配售股份，所得資金預計為51.530億港元(約6.650億美元)，將全部用作支付收購雅士利的相關未償還貸款金額及其他未償還公司債務，以改善蒙牛的資本結構。

本集團於二零一三年十二月三十一日之總權益為人民幣180.111億元(二零一二年十二月三十一日：人民幣131.211億元)。債務權益比率(銀行貸款及債券總額除以總權益)為64.9%(二零一二年十二月三十一日：4.4%)。

本集團的融資成本為人民幣1.604億元(二零一二年：人民幣3,916萬元)，收入佔比約0.4%(二零一二年：0.1%)。不含雅士利，本集團融資成本為人民幣1.503億元，佔不含雅士利收入的0.4%，較去年上升0.3個百分點。

產品

鑑於中國消費日趨高端、多元化，加上國內原奶供應短缺，蒙牛積極調整產品結構，在穩步提升基礎產品市場份額的同時，增加高端產品佔比及採取產品多元化的策略，重點加強市場發展空間巨大的酸奶及奶粉業務，降低過度依賴原奶的產品比例。

Data from market research firm Nielsen reveals that Mengniu's liquid milk and chilled yogurt retained their throne in terms of market share in 2013. During the year, star products, such as *Milk Deluxe*, *Yoyi C* and *Fruit Milk Drink*, achieved substantial increase in sales and continued to be top-sellers while the new UHT Yogurt product, *Just Yoghurt*, was well-received by the market.

市場研究機構尼爾森公司的數據顯示，蒙牛液體奶及低溫酸奶二零一三年的市場份額繼續穩居市場第一。年內，特侖蘇、優益C、真果粒等明星產品銷售額增幅顯著，持續引領市場，而常溫酸奶新品純甄亦獲得市場正面的反響。

Mengniu's businesses are categorised into liquid milk, ice cream, milk formula and other dairy products. The performances during the year are as follows:

本集團業務分為液體奶、冰淇淋、奶粉及其他乳製品，年內表現如下：

Product category 產品品類	Financial performance 財務表現	Highlights 年內動向
Liquid milk 液體奶	Revenue amounted to RMB37,902.8 million (2012: RMB32,336.0 million), accounting for 87.4% of Mengniu's total revenue (2012: 89.6%) 收入為人民幣379.028億元(二零一二年：人民幣323.360億元)，佔蒙牛總收入的87.4%(二零一二年：89.6%)	
<i>UHT milk</i> UHT奶	Revenue amounted to RMB22,053.3 million (2012: RMB19,705.5 million), accounting for 58.2% (2012: 60.9%) of the liquid milk segment revenue 收入為人民幣220.533億元(二零一二年：人民幣197.055億元)，佔液體奶收入的58.2%(二零一二年：60.9%)	<ul style="list-style-type: none"> – Launch of <i>Prime Ranch Pure Milk</i> during December in nine provinces, including Shandong, Henan and Jiangsu, with a Quick Response code ("QR code") that enables tracking. The product was available nationwide in February 2014. QR code scanning enables consumers to track milk sources and understand managerial details of ranches, ensuring quality and satisfying consumers' escalating demand for quality – 十二月在山東、河南、江蘇等九個省區推出首款二維碼可追溯的精選牧場純牛奶，並於二零一四年二月推至全國，消費者透過掃描二維碼追溯奶源，了解有關牧場的管理細節，保證每一滴奶都是優質，滿足消費者對牛奶品質日益嚴苛的要求 – Cooperation with Arla Foods to introduce organic whole milk, low-fat milk and fat-free milk. The flagship store on Tmall.com is established to expand sales channels for e-commerce and facilitate a multi-channel sales model – 與Arla Foods合作推出有機全脂牛奶、低脂牛奶及脫脂牛奶，並開設天貓官方旗艦店，拓展電子商貿渠道，促進多渠道售賣模式 – A packaging upgrade for <i>Cereal Breakfast Milk</i> and the launch of <i>Red Bean</i> and <i>Black Bean Cereal Breakfast Milk</i> in mid-April. The new package focuses on food ingredients and emphasises the nutritional values, which target young white-collar workers and students in first- to third-tier cities. Sales soared after the packaging upgrade – 穀粒早餐奶包裝升級，並於四月中推出紅穀、黑穀早餐奶。新包裝設計突出食材，以突顯產品的營養價值，主攻一至三線城市的年輕白領和學生。包裝升級後銷售快速增長



Product category 產品品類	Financial performance 財務表現	Highlights 年內動向
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 <p>Prime Ranch Pure Milk 精選牧場純牛奶</p> <p>Awakening Youth Milk 煥輕牛奶</p> <p>Future Star Kid Milk 未來星兒童成長牛奶</p>	<ul style="list-style-type: none"> - Full launch of two high-end functional milk products for the elderly, <i>Strengthener</i> and <i>Energiser</i> under the brand <i>Awakening Youth</i>. They address the needs for strong bones and cardiovascular system and advance a young and spirited brand image. Resources were allocated for promotion in key regions. Mengniu co-hosted the “China Bone Health Campaign” with the China Health Promotion Foundation to cultivate the concept of bone health in key cities in the PRC. A year-long promotion stimulated an ongoing growth in market share and sales for <i>Strengthener</i> - 煥輕中、老年兩款高端功能牛奶—骨力牛奶及舒活牛奶全面上市，分別滿足骨骼及心血管健康的需求，打造年輕有活力的品牌形象；同時整合資源，於重點區域推廣，與中國健康促進基金會聯合開展「中國健骨工程」，在全國重點城市傳播骨健康理念，經過一年的推廣，骨力牛奶的市場份額持續提升，銷售穩定增長 - <i>Future Star</i> is made from prime ranch milk sources and meets the needs for four nutritional aspects – outstanding intelligence, strong bones, healthy digestion and balanced diet – for the healthy growth of kids. The product was a popular choice among parents and kids and its market share continued to increase with above-average growth - 未來星採用優選牧場奶源，滿足智力出眾、骨強壯、腸胃健康、均衡膳食四大營養需求，有助兒童發育成長，深受媽媽和兒童喜愛，市場份額持續上升，增長領先市場平均水平
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<p>Milk beverages 乳飲料</p>	<p>Revenue amounted to RMB10,425.5 million (2012: RMB8,038.5 million), accounting for 27.5% (2012: 24.9%) of the liquid milk segment revenue 收入為人民幣104.255億元(二零一二年：人民幣80.385億元)，佔液體奶收入的27.5%(二零一二年：24.9%)</p>	<ul style="list-style-type: none"> - A full packaging upgrade for <i>Latte</i>. An unprecedented sales growth was recorded on Tmall.com in the shopping campaign during the “Double-11” week, spurring a rapid sales growth for <i>Latte</i> for the year - 奶特包裝全面升級，在天貓網雙十一週期購活動上銷售增長驕人，帶動奶特全年的銷量快速增長 - Launch of nutritional milk drink <i>Fruit Fiber Suan Suan Ru</i> in early April, registering a stable sales performance - 營養牛奶飲品酸酸乳果纖維於四月初上市，銷售穩定
 <p>Fruit Milk Drink 真果粒</p> <p>Suan Suan Ru 酸酸乳</p> <p>Latte 奶特</p> <p>Yoyi C 優益C</p>		

Product category 產品品類	Financial performance 財務表現	Highlights 年內動向
<p>Yogurt 酸奶</p>  <p>Champion 冠益乳</p> <p>Just Yoghurt 純甄酸牛奶</p> <p>Future Star Kid Yogurt 未來星兒童 成長酸牛奶</p> <p>Junlebao 君樂寶</p>	<p>Revenue amounted to RMB5,424.0 million (2012: RMB4,592.0 million), accounting for 14.3% (2012: 14.2%) of the liquid milk segment revenue 收入為人民幣54.240億元(二零一二年: 人民幣45.920億元), 佔液體奶收入的14.3%(二零一二年: 14.2%)</p>	<ul style="list-style-type: none"> – Launch of a high-end product <i>Just Yoghurt</i>, an UHT yogurt, targeting mid to high income consumers in late May. This product is made from quality milk sources and fermented with lactobacillus without additives, artificial colour or preservatives. Incorporating advanced Danish technology ensures the safe preservation of yogurt under room temperature – 針對中高收入人士, 於五月底推出高端常溫酸牛奶純甄, 使用優質奶源及菌種發酵, 無香料、色素、防腐劑, 採用丹麥先進技術使酸奶可常溫保存
<p>Ice cream 冰淇淋</p>  <p>Deluxe 蒂蘭聖雪</p> <p>Mood for Green Ice Crystal Cup 綠色心情微冰粒杯</p> <p>Ice+ 冰+</p> <p>Milk Stick 奶棒</p>	<p>Revenue amounted to RMB3,023.4 million (2012: RMB3,171.5 million), accounting for 7.0% (2012: 8.8%) of Mengniu's total revenue 收入為人民幣30.234億元(二零一二年: 人民幣31.715億元), 佔蒙牛總收入的7.0%(二零一二年: 8.8%)</p>	<ul style="list-style-type: none"> – Launch of a new product <i>Milk Stick</i> with plain, banana, melon and durian flavours in stylish and attractive packaging that appeals to young consumers – 推出新產品奶棒, 包括原味、香蕉、蜜瓜及榴槤四種口味, 包裝時尚可愛, 迎合年輕消費者 – A packaging upgrade of <i>Deluxe</i> and launch of <i>Deluxe Vanilla Ice Cream Sandwich</i>, the first ice cream sandwich product in the PRC, grabbing market share in the rapidly developing mid to high-end ice cream market. The product targets female consumers who enjoy a mid to high income and emphasise the quality of life – 蒂蘭聖雪包裝升級, 並推出蒂蘭聖雪三明治香草口味冰淇淋, 為國內首創的三明治冰淇淋產品, 搶佔高速發展的中高端冰淇淋市場, 目標為中高收入、著重生活品質的女性 – Launch of <i>Mood for Green Ice Crystal Cup</i>, made with pioneering "Ice Crystal" technology in the PRC. The classic product <i>Green Bean Ice-cream</i> maintained its sales while a new flavour in condensed milk and red bean, emerged as a new star product – 推出綠色心情微冰粒杯, 採用國內首創的「微冰粒」技術。經典產品綠莎莎保持銷量, 另主推煉乳紅豆口味, 打造成另一明星產品

Product category 產品品類	Financial performance 財務表現	Highlights 年內動向
<p>Milk formula 奶粉</p>  <p>Arla Foods Baby&Me Arla Foods Baby&Me</p> <p>Oushi 歐世</p> <p>Yashili Super α-golden Stage 雅士利超級α金裝</p>	<p>Revenue amounted to RMB2,177.3 million (2012: RMB441.6 million¹), accounting for 5.0% (2012: 1.2%) of Mengniu's total revenue 收入為人民幣21.773億元(二零一二年: 人民幣4.416億元¹), 佔蒙牛總收入的5.0%(二零一二年: 1.2%)</p>	<ul style="list-style-type: none"> Introduction of ultra-high-end <i>Baby&Me Organic Infant Milk Formula</i> from Arla Foods in late April with a 100% natural and organic formula certified by the European Union, Denmark and China 於四月底引入Arla Foods超高端的<i>Baby&Me有機嬰幼兒配方奶粉</i>, 100%天然有機配方, 獲歐盟、丹麥及中國三大權威認證 Launch of <i>Oushi Super Gold Infant Formula</i>, made from 100% milk imported from Northern Europe with complete source tracking. It contains six ingredients that promote the development of infant's intelligence and health 推出歐世超金佳智嬰幼兒配方奶粉, 採用100%北歐進口奶源, 全程可追溯, 含六種成分激發嬰兒智力及守護嬰兒健康
<p>Other dairy products 其他乳製品</p>  <p>Kids Cheese Sticks 未來星兒童成長奶酪金裝棒</p> <p>European Fromage Frais 歐式酸奶奶酪</p> <p>European Fermented Milk 歐式發酵乳</p>	<p>Revenue amounted to RMB253.5 million (2012: RMB130.3 million), accounting for 0.6% (2012: 0.4%) of Mengniu's total revenue 收入為人民幣2.535億元(二零一二年: 人民幣1.303億元), 佔蒙牛總收入的0.6%(二零一二年: 0.4%)</p>	<ul style="list-style-type: none"> Nationwide launch of the original and strawberry flavoured <i>Kids Cheese Sticks</i> (<i>Future Star's</i> products), which targets kids above three-year-old. It is made from condensed milk essence and is rich in calcium and vitamins 原味及草莓味的未來星兒童成長奶酪金裝棒在全國上市, 專為三歲以上兒童研製, 濃縮多倍牛奶精華, 含豐富鈣質及維他命 Fermented in each individual cup, fresh cheese <i>European Fermented Milk</i> is made from quality fresh milk without any preservatives or artificial colours, thus offering a purity of taste. It was one of the country's best-selling cheese products, accounting for the highest sales volume among Mengniu's cheese products 新鮮乳酪歐式發酵乳甄選優質生牛乳, 採取單杯發酵, 不添加防腐劑和人工色素, 味道純正, 為蒙牛奶酪品類銷售額佔比最高的產品, 亦是全國最暢銷的奶酪產品之一

¹ For illustration purpose, it included 50% of revenue of the joint venture Mengniu Arla and before equity accounting adjustment.
為方便說明, 此包括合營公司歐世蒙牛50%的收入及作出權益調整前數據。

Mengniu's products are available in four overseas markets, namely Hong Kong, Macau, Mongolia and Singapore. During the year, *Fruit Milk Drink Strawberry* and *Fruit Milk Drink Peach* debuted in these four overseas markets, while *Milk Deluxe* and the plain and aloe flavored *Yoyi C* were launched in Hong Kong with huge success. Currently, Mengniu products cover more than 1,000 points of sale in Hong Kong alone.

PRODUCTION

Mengniu's layout of production capacity is based on market potential and product strategy. As of December 2013, Mengniu has 31 production bases across the country, with a total production capacity of 7.77 million tons (as of December 2012: 7.58 million tons). The enhancement of production capacity was mainly realised through the optimisation of the existing production equipment and technology, as well as the combination of Yashili's capacity.

SOCIAL RESPONSIBILITY

As one of the leading dairy manufacturers in China, Mengniu believes in giving to and caring for the community. While focusing on the production, it also put active efforts on fulfilling its corporate social responsibility, particularly evidenced by a few aspects including environmental protection, public activities and joint partnerships.

– Environmental protection

In support of resources conservation and sustainable development, Mengniu remains committed to the protection of water resources and recycling. Each of Mengniu's plants is equipped with a sewage treatment facility, which is subject to on-line monitoring. The discharge treatment meets the national grade 1 standard, and is used for the green irrigation. In 2013, the total volume of sewage treatment reached 17.47 million tons. Through full recovery and recycling of reclaimed water, 1.92 million tons of water has been saved annually.

Mengniu also made efforts on implementing the in-depth treatment and reconstruction project relating to Mengniu's high-tech sewage treatment plant. Thanks to the improvement of sewage treatment technology as well as the recycling of water, the operating costs of production reduced. The analysis of water quality, the techniques collection and the verification of the project have been completed on schedule. The construction and renovation of the project would commence in 2014.

目前，蒙牛的產品已在香港、澳門、蒙古、新加坡四個海外市場推出。年內，*真果粒草莓*及*真果粒黃桃*在此四個海外市場上市，*特侖蘇*、原味及蘆薈口味*優益C*在香港上市，並大獲好評。目前，蒙牛在全港的銷售網點逾1,000個。

生產

蒙牛根據市場潛力及產品策略佈局產能，截至二零一三年十二月，蒙牛於全國共設有31個生產基地，合共產能777萬噸(二零一二年十二月：758萬噸)，產能提升主要通過優化現有生產設備和技術以及合併雅士利產能而實現。

社會責任

作為中國領先的乳製品生產商之一，蒙牛時刻心懷社會，在專注生產的同時，亦積極履行企業社會責任，尤其體現在環境保護、公益活動及聯合夥伴等方面。

– 環境保護

為節約資源、維持可持續發展，蒙牛致力於水資源保護及循環利用。蒙牛所有工廠均配備污水處理廠，且全部實行在線監測，處理出水達國家一級排放標準，並用於綠化澆灌。二零一三年，污水處理總量達1,747萬噸，通過中水充分回收及循環利用，年節水192萬噸。

蒙牛亦著手進行蒙牛高科污水處理廠的深度處理改造項目，通過改善污水處理技術、循環使用出水，生產運行成本得以降低。該項目的水質分析、工藝收集、方案論證等工作已如期完成，並將於二零一四年開始施工改造。



Wastes produced in the process of production are mainly renewable and recyclable paper packaging materials, which are recycled and reused upon collection and processing by outsourcing to garbage handling companies. In addition, Mengniu embraced the low-carbon environmental philosophy by participating in a large-scale charity tree-planting activity “Carbon Reduction with Forest Wood”. In respect to the construction of sizeable ranches, Mengniu made efforts on conducting biogas power generation and organic fertiliser projects, effective solutions to the cow excrement pollution of the environment. These efforts have been a positive example in the construction of large ranches in China, thereby achieving huge social and economic benefits.

– Charity events

While promoting environmental protection, Mengniu also plays an active role in charity activities, which is an important way to contribute to the community. Immediately after the earthquake in Ya’an City, Sichuan Province on 20 April 2013, Mengniu promptly sent a rescue team to the disaster zone providing relief supplies and donated RMB10 million. In response to the earthquake in Dingxi City, Gansu Province, Mengniu formed a rescue team of 35 volunteers who gave their assistance to victims. Building on the experience in disaster relief in the earthquake in Ya’an, the volunteers again provided manpower and supplies to victims in the stricken areas. Moreover, Mengniu has quickly acted and provided donations for disaster relief including the floods in Zhaoyuan County, Heilongjiang Province as well as the typhoon in Zhejiang Province and eastern area of Guangdong.

To give a much-needed boost to the challenging education situation faced by rural teachers and children, Mengniu continued to play the role as a charity partner of the large charity event – the third “Looking for Teachers with the Most Beautiful Hearts in Rural Areas” in 22 provinces across the country with the efforts from all of its staff and regional business partners. This activity was aimed at looking for, recommending and praising outstanding rural teachers. Meanwhile, Mengniu also organised a number of events such as “Have a Lesson in My Home Town”, “Happy Gift”, “Public Lessons by Teachers in Rural Areas” and “Care from Ten CEOs for Teachers with the Most Beautiful Hearts in Rural Areas”.

蒙牛在生產過程中主要產生的垃圾為可再生回收的紙質廢舊包裝物，通過外包交予垃圾處理公司收集、處理後再回收利用。此外，蒙牛參與「碳匯林」大型公益植樹工程，推廣低碳環保理念。在大型牧場建設中，蒙牛通過建設沼氣發電項目和有機肥項目，有效解決了奶牛排泄物對環境的污染問題，為中國大型牧場建設起到了積極的示範作用，達致高社會和經濟效益。

– 公益活動

除環保外，公益活動亦是蒙牛回饋社會的重要途徑。二零一三年四月二十日，四川雅安地震後，蒙牛第一時間抵達災區，提供救援物資並捐贈人民幣1,000萬元；甘肅定西地震後，蒙牛35位抗震救災小分隊成員趕赴定西震區救援，借助在雅安地震中的救災經驗，再次為災區群眾提供人力及物資援助；隨後，蒙牛又及時在黑龍江肇源洪災、廣東及浙江強颱風等災害中出資出力。

為了解決鄉村教師和兒童的教育困境，蒙牛繼續作為第三屆「尋找最美鄉村教師」大型公益活動的公益合作夥伴，匯聚全體員工及地方合作夥伴的力量，在全國22個省市尋找、推薦、宣傳優秀鄉村教師，同時開展「我回老家上堂課」、「幸福禮單」、「鄉村教師公開課」及「十大CEO關注最美鄉村教師」等活動。



Mengniu has established the “Blue Sky Green Land Fund”, to which Mengniu will make donations as a match of the participation of consumers in its charity activities. All funds are used for the prevention and control of air pollution, as well as the protection of natural habitats and biodiversity. The activities have received strong support from more than 1.5 million consumers. Specifically, in September, Mengniu hosted the “Sweeping Haze Together” charity experience activity, supported by more than 40 volunteers who cleared bird droppings and rubbish in Shanghai Chongming Dongtan National Nature Reserve to protect the wetland. This activity provided in-depth environmental experience and education.

– Partnerships

Mengniu integrates the fulfillment of corporate social responsibility into its strategy, operation and management in an effort to encourage various departments including milk sources, R&D, quality, production and marketing to map out their planning for social responsibility. Also, Mengniu prompts its upstream and downstream industry partners to play a more active role in charity events. Collaborating with 58 business partners, Mengniu organised the “Exchange of Calories” running charity event, in which, the calories consumed by volunteers in running were exchanged for gloves. Mengniu together with its partners donated a total of 100,000 pairs of gloves to rural children, and sent an extra 100,000 pairs to various regions across the country, spreading warmth to children in winter. Apart from fulfilling its corporate social responsibility in respect to charity events, Mengniu also bears the responsibility towards the related interested parties. Mengniu remains committed to mitigating the risk exposure of upstream and downstream enterprises by providing financial and technical support to upstream raw milk suppliers and by joining forces with downstream distributors in market research. With this integrated “Cooperation and Development Model” in place, Mengniu can share “each and every drop of happiness” with the relevant interested parties.

蒙牛成立了「藍天綠地基金」，透過消費者參與公益活動、蒙牛向「藍天綠地基金」捐款的形式運作，所有基金用於防治大氣污染，保護自然棲息地和生物多樣性，活動獲得超過150萬消費者的支持。其中「壹塊掃霾」公益體驗活動於九月展開，蒙牛與40多名義工到上海崇明東灘鳥類國家級自然保護區清除鳥糞及垃圾，身體力行保護濕地，進行深度環保體驗及教育。

– 聯合夥伴

蒙牛不僅將企業社會責任融入到戰略、運營及管理之中，促使奶源、研發、質量、生產和市場等各部門作出社會責任規劃，還帶動產業鏈上下游的合作夥伴投身公益事業。蒙牛與58家業務合作夥伴舉辦「交換卡路里」熱力跑公益活動，以義工跑步消耗的卡路里數換取手套，蒙牛和合作夥伴共為鄉村兒童捐贈10萬雙手套，還額外準備了10萬雙手套送往全國各地，讓兒童度過溫暖的冬天。蒙牛除了在公益方面履行企業社會責任，還對利益相關方負責，透過向上游原奶供應商提供資金和技術支持，以及與下游經銷商協力進行市場調研，降低了上下游企業的風險。這種一體化的「合作發展模式」使蒙牛可與各利益相關方共享「點滴幸福」。



Mengniu's consistent efforts in fulfilling its corporate social responsibility have enabled it to significantly elevate its brand image, receiving an overwhelmingly positive response from different sectors of the community. Mengniu was the sole enterprise winning Weibo's "Outstanding Contribution to the Charity for the Year" award. It also garnered several honors, including the "2013 Corporate Social Responsibility Case Award" from People's Daily Online, the "2013 China Business News Good Practice Award of China Corporate Social Responsibility Ranking", as well as the "2013 Top Brand with the Best Social Responsibility Practice" award at the China Business Leaders and Media Leaders Annual Conference.

HUMAN RESOURCES

As at 31 December 2013, the Group employed a total of about 38,000 employees in China and Hong Kong, including around 6,100 from Yashili. Total costs of employees (excluding salaries of directors and senior executives) amounted to approximately RMB2,725.5 million (2012: RMB1,896.6 million). The increase in total cost of employees was mainly due to the rise in the number of employees, average salaries, social security costs as well as the grant of restricted shares.

To achieve Mengniu's Five-Year Strategic Plan and inspire employees to realise their full potential, the Group has put in place a five-tier incentive system, including personal performance incentives, group benefit sharing incentives, group over-turnover incentives, group appraisal incentives and group restricted share award scheme, which are aimed at motivating employees to grow in step with the Group and share the fruits of its success. According to the restricted share award scheme adopted by the Board on 26 March 2013, Mengniu would allocate no more than 5% of the issued share capital for the scheme. The scheme combines the interests of shareholders, employees and the Group, with common interest in the Group's long-term development.

蒙牛在企業社會責任方面的長期努力使品牌形象大幅提升，獲得社會各界的正面回應。蒙牛榮獲「微博年度公益貢獻獎」，成為唯一獲獎的企業；亦獲得人民網「2013年企業社會責任案例獎」、「2013第一財經·中國企業社會責任榜之優秀實踐獎」，以及由中國企業領袖與媒體領袖年會頒發的「2013年度最具社會責任品牌」獎等多項榮譽。

人力資源

於二零一三年十二月三十一日，本集團在中國大陸及香港合共聘用僱員約38,000名，包括雅士利僱員約6,100名。年內僱員總成本（不包括董事及高級行政人員薪金）約為人民幣27.255億元（二零一二年：人民幣18.966億元）。僱員總成本的增加主要是因為僱員人數的增加、平均薪酬及社保費用增加及發行限制性股票。

為達成蒙牛的五年戰略目標及激發員工潛力，本集團構建了五重激勵體系，包括個人績效激勵、集團效益分享激勵、集團超額激勵、集團評優激勵及集團限制性股票激勵，希望員工與本集團共同成長、共享成果。按董事會於二零一三年三月二十六日採納的限制性股票獎勵計劃，蒙牛將提取不超過已發行股本的5%股票用於獎勵計劃，將股東、本集團及員工的利益結合在一起，共同關注本集團的長期發展。





With the expansion of Mengniu's platform and the addition of more outstanding domestic and international partners, the Group has been focusing on the Five-Year Strategic Plan. To fuel future growth over the longer term, Mengniu is committed to bringing up a new generation of leaders. In respect of human resources planning, the Group has set up a core management team. The senior management team comprises employees with professional know-how, innovation and ambition. Middle-level managers with seasoned experience and distinctive capabilities from various sectors as well as newly-joined staff of Mengniu with lesser experience but higher education are to be grouped into different teams. In addition, Mengniu recruits outstanding graduates every year. The year 2013 marked the inauguration of the campus recruitment program. With the implementation of its human resources plan, Mengniu is taking gradual steps to build up a stronger and more professional team of employees.

PROSPECTS

With the gradual restoration of customers' confidence in the domestic milk formula products, the dairy industry is anticipating exciting opportunities ahead. With the imposition of limitation on infant milk formula purchases around the globe, there is a re-adjustment in the supply-demand structure of China's milk formula market, such that the purchasing sentiment for domestic brands is resuming on a rational basis. Moreover, in light of the determination of the PRC government to restore consumers' confidence in domestic dairy products, we envisage wider policies to further regulate the domestic dairy product market is expected, fuelling the positive development of the industry and presenting massive opportunities for leading players such as Mengniu.

In view of the maturity of the liquid milk market, Mengniu will step up the development of its high potential yogurt and milk formula businesses. According to the Chinese Academy of Social Sciences, the birth rate in the PRC is likely to be buoyed by the relaxation of the family planning policy at a moderate rate of approximately 6.3%,

隨著蒙牛平台的擴大及更多國際國內優秀合作夥伴的加入，本集團圍繞五年發展戰略規劃及為了更長遠未來，致力於培養蒙牛新一代領導班子。在人力資源規劃方面，本集團建立了核心管理層團隊，把有專業能力、有創新精神、有目標的員工提拔到高管團隊裡；還將各個部門經驗豐富、年富力強的中層經理、以及在蒙牛資歷較淺而學歷較高的年輕人組編成不同的人才梯隊，另外，蒙牛開始每年在校園招聘優秀的應屆畢業生，二零一三年是這個計劃啟動的第一年。隨著人力資源計劃的推動，本集團將一步步完善人才梯隊。

展望

隨著消費者對本土奶粉的信心逐漸恢復，乳業將迎來良好的發展機會。一方面，全球奶粉限購措施頻出，導致國內奶粉供需結構重新調整，理性回歸本土品牌。另一方面，鑑於中國政府堅決重振消費者對本土乳製品的信心，預期有更多相關國策陸續出台，進一步規範國內乳品市場，帶領行業步入健康發展階段，並為蒙牛等龍頭企業迎來契機。

由於液體奶市場已趨成熟，蒙牛將著力加快發展極具潛力的酸奶及奶粉業務。據中國社會科學院估計，放寬生育政策將溫和提升中國出生率約6.3%，相當於每年額外100萬名嬰兒，短期內將為嬰幼兒奶粉配方市場帶來一定的拉升效應。長



equivalent to the birth of 1 million extra infants annually. This should help drive the demand for the infant milk formula market in the near term. In the long run, Mengniu will be taking steps to adjust its product structure and expand the proportion of the infant milk formula business in line with its overall business strategy.

In 2013, the “metamorphosis” Mengniu set out to achieve was initiating reform, while the “metamorphosis” for 2014 is to be focused on “revolutionary innovation”. To this end, Mengniu put forward the four guiding principles: “revolutionary innovation”, “strategic integration”, “management for efficiency” and “open and transparent communication” to achieve an upgrade in Mengniu’s partnerships and continuous professional advancement of managers, thereby realising a “lean management” and enabling its people to be entitled to the five-layer incentive scheme and thus share the benefits of growth.

With ever-changing market conditions, the primary focus for Mengniu is to accomplish “revolutionary innovation” in marketing, operational system and product development. In terms of marketing, the seven key factors that Mengniu will be focusing on include the parent brand, growth and profit, geographical division, communication from TV to digital media, an optimal market operation system, innovation and milk sources. It will also maintain close interaction with its consumers, by which its brand value is to be re-defined. As to operational system, Mengniu will adopt an O2O (Online to Offline) model to enhance its marketing efforts. Mengniu would fully implement its ERP system in pursuit of greater efficiency in its integrated supply chain management. In terms of product development, Mengniu would strike a balance between seeking gross profit margins and sensitivity to raw milk sources. Specifically, it intends to develop more products less susceptible to milk source issues, e.g., yogurt and nutrition businesses, along with a greater emphasis on fashionable and diversified product packaging.

遠而言，蒙牛將按自身的戰略佈局，穩步調整產品結構，提高嬰幼兒奶粉業務的比重。

蒙牛二零一三年的「蝶變」為開展變革之年，二零一四年的「蝶變」則是顛覆創新之年。蒙牛提出「顛覆性創新」、「戰略性整合」、「管理出效益」及「陽光心溝通」四項指導原則，藉此使蒙牛合夥人全面升級，使職業經理人管理水平不斷提升，達致精益管理，並使蒙牛人享受五重激勵，共同成長。

市場環境不斷變遷，蒙牛致力在營銷、體系及產品方面作出「顛覆性創新」。營銷方面，蒙牛將聚焦於七大關鍵因素，包括母品牌、增長與盈利、區域化、電視到數碼、最優市場系統、創新及奶源，並與消費者緊密互動，重新定義品牌價值。體系方面，蒙牛將採用O2O營銷模式，透過線上營銷帶動線下消費，以提升營銷效果，並全面應用ERP系統，以提升一體化供應鏈的管理能力。產品方面，蒙牛將兼顧毛利率和奶源敏感度，發展更多對奶源依賴度較低的產品，如酸奶及營養品業務，而包裝更講求時尚多元。

With a number of strategic co-operation projects implementing in 2013, greater effort would be dedicated to strategic integration in 2014, which includes the exploration of a wider range of synergies with Yashili, the formulation of a five-year strategic plan, the strengthening of the professional work force, and the initiation of organisational reform. Meanwhile, Mengniu would also work with Danone Group (through the joint venture company) to optimise its brand and product mix, exerting stronger promotional efforts on *Yoyi C*, *Champion*, *BIO* and other brands with higher profitability and brighter growth prospects, as well as to further enhance its operating efficiency.

Technological progress and technical upgrade are of fundamental importance to the long-term development of an enterprise. Mengniu will cement stronger technical co-operation with Arla Foods, an international partner to introduce streamlined management in production and operation, implement ranch quality management system, and develop new testing techniques on raw milk. These three research projects are expected to start in 2014.

Mengniu will continue to extend its scope of sophisticated management through the implementation of the SAP system and working closely with its strategic partners to achieve management efficiency. As for internal communication, Mengniu upholds the values of "sunshine, nobility, responsibility and innovation". It strives to realise "open and transparent communication" by building up a synergetic cross-system and cross-regional corporate culture, so as to raise the time-to-market capability of its organisational structure.

Milk sources development presents a major challenge for the industry. Mengniu remains focused on strengthening its leading position in milk sources. While assuring the quality of milk sources, it is also working on the regional development of milk sources,

隨著二零一三年展開多項戰略合作，二零一四年蒙牛將致力於戰略性整合，與雅士利充分發揮協同效應，制定五年戰略，充實專業人才及啟動組織變革；與Danone集團透過合資公司優化品牌與產品組合，力推優益C、冠益乳及碧優等利潤及增長潛力可觀的品牌，並進一步提升營運效率。

技術提升已成為企業長遠發展的基礎，蒙牛與國際夥伴Arla Foods將加強技術合作，開展生產運營精細化管理、引入牧場質量管理體系、開發原奶檢測新技術，三個項目預計將於二零一四年全面開展。

蒙牛將繼續延伸精細化管理，透過實行SAP項目及與戰略夥伴協同合作，管理出效益。內部溝通方面，蒙牛一向倡導「陽光、高尚、責任、創新」的價值觀，透過構建跨系統、跨區域的協同文化，提升組織敏捷性與應變力，為「陽光心溝通」而努力。

發展奶源成為行業的一大挑戰，蒙牛將積極持續提升奶源優勢，在確保奶源質量的同時，實現區域化發展，將從全國分散調整為聚焦佈局，集中在產能缺、質量好、成本低、產量高的三北區



shifting from a highly diversified distribution to a more focused network, mainly in the northeastern, northern and northwestern areas of China where there is a relatively low downstream processing capacity but raw milk quality is relatively high, and which features lower costs and high production volume. In essence, Mengniu intends to assist third party dairy farmers to establish small to medium-sized ranches and scaled farms with not more than 1,000 milking cows, thereby further diversifying the channels for milk sources, improving the milk source structure and reducing the overall cost of raw milk.

Mengniu will actively explore new distribution channels. It will prepare sales personnel from regional offices as well as from distributors to grasp a better understanding of the new sales channels through operational standardisation in its principal customer procedures and systems, so that a better sales performance, a stronger capability in execution and innovation may all be realised.

Mengniu firmly believes that the crucial keys to resume consumers' confidence in domestic dairy products are to provide a guarantee on product quality and safety, as well as to put in place an open and transparent operation model that offers consumers a fabulous experience and assurance of quality. Mengniu resolves to strive its utmost to make a difference and take all necessary action, in an effort to become the most professional dairy enterprise in China and remain focused on delivering products of superior quality, so as to turn Mengniu into a century-old enterprise.

域，即東北、華北及西北發展奶源，協助第三方建設1,000頭奶牛以下的中小型規模化、集約化牧場，從而拓寬奶源渠道，改善奶源結構，降低綜合原奶成本。

蒙牛將重點開拓現代渠道，通過對重點客戶系統的操作標準化，增進區域業務人員和經銷商業務人員對現代渠道的了解，提高銷售水準，增強執行與創新能力。

蒙牛深信只有保證產品質量安全，而且做到公開、透明，讓消費者看得見、感受到，才能重塑消費者對本土乳製品的信心。蒙牛將繼續透過點滴努力、點滴改變、點滴行動，成為質量最好、最專業、最專注的乳品企業，打造「百年蒙牛」。





DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive Directors

Ms. Sun Yiping, aged 46, was appointed as the Chief Executive Officer (“CEO”) of the Group and an executive Director of the Company in April 2012. Ms. Sun graduated from China Agricultural University (formerly known as Beijing Agricultural Engineering University) with a Bachelor’s degree with specialisation in food engineering and a Master’s degree with specialisation in agricultural products processing engineering. She also holds an Executive Master of Business Administration degree from the Olin School of Business of the University of Washington in the United States. She joined the COFCO Group in 1993 and was involved in the management of COFCO Group’s investment in Coca-Cola bottling business. In 1997, she became the deputy general manager of Swire Guangdong Coca-Cola Limited and the general manager of Hainan Coca-Cola Beverages Co., Ltd. in 2002. Ms. Sun concurrently became the general manager of Zhanjiang COFCO Coca-Cola Beverages Ltd. in 2005. Prior to joining the Group as CEO, Ms. Sun was the deputy general manager of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen (Stock Code 000031). Ms. Sun currently serves as a non-executive director and the chairman of the board of directors of Yashili. Throughout her 20 years of work experience, Ms. Sun has acquired extensive management experience in the sale and marketing of branded food, processing of food and oil, and real estate as well as more than ten years of extensive management experience in the fast-moving consumer goods industry.

Mr. Bai Ying, aged 43, was appointed as an executive Director of the Company in July 2008 and is a Senior Vice President in Operation of Inner Mongolia Mengniu. Mr. Bai graduated with a Master’s degree from Inner Mongolia Agricultural University and holds a Master of Business Administration degree from China Europe International Business School. Mr. Bai was the Vice President of Inner Mongolia Mengniu and the general manager of UHT milk division of Inner Mongolia Mengniu. He has been working in the dairy industry for almost 20 years and has extensive management experience in the dairy business. In 2010, Mr. Bai was elected as “Progressive Staff of Hohhot” and “Inner Mongolia Autonomous Region Labour Model” for the second time. Mr. Bai was elected as a committee member in the third session of the Standing Committee (Enlarged) meeting of the Third Young Federation of the Central Enterprises held on 12 October 2013.

Mr. Wu Jingshui, aged 48, was appointed as an executive Director of the Company in March 2010 (resignation with effect from 26 March 2014) and is a Vice President (Finance) of Inner Mongolia Mengniu. Mr. Wu also served the Chief Financial Officer of the Company from March 2010 to August 2013. Mr. Wu graduated from Inner Mongolia Light Industry Institute, majoring in industrial enterprise financial accounting and holds a Master’s degree from Inner Mongolia Agricultural University and a Master of Business Administration degree from China Europe International Business School. He also holds a PRC senior accountant qualification. Before being appointed as the Vice President (Finance) of Inner Mongolia Mengniu in April 2008, Mr. Wu served as the Financial General Manager of the liquid milk division and the Chief Financial Officer

執行董事

孫伊萍女士，46歲，於二零一二年四月獲委任為本集團總裁及本公司執行董事。孫女士畢業於中國農業大學(原北京農業工程大學)，並獲食品工程專業學士學位和農產品加工工程專業碩士學位。她亦獲美國華盛頓大學奧林工商管理學院高級管理人員工商管理碩士學位。她於一九九三年加入中糧集團，從事中糧集團對可口可樂裝瓶業務的投資管理業務，於一九九七年任廣東太古可口可樂有限公司副總經理，於二零零二年任海南可口可樂飲料有限公司總經理，及於二零零五年兼任湛江中糧可口可樂飲料有限公司總經理。就任本集團總裁前，孫女士曾任深圳上市公司中糧地產(集團)股份有限公司(股份代號000031)副總經理。孫女士目前擔任雅士利非執行董事及董事會主席。她在從業近二十年間積累了豐富的食品營銷、糧油食品加工及地產的管理經驗，同時亦在快速消費品行業具有逾十年的豐富管理經驗。

白瑛先生，43歲，於二零零八年七月獲委任為本公司執行董事，並為內蒙蒙牛高級副總裁。白先生畢業於內蒙古農業大學，持有碩士學位，並持有中歐國際工商學院工商管理碩士學位。白先生曾任內蒙蒙牛副總裁及歷任內蒙蒙牛常溫液體奶本部總經理。他從事乳製品行業將近二十年，擁有豐富的乳品業管理經驗。白先生於二零一零年第二度當選「呼和浩特市先進工作者」及「內蒙古自治區勞動模範」。白先生並於二零一三年十月十二日召開的第三屆中央企業青年聯合會第三次常委(擴大)會議上當選為委員。

吳景水先生，48歲，於二零一零年三月獲委任為本公司執行董事(於二零一四年三月二十六日辭任)，並為內蒙蒙牛副總裁(分管財務工作)。吳先生於二零一零年三月至二零一三年八月亦任本公司首席財務官。吳先生畢業於內蒙古輕工業學院工業企業財務會計專業，持有內蒙古農業大學碩士學位、中歐國際工商學院工商管理碩士學位及持有中國高級會計師職稱。在二零零八年四月獲委任為內蒙蒙牛副總裁(分管財務工作)前，吳先生曾任內蒙蒙牛液體奶本部財務總經理及內蒙蒙



of Inner Mongolia Mengniu, and has extensive experience in financial management. In 2010, Mr. Wu was honoured as a “Labour Model (Progressive Staff) of Hohhot.” Mr. Wu currently serves as a non-executive director of Yashili International Holdings Ltd., a company listed in Hong Kong.

Non-executive Directors

Mr. Ning Gaoning, aged 55, was appointed as a non-executive Director of the Company in August 2009 and the Chairman of the Board of Directors of the Company in June 2011. Mr. Ning is currently the chairman of COFCO Corporation and COFCO (Hong Kong) Limited, a non-executive director of China Foods Limited, a company listed in Hong Kong (Stock Code 0506), a non-executive director of China Agri-Industries Holdings Limited, a company listed in Hong Kong (Stock Code 0606), a non-executive director of CPMC Holdings Limited, a company listed in Hong Kong (Stock Code 0906), and an independent director of Huayuan Property Co., Ltd., a company listed in Shanghai (Stock Code 600743). Mr. Ning is also a director of BOC International Holdings Limited, an independent non-executive director of Bank of China (Hong Kong) Limited and an independent non-executive director of BOC Hong Kong (Holdings) Limited, a company listed in Hong Kong (Stock Code 2388). Mr. Ning was a director of Smithfield Foods, Inc., a company listed in New York, from 27 August 2008 to 2 March 2011. Before joining COFCO Group, Mr. Ning held various positions such as vice chairman, director and general manager of China Resources (Holdings) Company Limited. Mr. Ning has more than 20 years of experience in corporate management, investment and corporate finance, business restructurings and governmental relations. Mr. Ning graduated from Shandong University in China with a Bachelor’s degree in Economics and from the University of Pittsburgh in the United States with a Master of Business Administration degree in Finance.

Mr. Yu Xubo, aged 48, was appointed as a non-executive Director of the Company in August 2009 and a Vice Chairman of the Board of Directors of the Company in June 2011. Mr. Yu is currently the president of COFCO Corporation and a director of COFCO (Hong Kong) Limited, a non-executive director and the chairman of the board of directors of China Foods Limited, a company listed in Hong Kong, an executive director and the chairman of the board of directors of China Agri-Industries Holdings Limited, a company listed in Hong Kong and a non-executive director and the chairman of the board of directors of Modern Dairy. Mr. Yu was a director of Glory River Holdings Limited, convertible bonds of which are listed and quoted in Singapore, until May 2013 and the chairman of COFCO Meat Investment Company Limited until August 2013. Mr. Yu holds a Bachelor’s degree in Economics from the University of International Business and Economics in Beijing and an Executive Master of Business Administration from China Europe International Business School.

Mr. Niu Gensheng, aged 56, is a non-executive Director of the Company, one of the members in the team founding Yili Group, the founder of Inner Mongolia Mengniu and the founder of Laoniu Foundation. Mr. Niu graduated from Inner Mongolia University with a degree in Administration and Management and obtained

牛財務總監等職務，擁有豐富的財務管理經驗。二零一零年，吳先生榮獲「呼和浩特市勞動模範（先進工作者）」稱號。吳先生目前擔任香港上市公司雅士利國際控股有限公司非執行董事。

非執行董事

寧高寧先生，55歲，於二零零九年八月獲委任為本公司非執行董事，並由二零一一年六月獲委任為本公司董事會主席。寧先生現為中糧集團有限公司及中糧集團（香港）有限公司董事長、香港上市公司中國食品有限公司（股份代號0506）非執行董事、香港上市公司中國糧油控股有限公司（股份代號0606）非執行董事、香港上市公司中糧包裝控股有限公司（股份代號0906）非執行董事、上海上市公司華遠地產股份有限公司（股份代號600743）獨立董事。寧先生亦為中銀國際控股有限公司董事、中國銀行（香港）有限公司獨立非執行董事及香港上市公司中銀香港（控股）有限公司（股份代號2388）獨立非執行董事。寧先生自二零零八年八月二十七日至二零一一年三月二日曾任紐約上市公司Smithfield Foods, Inc.董事。加入中糧集團前，寧先生曾於華潤（集團）有限公司擔任副主席、董事、總經理等多個職位。寧先生於企業管理、投資及企業融資、業務重組及政府關係方面擁有逾二十年經驗。寧先生畢業於中國山東大學，獲經濟學學士學位，其後畢業於美國匹茲堡大學，獲金融學工商管理碩士學位。

于旭波先生，48歲，於二零零九年八月獲委任為本公司非執行董事，並於二零一一年六月獲委任為本公司董事會副主席。于先生現為中糧集團有限公司總裁、中糧集團（香港）有限公司董事、香港上市公司中國食品有限公司非執行董事及董事會主席，亦為香港上市公司中國糧油控股有限公司執行董事及董事會主席，以及現代牧業非執行董事及董事會主席。于先生曾擔任Glory River Holdings Limited（其可換股債券在新加坡掛牌上市）董事直至二零一三年五月及中糧肉食投資有限公司董事長直至二零一三年八月。于先生畢業於北京對外經濟貿易大學並獲經濟學學士學位，其後又獲中歐國際工商學院高級管理人員工商管理碩士學位。

牛根生先生，56歲，本公司非執行董事及伊利集團創始團隊成員、內蒙牛創始人和老牛基金會創始人。牛先生畢業於內蒙古大學，持有行政管理學位，並在中國社會科學院研究生院取得企業管理碩士學位。牛先生對中國乳品業的認識透

a Master's degree in Enterprise Management from the Chinese Academy of Social Sciences Graduate School. With his extensive experience and insights in China's dairy industry, Mr. Niu enjoys a high reputation in the industry. In 2007, Mr. Niu was elected as one of "China's Most Influential Business Leaders" for the fifth consecutive year, and was honoured the "2007 Hong Kong Bauhinia Award." Mr. Niu is devoted to charity. He was on the list of "China's Top 10 Philanthropists" published by the Ministry of Civil Affairs of the PRC in 2007 and ranked third in the "2007 Hurun Top 10 for Charity", and received the first and only "Lifetime Achievement in Philanthropy Award" presented by the "China Philanthropists List" in 2010. Mr. Niu was an independent non-executive director of Alibaba.com Limited, a company previously listed in Hong Kong and withdrawn from listing in June 2012, until 21 June 2012, and was an independent director of Shanghai Metersbonwe Fashion & Accessories Company, a company listed in Shenzhen, until 22 April 2011.

Mr. Ma Jianping, aged 50, was appointed as a non-executive Director of the Company in August 2009 (resignation with effect from 26 March 2014). Mr. Ma is currently a vice president of COFCO Corporation and the chairman of COFCO Meat Investment Company Limited. He is also a non-executive director of China Foods Limited and COFCO Land Holdings Limited (formerly known as The Hong Kong Parkview Group Limited), both companies listed in Hong Kong, and a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen. Mr. Ma graduated from the University of International Business and Economics in Beijing with a degree of Executive Master of Business Administration. Mr. Ma has extensive experience in corporate finance, investment, strategic planning and management and worked in Japan for over five years.

Mr. Finn S. Hansen, aged 54, was appointed as a non-executive Director of the Company in July 2012. Mr. Hansen graduated from Haderslev Business College in 1986 with a Bachelor's degree in Commerce. He joined Arla Foods in 1977 and has held several management positions within Arla Foods' international business group, including a three-year position in Canada and more than ten years in various countries in the Middle East. In 2006, he became a senior vice president with responsibility for Arla Foods' activities in the Middle East and North Africa. Mr. Hansen was appointed as an executive vice president in 2012, with the overall responsibility for Arla Foods' activities outside Scandinavia, Germany and the United Kingdom.

Ms. Liu Ding, aged 59, was appointed as a non-executive Director and a Vice Chairwoman of the Board of Directors of the Company in January 2013. Ms. Liu graduated from Beijing Normal University with a Bachelor's degree in History and holds an Executive Master degree in Business Administration from Cheung Kong Graduate School of Business. Ms. Liu was appointed as a non-executive director of China Foods Limited, a company listed in Hong Kong, on

徹，憑藉豐富的行業經驗，於行業中擁有崇高地位。牛先生於二零零七年第五度當選「中國最具影響力的企業領袖」，並獲授予「二零零七年香港紫荊花獎」。牛先生致力於慈善事業，於二零零七年名列中華人民共和國民政部發佈的「中國十大慈善家」榜單，並於「二零零七年胡潤十大慈善榜」中排名第三，又於二零一零年獲「中國慈善排行榜」首次設立及唯一的「慈善終身成就獎」。牛先生曾擔任阿里巴巴網絡有限公司(前香港上市公司，於二零一二年六月撤銷上市)獨立非執行董事直至二零一二年六月二十一日，以及曾擔任深圳上市公司上海美特斯邦威服飾股份有限公司獨立董事直至二零一一年四月二十二日。

馬建平先生，50歲，於二零零九年八月獲委任為本公司非執行董事(於二零一四年三月二十六日辭任)。馬先生現為中糧集團有限公司副總裁及中糧肉食投資有限公司主席。馬先生亦為兩家香港上市公司—中國食品有限公司及中糧置地控股有限公司(前稱僑福建設企業機構)之非執行董事，以及深圳上市公司中糧地產(集團)股份有限公司董事。馬先生畢業於北京對外經濟貿易大學，獲高級管理人員工商管理碩士學位。馬先生於企業融資、投資、戰略規劃及管理方面具備廣泛經驗，並曾於日本工作逾五年。

Finn S. Hansen先生，54歲，於二零一二年七月獲委任為本公司非執行董事。Hansen先生一九八六年畢業於Haderslev Business College，獲商學士學位。他於一九七七年加入Arla Foods，曾任其國際業務部多個管理職位，包括三年在加拿大工作，超過十年在中東各國工作。他於二零零六年晉升為高級副總裁，負責Arla Foods在中東和北非地區的業務。Hansen先生二零一二年獲委任為執行副總裁，負責Arla Foods北歐、德國和英國以外地區的整體國際業務。

柳丁女士，59歲，於二零一三年一月獲委任為本公司非執行董事及董事會副主席。她畢業於北京師範大學並獲歷史學學士學位，亦持有長江商學院高級工商管理碩士學位。柳女士於二零一一年三月二十八日獲香港上市公司中國食品有限公

28 March 2011. Ms. Liu joined COFCO Corporation in April 2005 and is currently a director and the head of the Communist Party Discipline and Inspection Team of COFCO Corporation. She was a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen, until 21 July 2011. Prior to joining COFCO Corporation, she was a deputy director of the Propaganda and Education Bureau of the Propaganda Department of the Chinese Communist Party. Ms. Liu has more than 20 years of experience in legal affairs, general management, governmental relations, public relations, corporate culture development, organisation development and propaganda and education.

Mr. Christian Neu, aged 58, was appointed as a non-executive Director in September 2013. Mr. Neu joined Danone in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of the Danone Group. Between November 2007 and January 2011, he was the president of the baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. Mr. Neu has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu currently serves as a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange.

Independent Non-executive Directors

Mr. Jiao Shuge (alias Jiao Zhen), aged 48, was appointed as a non-executive Director of the Company in February 2004 and is a Vice Chairman of the Board of Directors of the Company. Mr. Jiao was redesignated from a non-executive Director of the Company to an independent non-executive Director of the Company with effect from 12 April 2012. Mr. Jiao joined the Group in September 2002 and is currently a director and Managing Partner of CDH China Management Company Limited. Mr. Jiao received a Bachelor's

司委任為非執行董事。柳女士於二零零五年四月加入中糧集團有限公司，現為中糧集團有限公司董事兼黨組紀檢組組長。她曾擔任深圳上市公司中糧地產(集團)股份有限公司董事直至二零一一年七月二十一日。在加入中糧集團有限公司前，她曾任中共中央宣傳部宣傳教育局副局長(正局級)。柳女士在法律事務、綜合性管理、政府關係、公共關係、企業文化建設、組織發展及宣傳教育等方面擁有超過二十年的經驗。

Christian Neu先生，58歲，於二零一三年九月獲委任為非執行董事。彼於一九八六年七月加入Danone，最初從事銷售及市場推廣工作，其後出任Danone集團多個國家及地區公司的總經理。於二零零七年十一月至二零一一年一月期間，彼為Danone集團嬰兒營養部總裁及Danone集團管理委員會成員。自二零一一年二月起，Neu先生為Danone集團戰略顧問。加入Danone集團前，彼從一九七九年至一九八六年期間曾任職多個跨國公司的銷售部門，包括Procter & Gamble、Ferrero集團及Lindner & Fischer GmbH。Neu先生於快速消費品公司管理上具備三十多年的經驗，特別在銷售、市場推廣、綜合性管理及跨國營商管理方面的表現更為出色。彼一九七九年於德國Fachhochschule Saarbrücken大學學士畢業，專修市場銷售學，一九九三年獲瑞士St. Gallen大學頒授市場管理碩士學位。Neu先生現任日本東京證券交易所上市公司Yakult Honsha Co., Ltd.的董事。

獨立非執行董事

焦樹閣(亦稱焦震)先生，48歲，於二零零四年二月獲委任為本公司非執行董事，並為本公司董事會副主席。焦先生已由二零一二年四月十二日起由本公司非執行董事調任為本公司獨立非執行董事。焦先生於二零零二年九月加盟本集團，現時為CDH China Management Company Limited的董事兼執行合夥人。焦先生持有山東大學數學學士學位及航空航天工業部第二研究院工學碩士學





degree in Mathematics from Shandong University and a Master's degree in Engineering from the No.2 Research Institute of Ministry of Aeronautics and Astronautics. Currently, Mr. Jiao also serves as a non-executive director of China Shanshui Cement Group Limited, a company listed in Hong Kong and a director of Joyoung Company Limited and a director of Henan Shuanghui Investment & Development Co., Ltd., both companies listed in Shenzhen. Mr. Jiao was a non-executive director of China Yurun Food Group Limited from 13 April 2005 to 22 September 2012.

Mr. Julian Juul Wolhardt, aged 40, was appointed as a non-executive Director of the Company in January 2006 and was redesignated from a non-executive Director of the Company to an independent non-executive Director of the Company with effect from 12 April 2012. Mr. Wolhardt is currently a partner of KKR Asia Limited focusing on private equity transactions in the Greater China region. Mr. Wolhardt is a Certified Public Accountant and Certified Management Accountant and received a Bachelor's degree in Accounting from the University of Illinois (Urbana-Champaign) in the United States. Mr. Wolhardt currently serves as a non-executive director of Modern Dairy, and an independent non-executive director of China Cord Blood Corporation, a company listed on the New York Stock Exchange. He was a non-executive director of United Envirotech Ltd, a company listed in Singapore, from October 2011 to August 2012.

Mr. Liu Fuchun, aged 67, was appointed as an independent non-executive Director of the Company in May 2009 (resignation with effect from 26 March 2014). Mr. Liu is a graduate of the Beijing Foreign Trade Institute and is a senior commerce specialist. Prior to his retirement in 2007, Mr. Liu acted as an executive director and the CEO of COFCO Corporation. He served in various departments of the COFCO Corporation, including the finance department, business planning department, general office and oils and fats department, the representative office of the COFCO Corporation in the United States and Top Glory (London) Ltd., a member of COFCO in the United Kingdom. Mr. Liu was the deputy consulate of the Chinese Consulate-General in Vancouver. Currently, Mr. Liu serves as an independent non-executive director of DaChan Food (Asia) Limited, a company listed in Hong Kong, an independent non-executive director of Modern Dairy, and an independent director of China Aviation Oil (Singapore) Corporation Ltd., a company listed in Singapore.

Mr. Zhang Xiaoya, aged 51, was appointed as an independent non-executive Director of the Company in May 2009. Mr. Zhang is a graduate of the Shandong University and the school of management at the Beijing University of Aeronautics and

位。焦先生目前亦擔任香港上市公司中國山水水泥集團有限公司非執行董事及兩家深圳上市公司九陽股份有限公司董事及河南雙匯投資發展股份有限公司董事。焦先生自二零零五年四月十三日至二零一二年九月二十二日曾任中國雨潤食品集團有限公司非執行董事。

Julian Juul Wolhardt先生，40歲，於二零零六年一月獲委任為本公司非執行董事，並已由二零一二年四月十二日起由本公司非執行董事轉任為本公司獨立非執行董事。Wolhardt先生現任KKR Asia Limited的合夥人，主要致力於大中華區私募股權交易。Wolhardt先生為執業註冊會計師及美國註冊管理會計師，於美國伊利諾大學Urbana-Champaign分校取得會計學學士學位。Wolhardt先生目前擔任現代牧業非執行董事，以及紐約證券交易所上市公司中國濟帶血庫企業集團獨立非執行董事。他於二零一一年十月至二零一二年八月期間曾任新加坡上市公司United Envirotech Ltd非執行董事。

劉福春先生，67歲，於二零零九年五月獲委任為本公司獨立非執行董事（於二零一四年三月二十六日辭任）。劉先生於北京外貿學院畢業，為高級商務師。他於二零零七年退休前任中糧集團執行董事兼總裁。劉先生有在中糧集團多個部門工作經歷，例如中糧集團財務部、計劃部、綜合辦公室、油脂部、中糧集團駐美國代表處、中糧集團駐英國鵬利(倫敦)有限公司，並曾任中國駐溫哥華總領事館副領事。劉先生現為香港上市公司大成食品(亞洲)有限公司的獨立非執行董事，現代牧業的獨立非執行董事，新加坡上市公司中國航油(新加坡)股份有限公司的獨立董事。

張曉亞先生，51歲，於二零零九年五月獲委任為本公司獨立非執行董事。張先生畢業於山東大學及北京航空航天大學管理學院，為高級工程師。他現任銀廣通傳媒集團董事長，同時還擔任思源



Astronautics and is a senior engineer. Mr. Zhang is the chairman of Unibank Media, and is also an independent director of SYSWIN INC., which was listed on the New York Stock Exchange until April 2013, and an independent director of Guangzhou Zhujiang Digital Group. Mr. Zhang previously served as a director and president of AirMedia, which was listed on NASDAQ, and is experienced in the management of media operations and initial public offering.

Mr. Andrew Y. Yan, aged 56, was appointed as an independent non-executive Director of the Company in January 2013 (resignation with effect from 26 March 2014). Mr. Yan is the founding managing partner of SAIF Partners (“SAIF”). From 1994 to 2001, he was the managing director and head of the Hong Kong office of Emerging Markets Partnership, the management company of AIG Asia Infrastructure Funds. From 1989 to 1994, he worked in the World Bank, the Hudson Institute and Sprint International Corporation as an economist, a research fellow and a director for strategic planning and business development for Asia Pacific Region respectively in Washington, D.C. From 1982 to 1984, he was a chief engineer at Jianghuai Airplane Corporation.

Mr. Yan received a Bachelor’s degree in Engineering from Nanjing Aeronautic Institute in 1982. He studied in the Master Program in the Department of Sociology of Peking University from 1984 to 1986 and received a Master of Arts degree from Princeton University in International Political Economy in 1989. Mr. Yan also studied advanced finance and accounting courses at the Wharton Business School in 1995.

Mr. Yan holds a number of directorships in listed companies. He is (a) an independent non-executive director of China Petroleum & Chemical Corporation (SinoPec), China Resources Land Limited, CMPC Holdings Limited and Fosun International Limited; (b) a non-executive director of Guodian Technology & Environment Group Corporation Limited, Digital China Holdings Limited, China Huiyuan Juice Group Limited and eSun Holdings Limited (all listed in Hong Kong; in addition, China Petroleum & Chemical Corporation is also listed on the Shanghai Stock Exchange, London Stock Exchange and New York Stock Exchange); (c) an independent director of Giant Interactive Group Inc. (listed on the New York Stock Exchange); and (d) a director of Acorn International Inc. (listed on the New York Stock Exchange), ATA Inc. (listed on the NASDAQ) and China Digital TV Holding Co., Ltd. (listed on the New York Stock Exchange). Mr. Yan was a non-executive director of MOBI Development Co., Ltd from January 2003 to August 2013; a director of Shenzhen Eternal

經紀(於紐約證券交易所上市至二零一三年四月)獨立董事，以及廣州珠江數碼集團獨立董事。張先生之前擔任納斯達克交易所上市的航美傳媒集團董事兼總裁，擁有豐富媒體經營管理和融資上市經驗。

閻焱先生，56歲，於二零一三年一月獲委任為本公司獨立非執行董事(於二零一四年三月二十六日辭任)。閻先生為賽富亞洲投資基金(「賽富」)的始創管理合夥人。閻先生曾於一九九四至二零零一年任職AIG亞洲基礎設施投資基金的管理公司Emerging Markets Partnership的董事總經理及香港辦公室主任。一九八九至一九九四年間，他先後在華盛頓世界銀行總部擔任經濟學家、哈德遜研究所擔任研究員和Sprint International Corporation擔任亞太區戰略規劃及業務發展董事。於一九八二年至一九八四年，他曾在江淮航空儀錶廠擔任主管工程師。

閻先生於一九八二年從南京航天學院取得工程學士學位，於一九八四年至一九八六年在北京大學學習社會學碩士學位，於一九八九年從普林斯頓大學取得國際政治經濟碩士學位，並在一九九五年在沃頓商學院學習過高級金融和會計課程。

閻先生在多家上市公司擔任董事職位—他是(a)中國石油化工股份有限公司、華潤置地有限公司、中糧包裝控股有限公司及復星國際有限公司的獨立非執行董事；(b)國電科技環保集團股份有限公司、神州數碼控股有限公司、中國滙源果汁集團有限公司和豐德麗控股有限公司的非執行董事(以上公司均在香港上市，此外，中國石油化工股份有限公司也在上海證券交易所、倫敦證券交易所及紐約證券交易所上市)；(c)巨人網絡有限公司(在紐約證券交易所上市)的獨立董事；及(d)橡果國際(在紐約證券交易所上市)、ATA公司(在納斯達克上市)及China Digital TV Holding Co., Ltd(在紐約證券交易所上市)的董事。閻先生於二零零三年一月至二零一三年八月期間，出任摩比發展有限公司之非執行董事；於二零零六年十月至二零一三年六月期間，出任深圳市怡亞通供應鏈股份

Asia Supply Chain Management Ltd. (listed on the Small and Medium Enterprise Board of the Shenzhen Stock Exchange) from October 2006 to June 2013; a non-executive director (from October 2006 to April 2013) and the chairman (from May 2012 to April 2013) of NVC Lighting Holding Limited respectively; and director of Global Education & Technology Group Ltd. (which was formerly listed on the NASDAQ) from March 2007 to December 2011, the shares of which were withdrawn from listing on the NASDAQ in December 2011.

Mr. Wu Kwok Keung Andrew, aged 60, was appointed as an independent non-executive Director of the Company in April 2013. Mr. Wu graduated from the University of Hong Kong with a Bachelor's degree in science in 1974. He worked for Ernst & Young for over 33 years before retiring from the firm in January 2010. He served as the managing partner of the Beijing office from 1997 to 2000, the Quality & Risk Management Leader of the China firm of Ernst & Young in 2004 and 2005, managing partner of Assurance and Advisory Business Services ("AABS") for Greater China from 2005 to 2008, and the Far East managing partner of AABS in 2006 and 2007. Mr. Wu became a member of the management committee of the China firm of Ernst and Young in 2005. He was the regional managing partner of Hong Kong and Macau from July 2008 to December 2009. He is a fellow of the Association of Chartered Certified Accountants, United Kingdom and an associate of the Hong Kong Institute of Certified Public Accountants. Mr. Wu is an independent non-executive director, chairman of the audit committee, a member of the remuneration committee and a member of the nomination committee of SPT Energy Group Inc., a company listed in Hong Kong.

Dr. Liao Jianwen, aged 47, was appointed as an independent non-executive Director of the Company on 26 March 2014. Dr. Liao received his Bachelor of Engineering from Northeastern University in July 1988, his Master of Economics from Renmin University of China in February 1991 and his Ph.D of Business Administration from Southern Illinois University at Carbondale in August 1996. He is an Associate Dean and Professor of Managerial Practice, Strategy, Innovation and Entrepreneurship at the Cheung Kong Graduate School of Business. His professional experience spans across North America and Asia. He was a tenured associate professor at the Stuart School of Business, Illinois Institute of Technology during 2006 to 2012. Additionally, he held various visiting professor positions at Hong Kong University of Science and Technology (2001), China European International Business School (2002) and Peking University (2007, 2008, 2009, 2010, 2011). Dr. Liao is primarily engaged in cross disciplinary research in strategy, innovation and entrepreneurship, and in particular the interactions between new economy and traditional economy. He has won several awards for his research and teaching, including the research grant awards from the US Small Business Administration (2007, 2008) and the Excellence in Teaching Award in 2009 at Stuart School of Business at Illinois Institute of Technology.

有限公司(在深圳證券交易所中小企業板上市)的董事；於二零一二年五月至二零一三年四月及二零零六年十月至二零一三年四月期間，彼分別出任雷士照明控股有限公司之主席及非執行董事；及二零零七年三月至二零一一年十二月期間曾為環球天下教育科技集團(過往在納斯達克上市)的董事，該公司股份於二零一一年十二月撤銷在納斯達克上市。

胡國強先生，60歲，於二零一三年四月獲委任為本公司獨立非執行董事。胡先生於一九七四年畢業於香港大學，取得理學士學位。於二零一零年一月自安永會計師事務所退任前，彼於該事務所任職逾33年。他自一九九七年至二零零零年擔任安永會計師事務所北京辦事處之主管合夥人，二零零四年至二零零五年擔任該事務所(中國)質量及風險管理部主管，二零零五年至二零零八年為大中華區審計及企業諮詢服務部(「AABS」)之主管合夥人，二零零六年至二零零七年為AABS遠東地區之主管合夥人。胡先生於二零零五年成為安永會計師事務所(中國)管理委員會之成員。他自二零零八年七月至二零零九年十二月擔任香港及澳門區域主管合夥人。彼目前為英國特許公認會計師公會的資深會員及香港會計師公會的會員。胡先生為香港上市公司華油能源集團有限公司的獨立非執行董事、審核委員會主席、薪酬委員會成員及提名委員會成員。

廖建文博士，47歲，於二零一四年三月二十六日獲委任為獨立非執行董事。廖博士於一九八八年七月獲得東北大學工學學士學位，於一九九一年二月獲得中國人民大學經濟學碩士學位，於一九九六年八月獲得南伊利諾大學Carbondale分校工商管理博士學位。彼現為長江商學院副院長、戰略創新與創業管理實踐教授。廖博士有著橫跨北美和亞洲地區的工作履歷。於二零零六年至二零一二年，他是美國伊利諾理工大學斯圖沃特商學院享有終身教職的副教授。此外，他也曾於香港科技大學(二零零一年)、中歐商學院(二零零二年)以及北京大學(二零零七年、二零零八年、二零零九年、二零一零年、二零一一年)擔任客座教授。廖博士主要從事戰略、創新和創業領域的跨學科研究和教學，尤其關注於新經濟與傳統經濟的交融。他的研究和教學成果為其贏得了眾多獎勵和榮譽，其中包括美國中小企業管理局授予的研究經費獎勵(二零零七年、二零零八年)以及二零零九年的伊利諾理工大學斯圖沃特商學院傑出教學獎。

Senior Management

Mr. Lu Jianjun, aged 37, is the Chief Administrative Officer of the Company and the deputy CEO and the Secretary of the Board of Directors of Inner Mongolia Mengniu. Mr. Lu graduated from Inner Mongolia Normal University with an Art degree in Chinese Language. Mr. Lu joined the Group in June 2000, and took up a number of top management positions such as CEO Office and Board office. Mr. Lu served as the Chief Administrative Officer of the Company and the Secretary of the Board of Directors of Inner Mongolia Mengniu in 2009, with the responsibility for the office management of the board and the audit department as well as investor relations. He is currently responsible for strategies and the management of the tender system. With his working experience for more than 10 years, Mr. Lu has accumulated extensive management experience and gained unique insight into the industry.

Mr. Yao Haitao, aged 51, is the Vice President of Inner Mongolia Mengniu. He graduated from Inner Mongolia Finance and Economics College with a Bachelor's degree in Economics and holds a Master of Business Administration degree from China Europe International Business School. He also holds an accountant qualification. Mr. Yao joined Inner Mongolia Mengniu in 2003 and took up a couple of positions including Deputy General Manager of the liquid milk division, Assistant to President and Vice President of Inner Mongolia Mengniu during his term. He has solid experience in administrative management. Mr. Yao currently serves as the deputy chairman of the China Dairy Industry Association.

高級管理層

盧建軍先生，37歲，本公司首席行政官兼內蒙牛奶副總裁、董事會秘書。盧先生畢業於內蒙古師範大學漢語言文學系。盧先生於二零零零年六月加盟本集團，先後在集團總裁辦公室、董事會辦公室從事多年秘書、管理等工作，於二零零九年就任本公司首席行政官及內蒙牛奶董事會秘書，負責董事會辦公室及審計辦公室的管理工作，同時兼管投資者關係工作。他目前負責戰略及招投標管理工作。通過十多年的工作經歷，盧先生積累了豐富的管理經驗，具備獨特的行業視角。

姚海濤先生，51歲，內蒙牛奶副總裁。姚先生畢業於內蒙古財經學院，持有經濟學士學位，並於中歐國際工商學院取得工商管理碩士學位，具有會計師職稱。姚先生於二零零三年加盟內蒙牛奶，期後曾擔任內蒙牛奶液體奶本部副總經理、內蒙牛奶總裁助理、副總裁等多項職務，擁有豐富的行政管理經驗。姚先生目前擔任中國乳製品工業協會副理事長。



Mr. Liu Shengli, aged 48, was appointed as the Vice President of Inner Mongolia Mengniu group and the director of sales department in September 2012. Mr. Liu was graduated from Dalian Ocean University. During his term of office, he pursued further studies in Hubei University of Technology and China Europe International Business School, obtaining master degrees in the Light Industry Technology and Engineering and business administration. Mr. Liu joined Inner Mongolia Mengniu in 2002. He served as the Assistant to the President, the General Manager of the marketing department of UHT milk division and the General Manager of ice cream division of Inner Mongolia Mengniu. He has been working in the dairy industry for almost 16 years and has extensive management experience and advanced management concepts in the dairy industry. Mr. Liu was honored as a "Labour Model of Hohhot" of Inner Mongolia in 2010.

Mr. Jesper Fournaise Colding, aged 43, a Vice President of Inner Mongolia Mengniu. Mr. Colding obtained a Bachelor's degree in Macro Economics and a Master of International Marketing from Southern Denmark University and Denver University in USA. Before joining Inner Mongolia Mengniu he was the Senior Vice President of Arla Foods in Global Categories and Operations from September 2009. From January 2007 he worked as the General Manager of Royal Unibrew Baltic countries, a leading beer and beverage company in the region. From 1994 to 2007, Mr. Colding had taken various roles within sales/marketing in P&G and worked in leading roles in Denmark, Sweden, and Norway before he worked as an Associate Director in P&G Malaysia/Singapore. He has extensive experience in sales/marketing and general management and a record of building strong organizations and results. Mr. Colding joined Inner Mongolia Mengniu in 2012 and is responsible for managing the Marketing Division. In December 2013, Mr. Colding was awarded the "Innovation Personality of China's influential Brand of 2013" at the Organizing Committee of China Corporate and Media Leaders Annual Conference.

Ms. Wu Wennan Bessie, aged 45, was appointed as the Chief Financial Officer of the Company in September 2013. She joined the Group in November 2012 as an investor relations officer and was subsequently appointed as the senior financial controller of the Group, with the responsibility for overseeing investor relations, financial management and financial disclosure functions. Ms. Wu graduated from the University of International Business and Economics with a Bachelor of Economics in International Business Management. Ms. Wu worked as the vice-president of finance in Air Media Group Inc. (NASDAQ:AMCN) and in Unibank Media between 2006 to 2012. Before that, Ms. Wu consecutively served as the financial controller of Dongguan Hujing Holiday Country Company Limited, a group member of HWL and the assistant general accountant of Shenzhen Fountain Corporation. From 1994 to 1996, Ms. Wu worked as an auditor in a CPA firm in Hong Kong. She became a member of the Association of Chartered Certified Accountants (ACCA) in 1997 and a fellow member of the ACCA in 2002.

劉勝利先生，48歲，二零一二年九月獲委任為內蒙蒙牛集團副總裁，銷售系統負責人。劉先生畢業於大連海洋大學，於工作期間先後在湖北工業大學和中歐國際工商學院學習深造，並取得輕工技術與工程領域工程碩士學位、工商管理碩士學位。劉先生於二零零二年加入內蒙蒙牛，曾擔任總裁助理、常溫液奶事業本部行銷系統總經理、冰淇淋事業本部總經理，從事乳製品行業近16年，擁有豐富的乳品業管理經驗及先進的管理理念。劉先生於二零一零年獲得內蒙古「呼和浩特市勞動模範」稱號。

Jesper Fournaise Colding先生，43歲，內蒙蒙牛副總裁。Colding先生畢業於南丹麥大學及美國丹佛大學，取得宏觀經濟學學士學位及國際市場學碩士學位。在加盟內蒙蒙牛前，他曾自二零零九年九月起擔任Arla Foods的全域分類及營運部高級副總裁。自二零零七年一月起，他出任波羅的海國家區域內領先的啤酒及飲料公司Royal Unibrew總經理。於一九九四年至二零零七年間，Colding先生曾於寶潔公司(P&G)擔任多個銷售／市場推廣職務，並曾在丹麥、瑞典及挪威出任領導職務，其後更出任馬來西亞／新加坡寶潔公司(P&G Malaysia/Singapore)副總監。Colding先生擁有豐富的營銷及一般管理經驗，在壯大企業方面屢創佳績。Colding先生於二零一二年加盟內蒙蒙牛，負責管理市場推廣部。Colding先生於二零一三年十二月獲得「中國企業領袖和媒體領袖年會」上獲得「影響中國2013年度品牌創新人物」。

吳文楠女士，45歲，於二零一三年九月獲委任本公司首席財務官。她於二零一二年十一月加入本集團，作為投資者關係官，之後獲委任高級財務總監，負責管理投資者關係、財務管理及財務披露事宜。吳女士畢業於中國對外經濟貿易大學國際企業管理專業，取得經濟學學士。於二零零六年至二零一二年間，她曾於航美傳媒(NASDAQ:AMCN)及銀廣通傳媒公司擔任財務副總裁的職務。此前，吳女士還先後於東莞湖景渡假村有限公司(HWL旗下的集團成員公司)擔任財務總監及於深圳世紀星源股份有限公司擔任助理總會計師。於一九九四年至一九九六年間，吳女士為香港一家會計師事務所的審計師，並於一九九七年成為英國特許公認會計師公會會員及於二零零二年成為資深會員。



Ms. Zhai Mei, aged 51, joined the Group in 2012 as the assistant vice president of Inner Mongolia Mengniu, with the responsibility for public affair management system. In 1986, Ms. Zhai graduated from Beijing University of Chemical Technology with a Bachelor's Degree in Professional Machinery. Ms. Zhai worked for Coca Cola as the general director of division of community affairs and public relations in Great China, with almost 20-year experience in public relations. She had accumulated working experience in public relations for various fields, such as corporate communication, risk management, state media and community affairs, as well as expansive industrial network and resources. Her effective hands-on approach of several public relations crises was well-received by the public. In 2013, Ms. Zhai was awarded the "PR Personnel of the Year in China" for her over-a-year efforts on leading brand communication and institution restructuring for Mengniu.

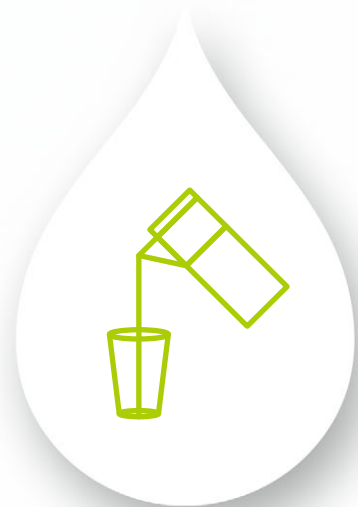
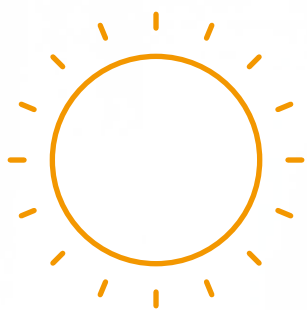
Mr. Wang Yansong, aged 46, joined the Group in February 2012 as the assistant vice president of Inner Mongolia Mengniu, with the responsibility for quality and safety management system. In 1990, Mr. Wang graduated from the food mechanical engineering department of Beijing Institute of Light Industry with a Bachelor's Degree in Engineering. In 1990, he joined Beijing Refrigerator Compressor Factory as a production line technology engineer. In 1995, he worked as a quality engineer for Beijing Embraco Snowflake Compressor Company Limited. In 1997, he was employed by Kimberly-Clark (China) Personal Hygienic Products Co., Ltd and took up roles including programme control engineer, production manager, product development engineer and quality manager. In 2001, He was a technical service manager (North China) for Coca-Cola (China) Beverages Limited. In 2009, he worked as a technical operation manager (Asia-Pacific Region) for Coca Cola. Prior to taking up the duty of overseeing the Group's quality, Mr. Wang had accumulated 20 plus years of experience in quality control for fast-moving goods.

Mr. Kwok Wai Cheong, Chris, aged 41, the Financial Controller and Company Secretary of the Company, joined the Group in May 2007. Prior to joining the Group, Mr. Kwok was the financial controller of a Hong Kong Main Board listed company and he also served in an international accounting firm. Mr. Kwok graduated from The Hong Kong Polytechnic University with a Bachelor's degree in Accountancy. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of Association of Chartered Certified Accountants.

翟媚女士，51歲，於二零一二年加入本管理集團，出任內蒙牛奶助理副總裁，並擔任公共事務管理系統負責人。翟女士一九八六年畢業於北京化工大學，持有機械專業學士學位。翟女士曾任可口可樂大中華區公共事務及傳訊部總監，擁有近二十年的公關經驗，在企業傳播、危機管理、政府媒體、公益活動等領域積累了多年的公共關係工作經驗，也積累豐富的行業人脈和資源，還親自處理過大量危機案例，危機處理效果獲得公眾好評。憑藉其一年多來帶領蒙牛在品牌溝通和體系重建上的努力，翟女士於二零一三年獲得「中國傳播年度人物」獎項。

王豔松先生，46歲，於二零一二年二月加盟本集團，擔任內蒙牛奶助理副總裁，並擔任品質安全管理系統負責人。王先生於一九九零年畢業於北京輕工業學院食品機械工程系，獲得工學學士學位。他於一九九零年加入北京電冰箱壓縮機廠，任生產線技術工程師，於一九九五年出任北京恩布拉科雪花壓縮機有限公司任品質工程師，於一九九七年加入金佰利個人衛生用品中國有限公司，曾先後任職程序控制工程師、生產主管、產品開發工程師、品質經理等。他於二零零一年加入可口可樂(中國)飲料有限公司，任職北方區域技術服務經理，二零零九年任職可口可樂亞太地區技術運作經理。就任本集團品質負責人前，王先生積累了二十多年的快消品質管制經驗。

郭偉昌先生，41歲，本公司財務總監兼公司秘書，於二零零七年五月加盟本集團。在加盟本集團前，郭先生曾任一家香港主板上市公司之財務總監，並曾於一家國際性會計師事務所工作。郭先生畢業於香港理工大學，取得會計學學士學位，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。



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CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is dedicated to ensure high standards of corporate governance with an emphasis on a diligent Board of Directors (the "Board"), sound internal control, and increasing transparency and accountability to shareholders. The Board acknowledges that good corporate governance practices and procedures are beneficial to the Group and its shareholders. The Company is committed to improving those practices and maintaining its ethical corporate culture.

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code of corporate governance practices.

Throughout the year, the Board has reviewed the Company's corporate governance practices and is satisfied that the Company has been in compliance with all applicable code provisions of the CG Code, except that certain Directors were unable to attend the annual general meeting of the Company (the "AGM") held on 7 June 2013 and extraordinary general meeting (the "EGM") held on 16 July 2013 due to unavoidable business engagements and other commitments outside of Hong Kong. For details, please refer to the section headed "Investor Relations and Communications".

本公司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（「董事會」）和健全的內部監控制度，以及提高透明度和對股東的問責。董事會深知，良好企業管治常規及程序對本集團及其股東有利。本公司致力改善該等常規及保持其道德企業文化。

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）的守則條文作為其本身的企業管治常規守則。

董事會已於本年度內檢討本公司之企業管治常規，並確信除部分董事因不可避免的公務及其他香港境外的事務而未能出席本公司於二零一三年六月七日舉行的股東週年大會（「股東週年大會」）及於二零一三年七月十六日舉行的股東特別大會（「股東特別大會」）外，本公司已符合企業管治守則的所有適用守則條文。詳情請參閱「投資者關係及溝通」一節。

The Board

As at 31 December 2013, the Board comprised sixteen Directors, including three executive Directors, namely, Ms. Sun Yiping, Mr. Bai Ying and Mr. Wu Jingshui, seven non-executive Directors, namely, Mr. Ning Gaoning, Mr. Yu Xubo, Mr. Niu Gensheng, Mr. Ma Jianping, Ms. Liu Ding, Mr. Finn S. Hansen and Mr. Christian Neu and six independent non-executive Directors, namely, Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt, Mr. Liu Fuchun, Mr. Zhang Xiaoya, Mr. Andrew Y. Yan and Mr. Wu Kwok Keung Andrew. The Chairman of the Board is Mr. Ning Gaoning and the Chief Executive Officer of the Company is Ms. Sun Yiping. Each of Mr. Yu Xubo, Ms. Liu Ding and Mr. Jiao Shuge (alias Jiao Zhen) is a Vice-Chairman of the Board. Subsequent to the year ended 31 December 2013 and with effect from 26 March 2014, each of Mr. Wu Jingshui, Mr. Ma Jianping, Mr. Andrew Y. Yan and Mr. Liu Fuchun had resigned from the Board, and Dr. Liao Jianwen had been appointed to the Board.

The Board is responsible for the leadership and management of the Company. Key responsibilities of the Board comprise formulation of the Group's overall strategies and policies, setting of performance and management targets, evaluation of business performance and supervision of management's performance. The management is delegated with the authority and responsibility by the Board for the management and operations of the Group. The role of the management is to implement the strategies and directions determined by the Board and to work within the framework of any written procedures and instructions laid down by the Board. In addition, the Board has also delegated various responsibilities to the board committees as detailed in this report.

Biographies of the Directors are set out on pages 48 to 57 of the annual report, which demonstrate a diversity of skills, expertise, experience and qualifications of the Directors. There is no other material financial, business, family or other material/relevant relationships among the Directors.

董事會

於二零一三年十二月三十一日，董事會由十六名董事組成，包括三名執行董事（孫伊萍女士、白瑛先生及吳景水先生）、七名非執行董事（寧高寧先生、于旭波先生、牛根生先生、馬建平先生、柳丁女士、Finn S. Hansen先生及Christian Neu先生）和六名獨立非執行董事（焦樹閣（又名焦震）先生、Julian Juul Wolhardt先生、劉福春先生、張曉亞先生、閻焱先生及胡國強先生）。本公司董事會主席是寧高寧先生，本公司總裁是孫伊萍女士。于旭波先生、柳丁女士及焦樹閣（又名焦震）先生為董事會的副主席。於截至二零一三年十二月三十一日止年度後，吳景水先生、馬建平先生、閻焱先生及劉福春先生已於二零一四年三月二十六日退任董事會職務，而廖建文博士獲委任加盟董事會。

董事會負責領導和管理本公司。董事會主要負責制訂本集團整體策略和政策、訂立績效和管理目標、評估業務表現和監察管理層表現。董事會向管理層轉授權力和責任，以管理和經營本集團。管理層負責實施董事會所決定的策略及指示，並在董事會制訂的任何書面程序及指示架構內工作。此外，董事會亦向各個董事委員會轉授多項責任，詳情載於本報告。

董事簡歷載於年報第48頁至第57頁，當中列出董事各方面的技能、專長、經驗和資格。董事之間概無其他重大財務、業務、親屬或其他重大／相關關係。

Independence of Independent Non-Executive Directors

The independent non-executive Directors possess appropriate professional qualifications, or accounting or related financial management expertise. Their role is to provide independent and objective opinions to the Board for its consideration and decisions.

During 2012, Mr. Jiao Shuge (alias Jiao Zhen) and Mr. Julian Juul Wolhardt have been re-designated from non-executive Directors to independent non-executive Directors with effect from 12 April 2012. Notwithstanding their positions as non-executive Directors and a director of the board of Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”), the main operating subsidiary of the Company, the Board considers Mr. Jiao and Mr. Wolhardt to be sufficiently independent to act as independent non-executive Directors as, prior to their re-designation, Mr. Jiao and Mr. Wolhardt did not have any executive function or any day-to-day or operational management role in the Group, except for attending meetings of the Board, the relevant board committees (the “Board Committees”) and the board of Inner Mongolia Mengniu, and carrying out supervising and monitoring functions.

The Company has received an annual confirmation of independence from each of the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all independent non-executive Directors are independent in accordance with the definition of the Listing Rules.

Corporate Governance Functions

The Board is responsible for determining the policies for corporate governance of the Company and performing the corporate governance duties including:

- (a) to develop and review the Company’s policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company’s compliance with Appendix 14 to the Listing Rules (Corporate Governance Code and Corporate Governance Report).

獨立非執行董事的獨立性

獨立非執行董事具備合適的專業資格、會計或相關財務管理專長。彼等職責乃提供獨立及客觀的意見以供董事會考慮及作出決定。

於二零一二年內，焦樹閣(又名焦震)先生及Julian Juul Wolhardt先生由非執行董事調任為獨立非執行董事，均自二零一二年四月十二日生效。儘管他們擔任非執行董事及本公司主要營運子公司內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)的董事，惟董事會認為焦先生及Wolhardt先生足夠獨立擔任獨立非執行董事，原因是焦先生及Wolhardt先生在調任前除了出席董事會、相關董事委員會(「董事委員會」)及內蒙蒙牛董事會的會議以及執行監督與監察職務外，並無於本集團擔任任何行政職務或日常或營運管理職責。

每名獨立非執行董事已根據上市規則第3.13條向本公司發出一份有關其獨立性的年度確認書。董事會已評估其獨立性，並作出結論，認為按上市規則之釋義，全體獨立非執行董事均為獨立。

企業管治職能

董事會負責釐定本公司的企業管治政策及履行企業管治職責，其中包括：

- (a) 制定及檢討本公司的企業管治政策及常規；
- (b) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (c) 檢討及監察本公司遵守法律及監管規定的政策及常規；
- (d) 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊(如有)；及
- (e) 檢討本公司遵守上市規則附錄十四(《企業管治守則》)及《企業管治報告》的情況。

Directors' Trainings

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under relevant statues, laws, rules and regulations. The Company Secretary also provides Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged in-house trainings for Directors in the form of seminars and reading materials with appropriate emphasis on the roles, functions and duties of the Directors. During the year, a seminar was provided to all Board members for updates of the Listing Rules by legal advisor. A summary of trainings received by Directors during the year according to the records provided by the Directors is as follows:

董事培訓

每名新委任的董事均獲得所需的就任須知及資料，以確保其對本公司的運作及業務以及本身在相關法令、法律、規則及法規下的職責均有適當的理解。公司秘書亦會不時向董事提供有關上市規則及其他相關法律及法規規定的最新發展及變動的資料。

本公司鼓勵所有董事參與持續專業發展，以發展並更新其知識及技能。本公司曾以研討會及派發學習材料等形式為董事安排內部培訓，著重強調董事的角色、職能及責任。年內，法律顧問已為所有董事會成員舉辦研討會，以提供有關上市規則之最新資料。根據董事所提供的紀錄，董事於年內所接受的培訓概述如下：

Directors	董事	Type of trainings 培訓類別
Executive Directors	執行董事	
Sun Yiping	孫伊萍	A, C
Bai Ying	白瑛	A, C
Wu Jingshui [#]	吳景水 [#]	A, C
Ding Sheng (resigned on 1 September 2013)	丁聖(於二零一三年九月一日辭任)	A, C
Non-Executive Directors	非執行董事	
Ning Gaoning	寧高寧	A, B, C
Yu Xubo	于旭波	A, C
Niu Gensheng	牛根生	A, C
Ma Jianping [#]	馬建平 [#]	A, C
Liu Ding (appointed on 10 January 2013)	柳丁(於二零一三年一月十日獲委任)	A, C
Tim Ørting Jørgensen (resigned on 1 September 2013)	Tim Ørting Jørgensen (於二零一三年九月一日辭任)	A, C
Finn S. Hansen	Finn S. Hansen	A, C
Christian Neu (appointed on 1 September 2013)	Christian Neu(於二零一三年九月一日獲委任)	A, C
Independent Non-Executive Directors	獨立非執行董事	
Jiao Shuge (alias Jiao Zhen)	焦樹閣(又名焦震)	A, C
Julian Juul Wolhardt	Julian Juul Wolhardt	A, C
Liu Fuchun [#]	劉福春 [#]	A, C
Zhang Xiaoya	張曉亞	A, C
Xie Tao (resigned on 1 April 2013)	謝韜(於二零一三年四月一日辭任)	A, C
Andrew Y. Yan [#] (appointed on 10 January 2013)	閻焱 [#] (於二零一三年一月十日獲委任)	A, C
Wu Kwok Keung Andrew (appointed on 1 April 2013)	胡國強(於二零一三年四月一日獲委任)	A, C

[#] Resignation with effect from 26 March 2014

[#] 於二零一四年三月二十六日辭任

- A: attending seminars and/or conferences and/or forums relevant to the business or directors' duties
- B: giving talks at seminars and/or conferences and/or forums
- C: reading materials relevant to directors' duties and responsibilities and regulatory updates

- A: 出席與業務或董事職責有關的研討會及／或會議及／或論壇
- B: 在研討會及／或會議及／或論壇上發表演說
- C: 閱讀與董事職責及責任及最新規管資料有關的學習材料

Board Proceedings

The Board meets at least four times a year and additional operational meetings are also held, when required. The Company Secretary is responsible for preparing agenda and notices for the meetings. Senior management of the Group also provides the Directors with relevant information on a timely basis regarding key business developments of the Group and issues affecting the Group. Agenda and other information packages are normally delivered to the Directors before the meetings. The Directors also have independent access to the senior management in respect of operational issues. The Directors may take independent professional advice where appropriate to discharge their duties, at the Company's expenses.

The Board held seven meetings during the year ended 31 December 2013 and two further meetings since 1 January 2014 up to the date of this report. Details of the Directors' attendance at the Board and Board Committee meetings, the AGM and the EGM held in 2013 are set out in the following table.

董事會處理事務程序

董事會每年最少舉行四次會議，並在有需要時也會舉行其他業務會議。公司秘書負責編製會議議程和通告。本集團高級管理層亦適時向董事提供有關本集團主要業務發展和影響本集團事項的資料。一般而言，議程和其他資料會在舉行會議前發給董事。董事也可就營運事宜個別與高級管理層商討。董事可在適當情況下徵詢獨立專業意見，以便履行職責，費用由本公司負擔。

董事會截至二零一三年十二月三十一日止年度舉行了七次會議，並於二零一四年一月一日至本報告日期期間舉行了兩次會議。各董事出席於二零一三年舉行之董事會及董事委員會會議、股東週年大會以及股東特別大會的情況詳情載於下表。

		Meeting Attended/Held 出席／舉行會議					
Directors	董事	Board Meetings* 董事會會議*	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會	Extraordinary General Meeting 股東特別大會
Executive Directors		執行董事					
Sun Yiping	孫伊萍	7/7				1/1	1/1
Bai Ying	白瑛	7/7				0/1	0/1
Wu Jingshui#	吳景水#	7/7				1/1	0/1
Ding Sheng (resigned on 1 September 2013)	丁聖(於二零一三年九月一日辭任)	5/6				0/1	0/1
Non-executive Directors		非執行董事					
Ning Gaoning	寧高寧	2/7			1/2	0/1	0/1
Yu Xubo	于旭波	7/7		3/3		0/1	0/1
Niu Gensheng	牛根生	7/7				0/1	0/1
Ma Jianping#	馬建平#	7/7				0/1	0/1
Liu Ding (appointed on 10 January 2013)	柳丁(於二零一三年一月十日獲委任)	6/6				0/1	0/1
Tim Ørting Jørgensen	Tim Ørting Jørgensen						
(resigned on 1 September 2013)	(於二零一三年九月一日辭任)	6/6				1/1	0/1
Finn S. Hansen	Finn S. Hansen	5/7				1/1	1/1
Christian Neu (appointed on 1 September 2013)	Christian Neu(於二零一三年九月一日獲委任)	1/1				0/0	0/0

		Meeting Attended/Held 出席/舉行會議				Annual	Extraordinary
		Board	Audit	Remuneration	Nomination	General	General
Directors	董事	Meetings*	Committee	Committee	Committee	Meeting	Meeting
		董事會會議*	審核委員會	薪酬委員會	提名委員會	股東週年大會	股東特別大會
Independent Non-executive Directors		獨立非執行董事					
Jiao Shuge (alias Jiao Zhen)	焦樹閣(又名焦震)	4/7	3/3		2/2	0/1	0/1
Julian Juul Wolhardt	Julian Juul Wolhardt	4/7		3/3		1/1	0/1
Liu Fuchun [#]	劉福春	5/7	2/3	3/3	1/2	0/1	0/1
Zhang Xiaoya	張曉亞	7/7	3/3	3/3	2/2	0/1	0/1
Xie Tao (resigned on 1 April 2013)	謝韜(於二零一三年四月一日辭任)	2/2	1/1	1/1	1/1	0/0	0/0
Andrew Y. Yan [#] (appointed on 10 January 2013)	閻焱 [#] (於二零一三年一月十日獲委任)	5/6				1/1	0/1
Wu Kwok Keung Andrew (appointed on 1 April 2013)	胡國強(於二零一三年四月一日獲委任)	4/5	2/2			1/1	0/1

* During the year, the Company held four quarterly meetings and three other meetings to handle operational-level and investment matters. According to the Company's articles of association, the quorum for convening a Board meeting is two members.

[#] Resignation with effect from 26 March 2014

* 本公司於年內舉行了四次季度會議及三次其他會議，以處理運作層面及投資等事宜。根據本公司組織章程細則，召開董事會會議的法定人數為二人。

[#] 於二零一四年三月二十六日辭任

Minutes of meetings of the Board and Board Committees are kept by the Company Secretary of the Company and are not only open for inspection by the Directors but also sent to the Directors for their records. All Directors have access to the Company Secretary of the Company, who is responsible for ensuring that the Board procedures are complied with and advising the Board on compliance matters.

Chairman and Chief Executive Officer

The role of the Chairman is separate from that of the Chief Executive Officer to ensure a balance of power and authority. The Chairman is responsible for overseeing the functioning of the Board while the Chief Executive Officer is responsible for managing the Group's business. For the financial year ended 31 December 2013, the Chairman of the Board is Mr. Ning Gaoning, a non-executive Director and the Chief Executive Officer of the Company is Ms. Sun Yiping, an executive Director.

The Chairman shall ensure that Board meetings are planned and conducted effectively and all Directors are properly briefed on issues arising at Board meetings. He is also responsible for ensuring that the Directors receive adequate information in a timely manner, which must be accurate, clear, complete and reliable. The Chairman shall also ensure the Board works effectively and discharges its responsibilities; all key and appropriate issues are discussed by the Board in a timely manner; good corporate governance practices and procedures are established; and appropriate steps are taken to provide effective communication with shareholders and that views of shareholders are communicated to the Board as a whole.

董事會和董事委員會的會議紀錄由本公司的公司秘書負責存置，不但可供董事查閱，同時也呈交各董事以作記錄。全體董事均可與本公司的公司秘書聯絡，而公司秘書負責確保董事會符合法規程序並就此向董事會提出建議。

主席及總裁

本公司對主席與總裁角色加以區分，以確保權力得到平衡。主席負責監察董事會履行職能，而總裁則負責管理本集團的業務。截至二零一三年十二月三十一日止財政年度，本公司董事會主席為非執行董事寧高寧先生，總裁為執行董事孫伊萍女士。

主席須確保董事會會議有效籌劃和進行，而在董事會會議上就產生的問題，應向全體董事妥為簡報。他亦負責確保董事及時收取充足資料，而該等資料必須準確、清晰、完備及可靠。主席亦須確保董事會有效地運作，履行應有職責，並及時就所有重要的事項進行討論，確保公司制定良好的企業管治常規及程序，採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會。

Appointment, Re-election and Removal of Directors

Each Director (for the avoidance of doubt, including the independent non-executive Directors) has entered into a letter of appointment with the Company for a term of three years. The Directors are subject to retirement by rotation and re-election at each annual general meeting of the Company in accordance with article 112 of the Company's articles of association. The Directors appointed as an addition to the Board or to fill a casual vacancy on the Board will be subject to re-election by the shareholders at the next following annual general meeting or next following general meeting of the Company respectively after the appointment.

Board Committees

To oversee particular aspects of the Company's affairs and to assist in the execution of its responsibilities, the Company has established four Board Committees under the Board, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Strategy and Development Committee, each of which is governed by specific terms of reference approved by the Board, covering its functions, duties and powers. The terms of reference of the respective Board Committees have complied with the CG Code provisions and are disclosed on the websites of the Company and the Stock Exchange and are available for public inspection at the Company's principal place of business in Hong Kong.

Remuneration Committee

As at 31 December 2013, the Remuneration Committee comprised four members, three of whom are independent non-executive Directors (Mr. Julian Juul Wolhardt, Mr. Liu Fuchun and Mr. Zhang Xiaoya) and the remaining one member is a non-executive Director (Mr. Yu Xubo). The Remuneration Committee is chaired by Mr. Julian Juul Wolhardt.

The duties of the Remuneration Committee are to review annually and recommend to the Board the overall remuneration policy and structure for the directors and senior management to ensure that the level of remuneration is linked to their level of responsibilities undertaken. These shall include making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. The Remuneration Committee shall also evaluate annually the performance of the directors and the senior management and recommend to the Board specific adjustments in their remuneration and/or reward payments.

董事之委任、重選和罷免

每名董事(為免生疑,包括獨立非執行董事)已與本公司訂立為期三年的委聘書。董事須根據本公司的組織章程細則第112條在本公司每屆股東週年大會上輪值告退和重選。委任為董事會新增成員或填補董事會臨時空缺的董事,將於獲委任後分別在下一個本公司股東週年大會或下一個本公司股東大會上由股東重選。

董事委員會

為了監察本公司特定事務及協助履行其責任,本公司董事會下設四個董事委員會,分別為審核委員會、薪酬委員會、提名委員會和戰略及發展委員會。各委員會分別受限於經董事會批准的特定職權範圍,其中涵蓋了職能、職責及權力。董事委員會各自的職權範圍已遵從企業管治守則條文,並已於本公司及聯交所的網站披露,以及置放於本公司的香港主要營業地點供公眾查閱。

薪酬委員會

於二零一三年十二月三十一日,薪酬委員會有四名成員,其中三名為獨立非執行董事(Julian Juul Wolhardt先生、劉福春先生及張曉亞先生),其餘一名為非執行董事(于旭波先生)。Julian Juul Wolhardt先生擔任薪酬委員會主席。

薪酬委員會的職責包括每年審閱董事和高級管理層的整體薪酬政策及結構,並向董事會提出有關建議,以確保薪酬水平與責任承擔相符。此應包括向董事會建議個別執行董事及高級管理層的薪酬待遇,包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的賠償)。薪酬委員會每年亦須評估董事和高級管理層的表現,並就其薪酬及/或獎勵金應作出的特定調整,向董事會提出建議。

The Company's policy on remuneration is to maintain fair and competitive packages based on business needs and industry practice. For determining the level of fees paid to members of the Board, market rates and factors such as each director's workload and required commitment will be taken into account. In addition, factors comprising economic and market situations, individual contributions to the Group's results and development as well as individual potential are considered when determining the remuneration packages of executive Directors.

The Remuneration Committee held three meetings during the year ended 31 December 2013. During the year, the Remuneration Committee had performed the following:

- assessed the performance of the Directors and senior management;
- reviewed and approved the remuneration for the Directors and senior management including terms of letters of appointments;
- reviewed the remuneration policy and recommended to the Board; and
- reviewed the proposal of granting of restricted shares according to the Company's restricted share award scheme, and made recommendations to the Board.

Remuneration of Directors and Senior Management

The remuneration of the members of the senior management by band for the year ended 31 December 2013 is set out below:

Remuneration bands (RMB) 薪酬組別(人民幣元)	Number of persons 人數
0–1,000,000	0
1,000,001–2,000,000	4
2,000,001–3,000,000	3
3,000,001–4,000,000	1

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 8 and 9 to the financial statements.

本公司的薪酬政策乃根據業務需要及行業慣例維持公平及具競爭力的薪酬福利。對於釐定支付予董事會各董事之袍金，會考慮市場水平與各項因素，如董事之工作量及所承擔之責任。此外，當釐定執行董事薪酬福利時會考慮之因素包括：經濟及市場情況、對本集團業績及發展之貢獻，以及個人之潛能等。

薪酬委員會於截至二零一三年十二月三十一日止年度舉行了三次會議。本年度內，薪酬委員會完成了下列各項工作：

- 評估董事及高級管理層的表現；
- 檢討及批准董事及高級管理層的薪酬，包括委聘書的條款；
- 檢討薪酬政策並向董事會提出建議；及
- 審議本公司按限制性股票獎勵計劃授出限制性股票的方案，並向董事會提出建議。

董事及高級管理層薪酬

截至二零一三年十二月三十一日止年度，高級管理層成員按組別劃分的薪酬載列如下：

根據上市規則附錄十六須予披露的董事及五名最高薪人士的薪酬詳情，載於財務報表附註8與9。

Nomination Committee

As at 31 December 2013, the Nomination Committee comprised four members, three of whom are independent non-executive Directors (Mr. Jiao Shuge (alias Jiao Zhen), Mr. Liu Fuchun and Mr. Zhang Xiaoya) and the remaining one member is a non-executive Director (Mr. Ning Gaoning). The Nomination Committee is chaired by Mr. Ning Gaoning.

The responsibilities of the Nomination Committee are to determine the nomination policy, review the structure, size and composition, including the skills, knowledge and experiences of the Board and make recommendations to the Board regarding any proposed changes. The Nomination Committee is also responsible for identifying and nominating suitable candidates qualified to become Board members, in particular, candidates who can add value to the management through their contributions in the relevant strategic business areas and which appointments will result in the constitution of a stronger and more diverse Board, and makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors if necessary. In the selection process of a candidate to act as a Director, the Nomination Committee makes reference to criteria including, inter alia, reputation for integrity, accomplishment and experience in the dairy industry, professional and educational background, and commitment in respect of available time and assesses the independence of the independent non-executive Directors. The Board had also in August 2013 approved the adoption of the board diversity policy. Under such policy, board appointments will be based on merits and candidates will be considered against objective criteria, having due regard for the benefit of diversity on the Board. The selection of candidates on the Board is based on a range of diversity perspectives, including gender, age, cultural and education background, ethnicity, professional or industry experience, skills, knowledge and length of service. The Company will also take into account other factors based on its own business model and specific business needs from time to time. The Nomination Committee will continue to give adequate consideration to these measurable objectives when making recommendation of candidates for appointment to the Board.

The Nomination Committee held two meetings during the year ended 31 December 2013 to discuss mainly, the new appointments of Directors and the resignations of Directors and the update of the terms of reference by inclusion of board diversity policy.

提名委員會

於二零一三年十二月三十一日，提名委員會有四名成員，其中三名為獨立非執行董事(焦樹閣(又名焦震)先生、劉福春先生及張曉亞先生)，其餘一名為非執行董事(寧高寧先生)。寧高寧先生擔任提名委員會主席。

提名委員會負責制定提名政策、就董事會的架構、規模和組成(包括技能、知識和經驗)作出檢討，並就任何變動方案向董事會提出建議。提名委員會亦負責發現並提名適合成為董事會成員的人選，倘若有關人選能夠在有關的策略性業務領域作出貢獻，尤其對管理層起增值作用，並且有關委任會致使董事會成員組合更為強健和全面，並就有關董事之委任或重新委任(如有需要)的相關事宜，向董事會提出建議。在董事候選人的篩選過程中，提名委員會所參照的標準包括有關人選的廉正信譽、乳業方面的成就和經驗、專業和教育背景以及其對時間投入的承擔，並會評估獨立非執行董事的獨立性。董事會亦已於二零一三年八月批准採納董事會多元化政策。根據有關政策，董事會任命將用人唯才，在考慮人選時以客觀條件充份顧及董事會成員多元化的裨益。董事會甄選人選將按一系列多元化角度為基準，包括性別、年齡、文化及教育背景、種族、專業或行業經驗、技能、知識及服務年期。本公司亦會因應其自有業務模式及不時之特定業務需要而考慮其他因素。提名委員會向董事會就委任人選向董事會作出推薦建議時，將繼續充分檢討該等可計量目標。

提名委員會於截至二零一三年十二月三十一日止年度舉行了兩次會議，主要討論新委任董事、董事辭任事宜及將董事會多元化政策加入最新職權範圍。

Audit Committee

As at 31 December 2013, the Audit Committee comprised four independent non-executive Directors (Mr. Jiao Shuge (alias Jiao Zhen), Mr. Liu Fuchun, Mr. Zhang Xiaoya and Mr. Wu Kwok Keung Andrew) in which one possesses the relevant professional qualifications required under the Listing Rules. The Audit Committee is chaired by Mr. Wu Kwok Keung Andrew.

The Audit Committee serves as a focal point for communication between other Directors, the external auditors, and the management as their duties relate to financial and other reporting, internal controls and auditing. The Audit Committee assists the Board in fulfilling its responsibilities by providing an independent review of financial reporting and by satisfying itself as to the effectiveness of the Company's internal controls and as to the efficiency of the audits.

The Audit Committee held three meetings during the year ended 31 December 2013. During the year, the Audit Committee has performed the following:

- met with the external auditors to discuss the general scope and findings of their audit and interim review works;
- reviewed external auditors' management letter and management's response;
- reviewed and recommended to the Board for approval of the external auditors' remuneration;
- made recommendations to the Board on the re-appointment of the external auditors;
- reviewed the external auditors' independence, objectivity and the effectiveness of the audit process;
- reviewed and monitored the integrity of financial statements, annual and interim reports, and annual and interim announcements of the Company;
- discussed auditing, internal control, risk management and financial reporting matters before recommending them to the Board for approval; and
- reviewed the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal controls or other matters.

審核委員會

於二零一三年十二月三十一日，審核委員會成員包括四名獨立非執行董事（焦樹閣（又名焦震）先生、劉福春先生、張曉亞先生及胡國強先生），其中一名董事擁有上市規則所規定的相關專業資格。胡國強先生擔任審核委員會主席。

審核委員會充當其他董事、外部核數師和管理層之間的溝通渠道，因為此等人士的職責涉及財務和其他申報、內部監控及核數事宜。審核委員會應對財務報告作出獨立審閱，並確保本身信納本公司內部監控的效益和核數效率，藉此協助董事會履行其職責。

審核委員會於截至二零一三年十二月三十一日止年度舉行了三次會議。在本年度內，審核委員會完成了下列各項工作：

- 與外部核數師討論其核數和中期審閱工作的一般範疇和結果；
- 審閱外部核數師的管理建議書和管理層的回應；
- 檢討外部核數師酬金並建議董事會予以批准；
- 就重新委任外部核數師事宜，向董事會提出建議；
- 檢討外部核數師的獨立性、客觀性和核數程序的效益；
- 檢討並監察本公司的財務報表、年報和中期報告以及年度和中期業績公佈的完整性；
- 就審核、內部監控、風險管理和財務報告事項，於建議董事會予以批准前進行討論；及
- 檢討本公司設定的有關本公司僱員可秘密就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注的安排。

All issues raised by the external auditors and the Audit Committee have been addressed by the senior management. The work and findings of the Audit Committee have been reported to the Board. During the year, no issues brought to the attention of the senior management and the Board were of sufficient significance for disclosure in the annual report.

Other than the reporting responsibilities of the Company's auditors (please refer to the independent auditors' report set out on pages 92 to 93), the Directors acknowledge their responsibility for preparing the financial statements of the Group and the Company which give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2013 and the profit and cash flows of the Group for the year then ended.

Internal Control

The Board is responsible for maintaining an established and effective internal control system, to safeguard the assets of the Group and the interest of shareholders, and for reviewing its effectiveness regularly. Aiming at strengthening the risk management culture of the Group and minimizing the impacts of the major risks on the business and earnings of the Group, the senior management of the Group meets to actively evaluate and review the significant risks to which the Group is exposed to and reports to the Board on a regular basis. The Group also appoints external consultants, when considered appropriate, to review the Group's internal control, working systems and workflows, as well as the management systems, and to make suggestions on system enhancement.

Besides strict implementation of a performance assessment system and training programs for its staff, the Group has in place a series of written working systems in respect of business, production, finance, legal compliance and administration aspects, to ensure the significant risks, to which the Group is exposed, are contained:

- Control environment – The Group has established defined organizational structures. Authority to operate various business functions is delegated to respective management within limits set by senior management of the headquarters or the executive Directors. The senior management meets on a regular basis to discuss and approve business strategies, plans and budgets prepared by individual business units. The performance of the Group is reported to the Board on a regular basis.

高級管理層已就外部核數師和審核委員會提出的所有問題作出回應。審核委員會的工作和結果已經向董事會匯報。本年度內，需要高級管理層和董事會注意的問題之重要性不足以在年報內作出有關披露。

董事知悉，除本公司核數師肩負呈報責任(請參閱第92至第93頁所載的獨立核數師報告)外，董事亦須負責編製本集團及本公司的財務報表。此等財務報表須真實、公允地反映本集團及本公司於二零一三年十二月三十一日的財政狀況及本集團截至該日止年度的盈利及現金流量。

內部監控

董事會有責任維持穩健而有效的內部監控機制，以保護本集團的資產及股東的權益，並定期檢討有關機制是否有效。本集團之高級管理層定期舉行會議，積極評估及檢討本集團面對之重大風險，旨在強化本集團之風險管理文化，盡量減低主要風險對本集團業務及盈利所帶來之影響，並會定期向董事會匯報情況。本集團也適時聘用外部顧問，以檢討本集團的內部監控、工作制度和流程，以及管理體系等方面，並提供優化系統的建議。

本集團已設立一系列就業務、生產、財務、法律及行政等方面的書面工作制度，以及對員工的表現實施嚴格考核制度及為員工提供培訓，以確保本集團面對的重大風險得以控制：

- 監控環境 – 本集團有清晰的組織架構，授權各管理層經營不同業務職能之權力，惟該權力乃受限於總部高級管理層或執行董事之限制。高級管理層定期討論及批核個別業務單位所編製之業務策略、計劃及預算，而本集團的表現將定期向董事會報告。

- Risk assessment – The Group identifies, assesses and ranks the risks that are most relevant to the Group’s business according to their likelihood, financial consequence and reputational impact on the Group.
 - Control activities – Policies and procedures are set for each business function, in which approvals, authorization, verification, recommendations, performance reviews, asset security and segregation of duties are included.
 - Information and communication – The Group’s working systems document operational procedures of all business units, as well as authorization and approval procedures for significant decision making.
 - Monitoring – The Group adopts a control and risk self-assessment methodology, continuously assessing and managing its business risks by way of assessment by the headquarters of the Group and each business unit on a regular basis, and communication of key control procedures to employees.
- 風險評估 – 本集團根據業務最相關的風險發生的可能性及該等風險對本集團之財務及信譽所造成的影響進行識別、評估及評級。
 - 監控活動 – 為各業務功能設定政策及程序，當中包括批文、認可、核證、建議、表現檢討、資產擔保及職責劃分。
 - 資訊及溝通 – 本集團的工作制度以書面形式列明所有業務單位的運作程序，以及重大決策的授權及批准程序。
 - 監察 – 本集團採用監控及風險自我評估方法，透過本集團總部及各業務單位定期進行的考核及向員工傳遞主要監控程序，以持續評估及管理其業務風險。

During the year ended 31 December 2013, the Board had examined the internal control system and reviewed the evaluation performed by the Audit Committee, the management and internal and external auditors, on the effectiveness of the internal control system of the Group. No significant areas of concerns were identified.

The Board also reviewed the adequacy of resources, qualifications and experience of staff of the Company’s accounting and financial reporting functions and their training programmes and budget and considered that they are adequate.

External Auditors

The Group’s independent external auditors are Ernst & Young. The Audit Committee is responsible for the appointment of the external auditors and reviewing the non-audit functions performed by the external auditors for the Group. In particular, the Committee will, prior to the execution of contract with external auditor and the commencement of their duties, consider whether the non-audit functions will result in any potential material conflict of interest.

截至二零一三年十二月三十一日止年度，董事會已審查內部監控系統，並已檢討了由審核委員會、管理層和內部及外部核數師執行有關本集團內部監控系統效能的評審。概無發現重大事宜。

董事會亦檢討了本公司負責會計及財務匯報職能方面的資源、員工的資歷及經驗、彼等的培訓計劃及預算等的足夠性，檢討後認為是足夠的。

外部核數師

本集團的獨立外部核數師為安永會計師事務所。審核委員會負責委聘外部核數師及審閱外部核數師為本集團進行的非核數工作。特別是該委員會將於與外部核數師簽訂合約及開始履行其職責前，考慮有關非核數工作會否導致出現任何潛在重大利益衝突。

Details of fees paid or payable to Ernst & Young for the year ended 31 December 2013 are as follows:

截至二零一三年十二月三十一日止年度支付或應支付予安永會計師事務所的費用詳情如下：

Services rendered	提供的服務	2013	2012
		二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元
Annual audit	年度審計	3,800	3,600
Interim review	中期審閱	600	580
Non-audit service	非審計服務		
Review on continuing connected transactions	審閱持續關連交易	40	40
Other professional services	其他專業服務	1,180	760
		5,620	4,980

The Board is satisfied with the audit fees, process and effectiveness of Ernst & Young and has recommended their reappointment as the Company's external auditors at the forthcoming annual general meeting.

董事會滿意安永會計師事務所的核數費用、程序及效益，並已建議在應屆股東週年大會續聘安永會計師事務所為本公司的外部核數師。

Strategy and Development Committee

The Company has established a Strategy and Development Committee on 27 August 2009. As at 31 December 2013, the Strategy and Development Committee comprised two executive Directors, Ms. Sun Yiping and Mr. Wu Jingshui, one non-executive Director, Mr. Ma Jianping and one independent non-executive Director, Mr. Jiao Shuge (alias Jiao Zhen). The Strategy and Development Committee is chaired by Mr. Ma Jianping.

戰略及發展委員會

本公司於二零零九年八月二十七日成立戰略及發展委員會，於二零一三年十二月三十一日，戰略及發展委員會由兩名執行董事（孫伊萍女士及吳景水先生）、一名非執行董事（馬建平先生）及一名獨立非執行董事（焦樹閣先生（又名焦震）先生）組成。馬建平先生擔任戰略及發展委員會主席。

The principal duties of the Strategy and Development Committee include drawing up long-term development strategies and significant investments on financing plans of the Company, proposing significant capital investment for operation projects, and conducting studies and making recommendations on important matters that would affect the development of the Company.

戰略及發展委員會的主要職責為草擬本公司長期發展策略及融資計劃的重大投資、就經營項目提出重大資本投資建議，並對影響本公司發展的重要事宜進行研究及作出建議。

The Strategy and Development Committee held two meetings during the year and one meeting since 1 January 2014 up to the date of this report to discuss mainly the long term development plans and feasibility of investment projects.

戰略及發展委員會於本年度舉行了兩次會議，並由二零一四年一月一日至本報告日期期間舉行了一次會議，主要討論長期發展計劃及投資項目的可行性。

Company Secretary

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary is responsible for facilitating the Board process, as well as communication among Board members, with shareholders of the Company (the "Shareholders") and management. For the year ended 31 December 2013, the Company Secretary has confirmed that he has taken no less than 15 hours of relevant professional trainings.

Constitutional Documents

During the year, there is no significant change in the Company's constitutional documents.

Directors' Securities Transactions

The Company has adopted, in terms no less exacting than, the standard required by the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the Company's code of conduct and rules governing dealings by all the Directors in the securities of the Company (the "Model Code"). Having made specific enquiry of all the Directors, the Company confirms that, during the year ended 31 December 2013, all the Directors have strictly complied with the Model Code.

Investor Relations and Communications

The Company adopts a proactive policy in promoting investor relations and communications. Regular meetings are held with institutional investors and financial analysts to ensure two-way communications on the Company's performance and development. When the Company announces its interim and annual results, briefings are conducted to apprise investors, analysts and the press of the Group's operating results as well as business strategies and outlook. Investor relations website is updated on a timely basis to ensure that investors are able to have access to the Company's information, latest news and reports.

The AGM and two EGM of the Company were held on 7 June 2013, 16 July 2013 and 20 March 2014, respectively. Due to unavoidable business engagements and other commitments outside of Hong Kong, certain Directors were unable to attend the AGM and the two EGM.

公司秘書

公司秘書為本公司全職僱員，了解本公司的日常事務。公司秘書負責安排董事會工作，以及促進董事會成員、與本公司股東（「股東」）及管理層之間的溝通。公司秘書確認，其於截至二零一三年十二月三十一日止年度已參加不少於15小時的相關專業培訓。

組織章程文件

本年內，本公司組織章程文件概無任何重大變動。

董事的證券交易

本公司已採納不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則之規定準則，作為規管本公司所有董事進行本公司證券交易的行為守則和規則（「標準守則」）。對所有董事作出特定查詢後，本公司確認所有董事於截至二零一三年十二月三十一日止年度一直嚴格遵守標準守則。

投資者關係及溝通

本公司採取積極政策推動投資者關係及增進溝通。本公司定期與機構投資者及財務分析員舉行會議，以確保就本公司的表現及發展維持雙向的溝通。當本公司宣佈中期及年度業績時，會以簡報會形式知會投資者、分析員及媒體有關本集團的營運業績和業務策略及展望。本集團會及時更新投資者關係網站，以確保投資者可查閱本公司的資訊、最新消息及報告。

本公司於二零一三年六月七日、二零一三年七月十六日及二零一四年三月二十日分別舉行股東週年大會及兩次股東特別大會。部分董事因不可避免的公務及其他香港境外的事務而未能出席股東週年大會及兩次股東特別大會。

The Directors were available in person for answering questions from shareholders and investors at the “Questions and Answers” session of the general meetings:

- (i) seven Directors (two executive Directors (including the Chief Executive Officer and Chief Financial Officer), two non-executive Directors and three independent non-executive Directors (including the chairman of the Audit Committee)) attended the AGM held on 7 June 2013;
- (ii) two Directors (1 executive Director (the Chief Executive Officer) and 1 non-executive Director) attended the EGM held on 16 July 2013; and
- (iii) two Directors (1 executive Director (the Chief Executive Officer) and 1 independent non-executive Director (the chairman of the Audit Committee)) attended the EGM held on 20 March 2014.

Separate resolutions are proposed at general meetings for each substantially separate issue, including election of Directors. Poll voting has been adopted for decision-making at shareholders' meeting. Details of poll voting procedures were included in the circular dispatched to the shareholders of the Company. The circular also included relevant details of proposed resolutions and biographies of the Directors standing for election.

Shareholders' Rights

Convening of extraordinary general meeting on requisition by shareholders

According to the articles of association of the Company, any two or more shareholders of the Company or any one shareholder of the Company which is a recognized clearing house (or its nominee(s)) holding as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company shall have the right, by written requisition, to convene an extraordinary general meeting by depositing the written requisition at the principal office of the Company in Hong Kong at Suite 1602, 16th Floor, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong for the attention of the Company Secretary, specifying the objects of the meeting, the name(s) and contact details of the requisitionist(s) and signed by the requisitionist(s).

董事親身於股東大會「答問環節」解答股東及投資者的提問：

- (i) 七名董事(兩名執行董事(包括行政總裁及首席財務官)、兩名非執行董事及三名獨立非執行董事(包括審核委員會主席))已出席於二零一三年六月七日舉行之股東週年大會。
- (ii) 兩名董事(一名執行董事(行政總裁)及一名非執行董事)已出席於二零一三年七月十六日舉行之股東特別大會；及
- (iii) 兩名董事(一名執行董事(行政總裁)及一名獨立非執行董事(審核委員會主席))已出席於二零一四年三月二十日舉行之股東特別大會。

股東大會上就每一重要事項提呈獨立的決議案，包括董事選舉。股東大會上採用投票表決方式作出決策。有關投票表決程序的詳情列載於寄發予本公司股東的通函內。通函亦詳列有關提呈決議案的詳情及候選董事的履歷。

股東權利

應股東要求召開股東特別大會

根據本公司組織章程細則，於送達要求之日持有附帶本公司股東大會投票權的不少於十分之一繳足股本的本公司任何兩名或以上股東或本公司任何一名股東(為一間認可結算所(或其代理人))，有權提出書面要求召開股東特別大會。書面要求應送達本公司於香港的主要辦事處(地址：香港銅鑼灣告士打道262號鵬利中心16樓1602室)，並以公司秘書為收件人，當中須列明大會的目的、請求人的姓名及聯絡資料，並由請求人簽署。

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

Procedures for directing shareholders' enquiries to the Board

For enquiries to the Board, the shareholders of the Company may contact the Company Secretary at the Hong Kong office of the Company at Suite 1602, 16th Floor, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong or by email to info@mengniu.com. The Company will endeavor to respond to their queries in a timely manner. Shareholders may also make enquiries with the Directors at the general meetings of the Company.

In addition, the Shareholders can contact Computershare Hong Kong Investor Services Limited, the share registrar of the Company in Hong Kong, if they have any enquiries about their shareholdings and entitlements to dividend.

Procedures for putting forward proposals at general meetings by shareholders

A shareholder of the Company may, during the period commencing no earlier than the day after the despatch of the notice of any general meeting and ending no later than seven days prior to the date of such general meeting, give a notice in writing to the Nomination Committee of the Board of his/her intention to propose any person (other than himself/herself) for election to the office of a Director and a notice in writing signed by the person to be proposed of his/her willingness to be elected. Such notices shall be sent to Suite 1602, 16th Floor, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, for the attention of the Company Secretary, specifying the name and contact details of the shareholder putting forward the proposal for election of Director and the name and contact details of the person proposed to be elected.

Other than the above concerning a proposal of a person for election as Director, shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

倘董事會於送達要求之日起計21日內並無按既定程序在之後的21日內召開大會，則請求人自身或當中持有彼等全部投票權50%以上的任何請求人可按董事會召開大會的相同方式召開股東大會。惟按上述方式召開的任何大會不得於送達有關要求之日起計三個月屆滿後召開，且本公司須向請求人償付因應董事會未有召開大會而致使彼等須召開大會所合理產生的所有開支。

股東可向董事會提出查詢的程序

本公司股東如欲向董事會作出查詢，可聯絡本公司公司秘書，地址為香港銅鑼灣告士打道262號鵬利中心16樓1602室，或電郵至info@mengniu.com。本公司定當盡力及時回應他們的查詢。股東亦可於本公司股東大會上向董事查詢。

此外，股東如欲查詢其持股及獲派股息的權利，可聯絡本公司的香港股份過戶登記處香港中央證券登記有限公司。

股東在股東大會提出建議的程序

在不早於寄發任何股東大會通知翌日起至不遲於該股東大會舉行日期前七日止之期間內，本公司股東可向董事會提名委員會發出表明有意建議任何人士（不包括其本人）選舉董事的書面通知，及由該獲建議人士簽署表明願意獲選舉的通知。該等通知須送交香港銅鑼灣告士打道262號鵬利中心16樓1602室，以公司秘書為收件人，當中須列明提出選舉董事建議的股東之姓名及聯絡資料，以及獲建議選舉的人士之姓名及聯絡資料。

除上述有關選舉董事人士的建議外，股東亦可按上述程序就有關書面要求所註明的任何事項召開股東特別大會。

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the "Directors") presents its report together with the audited financial statements of the Company and the Group for the year ended 31 December 2013.

Principal Activities and Analysis of Operations

The principal activity of the Company is investment holding. The principal activities of the Group are manufacturing and distribution of quality dairy products including liquid milk products (such as UHT milk, milk beverages and yogurt), ice cream, milk formula and other dairy products (such as cheese) in China.

Particulars of the Company's subsidiaries are set out in note 23 to the financial statements.

The Group's revenue is derived principally from business activities in China. An analysis of the Group's performance for the year ended 31 December 2013 by business segments is set out in note 4 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2013 are set out in the consolidated statement of profit or loss on pages 94 to 95.

The Directors have recommended the payment of a final dividend of RMB0.2 (2012: RMB0.16) per share, amounting to approximately RMB367,053,000 (2012: RMB282,917,000) in total, to shareholders whose names appear on the register of members on Thursday, 12 June 2014.

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group and the Company during the year are set out in note 15 to the financial statements.

Reserves

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on pages 100 to 101 and note 41 to the financial statements. The Company's distributable reserves, calculated in accordance with statutory provisions applicable in the Company's place of incorporation, amounted to approximately RMB9,419,397,000 as at 31 December 2013 (2012: RMB8,003,854,000).

董事會(「董事會」)提呈其年度報告，連同本公司及本集團截至二零一三年十二月三十一日止年度的經審核財務報表。

主要業務及營運分析

本公司主要業務為投資控股。本集團的主要業務為在中國生產及銷售優質乳製品，包括液體奶產品(如超高溫滅菌奶(「UHT奶」)、乳飲料及酸奶)、冰淇淋、奶粉及其他乳製品(如奶酪等)。

本公司子公司的詳情載於財務報表附註23。

本集團的收入主要來自在中國的業務活動。本集團截至二零一三年十二月三十一日止年度按業務分部資料劃分的業績分析載於財務報表附註4。

業績及分配

本集團截至二零一三年十二月三十一日止年度的業績載於第94至95頁綜合損益表。

董事會建議向二零一四年六月十二日(星期四)名列股東名冊的股東派付期末股息每股人民幣0.2元(二零一二年：人民幣0.16元)，合共約人民幣367,053,000元(二零一二年：人民幣282,917,000元)。

物業、廠房及設備

本集團及本公司本年度物業、廠房及設備的變動詳情載於財務報表附註15。

儲備

本集團及本公司年內的儲備變動詳情載於第100至101頁綜合權益變動表及財務報表附註41。本公司於二零一三年十二月三十一日的可供分派儲備(根據本公司註冊成立地點適用的法定條文計算)約為人民幣9,419,397,000元(二零一二年：人民幣8,003,854,000元)。

Donations

Charitable and other donations made by the Group during the year amounted to approximately RMB18,634,000 (2012: RMB6,029,000).

Share Capital and Share Options

Details of movement in the Company's share capital and share options during the year are set out in notes 40 and 43 to the financial statements.

Directors

The Directors during the year ended 31 December 2013 were:

Executive Directors

Ms. SUN Yiping
Mr. BAI Ying
Mr. WU Jingshui#
Mr. DING Sheng (resigned on 1 September 2013)

Non-Executive Directors

Mr. NING Gaoning
Mr. YU Xubo
Mr. NIU Gensheng
Mr. MA Jianping#
Ms. LIU Ding (appointed on 10 January 2013)
Mr. Tim Ørting JØRGENSEN (resigned on 1 September 2013)

Mr. Finn S. HANSEN
Mr. Christian NEU (appointed on 1 September 2013)

Independent Non-Executive Directors

Mr. JIAO Shuge (alias JIAO Zhen)

Mr. Julian Juul WOLHARDT

Mr. LIU Fuchun#
Mr. ZHANG Xiaoya
Mr. XIE Tao (resigned on 1 April 2013)
Mr. Andrew Y. YAN# (appointed on 10 January 2013)
Mr. WU Kwok Keung Andrew (appointed on 1 April 2013)

Resignation with effect from 26 March 2014

捐款

本集團於年內捐獻約人民幣18,634,000元(二零一二年：人民幣6,029,000元)作為慈善及其他捐款。

股本及購股權

本公司年內股本及購股權變動的詳情載於財務報表附註40及43。

董事

於截至二零一三年十二月三十一日止年度內，董事如下：

執行董事

孫伊萍女士
白瑛先生
吳景水先生#
丁聖先生 (於二零一三年九月一日辭任)

非執行董事

寧高寧先生
于旭波先生
牛根生先生
馬建平先生#
柳丁女士 (於二零一三年一月十日獲委任)
Tim Ørting (於二零一三年九月一日辭任)
JØRGENSEN先生
Finn S. HANSEN先生
Christian NEU先生 (於二零一三年九月一日獲委任)

獨立非執行董事

焦樹閣
(亦稱焦震)先生
Julian Juul
WOLHARDT先生
劉福春先生#
張曉亞先生
謝韜先生 (於二零一三年四月一日辭任)
閻焱先生# (於二零一三年一月十日獲委任)
胡國強先生 (於二零一三年四月一日獲委任)

於二零一四年三月二十六日辭任

Subsequent to the end of the reporting period, Mr. Wu Jingshui resigned as an executive Director, Mr. Ma Jianping resigned as a non-executive Director and Mr. Andrew Y. Yan and Mr. Liu Fuchun resigned as independent non-executive Directors, all with effect from 26 March 2014. Dr. Liao Jianwen was appointed as an independent non-executive Director with effect from 26 March 2014.

In accordance with Article 112 of the Company's articles of association, Mr. Ning Gaoning, Mr. Yu Xubo and Mr. Zhang Xiaoya will retire by rotation and Mr. Christian Neu and Dr. Liao Jianwen will also retire in accordance with the Company's articles of association and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company considers that all the independent non-executive Directors are independent pursuant to the criteria set out in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and that a confirmation of independence has been received from each of them.

Biographical Details of Directors and Senior Management

Brief biographical details of the Directors and the senior management are set out on pages 48 to 57.

Directors' Service Contracts

No director proposed for re-election at the forthcoming annual general meeting has service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

於報告期末後，吳景水先生已辭任執行董事，馬建平先生已辭任為非執行董事，而閻焱先生及劉福春先生已辭任獨立非執行董事，均自二零一四年三月二十六日起生效。廖建文博士獲委任為獨立非執行董事，自二零一四年三月二十六日起生效。

根據本公司組織章程細則第112條，寧高寧先生、于旭波先生及張曉亞先生將會輪值告退，以及根據本公司組織章程細則，Christian Neu先生及廖建文博士亦將會告退，惟彼等符合資格及願意於應屆股東週年大會膺選連任。

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第3.13條所載之準則，本公司認為獨立非執行董事均為獨立人士，並已收到其有關獨立性的確認書。

董事及高級管理人員履歷詳情

董事及高級管理人員簡要履歷詳情載於第48頁至第57頁。

董事之服務合約

將於應屆股東週年大會提呈重選之董事概無與本公司簽訂不可由本公司於一年內免付補償（法定補償除外）予以終止之服務合約。

董事之合約權益

於年底時或年內任何時間，本公司或其任何子公司概無簽訂任何涉及本集團的業務而任何董事直接或間接在其中擁有重大權益之重大合約。

Directors' Interests, Long and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2013, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance) (the "SFO") as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (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 Listing Rules were as follows:

Long positions in the shares of the Company/Associated Corporation:

董事於股份、相關股份及債權證之權益、好倉及淡倉

於二零一三年十二月三十一日，本公司董事及主要行政人員於本公司及任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有已列入證券及期貨條例第352條規定存置的登記冊內之權益及淡倉，或如上市規則附錄十所載列，根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司和香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

本公司／相聯法團股份之好倉：

Name of Director 董事姓名	Company/Name of Associated Corporation 公司／相聯法團名稱	Nature of Interest 權益性質	Total Number of Ordinary Shares 普通股總數	Percentage of the Company's/ Associated Corporation's Issued Share Capital 佔本公司／相聯法團 已發行股本之百分比 (Note 1) (附註1)
Bai Ying 白瑛	The Company 本公司	Personal Interest 個人權益	603,209 (L)	0.03%
	Inner Mongolia Mengniu 內蒙蒙牛	Personal Interest 個人權益	448,201 (L)	0.03%

Note:

1. The total issued shares of the Company as at 31 December 2013 was 1,835,263,447.

(L) Indicates a long position.

Certain Directors of the Company have been granted options and restricted shares under the Company's share option scheme and restricted share award scheme, details of which are set out in the section "Share Option Scheme" and "Restricted Share Award Scheme", respectively below.

附註：

1. 於二零一三年十二月三十一日，本公司之已發行股份總數為1,835,263,447股。

(L) 表示好倉。

本公司若干董事根據本公司之購股權計劃及限制性股票獎勵計劃獲授購股權及限制性股票，詳情分別載於下文「購股權計劃」及「限制性股票獎勵計劃」。

Save as disclosed above, as at 31 December 2013, none of the Directors and the chief executive of the Company and their respective associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares

Apart from as disclosed under the headings "Directors' Interests, Long and Short Positions in Shares and Underlying Shares and Debentures" above and in the "Share Option Scheme" and "Restricted Share Award Scheme" below, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director, or his or her respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries, a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Substantial Shareholders' Interests

As at 31 December 2013, the interests or short positions of substantial shareholders, other than the Directors or the chief executive of the Company whose interests and short positions in the shares of the Company and of its associated corporations (within the meaning of Part XV of the SFO) are set out above, in the shares and underlying shares of the Company as recorded in the register required to be maintained under section 336 of the SFO were as follows:

除上文所披露者外，於二零一三年十二月三十一日，本公司各董事及主要行政人員及各自之聯繫人士於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中，概無擁有須登記在根據證券及期貨條例第352條規定存置的登記冊內，或根據標準守則須知會本公司和聯交所之權益及淡倉。

董事收購股份之權利

除於上文「董事於股份、相關股份及債權證之權益、好倉及淡倉」一節及下文「購股權計劃」及「限制性股票獎勵計劃」所披露者外，於年內任何時間，概無任何董事或其各自之配偶或未成年子女授出可藉收購本公司股份獲利之權利，而彼等並無行使任何有關權利，且本公司或其任何控股公司、子公司或同系子公司概無訂立任何安排，致使董事可獲得於任何其他法團實體之有關權利。

主要股東權益

於二零一三年十二月三十一日，根據證券及期貨條例第336條規定存置之登記冊所紀錄，主要股東(於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份中所擁有的權益及淡倉已於上文載列的本公司董事及主要行政人員除外)於本公司股份及相關股份中的權益或淡倉如下：

Name of Substantial Shareholder	主要股東姓名／名稱	Number of Ordinary Shares 普通股數目	Percentage of the Company's Issued Share Capital ⁽⁶⁾ 佔本公司已發行股本百分比 ⁽⁶⁾
COFCO Corporation	中糧集團有限公司	496,014,022 (L) ⁽¹⁾	27.03%
COFCO (Hong Kong) Limited	中糧集團(香港)有限公司	495,614,022 (L) ⁽²⁾⁽³⁾	27.01%
Farwill Limited	志遠有限公司	495,614,022 (L) ⁽³⁾	27.01%
COFCO Dairy Holdings Limited	中糧乳業控股有限公司	495,614,022 (L) ⁽³⁾⁽⁴⁾	27.01%
COFCO Dairy Investments Limited	中糧乳業投資有限公司	347,600,000 (L)	18.94%
Arla Foods Amba	Arla Foods amba	495,614,022 (L) ⁽³⁾	27.01%
Prominent Achiever Limited	互達有限公司	495,614,022 (L) ⁽³⁾	27.01%
Danone SA	Danone SA	495,614,022 (L) ⁽⁵⁾	27.01%
Danone Asia Pte Ltd	達能亞洲有限公司	495,614,022 (L) ⁽³⁾	27.01%
Commonwealth Bank of Australia	Commonwealth Bank of Australia	146,149,821 (L)	7.96%
JP Morgan Chase & Co	JP Morgan Chase & Co	93,748,201 (L)	5.11%
		500,000 (S)	0.03%
		88,418,630 (P)	4.82%

Notes:

- (1) COFCO Corporation is deemed interested in an aggregate of 496,014,022 shares in the Company, comprising (a) 495,614,022 shares in the Company through its wholly-owned subsidiary, COFCO (Hong Kong) Limited and (b) 400,000 shares in the Company through another of its wholly-owned subsidiary, COFCO (BVI) Limited. COFCO (BVI) Limited is deemed interested in 400,000 shares in the Company through its wholly-owned subsidiary, COFCO (BVI) No. 9 Limited.
- (2) COFCO (Hong Kong) Limited is deemed interested in 495,614,022 shares in the Company through its wholly-owned subsidiary, Farwill Limited.
- (3) Pursuant to various agreements dated 15 June 2012 and 28 June 2013 which constitute agreements under sections 317 and 318 of the SFO, COFCO (Hong Kong) Limited, Farwill Limited, COFCO Dairy Holdings Limited, Prominent Achiever Limited, Arla Foods Amba, Danone Asia Pte Ltd are deemed interested in an aggregate of 495,614,022 shares in the Company.
- (4) Of the 495,614,022 shares in the Company, COFCO Dairy Holdings Limited is deemed interested in 347,600,000 shares through its wholly-owned subsidiary, COFCO Dairy Investments Limited.
- (5) Danone SA is deemed interested in 495,614,022 shares in the Company through its 71.58% owned subsidiary, Danone Asia Pte Ltd.
- (6) The total issued shares of the Company as at 31 December 2013 was 1,835,263,447.
- (S) Indicates a short position.
- (L) Indicates a long position.
- (P) Indicates a put position.

Saved as disclosed above, as at 31 December 2013, no other interests or short position in the shares or underlying shares of the Company were recorded in the register maintained under Section 336 of the SFO.

附註：

- (1) 中糧集團有限公司被視為於本公司總共496,014,022股股份擁有權益，其中包括(a)透過其全資子公司中糧集團(香港)有限公司於本公司495,614,022股之股份及(b)透過其另一全資子公司COFCO (BVI) Limited於本公司400,000股之股份。COFCO (BVI) Limited被視為透過其全資子公司COFCO (BVI) No. 9 Limited於本公司400,000股股份中擁有權益。
- (2) 中糧集團(香港)有限公司被視為透過其全資子公司志遠有限公司於本公司495,614,022股股份中擁有權益。
- (3) 根據日期為二零一二年六月十五日及二零一三年六月二十八日之多份協議(構成證券及期貨條例第317及318條項下之協議)，中糧集團(香港)有限公司、志遠有限公司、中糧乳業控股有限公司、互達有限公司、Arla Foods Amba、達能亞洲有限公司合共被視為於495,614,022股本公司股份中擁有權益。
- (4) 本公司495,614,022股股份中，中糧乳業控股有限公司被視為透過其全資子公司中糧乳業投資有限公司於本公司347,600,000股股份中擁有權益。
- (5) Danone SA被視為透過其71.58%子公司達能亞洲有限公司於本公司495,614,022股股份中擁有權益。
- (6) 於二零一三年十二月三十一日，本公司的已發行股份總數為1,835,263,447股。
- (S) 表示淡倉。
- (L) 表示好倉。
- (P) 表示認沽倉盤。

除上文所披露者外，於二零一三年十二月三十一日，根據證券及期貨條例第336條規定存置之登記冊所示，概無任何其他於本公司股份或相關股份中之權益或淡倉。

Connected Transaction

On 12 February 2014, Danone Asia Pte Ltd (“Danone Asia”), COFCO Dairy Investments Limited (“COFCO Dairy Investments”) and the Company entered into a subscription agreement (the “Subscription Agreement”), pursuant to which the Company conditionally agreed to issue and allot 121,236,357 shares of the Company (the “Subscription Shares”) to COFCO Dairy Investments, a joint venture company which upon the completion of the subscription in accordance with the terms and conditions of the Subscription Agreement (the “Subscription Completion”) will be beneficially owned as to approximately 31.4% by Danone Asia, approximately 51.7% by COFCO (Hong Kong) Limited (“COFCO (HK)”) and approximately 16.9% by Arla Foods Amba (“Arla Foods”) (the “Subscription”). Following the Subscription Completion, Danone Asia’s effective interest in the Company will increase to approximately 9.9%. The subscription price was HK\$42.50 per Subscription Share. The total consideration of approximately HK\$5,153 million was payable to the Company in cash and financed in full by Danone Asia. The enhanced collaboration between the Company and Danone Asia on both shareholding and operation level would benefit the Company in securing its leading market position in the dairy industry in China and providing a better position for the Company to capitalize on future opportunities. Further, the proceeds raised from the Subscription were used to repay the loan taken out for the takeover of Yashili International Holdings Ltd which closed on 13 August 2013 and also part of any other indebtedness of the Company.

The issuance of the Subscription Shares was subject to approval of the shareholders of the Company. The relevant ordinary resolution was passed at the shareholders’ meeting of the Company on 20 March 2014.

COFCO Dairy Investments is a substantial shareholder of the Company and is therefore a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction for the Company. The Company confirms it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. As at the date of the Subscription Agreement, COFCO (HK), Arla Foods and Danone Asia, and parties acting in concert with any of them (the “Concert Group”) indirectly owns, controls and has directions over approximately 27.02% of the voting rights of the Company. Upon the Subscription Completion, the interests of the Concert Group increased from approximately 27.02% to approximately 31.54%.

For further details in the Subscription, please refer to the announcements of the Company dated 12 February 2014 and 20 March 2014, respectively, and the circular of the Company dated 5 March 2014.

關連交易

於二零一四年二月十二日，達能亞洲有限公司（「達能亞洲」）、中糧乳業投資有限公司（「中糧乳業投資」）及本公司訂立認購協議（「認購協議」）。據此，本公司有條件地同意發行及配發121,236,357股本公司股份（「認購股份」）予中糧乳業投資。該公司為合營公司，於根據認購協議的條款完成認購（「認購完成」）後，將由達能亞洲擁有約31.4%、中糧集團（香港）有限公司（「中糧集團（香港）」）擁有約51.7%及Arla Foods Amba（「Arla Foods」）擁有約16.9%（「認購」）。認購完成後，達能亞洲實際擁有之本公司權益將增至約9.9%。認購價為每股認購股份42.50港元。總對價約5,153百萬港元，將悉數由達能亞洲以現金支付。本公司與達能亞洲之間在股權和運營層面加強合作，將有利於本公司保持其在中國乳製品行業的領先地位，同時為本公司充分利用未來機遇提供更有利的條件。另外，認購獲得的收益將用於償還收購雅士利國際控股有限公司（已於二零一三年八月十三日完結）而借入的貸款及本公司部份任何其他貸款。

發行認購股份須待本公司股東批准後方可作實。有關普通決議案已於二零一四年三月二十日舉行的本公司股東大會上通過。

中糧乳業投資為本公司主要股東，因此為本公司之關連人士。據此，認購構成本公司之關連交易。本公司確認其已遵守上市規則第14A章之披露要求。於認購協議日期，中糧集團（香港）、Arla Foods及達能亞洲，以及彼等任何一致行動人士（「一致行動集團」）間接擁有、控制及主導本公司超過約27.02%的投票權。認購完成後，一致行動集團的權益將由約27.02%增至約31.54%。

關於認購事項的更多詳情，請分別參閱本公司日期為二零一四年二月十二日及二零一四年三月二十日之公告，以及本公司日期為二零一四年三月五日之通函。

Continuing Connected Transaction

On 20 February 2012 the Company entered into a new Master Sale and Purchase Agreement with COFCO Corporation, a substantial shareholder of the Company holding approximately 27.03% in the shares of the Company as at 31 December 2013 and therefore a connected person of the Company, pursuant to which the Group will continue to, subject to the Group's regular review and at the Group's option, purchase white sugar, edible oil, other raw materials and related products from COFCO Corporation, its subsidiaries and certain associated companies (collectively "COFCO Corporation Group Companies") for a term commencing from 20 January 2012 to 31 December 2014.

The transactions under the new Master Sale and Purchase Agreement constituted continuing connected transactions of the Group. The annual transaction amount under the new Master Sale and Purchase Agreement for the year ended 31 December 2012 and each of the two years ending 2014 was/is not expected to exceed RMB600,000,000.

For the year ended 31 December 2013, the total amount paid/payable by the Group to the COFCO Corporation Group Companies for the purchase of white sugar, edible oil, other raw materials and related products was approximately RMB325,155,000.

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

持續關連交易

於二零一二年二月二十日，本公司與中糧集團有限公司（為於二零一三年十二月三十一日在本公司的股份中持有約27.03%權益的主要股東，故此為本公司的關連人士）訂立新總購銷協議。據此，在本集團定期檢討及本集團有權選擇之情況下，由二零一二年一月二十日至二零一四年十二月三十一日期間，本集團繼續從中糧集團有限公司、其子公司及其若干聯營公司（統稱「中糧集團公司」）購入白砂糖、食用油、其他原料及相關產品。

新總購銷協議項下的交易構成本集團的持續關連交易。新總購銷協議於截至二零一二年十二月三十一日止年度及截至二零一四年止兩年每一年之交易額按每年計算並無超過／預期不超過人民幣600,000,000元。

截至二零一三年十二月三十一日止年度，本集團就購入白砂糖、食用油、其他原料及相關產品已付／應付中糧集團公司之總金額約為人民幣325,155,000元。

本公司獨立非執行董事已審閱上文所載之持續關連交易，並已確認該等持續關連交易乃(i)於本集團日常及一般業務過程中進行；(ii)按正常商業條款或不遜於本集團向獨立第三方提供或獲獨立第三方提供之條款而進行；及(iii)根據規管上述交易的相關協議條款進行，而該等條款屬公平、合理，並符合本公司股東之整體利益。本公司確認其已遵守上市規則第14A章的披露規定。

Ernst & Young, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Hong Kong Stock Exchange.

Bond Issue

On 21 November 2013, the Company entered into a subscription agreement with Standard Chartered Bank, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited and Barclays Bank PLC, in connection with the issue of bonds due in 2018 in the principal amount of US\$500,000,000 by the Company (the "Bonds"). The offer price of the Bonds was 99.456% of the principal amount of the Bonds. The Bonds will bear interest from and including 27 November 2013 at the rate of 3.50% per annum, payable semi-annually in arrear.

The Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Company which will at all times rank at least pari passu without preference among themselves and rank at least equally with the other present and future unsecured and unsubordinated obligations of the Company.

The issue of the Bonds (the "Bond Issue") was only offered outside the United States in compliance with Regulation S under the United States Securities Act of 1933 (as amended). None of the Bonds were offered to the public in Hong Kong and none of the Bonds were placed to any connected parties of the Company.

The estimated net proceeds of the Bonds Issue, after deduction of the underwriting discounts and commission and other estimated expenses, amounted to approximately US\$493 million. The Company used the net proceeds to refinance outstanding indebtedness of the Group.

For further details on the Bond Issue, please refer to the announcement of the Company dated 22 November 2013.

本公司之核數師—安永會計師事務所獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號「對過往財務資料進行審核或審閱以外的核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，對本集團的持續關連交易進行報告。安永會計師事務所已根據上市規則第14A.38條發出無保留意見函，當中載有彼等就本集團於上文披露之持續關連交易之發現及結論。本公司已向香港聯交所提供核數師函之副本。

債券發行

於二零一三年十一月二十一日，本公司與渣打銀行、德意志銀行新加坡分行、香港上海滙豐銀行有限公司及Barclays Bank PLC訂立認購協議，以發行二零一八年到期本金額為500,000,000美元之債券（「債券」）。債券發售價為債券本金額之99.456%。債券將由二零一三年十一月二十七日（包括該日）起按年利率3.50%計息，利息每半年於期末支付。

債券將構成本公司的直接、無條件、非從屬及無抵押責任，債券之間於任何時間均享有同等權益及無任何優先權，並最少與本公司其他目前及日後無抵押及非從屬責任享有同等地位。

債券發行（「債券發行」）已遵照1933年美國證券法（經修訂）S規例，僅會在美國境外提呈發售。債券未向香港公眾人士提呈發售，亦不配售予本公司任何關連人士。

債券發行之估計所得款項淨額（於扣除包銷折扣及佣金及其他估計開支後），將約為493百萬美元。本公司將使用所得款項淨額用作償還本集團的未償還債務。

關於債券發行的更多詳情，請參閱本公司日期為二零一三年十一月二十二日的公告。

Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The following share options were outstanding under the Scheme during the year.

購股權計劃

本公司採納一項購股權計劃(「計劃」)，藉此向對本集團業務成功有貢獻之合資格參與者作出鼓勵及獎賞。年內，計劃內尚未行使之購股權如下。

Name or Category of Participant 參與者姓名或類別	As at 1 January 2013 於二零一三年 一月一日	Granted during the year 年內授出	Exercised during the year ⁽²⁾ 年內行使 ⁽²⁾	Lapsed during the year 年內失效	As at 31 December 2013 於二零一三年 十二月三十一日	Date of grant of share options 授出購股權日期	Exercise period of share options (both dates inclusive) ⁽¹⁾ 購股權行使期間 (包括首尾兩天) ⁽¹⁾	Exercise price of share options 購股權行使價 HK\$ 港元
Executive Directors								
執行董事								
Bai Ying 白瑛	1,840,000	-	(1,840,000)	-	-	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	3,210,000	-	(1,095,000)	(1,284,000)	831,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
	3,200,000	-	-	-	3,200,000	10.10.2011 二零一一年 十月十日	10.10.2015 to 9.10.2018 二零一五年十月十日 二零一八年十月九日	24.10
Wu Jingshui [#] 吳景水 [#]	1,100,000	-	(1,100,000)	-	-	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	1,500,000	-	(900,000)	(600,000)	-	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
	2,400,000	-	-	-	2,400,000	10.10.2011 二零一一年 十月十日	10.10.2015 to 9.10.2018 二零一五年十月十日 二零一八年十月九日	24.10

Name or Category of Participant 參與者姓名或類別	As at 1 January 2013 於二零一三年 一月一日	Granted during the year 年內授出	Exercised during the year ⁽²⁾ 年內行使 ⁽²⁾	Lapsed during the year 年內失效	As at 31 December 2013 於二零一三年 十二月三十一日	Date of grant of share options 授出購股權日期	Exercise period of share options (both dates inclusive) ⁽¹⁾ 購股權行使期間 (包括首尾兩天) ⁽¹⁾	Exercise price of share options 購股權行使價 HK\$ 港元
Employees in Aggregate 僱員總計	34,350,904	-	(33,968,601)	-	382,303	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	63,587,395	-	(27,553,134)	(33,173,009)	2,861,252	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
	4,070,000	-	(574,000)	(2,308,000)	1,188,000	6.12.2010 二零一零年 十二月六日	6.12.2012 to 5.12.2016 二零一二年十二月六日至 二零一六年十二月五日	22.80
	47,400,000	-	-	(8,900,000)	38,500,000	10.10.2011 二零一一年 十月十日	10.10.2015 to 9.10.2018 二零一五年十月十日 二零一八年十月九日	24.10
	162,658,299	-	(67,030,735)	(46,265,009)	49,362,555			

Resignation with effect from 26 March 2014

於二零一四年三月二十六日辭任

Notes:

附註：

- The exercise period of the share options granted commences after a certain vesting period and the fulfilment of certain performance targets, and ends on a date which is no later than seven years from the date of grant of such options. Further details of the Scheme are set out in note 43 to the financial statements.
- The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$26.35.
- As at the date of this report, the total number of the Company's shares available for issue under the Scheme (excluding the share options granted but not yet to be exercised) is 76,306,210 shares, which represented approximately 4.16% of the Company's shares in issue as at that date.

- 該等購股權之行使期由若干歸屬期及達成若干表現目標後開始生效，直至授出該等購股權日期起不超過七年當日為止。有關計劃的進一步詳情載於財務報表附註43。
- 本公司股份緊接購股權獲行使日期前之加權平均收市價為26.35港元。
- 於本報告日期，根據計劃本公司可供發行股份總數（不包括已授出但尚未行使之購股權）為76,306,210股股份，相當於本公司於該日期已發行股份約4.16%。

The values of share options calculated using the binomial model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty related to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. Details of the valuation are set out in note 43 to the financial statements.

購股權之價值採用二項計價模式計算，但由於模式所採納的多項未來表現假設所存在的主觀性及不肯定因素，以及模式本身之若干內在限制，故此計算方法受到某些基本限制。有關估值詳情載於財務報表附註43。

The value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.

Restricted Share Award Scheme

The Board resolved on 26 March 2013 (the "Adoption Date") to adopt a restricted share award scheme (the "Scheme"), pursuant to which existing shares of the Company will be purchased by the professional trustee(s) (which is/are independent of and not connected with the Company) to be appointed by the Company for the administration of the Scheme (the "Trustee(s)") from the market out of cash contributed by the Group and be held in trust for selected participants (selected individual being a director (including executive and non-executive director), employee, officer, agent or consultant of the Company or any of its subsidiaries) until such shares are vested with the relevant selected participants in accordance with the provisions of the Scheme.

Pursuant to the Scheme Rules, restricted shares held by the Trustee(s) upon the trust(s) and which are referable to a selected participant shall not vest in the selected participant if, amongst others, the selected participant has been terminated by the Company or any subsidiary of the Company because of, amongst others, (i) dishonesty or serious misconduct; (ii) incompetence or negligence in the performance of his duties; (iii) becoming bankrupt; and (iv) being convicted for any criminal offence involving his integrity or honesty.

The Scheme shall be valid and effective from the Adoption Date until the later of (i) the 5th anniversary of the Adoption Date (namely 26 March 2018); and (ii) the date on which the audited financial results of the Company for the year ended 31 December 2017 are published in accordance with the Listing Rules. The termination shall not affect any subsisting rights of any selected participant thereunder and the Scheme can be terminated and extended by a resolution of the Board.

As at 31 December 2013, the aggregate number of restricted shares of the Company granted to selected participants was 17,569,400, of which 8,425,800 restricted shares were granted to Ms. Sun Yiping, the Chief Executive Officer and Executive Director of the Company.

購股權價值隨著若干主觀假設之不同變數而變動。所使用變數之任何變動或會對購股權之估計公允值造成重大影響。

限制性股票獎勵計劃

董事會於二零一三年三月二十六日(「採納日期」)採納限制性股票獎勵計劃(「計劃」)。據此，本公司現有股份將由本公司就管理計劃而將委任的專業受託人(「受託人」)(獨立於本公司及與本公司概無關連)將動用本集團提供的現金，從市場購入本公司現有股份，並以信託方式為相關的獲選對象(獲選人士指本公司或其任何子公司之董事(包括執行及非執行董事)、僱員、高級職員、代理或顧問)持有，直至該等股份按照激勵計劃的規定歸屬相關的獲選對象為止。

根據《計劃規則》，如果獲選對象因為(其中包括)：(i)不誠實行為或嚴重過失行為；(ii)無力履行職責或疏忽職守；(iii)破產；及(iv)觸犯涉及個人誠信或誠實的刑事罪行，而被本公司或其任何子公司解僱的，受託人以信託所持並與獲選對象相關的限制性股票不得歸屬獲選對象。

計劃將自採納日起生效，有效期為：(i)採納日期的第五個周年(即二零一八年三月二十六日)；及(ii)本公司根據《上市規則》發表截至二零一七年十二月三十一日止年度全年經審核財務業績的日期(以較後者為準)。計劃，若終止，亦不影響計劃的任何獲選對象的任何有效權利。董事會可通過決議案終止或延展計劃。

於二零一三年十二月三十一日，已授予獲選對象的本公司限制性股票總數為17,569,400股，其中8,425,800股限制性股票授予本公司行政總裁兼執行董事孫伊萍女士。

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to its existing shareholders.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2013, except that the trustee of the Restricted Share Award Scheme, pursuant to the rules of the Scheme, purchased on the open market a total of 16,215,000 the Company's listed securities at a total consideration at about RMB394.1 million.

Public Float

As at the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Customers and Suppliers

The percentage of purchases attributable to the five largest suppliers of the Group combined was less than 30% of the total purchases of the Group.

The percentage of revenue attributable to the five largest customers of the Group combined was less than 30% of the total revenue of the Group.

Pledge of Assets

As at 31 December 2013, the Group has pledged certain bank deposits, bills receivable, land use rights and certain property, plant and equipment aggregating to approximately RMB1,104,144,000 (2012: RMB347,306,000). Details are set out in the respective notes to the financial statements. In addition, the Group has pledged an aggregate of 2,420,906,271 shares in a listed subsidiary to secure bank loans.

優先認購權

本公司之組織章程細則或開曼群島法例並無訂出任何有關本公司須向現有股東按比例發售新股的優先認購權規定。

購買、出售或贖回本公司上市證券

除限制性股票獎勵計劃的受託人根據該計劃的規則，以總代價約人民幣3.941億元在公開市場購入合共16,215,000股本公司上市證券外，本公司或其任何附屬公司於截至二零一三年十二月三十一日止年度內概無購買、贖回或出售本公司任何上市證券。

公眾持股量

基於公開予本公司查閱的資料及據董事所知悉，於本報告日，本公司已維持上市規則所訂明的公眾持股量。

管理合約

本公司於年內概無訂立或存在牽涉本公司整體業務或任何重大業務部分的管理及行政合約。

主要客戶及供應商

本集團五大供應商合共應佔的採購百分比不足本集團總採購額的30%。

本集團五大客戶合共應佔的收入百分比不足本集團收入總額的30%。

資產抵押

於二零一三年十二月三十一日，本集團已抵押之若干銀行存款、應收票據、土地使用權及若干物業、廠房及設備合共約人民幣1,104,144,000元(二零一二年：人民幣347,306,000元)。有關詳情載於財務報表相關附註。此外，本集團已抵押一間上市子公司合共2,420,906,271股股份，以獲得銀行貸款。

Contingent Liabilities and Commitments

Details of contingent liabilities and commitments are set out in notes 46 and 49, respectively, to the financial statements.

Financial Summary

A summary of the results for the year and of the assets and liabilities of the Group as at 31 December 2013 and for the previous four financial periods are set out on pages 283 to 284.

Corporate Governance

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 60 to 75.

Auditors

The financial statements have been audited by Ernst & Young. A resolution for the re-appointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board of Directors

Sun Yiping

Chief Executive Officer

Hong Kong, 25 March 2014

或然負債及承諾

有關或然負債及承諾的詳情分別載於財務報表附註46及49。

財務概要

本集團於二零一三年十二月三十一日及過去四個財政年度期間的年度業績及資產負債概要載於第283頁至284頁。

企業管治

本公司的企業管治原則及慣例載於第60頁至第75頁所載的企業管治報告內。

核數師

財務報表已由安永會計師事務所審核。應屆股東週年大會將提呈決議案，續聘安永會計師事務所為本公司核數師。

承董事會命

孫伊萍

總裁

香港，二零一四年三月二十五日

CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Ms. SUN Yiping (<i>Chief Executive Officer</i>)	
Mr. BAI Ying	
Mr. WU Jingshui	(resigned on 26 March 2014)
Mr. DING Sheng	(resigned on 1 September 2013)

Non-Executive Directors

Mr. NING Gaoning (<i>Chairman</i>)	
Mr. YU Xubo (<i>Vice-Chairman</i>)	
Mr. NIU Gensheng	
Mr. MA Jianping	(resigned on 26 March 2014)
Ms. LIU Ding (<i>Vice-Chairwoman</i>)	(appointed on 10 January 2013)
Mr. Tim Ørting JØRGENSEN	(resigned on 1 September 2013)
Mr. Finn S. HANSEN	
Mr. Christian NEU	(appointed on 1 September 2013)

Independent Non-Executive Directors

Mr. JIAO Shuge (alias JIAO Zhen) (<i>Vice-Chairman</i>)	
Mr. Julian Juul WOLHARDT	
Mr. LIU Fuchun	(resigned on 26 March 2014)
Mr. ZHANG Xiaoya	
Mr. XIE Tao	(resigned on 1 April 2013)
Mr. Andrew Y. YAN	(appointed on 10 January 2013 and resigned on 26 March 2014)
Mr. WU Kwok Keung Andrew	(appointed on 1 April 2013)
Dr. LIAO Jianwen	(appointed on 26 March 2014)

Senior Management

Mr. LU Jianjun	
Mr. YAO Haitao	
Mr. LIU Shengli	
Mr. Jesper Fournaise COLDING	
Ms. WU Wennan, Bessie	
Ms. ZHAI Mei	
Mr. WANG Yansong	
Mr. KWOK Wai Cheong, Chris (<i>Qualified Accountant & Company Secretary</i>)	

Stock Code

Hong Kong Stock Exchange 2319

董事會

執行董事

孫伊萍女士 (<i>總裁</i>)	
白瑛先生	
吳景水先生	(於二零一四年三月二十六日辭任)
丁聖先生	(於二零一三年九月一日辭任)

非執行董事

寧高寧先生 (<i>主席</i>)	
于旭波先生 (<i>副主席</i>)	
牛根生先生	
馬建平先生	(於二零一四年三月二十六日辭任)
柳丁女士 (<i>副主席</i>)	(於二零一三年一月十日獲委任)
Tim Ørting JØRGENSEN 先生	(於二零一三年九月一日辭任)
Finn S. HANSEN 先生	
Christian NEU	(於二零一三年九月一日獲委任)

獨立非執行董事

焦樹閣 (又名焦震) 先生 (<i>副主席</i>)	
Julian Juul WOLHARDT 先生	
劉福春先生	(於二零一四年三月二十六日辭任)
張曉亞先生	
謝韜先生	(於二零一三年四月一日辭任)
閻焱先生	(於二零一三年一月十日獲委任，於二零一四年三月二十六日辭任)
胡國強先生	(於二零一三年四月一日獲委任)
廖建文博士	(於二零一四年三月二十六日獲委任)

高級管理層

盧建軍先生	
姚海濤先生	
劉勝利先生	
Jesper Fournaise COLDING 先生	
吳文楠女士	
翟媚女士	
王豔松先生	
郭偉昌先生 (<i>合資格會計師及公司秘書</i>)	

股份代號

香港聯合交易所2319

Investor Relations Contact

Ms. WU Wennan, Bessie
29th Floor, Block A, IFC
No. 8A Jianguomenwai Avenue
Chaoyang District
Beijing, China
Email: info@mengniuir.com
Website: www.mengniuir.com

Place of Business in Hong Kong

Suite 1602, 16th Floor, Top Glory Tower
262 Gloucester Road, Causeway Bay
Hong Kong

Registered Office

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Share Registrar

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
46th Floor, Hopewell Center
183 Queen's Road East, Wanchai
Hong Kong

Legal Advisors

As to Hong Kong Law
Sullivan & Cromwell
Norton Rose Fulbright Hong Kong

As to Cayman Islands Law
Maples and Calder Asia

Principal Bankers

Agricultural Bank of China
Bank of China
BNP Paribas
Industrial Commercial Bank of China
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

Auditors

Ernst & Young

Investor Relations Consultant

Strategic Financial Relations (China) Limited

投資者關係聯絡人

吳文楠女士
中國北京朝陽區
建國門外大街甲8號
國際財源中心
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電郵地址：info@mengniuir.com
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香港營業地點

香港
銅鑼灣告士打道262號
鵬利中心16樓1602室

註冊辦事處

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

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46樓

法律顧問

香港法律
蘇利文·克倫威爾
諾頓羅氏富布萊特香港

開曼群島法律
Maples and Calder Asia

主要往來銀行

中國農業銀行
中國銀行
法國巴黎銀行
中國工商銀行
渣打銀行
香港上海滙豐銀行有限公司

核數師

安永會計師事務所

投資者關係顧問

縱橫財經公關顧問(中國)有限公司

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



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To the shareholders of China Mengniu Dairy Company Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 94 to 282, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致：中國蒙牛乳業有限公司全體股東
(於開曼群島註冊成立之有限公司)

我們已完成審核中國蒙牛乳業有限公司(「貴公司」)及其子公司(統稱「貴集團」)刊於第94至282頁的綜合財務報表，包括於二零一三年十二月三十一日的綜合及公司財務狀況表、截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他解釋資料。

董事對綜合財務報表的責任

貴公司董事須遵照國際會計準則委員會頒佈的國際財務報告準則以及香港公司法的披露規定，負責編製作出真實而公允反映的綜合財務報表，並落實董事認為就編製並無重大錯誤陳述(不論其由欺詐或錯誤引起)的綜合財務報表而言屬必要的內部監控。

核數師的責任

我們則負責根據我們的審核結果對綜合財務報表發表意見。本報告僅為全體股東編製，並不能作其他用途。我們概不會就本報告內容對任何其他人士承擔或接受任何責任。

我們按照香港會計師公會頒佈的香港核數準則進行審核工作。該等準則要求我們遵守道德規範，策劃和進行審核工作以合理確定該等綜合財務報表是否不存在重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants

Hong Kong
25 March 2014

審核範圍包括進程序以取得與綜合財務報表所載數額及披露事項有關的審核憑證。選用之程序須視乎核數師的判斷，包括評估綜合財務報表的重大錯誤陳述(不論由欺詐或錯誤引起)的風險。在作出該等風險評估時，核數師將考慮與公司編製作出真實而公允反映的綜合財務報表有關的內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策的恰當性，董事所作會計估算的合理性，並就綜合財務報表的整體呈列方式作出評估。

我們相信，就得出審核意見而言，我們所獲審核憑證屬充分而恰當。

意見

我們認為，綜合財務報表符合國際財務報告準則且能真實公允地反映 貴公司及 貴集團於二零一三年十二月三十一日的財務狀況以及 貴集團截至該日止年度的利潤和現金流量狀況，並已按照香港公司法的披露規定妥為編製。

安永會計師事務所
執業會計師

香港
二零一四年三月二十五日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收入	5	43,356,908	35,999,990
Cost of sales	銷售成本		(31,659,663)	(27,049,992)
GROSS PROFIT	毛利		11,697,245	8,949,998
Other income and gains	其他收入及收益	5	288,633	249,195
Selling and distribution expenses	銷售及經銷費用		(8,168,238)	(6,222,749)
Administrative expenses	行政費用		(1,605,791)	(1,174,851)
Other expenses	其他費用	6	(360,125)	(193,811)
PROFIT FROM OPERATING ACTIVITIES	經營業務利潤		1,851,724	1,607,782
Interest income	利息收入		359,295	218,148
Finance costs	融資成本	10	(160,377)	(39,159)
Share of profits and losses of:	應佔以下利潤及虧損：			
A joint venture	一間合營企業	24	–	(66,763)
Associates	聯營公司	25	153,861	13,855
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	來自持續經營業務之稅前利潤	7	2,204,503	1,733,863
Income tax expense	所得稅支出	11	(366,713)	(245,476)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	來自持續經營業務之本年利潤		1,837,790	1,488,387
DISCONTINUED OPERATIONS	已終止經營業務			
Profit for the year from discontinued operations	來自已終止經營業務之本年利潤	12	24,198	429
PROFIT FOR THE YEAR	本年利潤		1,861,988	1,488,816
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		1,630,925	1,303,101
Non-controlling interests	非控股股東權益		231,063	185,715
			1,861,988	1,488,816

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (EXPRESSED IN RMB PER SHARE)	本公司普通股擁有人應佔每股盈利(以每股人民幣元計)	14		
Basic	基本			
– For profit for the year	– 本年利潤		0.904	0.737
– For profit from continuing operations	– 來自持續經營業務之利潤		0.891	0.737
Diluted	攤薄			
– For profit for the year	– 本年利潤		0.896	0.737
– For profit from continuing operations	– 來自持續經營業務之利潤		0.883	0.737

Details of the dividends payable and proposed for the year are disclosed in note 13 to the financial statements.

本年應付及建議派付股息的詳情於財務報表附註13披露。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
PROFIT FOR THE YEAR	本年利潤		1,861,988	1,488,816
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益/(虧損)			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	其後期間重新分類至損益的其他全面收益/(虧損)			
Available-for-sale investments:	可供出售投資：			
Reversal of changes in fair value	公允值變動回撥	28(b)	(98,334)	–
Changes in fair value	公允值變動	28(a)	(67,347)	61,504
Income tax effect	所得稅的影響	28(b)	33,051	(10,221)
			(132,630)	51,283
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額		(46,350)	474
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	其後期間重新分類至損益的其他全面收益/(虧損)淨額		(178,980)	51,757
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	其後期間不會重新分類至損益的其他全面收益淨額		–	–
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	年度其他全面收益/(虧損)，扣除稅項		(178,980)	51,757
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年度全面收益總額		1,683,008	1,540,573
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		1,458,979	1,352,801
Non-controlling interests	非控股股東		224,029	187,772
			1,683,008	1,540,573

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 Restated (經重述)	1 January 2012 於二零一二年 一月一日 RMB'000 人民幣千元 Restated (經重述)
		Notes 附註			
NON-CURRENT ASSETS	非流動資產				
Property, plant and equipment	物業、廠房及設備	15	9,246,109	7,739,259	6,635,921
Construction in progress	在建工程	16	1,275,875	596,812	886,674
Investment properties	投資物業	17	115,816	-	-
Land use rights	土地使用權	18	1,048,813	801,191	578,604
Goodwill	商譽	19	5,694,938	482,436	482,436
Other intangible assets	其他無形資產	20	1,612,293	224,228	223,442
Investments in a joint venture	於一間合資企業的投資	24	-	-	66,763
Investments in associates	於聯營公司的投資	25	2,843,155	77,921	153,352
Deferred tax assets	遞延所得稅資產	26	155,739	72,093	66,749
Biological assets	生物資產	27	36,707	211,686	-
Non-current financial assets	非流動金融資產	28	1,699,666	563,309	365,167
Long term prepayments	長期預付款	31	289,145	299,947	243,942
			24,018,256	11,068,882	9,703,050
CURRENT ASSETS	流動資產				
Other current financial assets	其他流動金融資產	28	1,744,747	441,377	148,711
Inventories	存貨	29	2,577,078	1,362,673	1,643,290
Trade and bills receivables	應收賬款及票據	30	754,265	855,708	810,391
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	31	2,485,297	1,383,611	1,034,538
Pledged deposits	保證金存款	32	561,709	51,602	174,430
Cash and bank balances	現金及銀行結存	32	7,101,580	5,752,041	6,485,269
			15,224,676	9,847,012	10,296,629
Assets of disposal groups classified as held for sale	分類為持有待售的處置組內資產	12	1,096,464	-	-
			16,321,140	9,847,012	10,296,629

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			31 December 2013	31 December 2012	1 January 2012
			於二零一三年 十二月三十一日	於二零一二年 十二月三十一日	於二零一二年 一月一日
		Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
				Restated (經重述)	Restated (經重述)
CURRENT LIABILITIES	流動負債				
Trade and bills payables	應付賬款及票據	33	4,761,298	3,629,460	3,653,349
Other payables and accruals	其他應付款項及 預提費用	34	4,354,840	2,550,911	2,727,161
Interest-bearing bank and other borrowings	計息銀行及 其他借貸	35	8,461,506	573,777	402,075
Other loans	其他貸款	36	92,565	24,915	119,094
Deferred income	遞延收益	38	19,389	19,056	18,912
Income tax payable	應付所得稅		170,483	58,426	103,228
			17,860,081	6,856,545	7,023,819
Liabilities directly associated with the assets classified as held for sale	與分類為持有待售的 資產直接相關的負債	12	203,250	-	-
			18,063,331	6,856,545	7,023,819
NET CURRENT ASSETS/(LIABILITIES)	淨流動資產/(負債)		(1,742,191)	2,990,467	3,272,810
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		22,276,065	14,059,349	12,975,860
NON-CURRENT LIABILITIES	非流動負債				
Interest-bearing bank and other borrowings	計息銀行及 其他借貸	35	3,235,535	-	-
Long term payables	長期應付款項	37	100,678	144,593	188,739
Deferred income	遞延收益	38	200,326	215,740	234,940
Deferred tax liabilities	遞延所得稅負債	26	64,429	33,051	22,830
Other financial liabilities	其他金融負債	39	663,959	544,858	480,531
			4,264,927	938,242	927,040
NET ASSETS	淨資產		18,011,138	13,121,107	12,048,820

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			31 December 2013	31 December 2012	1 January 2012
			於二零一三年 十二月三十一日	於二零一二年 十二月三十一日	於二零一二年 一月一日
		Notes	RMB'000	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元	人民幣千元
				Restated (經重述)	Restated (經重述)
EQUITY	權益				
Equity attributable to owners of the Company	本公司擁有人應佔權益				
Issued capital	已發行股本	40	186,476	181,151	181,087
Shares held under Restricted Share Award Scheme	限制性股票獎勵計劃 下持有的股份	40/44	(394,121)	-	-
Other reserves	其他儲備	41(A)	10,628,142	8,491,301	8,190,634
Retained earnings	保留利潤		4,940,421	3,816,793	3,099,337
			15,360,918	12,489,245	11,471,058
Non-controlling interests	非控股股東權益		2,650,220	631,862	577,762
TOTAL EQUITY	總權益		18,011,138	13,121,107	12,048,820

Ning Gaoning

寧高寧

Director

董事

Sun Yiping

孫伊萍

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔權益					Non-controlling interests 非控股股東	Total equity 總權益
		Notes 附註	Issued capital 已發行股本 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元 Note 41(A) 附註41(A)	Retained earnings 保留利潤 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元		
At 1 January 2012	於二零一二年一月一日							
As previously reported	如先前呈報		181,087	8,215,634	3,074,337	11,471,058	577,762	12,048,820
Prior year adjustment	過往年度調整		-	(25,000)	25,000	-	-	-
As restated	經重述		181,087	8,190,634	3,099,337	11,471,058	577,762	12,048,820
Profit for the year (Restated)	本年利潤(經重述)		-	-	1,303,101	1,303,101	185,715	1,488,816
Other comprehensive income for the year:	年度其他全面收益：							
Changes in fair value of available-for-sale investments, net of tax	可供出售投資公允價值變動，扣除稅項		-	49,226	-	49,226	2,057	51,283
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額		-	474	-	474	-	474
Total comprehensive income for the year	年度全面收益總額		-	49,700	1,303,101	1,352,801	187,772	1,540,573
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	43	64	12,063	-	12,127	-	12,127
Equity-settled share option arrangements	以股份支付的購股權安排	43	-	19,172	-	19,172	-	19,172
Transfer to statutory reserves	轉撥至法定儲備		-	235,636	(235,636)	-	-	-
Final 2011 dividend declared	已宣派二零一一年期未股息	13	-	-	(350,009)	(350,009)	-	(350,009)
Dividends paid/payable to non-controlling interests	向非控股股東權益派付股息/應付非控股股東權益股息		-	-	-	-	(79,363)	(79,363)
Acquisition of non-controlling interests	收購非控股股東權益		-	(2,346)	-	(2,346)	(8,367)	(10,713)
Derecognition of puttable non-controlling interests	終止確認可沽售非控股股東權益	39	-	(13,558)	-	(13,558)	(45,942)	(59,500)
At 31 December 2012	於二零一二年十二月三十一日		181,151	8,491,301	3,816,793	12,489,245	631,862	13,121,107

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔權益						Non-controlling interests 非控股股東 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
Notes 附註	Issued capital 已發行股本 RMB'000 人民幣千元	Shares held under Restricted Share Award Scheme 限制性股票獎勵計劃下持有的股份 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元 Note 41(A) 附註41(A)	Retained earnings 保留利潤 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元				
At 1 January 2013	於二零一三年一月一日								
As previously reported	如先前呈報	181,151	-	8,516,301	3,745,840	12,443,292	628,557	13,071,849	
Prior year adjustment	過往年度調整	-	-	(25,000)	70,953	45,953	3,305	49,258	
As restated	經重述	181,151	-	8,491,301	3,816,793	12,489,245	631,862	13,121,107	
Profit for the year	本年利潤	-	-	-	1,630,925	1,630,925	231,063	1,861,988	
Other comprehensive loss for the year:	年度其他全面虧損：								
Reversal of changes in fair value, net of tax	撥回公允值變動，扣除稅項	-	-	(58,630)	-	(58,630)	(6,653)	(65,283)	
Changes in fair value of available-for-sale investments, net of tax	可供出售投資公允值變動，扣除稅項	-	-	(67,347)	-	(67,347)	-	(67,347)	
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	-	(45,969)	-	(45,969)	(381)	(46,350)	
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	(171,946)	1,630,925	1,458,979	224,029	1,683,008	
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	43	5,325	-	1,223,377	-	1,228,702	1,228,702	
Equity-settled share option arrangements	以股份支付的購股權安排	43	-	-	52,382	-	52,382	52,382	
Transfer of share option reserve upon forfeiture or expiry of share options	轉撥至法定儲備		-	-	(95,492)	95,492	-	-	
Share purchases for Restricted Share Award Scheme	為限制性股票激勵計劃購股	44	-	(394,121)	-	(394,121)	-	(394,121)	
Restricted Share Award Scheme	限制性股票獎勵計劃	44	-	-	151,108	-	151,108	151,108	
Final 2012 dividend declared	已宣派二零一二年期末股息	13	-	-	(290,488)	(290,488)	-	(290,488)	
Dividends paid/payable to non-controlling interests	向非控股權益派付股息/應付非控股股東權益股息		-	-	-	-	(94,257)	(94,257)	
Acquisition of subsidiaries	收購子公司		-	-	-	-	460,855	460,855	
Capital injection from non-controlling interests	非控股股東權益注資		-	-	-	-	1,012,003	1,012,003	
Disposal of equity interests in a subsidiary without loss of control	出售一間子公司之股權(沒有失去控制權)	41(e)	-	-	689,529	-	611,482	1,301,011	
Distribution to non-controlling interests	向非控股權益作出之分派		-	-	-	-	(146,240)	(146,240)	
Acquisition of non-controlling interests	收購非控股股東權益		-	-	(5,708)	-	499	(5,209)	
Transfer to statutory reserves	轉撥至法定儲備		-	-	312,301	(312,301)	-	-	
Derecognition of puttable non-controlling interests	終止確認可沽售非控股股東權益	39	-	-	(18,710)	-	(50,013)	(68,723)	
At 31 December 2013	於二零一三年十二月三十一日	186,476	(394,121)	10,628,142	4,940,421	15,360,918	2,650,220	18,011,138	

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

	Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Cash flows from operating activities	經營業務產生的現金流量		
Profit before tax:	稅前利潤		
From continuing operations	來自持續經營業務	2,204,503	1,733,863
From discontinued operations	來自已終止經營業務	24,198	429
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(359,295)	(218,148)
Finance costs	融資成本	160,377	39,159
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	1,178,923	972,652
Depreciation of investment properties	投資物業折舊	1,815	-
Amortisation of land use rights	土地使用權攤銷	21,748	14,711
Amortisation of other intangible assets	其他無形資產攤銷	15,096	7,936
Loss on disposal of items of property, plant and equipment	處置物業、廠房及 設備虧損	17,496	5,992
Share-based payment expense	以股份為基礎的支付	52,382	19,172
Provision for trade receivables and other receivables	應收賬款及其他應收 款項撥備	81,934	31,198
Share of profits and losses of a joint venture	應佔合營企業之溢利 及虧損	-	66,763
Provision for property, plant and equipment	物業、廠房及設備撥備	9,162	-
Share of profits and losses of associates	應佔聯營公司利潤及虧損	(153,861)	(13,855)
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	277	1,495
Government grants related to income	與收入相關之政府補助	(16,000)	(103,493)
Government grants related to biological assets	與生物資產相關之 政府補助	(33,100)	-
Amortisation of deferred income	遞延收益攤銷	(19,385)	(19,056)
Foreign exchange differences, net	匯兌差額淨額	(155,147)	2,393
Gain on deemed disposal of an associate	視同出售一家聯營公司 收益	-	(4,384)
Gain on disposal of associates	出售聯營公司收益	-	(50,635)
Gain arising from changes in fair value less cost to sell	公允值變動減銷售成本 產生之收益	(4,506)	-
Unrealized fair value losses on derivative financial instruments	未變現衍生金融工具	3,192	-
Restricted Share Award Scheme	限制性股票激勵計劃	151,108	-
		3,180,917	2,486,192
Decrease in other financial assets - entrusted loans	其他金融資產減少 - 委託貸款	20,444	20,974
Decrease/(increase) in inventories	存貨減少/(增加)	(337,582)	268,495
Decrease/(increase) in trade and bills receivables	應收賬款及應收票據減少/ (增加)	73,178	(91,330)
Decrease/(increase) in pledged deposits	保證金存款減少/(增加)	51,602	(12,137)
Increase in prepayments, deposits and other receivables	預付款、按金及其他應收 款項增加	(935,147)	(242,617)
Increase/(decrease) in trade and bills payables	應付賬款及應付票據 增加/(減少)	630,305	(155,989)
Increase/(decrease) in accruals and other payables	預提費用及其他應付款項 增加/(減少)	1,014,080	(75,808)
Cash generated from operations	經營業務產生的現金	3,697,797	2,197,780
Interest paid	支付利息	(133,506)	(16,588)
Income taxes paid	支付所得稅	(280,612)	(299,708)
Net cash flows from operating activities	經營業務產生的淨現金流量	3,283,679	1,881,484

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Cash flows from investing activities	投資活動產生的現金流量			
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備所得款項		27,966	14,696
Proceeds from disposal of biological assets	處置生物資產所得款項		5,000	300
Proceeds from disposal of land use rights	處置土地使用權所得款項		16,098	-
Purchase of items of property, plant and equipment	購置物業、廠房及設備		(746,230)	(768,881)
Purchase of biological assets	購置生物資產		(369,437)	(143,893)
Purchase of construction in progress	在建工程增加	16	(1,735,259)	(1,187,834)
Purchase of other intangible assets	其他無形資產增加	20	(9,669)	(3,226)
Purchase of land use rights	土地使用權增加		(6,556)	(195,146)
Purchase of available-for-sale investments	購買可供出售投資		(589,396)	(370,258)
Disposal of available-for-sale investments	出售可供出售投資		240,400	400
Acquisition of subsidiaries	收購子公司	45	(7,592,334)	(5,200)
Capital injection to associates	對聯營公司注資		(2,536,739)	(1,871)
Receipt of government grants related to purchase of fixed assets	收取與收購固定資產相關之政府補助金		4,304	-
Receipt of government grants related to purchase of biological assets	就購買生物資產獲取政府補助金		33,100	-
Increase of long term time deposit	長期定期存款增加		(403,548)	-
Purchase of time deposits with original maturity of more than three months	購買原到期日為三個月以上的定期存款		(802,990)	(671,297)
Interest received	收取利息		321,286	175,084
Dividends received from associates	收取聯營公司股息		12,909	22,398
Dividends received from an available-for-sale investment	從可供出售投資收取的股息		153	153
Disposal of associates	出售聯營公司		679	101,810
Advances to a joint venture	預付一家合營企業款項		-	(135,000)
Purchase of investment deposits	投資存款增加		(1,280,508)	(2,800,960)
Payment of contingent consideration	或然代價付款		(18,000)	-
Withdrawal of investment deposits	收回投資存款		160,000	2,743,760
Net cash flows used in investing activities	投資活動所用淨現金流量		(15,268,771)	(3,224,965)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

	Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Cash flows from financing activities	融資活動產生的現金流量		
Proceeds from interest-bearing bank loans	計息銀行貸款所得款項	25,031,718	549,925
Proceeds from bonds issued	已發行債券所得款項	3,009,796	-
Repayment of interest-bearing bank loans	償還計息銀行貸款	(17,192,137)	(288,501)
Decrease/(increase) in pledged deposits for bank loans	銀行貸款的保證金存款減少/(增加)	(109,273)	134,965
Dividends paid to owners of the Company	支付本公司擁有人的股息	(290,488)	(350,009)
Dividends paid to non-controlling interests	支付非控股股東權益的股息	(94,217)	(71,397)
Proceeds from other loans	其他貸款所得款項	40,150	18,500
Repayment of long term payables	償還長期應付款項	(69,418)	(53,712)
Capital injection from non-controlling interests	非控股股東權益注資	17,693	-
Capital distribution to non-controlling interests	向非控股股東權益注資	(146,240)	-
Shares purchase for Restricted Share Award Scheme	為限制性股票激勵計劃購股	(394,121)	-
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	1,228,702	12,127
Acquisition of non-controlling interests	收購非控股股東權益	(2,409)	(10,713)
Disposal of non-controlling interests	出售非控股股東權益	1,301,011	-
Net cash flows from/(used in) financing activities	融資活動產生/(所用的)淨現金流量	12,330,767	(58,815)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	345,675	(1,402,296)
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	2,917,541	4,322,066
Effect of foreign exchange rate changes, net	匯率變動的影響(淨額)	147,673	(2,229)
Cash and bank balances attributable to discontinued operations	已終止經營業務應佔現金及銀行結存	(56,299)	-
Cash and cash equivalents at end of year	年終的現金及現金等價物	3,354,590	2,917,541
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances as stated in the consolidated statement of financial position	於綜合財務狀況表中列賬的現金及銀行結存	7,101,580	5,752,041
Time deposits with original maturity more than three months	原到期日為三個月以上的定期存款	(3,746,990)	(2,834,500)
Cash and cash equivalents as stated in the consolidated statement of cash flows	於綜合現金流量表中列賬的現金及現金等價物	3,354,590	2,917,541

STATEMENT OF FINANCIAL POSITION

財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	353	342
Loans to a subsidiary	應收一家子公司款項	22	2,476,625	2,657,176
Investments in subsidiaries	於子公司的投資	23	11,781,275	5,108,191
Investments in an associate	於一家聯營公司的投資	25	2,619,746	–
Non-current financial assets	非流動金融資產	28	302,049	89,642
			17,180,048	7,855,351
CURRENT ASSETS	流動資產			
Other current financial assets	其他流動金融資產	28	100,000	–
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	31	840,465	802,202
Pledged deposits	保證金存款	32	469,592	–
Cash and bank balances	現金及銀行結存	32	245,717	751,922
			1,655,774	1,554,124
CURRENT LIABILITIES	流動負債			
Loans from subsidiaries	來自子公司之貸款	22	531,322	–
Other payables and accruals	其他應付款項及預提費用		49,552	1,629
Interest-bearing bank and other borrowings	計息銀行及其他借貸	35	5,794,415	405,425
			6,375,289	407,054
NET CURRENT ASSETS/(LIABILITIES)	淨流動資產/(負債)		(4,719,515)	1,147,070
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		12,460,533	9,002,421
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	35	3,010,426	–
NET ASSETS	淨資產		9,450,107	9,002,421

Statement of Financial Position 財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

		Notes	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
		附註		
EQUITY	權益			
Issued capital	已發行股本	40	186,476	181,151
Shares held under Restricted Share Award Scheme	限制性股票獎勵計劃下 持有的股份	40/44	(394,121)	–
Reserves	儲備	41(B)	9,657,752	8,821,270
TOTAL EQUITY	總權益		9,450,107	9,002,421

Ning Gaoning
寧高寧
Director
董事

Sun Yiping
孫伊萍
Director
董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The Company is an investment holding company and its subsidiaries are engaged in the manufacture and distribution of dairy products mainly in the People's Republic of China (the "PRC").

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared on a historical cost basis except for share options, certain available-for-sale equity investments, biological assets and derivative financial instruments, which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 2.4. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2013. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the day that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1. 公司資料

本公司為在開曼群島註冊成立的獲豁免有限公司。本公司乃一家投資控股公司，而其子公司主要在中華人民共和國（「中國」）從事乳製品生產及經銷業務。

2.1 編製基準

該等財務報表是按照國際會計準則委員會（「國際會計準則委員會」）頒佈的國際財務報告準則（「國際財務報告準則」）及香港公司法的披露規定編製而成。財務報表以歷史成本法編製，惟購股權、若干可供出售股本投資、生物資產及衍生金融工具以公允值計量。持有待售的處置組乃按其賬面值及公允值減銷售成本後的餘額孰低列賬，詳情於附註2.4說明。財務報表以人民幣（「人民幣」）呈列，而所有數值除另有指明外，均調整至最接近的千位。

綜合基準

綜合財務報表包括本公司及其子公司（統稱「本集團」）截至二零一三年十二月三十一日止年度的財務報表。編製子公司財務報表的呈報期間與本公司相同，會計政策亦貫徹一致。子公司業績由本集團取得控制權當日起綜合入賬，直至控制權不再存在當日為止。

本公司擁有人及非控股股東權益須分享損益及每個其他全面收益項目，即使此舉會令非控股股東權益結餘為負數。本集團成員公司間交易涉及的所有集團內公司間資產與負債、權益、收入、開支及現金流量，均於綜合入賬時全數對銷。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

倘有事實及情況顯示下文有關子公司入賬會計政策內所述的三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資方擁有控制權。子公司的所有權變動(並無失去控制權)按權益交易入賬。

倘本集團失去對子公司的控制權，則其終止確認(i)該子公司的資產(包括商譽)及負債、(ii)任何非控股股東權益的賬面值及(iii)於權益內記錄的累計換算差額；及確認(i)所收代價的公允值、(ii)所保留任何投資的公允值及(iii)損益中任何因此產生的盈餘或虧損。先前於其他全面收益內確認的本集團應佔部分重新歸類為損益或保留利潤(如適用)，所按基準與本集團已直接出售相關的資產或負債所規定者相同。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 1 Amendments	Amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Government Loans</i>	國際財務報告準則第1號的修訂	國際財務報告準則第1號「首次採納國際財務報告準則—政府貸款」的修訂
IFRS 7 Amendments	Amendments to IFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>	國際財務報告準則第7號的修訂	國際財務報告準則第7號「金融工具：披露—抵銷金融資產及金融負債」的修訂
IFRS 10	<i>Consolidated Financial Statements</i>	國際財務報告準則第10號	綜合財務報表
IFRS 11	<i>Joint Arrangements</i>	國際財務報告準則第11號	合營安排
IFRS 12	<i>Disclosure of Interests in Other Entities</i>	國際財務報告準則第12號	於其他實體的權益的披露
IFRS 10, IFRS 11 and IFRS 12 Amendments	Amendments to IFRS 10, IFRS 11 and IFRS 12 – <i>Transition Guidance</i>	國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號的修訂	國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號的修訂—過渡指引
IFRS 13	<i>Fair Value Measurement</i>	國際財務報告準則第13號	公允值計量
IAS 1 Amendments	Amendments to IAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i>	國際會計準則第1號的修訂	國際會計準則第1號「財務報表的呈列—其他全面收益項目的呈列」的修訂
IAS 19 (Revised)	<i>Employee Benefits</i>	國際會計準則第19號（經修訂）	僱員福利
IAS 27 (Revised)	<i>Separate Financial Statements</i>	國際會計準則第27號（經修訂）	獨立財務報表
IAS 28 (Revised)	<i>Investments in Associates and Joint Ventures</i>	國際會計準則第28號（經修訂）	於聯營公司及合營企業的投資
IAS 36 Amendments	Amendments to IAS 36 <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>	國際會計準則第36號的修訂	國際會計準則第36號「資產減值—非金融資產的可收回金額披露」的修訂
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>	國際財務報告詮釋委員會第20號	露天礦生產階段的剝採成本
Annual Improvements 2009–2011 Cycle	Amendments to a number of IFRSs issued in May 2012	二零零九年至二零一一年週期的年度改進	於二零一二年五月頒佈的多項國際財務報告準則的修訂

2.2 會計政策之變動及披露

本集團已於本年度的財務報表首次採納以下新訂及經修訂國際財務報告準則。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Other than as further explained below regarding the impact of IFRS 10, IFRS 11, IFRS 12, IFRS 13, IAS 19 (Revised), amendments to IFRS 10, IFRS 11, IFRS 12, IAS 1 and IAS 36, and certain amendments included in *Annual Improvements 2009–2011 Cycle (Include other standards as appropriate)*, the adoption of the new and revised IFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised IFRSs are as follows:

- (a) IFRS 10 replaces the portion of IAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements and addresses the issues in SIC – 12 *Consolidation – Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in IFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by IFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

As a result of the application of IFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group.

The application of IFRS 10 does not change any of the consolidation conclusions of the Group in respect of its involvement with investees as at 1 January 2013.

2.2 會計政策之變動及披露(續)

除下文所詳述有關國際財務報告準則第10號、國際財務報告準則第11號、國際財務報告準則第12號、國際財務報告準則第13號、國際會計準則第19號(經修訂)、國際財務報告準則第10號、國際財務報告準則第11號、國際財務報告準則第12號、國際會計準則第1號及國際會計準則第36號的修訂以及載於二零零九年至二零一一年週期的年度改進(在適當情況下包括其他準則)的若干修訂的影響外，採納新訂及經修訂國際財務報告準則對該等財務報表並無產生重大財務影響。

採納該等新訂及經修訂國際財務報告準則的主要影響如下：

- (a) 國際財務報告準則第10號取代國際會計準則第27號綜合及獨立財務報表有關綜合財務報表的會計處理部分，以及針對詮釋常務委員會第12號綜合—特殊目的實體的事宜，同時制定用以釐定將何等實體綜合入賬的單一控制模型。為符合國際財務報告準則第10號中控制權的定義，投資者必須擁有：(a)對投資對象的權力；(b)來自參與投資對象的可變回報的風險或權利；及(c)對投資對象使用其權力影響投資者回報金額的能力。國際財務報告準則第10號引入的變更要求本集團管理層行使重大判斷力，以釐定對何等實體有控制權。

應用國際財務報告準則第10號後，本集團已更改有關釐定何等投資對象受本集團控制的會計政策。

應用國際財務報告準則第10號並無改變本集團於二零一三年一月一日有關參與投資對象業務的任何綜合賬目的結論。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC – 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The classification of joint arrangements under IFRS 11 depends on the parties' rights and obligations arising from the arrangements. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities of the arrangement and is accounted for on a line-by-line basis to the extent of the joint operators' rights and obligations in the joint operation. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement and is required to be accounted for using the equity method in accordance with IAS 28 (Revised).

The directors of the Company reviewed and assessed the classification of the Group's investment in joint arrangements in accordance with the requirements of IFRS 11, and concluded that the Group's investments in Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. ("Mengniu Arla"), which was previously classified as a jointly-controlled entity under IAS 31 and was accounted for using the proportionate consolidation method, should be classified as a joint venture under IFRS 11 and be accounted for using the equity method. The change in accounting for the investment in a joint venture has been applied retrospectively. The opening balances as at 1 January 2012 and comparative information for the year ended 31 December 2012 have been restated in the consolidated financial statements. The quantitative impact on the financial statements is recognised below:

2.2 會計政策之變動及披露(續)

(b) 國際財務報告準則第11號取代了國際會計準則第31號於合營企業的權益及詮釋常務委員會第13號共同控制實體—合營方的非貨幣出資，說明擁有共同控制權的合營安排的會計處理，當中只針對兩種模式的合營安排，即合作經營及合營企業，並取消其按比例合併入賬的方式。國際財務報告準則第11號項下合營安排的分類取決於因安排產生的各方權利及責任。合作經營乃合作經營方對安排的資產享有權利及對安排的負債承擔義務的合營安排，並以合作經營方於合作經營中的權利及義務為限按逐項對應基準入賬。合營企業乃合營方對安排的淨資產享有權利及根據國際會計準則第28號(經修訂)須以權益法入賬的合營安排。

本公司董事已按照國際財務報告準則第11號的規定，複核並評估本集團於合營安排投資的分類，結論是本集團於歐世蒙牛(內蒙古)乳製品有限責任公司(「歐世蒙牛」)的投資(原先根據國際會計準則第31號分類為共同控制實體，並按比例合併法計算入賬)，現根據國際財務報告準則第11號應分類為合營企業，並須按權益法入賬。對合營企業投資會計方式的變更已追溯應用。於二零一二年一月一日的期初結餘及截至二零一二年十二月三十一日止年度的比較資料已在綜合財務報表作出重述。對財務報表的量化影響確認如下：

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

Impact on the consolidated statement of profit or loss:

2.2 會計政策之變動及披露 (續)

(b) (續)

對綜合損益表的影響：

		2012 二零一二年 RMB'000 人民幣千元
Decrease in revenue	收入減少	(79,354)
Increase in cost of sales	銷售成本增加	(24,373)
Decrease in gross profit	毛利減少	(103,727)
Decrease in other income and gains	其他收入及收益減少	(816)
Decrease in selling and distribution expenses	銷售及經銷費用減少	203,093
Decrease in administrative expenses	行政費用減少	13,365
Decrease in other operating expenses	其他經營費用減少	1,675
Increase in operating profit	經營利潤增加	113,590
Decrease in interest income	利息收入減少	(164)
Decrease in finance costs	融資成本減少	2,595
Increase in share of losses of a joint venture	應佔合營企業虧損增加	(66,763)
Net increase on profit before tax	對稅前利潤的淨增加	49,258
Net impact on income tax expense	對所得稅支出的淨影響	-
Net increase on profit for the year and total comprehensive income	對本年利潤及全面收益總額的淨增加	49,258
Net increase on earning per share	對每股盈利的淨增加	0.026

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

Impact on the consolidated statement of financial position:

2.2 會計政策之變動及披露(續)

(b) (續)

對綜合財務狀況表的影響：

		As at 31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元	As at 1 January 2012 二零一二年 一月一日 RMB'000 人民幣千元
Decrease in property, plant and equipment	物業、廠房及設備減少	(152,655)	(170,618)
Decrease in construction in progress	在建工程減少	-	(429)
Decrease in land use rights	土地使用權減少	(6,252)	(6,403)
Decrease in other intangible assets	其他無形資產減少	(1,749)	(1,445)
Increase in investments in a joint venture	於合營企業的投資增加	-	66,763*
Decrease in total non-current assets	非流動資產總值減少	(160,656)	(112,132)
Increase/(decrease) in trade and bills receivables	應收賬款及票據 增加/(減少)	54,235	(25,367)
Decrease in inventories	存貨減少	(57,225)	(41,957)
Increase in prepayments, deposits and other receivables	預付款、按金及 其他應收款項增加	115,155	16,115
Decrease in pledged deposits	保證金存款減少	-	(859)
Decrease in cash and bank balances	現金及銀行結存減少	(26,349)	(37,806)
Increase/(decrease) in total current assets	流動資產總值 增加/(減少)	85,816	(89,874)
Decrease in trade and bills payables	應付賬款及票據減少	(49,405)	(31,197)
Decrease in other payables and accruals	其他應付款項及 預提費用減少	(74,693)	(35,340)
Decrease in interest-bearing bank and other borrowings	計息銀行及其他 借貸減少	-	(135,469)
Decrease in total current liabilities	流動負債總值減少	(124,098)	(202,006)
Increase in net current assets	流動資產淨值增加	209,914	112,132
Impact on net assets and equity	對資產淨值和權益的影響	49,258	-

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

- * The Group recognised the initial investment in the joint venture as at 1 January 2012 at the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated including any goodwill arising from acquisition.

As at 31 December 2012, the Group's unrecognised cumulative losses of the joint venture were RMB49,258,000 (1 January 2012: Nil). The Group does not have legal or constructive obligations in relation to the negative net assets of the joint venture and accordingly the Group did not recognise the corresponding liabilities but adjusted it against the retained earnings.

Impact on the consolidated statement of cash flows:

		2012 二零一二年 RMB'000 人民幣千元
Decrease in net cash flows from operating activities	經營業務產生的淨現金流量減少	(125,412)
Decrease in net cash flows used in investing activities	投資活動所用的淨現金流量減少	3,504
Decrease in net cash flows used in financing activities	融資活動所用的淨現金流量減少	133,394
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	11,486

- (c) IFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in IAS 27 *Consolidated and Separate Financial Statements*, IAS 31 *Interests in Joint Ventures* and IAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities. Details of the disclosures for subsidiaries, joint ventures and associates are included in notes 23, 24 and 25 to the financial statements.

2.2 會計政策及披露之變動(續)

(b) (續)

- * 本集團以之前按比例合併的資產與負債(包括收購產生的任何商譽)賬面值之和, 確認截至二零一二年一月一日於合營企業的初始投資。

於二零一二年十二月三十一日, 本集團的未確認合營企業累計虧損為人民幣49,258,000元(二零一二年一月一日: 無)。本集團對合營企業的負資產淨值並無法律或推定責任, 因此本集團並沒有確認相應負債, 而按保留利潤對此作調整。

對綜合現金流量表的影響:

		2012 二零一二年 RMB'000 人民幣千元
Decrease in net cash flows from operating activities	經營業務產生的淨現金流量減少	(125,412)
Decrease in net cash flows used in investing activities	投資活動所用的淨現金流量減少	3,504
Decrease in net cash flows used in financing activities	融資活動所用的淨現金流量減少	133,394
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	11,486

(c) 國際財務報告準則第12號載有關於子公司、合營安排、聯營公司及結構性實體的披露規定, 該等規定先前包括在國際會計準則第27號綜合及獨立財務報表、國際會計準則第31號於合營企業的權益及國際會計準則第28號於聯營公司的投資內。該準則亦就該等實體引入多項新披露規定。有關子公司、合營企業及聯營公司的披露詳情載於財務報表附註23、24及25。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(continued)*

- (d) The IFRS 10, IFRS 11 and IFRS 12 Amendments clarify the transition guidance in IFRS 10 and provide further relief from full retrospective application of these standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between IFRS 10 and IAS 27 or SIC – Int 12 at the beginning of the annual period in which IFRS 10 is applied for the first time.
- (e) IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other IFRSs. IFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements. As a result of the guidance in IFRS 13, the policies for measuring fair value have been amended. Additional disclosures required by IFRS 13 for the fair value measurements of investment properties and financial instruments are included in notes 17 and 52 to the financial statements.
- (f) The IAS 1 Amendments change the grouping of items presented in other comprehensive income ("OCI"). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes. In addition, the Group has chosen to use the new title "consolidated statement of profit or loss" as introduced by the amendments in these financial statements.

2.2 會計政策之變動及披露(續)

- (d) 國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號修訂本釐清國際財務報告準則第10號的過渡指引，並提供進一步寬免，免除該等準則的完全追溯應用，以及限定僅就前一個比較期間提供經調整比較資料。該等修訂本釐清，倘於首次應用國際財務報告準則第10號的年度期間開始時，國際財務報告準則第10號與國際會計準則第27號或詮釋常務委員會第12號有關本集團所控制實體的綜合結論有所不同，方須作出追溯調整。
- (e) 國際財務報告準則第13號為公允值提供精確定義，公允值計量的唯一指引及在國際財務報告準則範圍內使用的披露規定。該項準則並無改變本集團須使用公允值的情況，但為於其他國際財務報告準則已規定或允許使用公允值的情況下，應如何應用公允值提供了指引。國際財務報告準則第13號以未來適用法應用，而採納該項準則對本集團的公允值計量並無產生重大影響。由於國際財務報告準則第13號提供指引，計量公允值的政策已作修訂。國際財務報告準則第13號所規定關於投資物業及金融資產公允值計量的額外披露，載於財務報表附註17及52。
- (f) 國際會計準則第1號修訂本改變在其他全面收入呈列的項目的分組。可於未來某個時間重新分類(或重新使用)至損益的項目(例如換算外國業務的匯兌差額、現金流量對沖變動淨額及可供出售金融資產虧損或收益淨額)會與永不重新分類的項目(例如土地及樓宇重估)分開呈列。該等修訂本僅影響呈列方式，而不會對本集團的財務狀況或表現產生影響。為反映該等變動，綜合全面收益表已予重述。此外，本集團已選擇於該等財務報表中使用該等修訂本引入的新「綜合損益表」名稱。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (g) IAS 19 (Revised) includes a number of amendments that range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. As the Group does not have any defined benefit plan or employee termination plan and the Group does not have any significant employee benefits that are expected to be settled for more than twelve months after the reporting period, the adoption of the revised standard has had no effect on the financial position or performance of the Group.
- (h) The IAS 36 Amendments remove the unintended disclosure requirement made by IFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted, provided IFRS 13 is also applied. The Group has early adopted the amendments in these financial statements. The amendments have had no impact on the financial position or performance of the Group. Disclosures about the Group's impaired non-financial assets are included in note 21 to the financial statements.

2.2 會計政策之變動及披露(續)

- (g) 國際會計準則第19號(經修訂)包括從基本改變以至簡單闡明及重新措辭之多項修訂本。經修訂的準則就界定退休金計劃的會計處理引入重大變動，包括取消遞延確認精算收益及虧損的選擇。其他變動包括修改離職福利的確認時間、短期僱員福利的分類及界定福利計劃的披露。由於本集團並無任何界定福利計劃或僱員離職計劃，亦無任何預期於報告期後超過十二個月清償的任何重大僱員福利，故採納經修訂準則對本集團的財務狀況或表現並無影響。
- (h) 國際會計準則第36號的修訂取消國際財務報告準則第13號對並無減值現金產生單位的可收回金額所作計劃以外的披露規定。此外，該等修訂本規定須披露已於報告期內確認或撥回減值虧損的資產或現金產生單位的可收回金額，並擴大該等資產或單位(倘其可收回金額乃基於公允值減出售成本)的公允值計量的披露規定。該等修訂本於二零一四年一月一日或之後開始的年度期間追溯生效，並可提早應用，惟同時亦須應用國際財務報告準則第13號。本集團已於該等財務報表內提早採納該等修訂本。該等修訂本對本集團的財務狀況或表現並無影響。有關本集團已減值非金融資產的披露資料載於財務報表附註21。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(i) *Annual Improvements 2009–2011 Cycle* issued in June 2012 sets out amendments to a number of standards. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments have had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- IAS 1 *Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

- IAS 32 *Financial Instruments: Presentation*: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 *Income Taxes*. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders.

2.2 會計政策及披露之變動(續)

(i) 於二零一二年六月頒佈的二零零九年至二零一一年週期的年度改進載有多項準則的修訂本。每項準則均有獨立過渡條文。儘管採納部分修訂可能導致會計政策改變，惟該等修訂本對本集團並無重大財務影響。最適用於本集團的主要修訂本的詳情如下：

- 國際會計準則第1號呈列財務報表：釐清自願披露的額外可比資料與最低要求的可比資料的區別。最低要求的可比期間一般是前一期間。當實體自願披露的可比資料期間超過前一期間，其必須於財務報表相關附註中包含可比資料。額外的可比資料無需包含一套完整的財務報表。

另外，該項修訂闡明當實體改變其會計政策、作出追溯重列或重新分類，而該變動對財務狀況表有重大影響時，必須呈列前一期間初的期初財務狀況表。然而，與前一期間初的期初財務狀況表有關的附註毋須呈列。

- 國際會計準則第32號金融工具：呈列：釐清向權益持有人作出分派所產生的所得稅須按國際會計準則第12號所得稅入賬。該項修訂本移除國際會計準則第32號的現行所得稅規定，並要求實體就向權益持有人作出分派所產生的任何所得稅應用國際會計準則第12號的規定。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IFRS 9	<i>Financial Instruments</i> ³
IFRS 9, IFRS 7 and IAS 39 Amendments	<i>Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39</i> ³
IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	<i>Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) – Investment Entities</i> ¹
IAS 19 Amendments	<i>Amendments to IAS 19 Employee Benefits – Defined Benefit Plans: Employee Contributions</i> ²
IAS 32 Amendments	<i>Amendments to IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ¹
IAS 39 Amendments	<i>Amendments to IAS 39 Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i> ¹
IFRIC – Int 21	<i>Levies</i> ¹
IFRS 14	<i>Regulatory Deferral Accounts</i> ⁴
Annual Improvements 2010–2012 Cycle	<i>Amendments to a number of IFRSs</i> ²
Annual Improvements 2011–2013 Cycle	<i>Amendments to a number of IFRSs</i> ²

¹ Effective for annual periods beginning on or after 1 January 2014

² Effective for annual periods beginning on or after 1 July 2014

³ No mandatory effective date yet determined but is available for adoption

⁴ Effective for annual periods beginning on or after 1 January 2016

The Group is in the process of determining whether these new and revised standards and interpretations will have any material impact on the Group's results of operations and financial position.

2.3 已頒佈惟尚未生效的國際財務報告準則

本集團尚未該本財務報表應用下列已頒佈惟尚未生效的新頒佈及經修訂國際財務報告準則。

國際財務報告準則第9號	金融工具 ³
國際財務報告準則第9號、國際財務報告準則第7號及國際會計準則第39號的修訂	對沖會計法及國際財務報告準則第9號、國際財務報告準則第7號及國際會計準則第39號的修訂 ³
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號(經修訂)的修訂	國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號(經修訂)的修訂 – 投資實體 ¹
國際會計準則第19號的修訂	國際會計準則第19號「僱員福利 – 界定福利計劃：僱員供款」的修訂 ²
國際會計準則第32號的修訂	國際會計準則第32號「金融工具：呈列 – 抵銷金融資產及金融負債」的修訂 ¹
國際會計準則第39號的修訂	國際會計準則第39號「金融工具：確認及計量：衍生工具約務更替及對沖會計法的持續性」的修訂 ¹
國際財務報告詮釋委員會 – 詮釋第21號	稅費 ¹
國際財務報告準則第14號	監管遞延帳目 ⁴
二零一零年至二零一二年週期的年度改進	多項國際財務報告準則的修訂 ²
二零一一年至二零一三年週期的年度改進	多項國際財務報告準則的修訂 ²

¹ 於二零一四年一月一日或之後開始的年度期間生效

² 於二零一四年七月一日或之後開始的年度期間生效

³ 未釐定強制生效日期，惟可供提早採納

⁴ 於二零一六年一月一日或之後開始的年度期間生效

本集團現正釐定該等新頒佈及經修訂準則及詮釋是否會對本集團的經營業績及財務狀況造成任何重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with IFRS 5 are stated at cost less any impairment losses.

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

2.4 重大會計政策概要

子公司

子公司指本公司直接或間接控制的公司，包括結構性實體。當本集團因參與投資對象業務而承受風險或有權獲得可變回報，且有能力對投資對象行使其權力以影響該等回報時，本集團將取得控制權（即現有權利賦予本集團目前之能力可指示被投資對象的相關活動）。

倘本集團直接或間接擁有被投資對象投票權或類似權利少於半數，則本集團在評估其是否擁有被投資對象的控制權時會考慮所有相關事實及情況，包括：

- (a) 與被投資對象其他票數持有人是否訂有合約安排；
- (b) 其他合約安排引致的權利；及
- (c) 本集團之投票權及潛在投票權。

子公司的業績計入本公司的損益表中，並以已收和應收股息為限。本公司於子公司的投資（並不根據國際財務報告準則第5號分類為持有待售）以成本值減去任何減值損失列賬。

對聯營公司及合營企業的投資

聯營公司指本集團持有其一般不少於20%投票權的長期權益而對其有重要影響力的公司。重大影響力為可參與被投資對象的財政及營運政策決定而非對該等政策施加控制或共同控制。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4 重大會計政策概要(續)

對聯營公司及合營企業的投資(續)

合營公司屬共同安排的一種，據此，擁有該安排共同控制權的訂約方有權享有合營公司的資產淨值。共同控制權指按照合約協定對一項安排所共有之控制權，僅在相關活動必須獲得共同享有控制權之各方一致同意方能決定時存在。

本集團於聯營公司及合營企業的投資，是採用權益會計法按本集團所佔資產淨值減任何減值損失在綜合財務狀況表列賬。

任何可能存在的相異會計政策已相應作出調整，以使之貫徹一致。

本集團所佔聯營公司及合營企業的收購後業績及其他全面收益分別計入綜合損益表及綜合其他全面收益。此外，若於聯營公司或合營企業的權益中直接確認變動，本集團會(如適用)於綜合權益變動表內確認其任何應佔變動。本集團與其聯營公司之間交易所產生的未變現收益及虧損，均以本集團於聯營公司或合營企業的投資為限予以抵銷，惟未變現虧損是由所轉讓資產減值導致則除外。收購聯營公司或合營企業產生的商譽乃作為本集團於聯營公司或合營企業的投資的一部分入賬。

倘於聯營公司的投資成為於合營公司的投資，則保留權益不會重新計量，反之亦然。反而，該投資繼續使用權益法入賬。在所有其他情況，失去聯營公司之重大影響或失去合營公司之共同控制權後，本集團會按其公允值計量及確認任何保留投資。失去重大影響或共同控制權後，聯營公司或合營公司賬面值與保留投資公允值及出售所得款項之間的差異於損益確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

The results of associates and joint ventures are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in associates and joint ventures are treated as non-current assets and are stated at cost less any impairment losses.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportional share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.4 重大會計政策概要(續)

對聯營公司及合營企業的投資(續)

聯營公司及合營企業業績以已收及應收股息為限計入本公司的損益表。本公司於聯營公司及合營企業的投資當作非流動資產處理並按成本減任何減值損失列賬。

倘對一間聯營公司或合營企業的投資分類為持有待售，則其乃根據國際財務報告準則第5條「持作出售非流動資產及已終止業務」入賬。

業務合併及商譽

業務合併採用收購法入賬。所轉讓的代價按收購日期的公允值計量，乃本集團所轉讓資產、本集團對被收購方前擁有人所承擔的負債及本集團所發行以換取被收購方控制權的股權於收購日期公允值的總和。於各業務合併中，本集團選擇是否以公允值或被收購方可識別資產淨值的應佔比例，計算被賦予現時擁有人權利並將於清盤時按比例分佔實體的淨資產的非控股股東權益。非控股股東權益的一切其他成分乃按公允值計量。收購相關成本於產生時支銷。

當本集團收購業務時，其根據合約條款、經濟情況及於收購日期的相關條件評估金融資產及所承擔的負債以作出適當的分類及指定。這包括被收購方區分主合約的嵌入式衍生工具。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in consolidated statement of profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 is measured at fair value with changes in fair value either recognised in consolidated statement of profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in consolidated statement of profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

倘業務合併分階段完成，以往持有的股權須按收購日期公允值重新計量，因此產生的收益或虧損將於綜合損益表確認。

收購方將轉讓的任何或然代價按收購日期的公允值確認。在國際會計準則第39號範疇內分類為屬於金融工具的資產或負債的或然代價乃按公允值計量，而公允值變動將於綜合損益表內或作為其他全面收益變動確認。倘或然代價並不屬於國際會計準則第39號的範疇，則按合適的國際財務報告準則計量。分類為權益的或然代價不會重新計量，其後結算將於權益內入賬。

商譽初步按成本計量，而成本乃指所轉讓代價、就非控股股東權益確認的金額及本集團以往持有被收購方的股權的任何公允值的總和超出所購入可識別資產及所承擔負債淨額的差額。倘此代價與其他項目的總和低於所收購淨資產的公允值，則經重新評估後的差額於綜合損益表確認為議價購入的收益。

繼最初確認後，商譽按成本值減任何累計減值損失計算。商譽每年測試是否有所減值，若有事件或情況變化顯示賬面值可能出現減值，則會更頻密進行測試。本集團於十二月三十一日進行年度商譽減值測試。就減值測試而言，業務合併收購的商譽自收購日期起分配至本集團各現金產生單位(或現金產生單位組別)，預期彼等將從合併的協同效益中受益，不論本集團其他資產或負債是否分配至該等單位或單位組別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the disposed operation and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its share options, certain available-for-sale equity investments, biological assets and derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

減值按與商譽有關的現金產生單位(或現金產生單位組別)可收回金額評估釐定。倘若現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值損失。已確認的商譽減值損失不會在以後期間撥回。

倘商譽獲分配至現金產生單位(或現金產生單位組別)並出售該單位中的一部分業務，則於釐定出售收益或虧損時，與該已出售業務相關的商譽計入該業務的賬面值。在此情況下出售的商譽根據所出售業務的相關價值及所保留現金產生單位的部分計量。

公允值計量

本集團於各報告期末，按公允值計量其購股權、若干可供出售股本投資、生物資產及衍生金融工具。公允值是於計量日市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格。公允值計量乃基於假設出售資產或轉移負債的交易於資產或負債的主要市場或於未有主要市場的情況下，則於資產或負債的最有利市場進行。主要或最有利市場須位於本集團能到達的地方。資產或負債的公允值乃基於市場參與者為資產或負債定價所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

以公允值計量非金融資產，應當考慮市場參與者將該資產用於最佳用途產生經濟利益的能力，或者將該資產出售給能夠用於最佳用途的其他市場參與者產生經濟利益的能力。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | |
|---------|---|
| Level 1 | – based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要(續)

公允值計量(續)

本集團以公允值計量相關資產或負債，應當採用在當前情況下適用並且有足夠可利用資料的估值技術，並且最大化使用相關可觀察輸入資料，最小化使用不可觀察輸入資料。

所有以公允值計量或在財務報表中披露的資產和負債均按如下公允值等級分類，由對公允值計量具有重要意義的輸入值所屬的最低層次決定：

- | | |
|-----|--|
| 第一級 | – 以在活躍市場中相同資產或負債的報價(未經調整)釐定 |
| 第二級 | – 以使用輸入資料為可直接或間接觀察的對公允值計量有重要影響的市場資訊的估值技術釐定 |
| 第三級 | – 以使用輸入資料是對公允值計量有重大影響，而並非可觀察的市場信息的估值技術釐定 |

財務報表中持續以公允值確認的資產和負債，於每一財務報告期末本集團需重新評估分類(基於對公允值計量具有重要意義的輸入值所屬的最低層次)以釐定是否有各層次之間的轉換。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets, financial assets, investment properties, goodwill and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 重大會計政策概要(續)

非金融資產減值

當有跡象顯示出現減值，或當須進行資產年度減值測試(存貨、建築合約資產、金融資產、投資物業、商譽及分類為持有待售的非流動資產／處置組除外)，則估計資產的可收回金額。資產的可收回金額乃選取資產或現金產生單位的使用價值及其公允值減銷售成本的較高者，並對個別資產釐定，惟倘資產並無產生大致獨立於其他資產或資產組別的現金流入，則可收回金額在該資產所屬的現金產生單位基礎上確定。

減值損失僅於資產賬面值超逾其可收回金額時確認。在評估使用價值時，估計未來現金流量乃按稅前折現率折現至現值。所用稅前折現率反映了當前市場對貨幣時值及該資產特定風險的評估。減值損失於產生期間自綜合損益表中與減值資產功能一致的支出類別扣除。

於各報告期末，本集團評估是否有跡象顯示先前確認的減值損失可能不再存在或已經減少。如有該等跡象，本集團會估計可收回金額。僅若用以釐定商譽除外資產的可收回金額的估計有變動，方會撥回先前確認該資產的減值損失，惟金額不得超過假使該資產在過往年度並無確認減值損失時，原應釐定的賬面值(扣減任何折舊／攤銷後)。減值損失撥回計入產生期間的綜合損益表中，惟該資產按重估金額列賬時，則該減值虧損撥回根據與該重估資產相關之會計政策列賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.4 重大會計政策概要(續)

關聯人士

一方被視為與本集團有關聯，倘：

- (a) 該方為該名人士家族的人士或直系親屬，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團施加重大影響；或
 - (iii) 為本集團或本集團母公司主要管理人員的成員；

或

- (b) 該方為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體的母公司、子公司或同系子公司之旗下)；
 - (iii) 該實體及本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體僱員；
 - (vi) 該實體由(a)項所述人士控制或共同控制；及
 - (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理人員的成員。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The depreciation rates of property, plant and equipment are as follows:

Buildings and structures	5% to 8%
Plant and machinery	10% to 20%
Office equipment	10%
Motor vehicles	10%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 重大會計政策概要(續)

物業、廠房及設備和折舊

物業、廠房及設備(在建工程除外)是按成本值減去累計折舊及任何減值損失後列賬。倘物業、廠房及設備項目分類為持有待售或當其為分類為持有待售的處置組的一部分時，其不予折舊並根據國際財務報告準則第5號入賬，進一步闡釋見會計政策「持有待售的非流動資產及處置組」。物業、廠房及設備項目成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接應佔成本。

物業、廠房及設備項目投入運作後產生的支出(例如維修及保養)，一般於其產生期間於綜合損益表扣除。而大修支出在符合確認條件時，計入資產的賬面值作為更換成本。當物業、廠房及設備的重要部件須定期更換，本集團將該等部件確認為獨立的資產，並在特定可使用年期下單獨計提折舊。

折舊乃按物業、廠房及設備的各個項目於其估計可使用年期以直線法攤減其成本至剩餘價值。物業、廠房及設備的折舊率如下：

房屋及建築物	5%至8%
廠房及機器	10%至20%
辦公設備	10%
汽車	10%

倘一項物業、廠房及設備的各部分有著不同可使用年期，則有關項目的成本以合理基準分配於各部分，而每部分將作獨立折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度結算日審閱及調整(如適用)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

(continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress

Construction in progress represents plants and properties under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of investment properties. The depreciation rates range from 2% to 4%. Depreciation methods, useful life and residual value are reassessed at each reporting date.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

2.4 重大會計政策概要(續)

物業、廠房及設備和折舊(續)

物業、廠房及設備項目(包括經初步確認為資產的任何重要部件)乃在處置時或在預計未來不可從其使用或處置中獲得經濟利益時終止確認。於終止確認資產當年的綜合損益表中確認的處置或廢棄而產生的任何收益或虧損乃銷售所得款項淨額與相關資產賬面值之間的差額。

在建工程

在建工程是指正在興建的廠房及物業，乃以成本值減任何減值損失列賬。在建工程不計提折舊。成本值包括在建期間的直接建築成本以及已借相關資金所屬已撥充資本的借貸費用。當在建工程竣工、隨時可供使用時，在建工程重新分類歸入物業、廠房及設備內的適當類別。

投資物業

投資物業指持作賺取租金收入及／或資本增值用途，而非用於生產或供應貨品或服務或作行政用途；或作日常業務過程中出售用途之土地及樓宇權益。該等物業初步按成本(包括交易成本)計量。初步確認後，投資物業按成本減累計折舊及減值虧損計量。

折舊乃按資產之成本減其剩餘價值計量。折舊按直線法於投資物業之估計可使用年期內於損益確認。折舊率介乎2%至4%。折舊方法、可使用年期及剩餘價值於各報告日期重估。

投資物業報廢或出售產生之收益或虧損於其報廢或出售年度於損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 重大會計政策概要(續)

持有待售的非流動資產及處置組

倘非流動資產及處置組的賬面值將主要透過一項銷售交易而非透過持續使用得以收回，該等非流動資產及處置組則分類為持有待售。為此，該資產(或處置組)必須在其當前情況下僅根據出售此類資產(或處置組)的通常和慣用的條款即可立即出售，並且出售必須極可能發生。所有分類為處置組的子公司資產及負債重新歸類為持有待售，而不論本集團於出售後有否保留其前子公司的非控股股東權益。

分類為持有待售的非流動資產及處置組乃按其賬面值及公允值減銷售成本後的餘額孰低計量。分類為持有待售的物業、廠房及設備以及無形資產不予折舊或攤銷。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併時所收購無形資產的成本相等於收購日期的公允值。

無形資產的可使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度結算日複核一次。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Trademarks

Trademarks acquired separately are measured at cost. Trademarks acquired as part of a business combination are valued at fair value based on the royalty relief method.

Trademarks with finite useful lives are amortised on the straight-line basis over their estimated useful lives of 10 years. Trademarks with indefinite useful lives are tested for impairment annually.

Computer softwares

Acquired computer softwares are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the straight-line basis over their estimated useful lives of 3 to 10 years.

2.4 重大會計政策概要(續)

無形資產(商譽除外)(續)

可使用年期無限的無形資產於每年按個別或現金產生單位作減值測試，且不予攤銷。對年期無限的無形資產需每年對其使用年期作複核，以釐定無限可使用年期的評估是否持續可靠。否則，可使用年期評估按預期法自此由無限年期更改為有限年期。

專利及特許權

所購買專利及特許權乃按成本減任何減值損失列賬，且按估計可使用年期10年以直線法攤銷。

商標

所收購商標按成本單獨計量。作為業務合併一部分所收購的商標根據特許權費減免法按公允值進行估值。

可使用年期有限的商標按估計可使用年期10年以直線法攤銷。可使用年期無限的商標每年測試減值。

電腦軟件

購入的電腦軟件根據購買及使用該特定軟件所引起的成本進行資本化。有關成本按其估計可使用年期3至10年以直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Research and development costs

All research costs are charged to the consolidated statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

2.4 重大會計政策概要(續)

無形資產(商譽除外)(續)

研究開發費用

所有研究費用在產生時於綜合損益表支銷。

開發新產品的項目產生的支出，僅當本集團可顯示下列各項，方予資本化及遞延：完成該項無形資產使其可供使用或出售在技術上的可行性、其完成的意向，及使用或出售該資產的能力、該資產日後如何產生經濟利益、是否有資源可以完成該項目，以及在開發過程中是否可以可靠地計量該項支出。不符合該等條件的產品開發支出在產生時支銷。

遞延開發費用按成本值減任何減值損失列賬並以直線法按相關產品自其投產日期起計的商業年期攤銷。

租賃

凡資產擁有權絕大部分回報及風險(不包括法定所有權)轉歸本集團所有的租約，均列作融資租約。於融資租約開始時，租賃資產的成本乃按最低租約付款的現值撥充資本，並連同債務(不包括利息部分)一併入賬，藉以反映購買與融資情況。根據已資本化的融資租約持有的資產(包括經營租賃下的土地租賃預付款)乃納入物業、廠房及設備，並按租期或資產的估計可使用年期兩者中的較短者折舊。有關租約的財務成本乃於損益表中扣除，以反映租期內的固定週期支出比率。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating lease are initially stated at cost and subsequently recognised as an expense in the consolidated statement of profit or loss on the straight-line basis over the lease terms of 50 years.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2.4 重大會計政策概要(續)

租賃(續)

透過具融資性質的租購合約收購的資產乃列作融資租約，惟有關資產乃按估計可使用年期予以折舊。

若出租者保留資產所有權的絕大部分回報及風險，則有關租賃歸類為經營租賃。當本集團為出租者時，本集團根據經營租賃出租的資產計入在非流動資產，而經營租賃下的應收租金按租賃期以直線法計入損益表。當本集團為承租人時，經營租賃下的應付租金扣除從出租者收取的任何獎勵按租賃期以直線法自綜合損益表扣除。

經營租賃下的土地租賃預付款最初按成本值列賬，其後按50年的租賃期以直線法在綜合損益表確認為支出。

投資及其他金融資產

初始確認和計量

金融資產於初始確認分類為以公允值計量且其變動計入損益的金融資產、貸款和應收款項及可供出售金融投資或於有效對沖中指定為對沖工具的衍生工具(如適用)。當金融資產首次確認，乃按公允值計量，倘並非為以公允值計量且其變動計入損益的金融資產，則另加收購該等金融資產應佔的交易成本。

正常的購買和出售金融資產事項全部在交易日(即本集團購買或出售資產之日)確認。所謂正常的購買或出售金融資產事項，是指按市場監管規例或慣例所訂定的時限內交付有關資產的買賣活動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

後續計量

金融資產的後續計量取決於其分類如下：

以公允值計量且其變動計入損益的金融資產

以公允值計量且其變動計入損益的金融資產包括持作買賣的金融資產及於首次確認時指定為以公允值計量且其變動計入損益的金融資產。倘收購金融資產的目的是為在短期內出售，則該等資產分類為持作買賣。包括獨立嵌入式衍生工具的衍生工具亦歸類為持作買賣，除非其指定為按國際會計準則第39號定義的有效對沖工具。

以公允值計量且其變動計入損益的金融資產按公允值記錄於財務狀況表，並在綜合損益表中將公允值的正數淨額變動呈列為其他收入及收益，及將公允值的負數淨額變動呈列為融資成本。該等公允淨值變動不包括此等金融資產所賺取的任何股息或利息，此等股息或利息乃根據下文「收入確認」一段所載的政策確認。

於首次確認時指定為以公允值計量且其變動計入損益的金融資產於首次確認日期及僅於符合國際會計準則第39號時予以指定。

倘衍生工具的經濟特徵及風險與主合約所述者並無密切關係，而主合約並非持作買賣用途或指定按公允值計入損益，主合約的內含衍生工具以個別衍生工具入賬並按公允值記錄。此等內含衍生工具按公允值計量而公允值變動於損益表內確認。倘合約條款變動大幅改變現金流量，或透過損益按公允值計量之金融資產重新計量，方會就所需重新評估。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the consolidated statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in finance costs for loans and in other expenses for receivables.

Available-for-sale investments

Available-for-sale investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the consolidated statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss as other income in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

貸款及應收款項

貸款及應收款項為並無活躍市場報價而具有固定的或可確認付款額的非衍生金融資產。經初步計算後，該等資產其後採用實際利率法，按攤銷成本減任何減值撥備計量。攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入損益表的其他收入及收益中。減值產生的虧損在綜合損益表就貸款確認為融資成本及就應收款項確認為其他費用。

可供出售投資

可供出售投資為上市及非上市權益性投資及債務證券的非衍生金融資產。歸類為可供出售的股本投資乃既未被歸類為持有作交易的股本投資亦未指定為以公允值計量且其變動計入損益的股本投資。屬於此類的債務證券指有意無限期持有及可能因應流動資金需要或因應市況變動而出售的投資。

於初步確認後，可供出售投資隨後按公允值計量，而未變現收益或虧損乃於可供出售的投資重估儲備中確認為其他全面收益，直至投資被終止確認，屆時，累計收益或虧損計入損益表的其他收入，或直至投資被釐定出現減值時，屆時累計收益或虧損從可供出售投資重估儲備重新歸類為綜合損益表內的其他收益或虧損。所賺取並同時持有可供出售金融投資的利息及股息分別呈報為利息收入及股息收入，並根據下文所載「收入確認」的政策在損益表內確認為「其他收益」。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale investments (continued)

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to consolidated statement of profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated statement of profit or loss.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

可供出售投資(續)

當非上市權益性證券的公允值，由於(a)該投資於合理公允值估計數目範圍的變動很重大，或(b)於範圍內不同估計數目的概率不能合理地評估並用於估計公允值時，該等證券將按成本減任何減值損失列賬。

本集團評估其可供出售的資產於短期內出售的能力及意向是否仍適用。在罕見情況下，倘由於市場不活躍本集團無法交易金融資產，且當管理層有能力及意向在可預見的將來持有該等資產或持有該等資產直至到期日，本集團可以選擇重新歸類金融資產。

金融資產被重新歸類為不屬於可供出售的類別，於重新歸類日期的公允值賬面值成為其新攤銷成本，而已於權益確認的資產的任何過往收益或虧損，在投資餘下的年期內使用實際利率攤銷至綜合損益表。任何新攤銷成本與到期款項之間的差額也在資產餘下的年期內使用實際利率攤銷。如果資產隨後被認定為減值，則列入權益的金額被重新歸類入綜合損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

2.4 重大會計政策概要(續)

終止確認金融資產

金融資產(或,倘適用,一項金融資產的一部分或一組類似金融資產的一部分)主要在下列情況下將終止確認(即從本集團綜合財務狀況表移除):

- 收取該項資產所得現金流量的權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或根據「轉手」安排承擔在無重大延誤下向第三方全數支付已收取現金流量的責任;及(a)本集團已轉讓資產絕大部分風險及回報,或(b)本集團並無轉讓或保留資產的絕大部分風險及回報,但已轉讓資產的控制權。

倘本集團已轉讓從資產收取現金流量的權利或已訂立轉手安排,則將評估其是否已保留資產所有權的風險及回報並其程度。倘並無轉讓或保留資產絕大部分風險及回報,亦無轉讓資產的控制權,則按本集團持續參與程度持續確認該等轉讓資產。在此情況下,本集團將確認相應的負債。已轉移資產及相關負債以本集團保留的權利與義務為基礎進行計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.4 重大會計政策概要(續)

金融資產減值

本集團會於各報告期末評估是否有客觀證據顯示某項金融資產或一組金融資產出現減值。倘初步確認資產後發生一項或以上事件而對金融資產的估計未來現金流量或可以可靠估計的一組金融資產造成影響，則出現減值。當及僅當由於其初始確認後發生一宗或多宗事件致使某項金融資產或一組金融資產的預計未來現金流量受影響，且該影響金額可以可靠估計而發生減值，則確認減值。發生減值的證據可包括債務人或一組債務人出現重大財政困難，違約或拖欠利息或本金支付，有面臨破產或進行其他財務重組的可能以及有公開資料表明其估計未來現金流量確已減少且可計量，如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本列賬的金融資產

對於按攤銷成本列賬的金融資產，本集團首先單獨評估單項金額重大的金融資產是否存在減值，或對單項金額不重大的金融資產按組合評估是否存在減值客觀證據。對本集團釐定為不存在減值客觀證據的單獨評估金融資產，無論其金額是否重大，其應當包括在具有類似信用風險特性的金融資產組合內並按組合進行減值測試。已單獨進行減值測試及已確認減值損失或繼續確認減值損失的資產，不應包括在組合中進行減值測試。

任何被識別的減值損失之虧損金額按該資產的賬面值與估計未來現金流量的現值兩者的差額計量(不包括尚未發生的未來信貸虧損)。估計未來現金流量的現值按該金融資產的原實際利率(即初始確認時使用的實際利率)折現。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the consolidated statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the consolidated statement of profit or loss.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

2.4 重大會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產(續)

該資產的賬面值可通過使用備抵賬目方式來抵減，虧損則於綜合損益表確認。利息收入就削減賬面值持續累算，並按計量減值損失時對未來現金流進行折現時使用的利率累算。當並無可變現的未來減值恢復跡象並且所有抵押品已變現或已轉讓至本集團時，貸款及應收款項連同任何相關備抵可予撇銷。

倘在後續期間，在減值確認後發生致使估計減值損失的金額增加或減少的事件，則會調整備抵賬目以增加或減少先前確認的減值損失。倘其後收回撇銷，則收回金額記入綜合損益表的其他費用。

按成本列賬的資產

倘有客觀證據表明一項無報價權益工具已產生減值損失，而該項工具由於公允值無法可靠計量而並無按公允值列賬，或與該項無報價權益工具關聯且必須通過交付該權益工具以結算的衍生資產產生減值損失，則損失金額乃按該資產的賬面值與將該資產的預計未來現金流量按當前市場上相似金融資產的回報率折現的現值兩者的差額計算。該等資產的減值損失不得撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale investments

For available-for-sale investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the consolidated statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated statement of profit or loss – is removed from other comprehensive income and recognised in the consolidated statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

2.4 重大會計政策概要(續)

金融資產減值(續)

可供出售投資

對於可供出售的投資，本集團於各報告期末評估是否存在客觀證據顯示一項或一組投資出現減值。

倘可供出售資產出現減值，則成本(已扣減任何本金及攤銷)與當時公允值的差額，於扣減任何過往在損益表確認的減值損失後，自其他全面收益轉撥至綜合損益表確認。

倘被分類為可供出售的股本投資，客觀證據可包括該投資的公允值大幅或長期低於其成本。「大幅」乃與該投資的原始成本對照評估，而「長期」乃評價其公允值低於原始成本的時間。倘有證據顯示出現減值，則累計損失(按照收購成本與當前公允值的差異並扣除該投資之前已在綜合損益表確認的任何減值損失所計算)自其他全面收益轉出至綜合損益表確認。分類為可供出售的權益工具減值損失不會通過損益表撥回。已計減值後公允值的增加直接計入其他全面收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale investments (continued)

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated statement of profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Impairment losses on debt instruments are reversed through the consolidated statement of profit or loss if the subsequent increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in the consolidated statement of profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables, financial guarantee contracts, interest-bearing bank loans, other loans, bonds payables and other financial liabilities.

2.4 重大會計政策概要(續)

金融資產減值(續)

可供出售投資(續)

倘被分類為可供出售的債務證券，則會按與按攤銷成本列賬的金融資產相同的標準進行減值評估，惟減值金額為按攤銷成本與當前公允值的差異計量的累計損失(減過往就該項投資於綜合損益表確認的減值損失)。日後利息收入會就該項資產的削減賬面值持續累算，並按計量減值損失時對未來現金流量進行折現時使用的利率累算。利息收入作為融資收入的一部分列賬。若債務工具的公允值增加可客觀地連繫至於減值損失在綜合損益表確認後發生的事件，債務工具的減值損失可透過綜合損益表撥回。

金融負債

初始確認和計量

金融負債於初始確認時分類為以公允值計量且其變動計入損益的金融負債，貸款及借款，或指定為有效對沖的對沖工具的衍生工具(如適用)。

所有金融負債初始時均按公允值確認，而貸款和借款則須在此基礎上扣除直接應佔交易成本。

本集團的金融負債包括應付賬款及應付票據、其他應付款項、財務擔保合約、計息銀行貸款、其他貸款、應付債券及其他金融負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

2.4 重大會計政策概要(續)

金融負債(續)

後續計量

金融負債的後續計量取決於其分類如下：

以公允值計量且其變動計入損益的金融負債

以公允值計量且其變動計入損益的金融負債包括持作買賣的金融負債及於首次確認時指定為以公允值計量且其變動計入損益的金融負債。

倘收購金融負債的目的是為在短期內購回，則該等負債分類為持作買賣。該分類包括本集團訂立但在對沖關係(定義見國際會計準則第39號)中並無指定為對沖工具的衍生金融工具。個別嵌入式衍生工具亦分類為持作買賣，惟彼等被指定為有效對沖工具除外。持作買賣的負債的收益或虧損乃於綜合損益表中確認。於綜合損益表中確認的公允值淨額收益或虧損不包括有關該等金融負債的任何利息。

於首次確認時指定為以公允值計量且其變動計入損益的金融負債於首次確認日期及僅於符合國際會計準則第39號的準則時予以指定。

貸款和借款

於初始確認後，計息貸款和借款其後採用實際利率法以攤銷成本計量，除非折現影響非屬重大，在此情況下，則按成本列賬。當負債終止確認並透過以實際利率法攤銷時，收益及虧損於綜合損益表確認。

攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入綜合損益表的融資成本中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 重大會計政策概要(續)

金融負債(續)

財務擔保合約

本集團發行的財務擔保合約乃因特定債務人不能支付到期款項(與債務工具所述條款一致)而應向持有人支付款項以彌補其由此招致的損失的合約。財務擔保合約首次按公允值並對發行擔保的直接應佔交易成本進行調整後確認為負債。於首次確認後，本集團按下列兩者的較高者計量財務擔保合約：(i)於報告期末履行現時責任的最佳估計開支金額；及(ii)首次確認金額減累計攤銷金額(如適用)。

終止確認金融負債

當負債項下的責任解除、註銷或屆滿，即終止確認金融負債。

倘現有的金融負債被另一項從同一貸款人按相當不同的條款訂定的金融負債取代，或現有負債的條款有相當修改，該項交換或修改乃被視作終止確認原負債並確認新負債，而各賬面值的差額乃於綜合損益表中確認。

金融工具的抵銷

倘且僅倘目前有強制執行的法律權力要求抵銷已確認的金額且有按照淨額結清，或同時變現資產和結清負債的意圖，金融資產和金融負債可抵銷並按淨值列報於財務狀況表中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IAS 39 is recognised in the statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.

2.4 重大會計政策概要(續)

衍生金融工具

初始確認及其後計量

本集團利用衍生金融工具，如外幣合約及利率掉期，以分別對沖其外幣風險及利率風險。該等衍生金融工具乃按訂立衍生工具合約當日的公允值初步確認，其後按公允值重新計量。當公允值為正數時，該等衍生工具入賬列為資產，當公允值為負數時，則列為負債。

符合國際會計準則第39號所定義的衍生工具的商品購買合約的公允值乃於損益表中確認為銷售成本。按本集團預計買賣或使用要求就收款或交付非金融項目之目的而訂立及持續持有的商品合約以成本持有。

衍生工具公允值變動所產生的任何收益或虧損，直接列入綜合利潤表內，惟現金流量對沖的有效部分則在其他全面收益內確認，且於之後該對沖項目影響損益時重新分類至損益。

流動與非流動分類

並無指定為有效對沖工具的衍生工具乃根據對事實及情況的評估(即相關合約現金流量)分類為流動或非流動，或單獨列為流動及非流動部分：

- 當本集團預期持有衍生工具作為經濟對沖(而並無應用對沖會計處理方法)至超過報告期結束後十二個月期間，該衍生工具乃與相關項目的分類一致分類為非流動(或拆分為流動及非流動部分)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments (continued)

Current versus non-current classification (continued)

- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in equity.

Biological assets

Dairy cows

Dairy cows, including milkable cows, heifers and calves, are measured on initial recognition and at the end of the reporting period at their fair value less costs to sell, with any resultant gain or loss recognised in the consolidated statement of profit or loss for the year in which it arises. Costs to sell are the incremental costs directly attributable to the disposal of an asset, mainly transportation cost and excluding finance costs and income taxes. The fair value of dairy cows is determined based on their present location and condition and is determined independently by a professional valuer.

The feeding costs and other related costs including the depreciation charge, utilities cost and consumables incurred for the raising of heifers and calves are capitalised, until such time as the heifers and calves begin to produce milk.

Agricultural produce

Milk

Agricultural produce represents milk. Milk is recognised at the point of harvest at its fair value less costs to sell. The fair value of milk is determined based on market prices in the local area.

2.4 重大會計政策概要(續)

衍生金融工具(續)

流動與非流動分類(續)

- 與主合約並非密切聯繫的嵌入式衍生工具乃與主合約的現金流量一致分類。
- 指定為及為有效對沖工具的衍生工具乃與相關對沖項目的分類一致分類。衍生工具僅於可作出可靠分配時拆分為流動部分及非流動部分。

庫存股份

重新購入的本身股本工具(庫存股份)按成本確認及從權益中扣減。概無就購買、銷售、發行或註銷本集團本身股本工具而於綜合損益表內確認收益或虧損。賬面值與代價之間之任何差額於權益內確認。

生物資產

乳牛

乳牛(包括奶牛、小母牛及小牛)於初步確認時及報告期末按公允價值減銷售成本計量,所得收益或虧損於產生年度在綜合損益表內確認。銷售成本為出售資產直接應佔的增量成本(主要為運輸成本,融資成本及所得稅除外)。乳牛的公允價值由專業估值師按其目前所處位置及狀況獨立釐定。

飼養成本及其他相關成本(包括飼養小母牛及小牛所產生的折舊開支、水電成本及消耗品)乃撥充資本,直至小母牛及小牛開始產奶為止。

農產品

牛奶

農產品指牛奶。牛奶於出產時按公允價值減銷售成本確認。牛奶的公允價值按當地市價釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials – cost on a weighted average basis;
- Finished goods – cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs on a weighted average basis.

Net realisable value is the estimated selling price less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 重大會計政策概要(續)

存貨

存貨以其成本值與可變現淨值兩者中的較低數額列賬。

將各產品運至現址和達致現狀產生的成本的會計處理方法如下：

- 原材料 – 成本(按加權平均法計算)；
- 成品 – 直接材料及直接人工成本，以及根據正常運作量比例計算的生產經常費用，但不包括借貸費用(按加權平均法計算)。

可變現淨值按估計售價減去完工及銷售所需的任何估計成本釐定。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月或三個月內到期的短期高流動性投資，扣減須應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款)及與現金性質相似的資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general guidance for provisions above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the guidance for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred income tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 重大會計政策概要(續)

撥備

若因過往事項而現時有法定或推定債務，而且可能需要有資源外流以償付這些債務，且惟能對債務數額作出可靠估計，便確認撥備。

如折現的影響重大，則確認的撥備額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而增加的折現現值，列作融資成本計入綜合損益表。

於業務合併中確認的或然負債按其公允值初步計量。其後以(i)根據上述計提準備的一般原則確認的金額；及(ii)初始確認金額扣減按照收入確認原則確認的累計攤銷金額(如適用)中較高者計量。

所得稅

所得稅包括即期及遞延稅項。損益賬外確認的相關所得稅項目，計入損益賬外的其他全面收益或直接計入權益。

即期所得稅

當期或前期的即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期可收回的數額或支付予稅務機關數額計算，並考慮本集團經營所在國家的現行詮釋及慣例。

遞延所得稅

於報告期末的資產及負債的稅基與其就財務報告而言的賬面值之間的所有暫時性差異，須按債務法計提遞延稅項撥備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策概要(續)

所得稅(續)

遞延所得稅(續)

所有應課稅暫時性差異均會確認遞延稅項負債，惟下列各項除外：

- 倘若遞延稅項負債的起因，是產生於商譽或非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的應課稅暫時性差異，倘若撥回暫時性差異的時間可以控制，且該暫時性差異在可預見的將來很可能不會撥回。

對於所有可扣減暫時性差異及結轉的未用稅項抵免及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、結轉的未用稅項抵免及未用稅項虧損的，則遞延稅項資產一律確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是產生於非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的可扣減暫時性差異，只有在暫時性差異有可能在可預見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Grants relating to biological assets

An unconditional government grant related to a biological asset measured at its fair value less costs to sell is recognised in the consolidated statement of profit or loss when, and only when, the government grant becomes receivable. If a government grant related to a biological asset measured at its fair value less costs to sell is conditional, the Group recognises the government grant in the consolidated statement of profit or loss when, and only when, the conditions attaching to the government grant are met.

2.4 重大會計政策概要(續)

所得稅(續)

遞延所得稅(續)

遞延稅項資產的賬面值，在各自報告期末予以審閱。若不再可能有足夠應課稅利潤用以抵扣遞延稅項資產的全部或部分金額，則扣減遞延稅項資產賬面值。並無確認的遞延稅項資產，在各自報告期末重新評估，若可能有足夠應課稅利潤可供收回全部或部分遞延稅項資產，則予確認。

變現資產或清償負債的期間預期適用的稅率，會用作計量遞延稅項資產及負債，並以報告期末已經頒佈或實質上已經頒佈的稅率(及稅法)為基準。

若存在法律上可強制執行的權利，藉以用即期稅項資產抵銷即期稅項負債，而遞延稅項與同一應課稅實體及同一稅務當局相關，則遞延稅項資產及遞延稅項負債相互抵銷。

政府補助金

與生物資產有關的補助金

與按公允值減銷售成本計量的生物資產有關的無條件政府補助金於(及只會於)預期可收到時在綜合損益表確認。倘與按公允值減銷售成本計量的生物資產有關的政府補助金為有條件，本集團則於(及只會於)符合該政府補助金的附帶條件時在綜合損益表確認該政府補助金。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants (continued)

Other grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the consolidated statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the consolidated statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2.4 重大會計政策概要(續)

政府補助金(續)

其他補助金

當有相當把握將會收到補助金及將符合所有附帶條件時，政府補助金即按公允值確認入賬。若補助金與支出項目有關，即於所擬補償的成本的支銷期間內有系統地確認為收入。

若補助金與資產有關，即將其公允值計入遞延收益賬戶，並於有關資產的預計可使用年期內，以等額年金調撥往綜合損益表或從資產賬面值中扣減並以經扣減折舊開支調撥往綜合損益表。

當本集團收取非貨幣資產補助，此補助按非貨幣資產的公允值入賬，並於有關資產的預計可使用年期內，以等額年金調撥往綜合損益表。

當本集團因興建合資格資產而收取無息或低於市場利率的政府貸款，則政府貸款的初步賬面值採用實際利率法釐定(上文有關「金融負債」的會計政策中有進一步解釋)。所授出無息或低於市場利率的政府貸款的利益(即貸款的初步賬面值與所收取款項的差額)視為政府補助金並於有關資產的預計可使用年期內，以等額年金調撥往綜合損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Rental income

Revenue is recognised on a time proportion basis over the lease terms.

Interest income

Revenue is recognised as interest accrues using the effective interest method by applying the rate that exactly discounts estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividends

Revenue is recognised when the shareholders' right to receive the payment has been established.

Employee benefits

Retirement benefits

The Group's subsidiaries operating in the People's Republic of China except for Hong Kong and Macao ("Mainland China") participate in a central defined contribution retirement benefit plan managed by the local municipal government in the locations in which they operate. Contributions are made based on a percentage of the companies' payroll costs and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central defined contribution retirement benefit plan.

2.4 重大會計政策概要(續)

收入確認

收入是在經濟利益很可能流入本集團以及能夠可靠地計量時按下列準則確認入賬：

貨品銷售

當貨品所有權附帶的重大風險及回報轉給買家，且本集團不再對所售貨品具有通常與所有權有關的管理權，亦無實際控制權時即確認收入。

租金收入

收入乃按租期的時間比例確認。

利息收入

在利息產生時確認利息收入，採用實際利率法計算，該比率為將金融工具估計未來收回現金按金融工具的估計年期或更短期間(如適用)折現至金融資產賬面淨值的折現率。

股息

當股東收取款項的權利得以確立時確認收入。

僱員福利

退休福利

本集團在中華人民共和國(香港及澳門除外)(「中國大陸」)營運的子公司，參與其營業所在地的地方政府管理的中央界定供款退休福利計劃，有關供款乃根據公司薪金費用的某百分比計算，並根據中央界定供款退休福利計劃的規則，應付時在綜合損益表內支銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits (continued)

The Company also participates in the defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) in Hong Kong under the Mandatory Provident Fund Schemes Ordinance for its employees. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (“equity-settled transactions”).

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in notes 43 and 44 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and service conditions are fulfilled in employee benefit expense. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要(續)

僱員福利(續)

退休福利(續)

本公司亦根據《強制性公積金計劃條例》就其僱員參與香港一項界定供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金的某個百分比計算，並根據強積金計劃的規則，應付時在損益表內支銷。強積金計劃的資產乃以獨立於本集團的一項獨立管理的基金持有。當本集團就強積金計劃作出僱主供款時，供款全數歸屬僱員。

以股份為基礎的支付

本公司採納一項購股權計劃，藉此對本集團業務有貢獻的合資格參與者作出鼓勵及獎賞。本集團僱員(包括董事)會收取以股份為基礎的支付形式的酬金，而僱員會提供服務作為換取股本工具的代價(「股權結算交易」)。

與僱員進行的股權結算交易乃參考授出權利當日的公允值計算成本。公允值乃由外聘估值師按二項式計價模式釐定(詳情見財務報表附註43及44)。

股權結算交易的成本連同權益的相應增加會於業績及服務條件達到的期間內於僱員福利費用內確認。歸屬日之前的各報告期末就股權結算交易確認的累計支出反映歸屬期屆滿的部分以及本集團對最終將歸屬的股本工具數目的最佳估計。期間內於綜合損益表扣除或計入的數額指於該期間初及終已確認累計支出的變動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share-based payments (continued)

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

2.4 重大會計政策概要(續)

僱員福利(續)

以股份為基礎的支付(續)

最終未完成歸屬的報酬不會確認支出，除非歸屬的股權結算交易附帶市況或非歸屬條件，則該情況下不論是否達到該市況或非歸屬條件均會視作歸屬處理，惟其他所有業績及／或服務條件必須達成。

當股權結算報酬條款修訂時，倘報酬的原條款達到，需按條款並無進行修訂的情形確認最少的支出。此外，倘任何修訂導致於修訂日期所計量的以股份為基礎的支付的總公允價值增加或以其他方式令僱員受惠，則所產生的任何額外支出予以確認。

當股權結算報酬註銷時，視作報酬於註銷當日已經歸屬，而報酬尚未確認的任何支出會即時確認。此包括本集團或僱員並未達致其可控制的非歸屬條件的任何報酬。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為對原有報酬的修訂處理。

尚未行使購股權的攤薄影響應通過計算每股盈利時的額外股份攤薄反映。

借貸費用

若借貸費用直接屬於購買、興建或生產合資格資產(即需要相當長時間才可擬定用途或出售的資產)，即撥充資本作為該等資產成本的一部分，而當相關資產大致達到擬定用途或出售時，即不再把該等借貸費用撥充資本。用以支付合資格資產的特定借款的臨時投資所賺取的投資收益從撥充資本的借貸費用中扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs (continued)

All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Each entity in the Group determines its own functional currency based on the assessment of its specific facts and circumstances. The Company, established in the Cayman Islands, uses the Hong Kong dollar as its functional currency and the subsidiaries, established in the PRC, use the Renminbi ("RMB") as their functional currency. As the Group mainly operates in Mainland China, RMB is used as the presentation currency of the Group. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

2.4 重大會計政策概要(續)

借貸費用(續)

所有其他借貸費用皆於產生期間支銷。

借貸費用包括利息及實體因資金借貸而產生的其他成本。

股息

董事擬派付的期末股息，未經股東在股東大會上批准以前，須作為保留利潤的單獨分配歸入綜合財務狀況表中權益項內。該等股息一經股東批准及宣派，即確認為負債。

由於本公司的組織章程大綱及細則授權董事宣派中期股息，故中期股息同時建議及宣派。因此，中期股息在建議及宣派時即時確認為負債。

外幣

本集團各實體按其特定事實及情況釐定其功能貨幣。本公司於開曼群島成立，功能貨幣為港元，各子公司則於中國成立，功能貨幣為人民幣（「人民幣」）。由於本集團主要於中國大陸營業，故使用人民幣作為本集團的呈列貨幣。由本集團實體記錄的外幣交易最初以交易當日各通行功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債，則按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生的差額於綜合損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or consolidated statement of profit or loss is also recognised in other comprehensive income or consolidated statement of profit or loss, respectively).

As at the reporting date, the assets and liabilities of companies whose functional currency differs from the presentation currency are translated into the presentation currency of the Group at the rates of exchange prevailing at the end of the reporting period and their statements of profit or loss are translated at the weighted average exchange rates for the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2.4 重大會計政策概要(續)

外幣(續)

以外幣列值及按歷史成本計量的非貨幣項目，乃按最初進行交易當日的匯率換算。以外幣列值及按公允值計量的非貨幣項目，須按計量公允值當日的匯率換算。換算按公允值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公允值變動的收益或虧損一致的方法處理(即其他全面收益或綜合損益表已確認的項目的公允值收益或虧損，其換算差額亦分別於其他全面收益或綜合損益表確認)。

於報告日期，倘公司的功能貨幣與呈列貨幣不同，其資產及負債乃按報告期末通行的匯率換算為本集團的呈列貨幣，而利潤表則按該報告期間的加權平均匯率換算。因此產生的匯兌差額乃於其他全面收益內確認並於權益的一個獨立組成部分內累計。於處置外國業務時，與該特定外國業務有關的其他全面收益的組成部分於綜合損益表內確認。

就綜合現金流量表而言，海外子公司的現金流量按產生現金流量當日的適用匯率換算為人民幣。海外子公司全年經常產生的現金流量則按當年的加權平均匯率換算為人民幣。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Withholding tax arising from the distribution of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distributions of dividends from certain subsidiaries according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends or on whether certain companies of the Group is determined to be a Chinese resident enterprise by the PRC governing tax authorities in the future. As at 31 December 2013, the deferred tax liabilities arising thereon amounted to RMB64,429,000 (2012: Nil) (note 26), representing the withholding taxes accrued on profits generated by certain PRC subsidiaries of the Group in 2013 and expected to be distributed to their holding companies incorporated outside Mainland China. Management considered that it is not probable that the Group's PRC subsidiaries will distribute additional profits earned on or after 1 January 2008 till the end of 2013 in the foreseeable future, and accordingly no additional provision for withholding tax was made in 2013. Where the final outcome of these matters is different from the amounts originally rewarded, the difference will impact the deferred tax provision in the period in which the differences realise.

3. 重大會計判斷及估計

管理層於編製本集團的財務報表時，須對收入、開支、資產及負債及其隨附披露事項，以及或然負債的披露作出判斷、估計及假設。由於該等假設及估計具有不確定性，可能導致資產或負債的賬面值須於未來作出重大調整。

判斷

於應用本集團的會計政策的過程中，管理層已作出以下判斷(除涉及估值的項目外)，乃對財務報表內已確認金額構成最重大影響：

分派股息產生的預扣稅

本集團根據相關稅務機關的規定計提從若干子公司分配股息所產生的預扣稅，是否計提取決於股息支付的時間或本集團的某些公司在未來期間是否被中國政府稅務當局認定為中國居民企業納稅人。於二零一三年十二月三十一日，其產生的遞延稅項負債達人民幣64,429,000元(二零一二年：無)(附註26)，指本集團若干子公司於二零一三年產生溢利所累計的預扣稅，並預期分派至於中國內地以外地區註冊成立的的控股公司。管理層認為在可預見的未來，本集團的中國子公司不可能分派於二零零八年一月一日或之後直至二零一三年結束為止所賺取的額外利潤，因此對於二零一三年沒有計提額外的預扣稅。當該事件的最終結果與當初預計的不一樣時，差異所產生的遞延稅項將在差異變現的當期計提。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Operating lease commitments – group as lessor

The Group has entered into commercial leases on certain of its ranch facilities comprising plant and machinery included in the property, plant and equipment account. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Operating lease commitments – group as lessee

The Group has entered into commercial leases on certain machinery. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it does not bear all the significant risks and rewards of ownership of these machinery and accounts for the contracts as operating leases.

Classification between investment properties and own-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計(續)

判斷(續)

經營租賃承擔 – 本集團作為出租人

本集團已就其若干牧場設備(包括計入物業、廠房及設備的廠房及機器)訂立商業租約。本集團根據對該等安排的條款及條件進行評估，已決定保留此等按經營租賃租出的物業所有權的所有重大風險及回報。

經營租賃承擔 – 本集團作為承租人

本集團已就若干機器訂立商業租約。本集團根據對該等安排的條款及條件進行評估，已決定不會承擔此等機器所有權的所有重大風險及回報，並將合約歸類為經營租賃。

投資物業與自置物業的分類

本集團決定物業是否符合投資物業的資格，並已制訂出作此判斷的準則。投資物業是為賺取租金或資本增值或同時為此兩項目的而持有的物業。因此，本集團會考慮一項物業產生現金流量時是否基本上與本集團持有的其他資產無關。若干物業包括就賺取租金或資本增值而持有的部分及持作生產或供應貨品或服務或作行政用途的另一部分。倘此等部分可獨立出售或根據融資租約獨立出租，本集團會將該等部分個別列賬。倘該等部分無法獨立出售，則僅於非重大部分乃持作生產或供應貨品或服務或作行政用途的情況下，該項物業方分類為投資物業。本集團按個別物業基準作出判斷，以釐定輔助服務是否極為重大，以致物業不合資格列為投資物業。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of goodwill are given in note 21 to the financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重大會計判斷及估計(續)

估計的不確定性

對未來事項的主要假設及於報告期末估計的不確定性的其他主要來源(存有重大風險可能導致資產及負債賬面值須於下一財政年度內作出重大調整者)於下文論述。

商譽減值

本集團每年最少一次釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽的現金產生單位的使用價值作出估計。估計使用價值時，本集團須估計預期來自現金產生單位之日後現金流量，並挑選合適的折現率以計算該等現金流量的現值。商譽詳情請參閱財務報表附註21。

非金融資產(商譽除外)減值

於每個報告期末，本集團評估所有非金融資產是否存在任何減值跡象。無特定年限的無形資產按年及於該等跡象出現時測試減值。倘跡象顯示其他非金融資產的賬面值可能無法收回時，將對該等資產進行減值測試。減值存在於當某一資產或某一現金產生單位的賬面值超過其可回收金額時，即其公允值減其銷售成本與其使用價值的較高者。公允值減銷售成本的計算基於在相似資產公平交易中，可獲得的具約束性銷售交易信息或可觀察市場價格減處置該資產的增量成本。計算使用價值時，管理層須估計來自資產或現金產生單位的預期未來現金流量，並選擇合適的折現率，以計算現金流量的現值。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences and all unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, which affects the probability of utilisation and the tax rate to be used in the calculations. Details of deferred tax assets are contained in note 26 to the financial statements.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of available-for-sale investments

For available-for-sale financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration or extent to which the fair value of an investment is less than its cost.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

遞延稅項資產

遞延稅項資產就所有可扣減暫時性差異及所有未用稅項虧損加以確認，惟僅限於日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異及未用稅項虧損的情況。在釐定可予確認的遞延稅項資產金額時，須就會影響可用作扣減的可能性及用於計算的稅率的日後應稅利潤的大致時間及水平，作出重要的管理層判斷。遞延稅項資產的詳情請參閱財務報表附註26。

金融工具的公允值

當於綜合財務狀況表內入賬的金融資產及金融負債的公允值不能由交投活躍市場取得時，則使用估值法(包括折現現金流量模式)釐定其公允值。該等模式的輸入數據在可能情況下從可觀察市場取得，惟在不可行情況下，則須作一定程度的判斷以釐定公允值。判斷包括考慮如流動資金風險、信貸風險及波動性等輸入數據。有關該等因素假設的變動可能對金融工具的已呈報公允值造成影響。

可供出售投資減值

至於可供出售金融投資，本集團於每個報告期末評估有否客觀證據顯示一項投資或一組投資項目出現減值。倘被列為可供出售股本投資，客觀證據應包括一項投資的公允值大幅或持續低於其成本。在釐定何謂「大幅」或「持續」時須作出判斷。在作出這判斷時，本集團評估(其中包括)歷史股價變動及投資的公允值低於其成本的期間或程度。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of trade and other receivables

The Group determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition. Management reassesses the provisions at the end of each reporting period.

Fair value of contingent considerations

Contingent considerations, resulting from business combinations, are valued at fair value at the acquisition date as part of the business combinations. Where the contingent consideration meets the definition of a derivative and thus, a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factors.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. Details of share-based payments are contained in notes 43 and 44 to the financial statements.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

應收賬款及其他應收款項減值

本集團按應收款項可收回程度的評估就應收賬款及其他應收款項釐定減值撥備。該等評估乃基於客戶及其他債務人的信貸紀錄及現時市況。管理層於各報告期末重新評估撥備。

或然代價的公允值

業務合併產生的或然代價按收購日期的公允值進行估值作為業務合併的一部分。倘或然代價符合衍生工具的定義，則作為金融負債於各報告日期其後重新計量至公允值。公允值按照折現現金流量釐定。所考慮的主要假設為達致各表現目標的可能性及折現因素。

以股份為基礎的支付

本集團計量與僱員的股權結算交易的成本時乃參考權益工具授出當日的公允值。估算公允值須釐定授出權益工具(視乎授出的條款及條件)的最合適估值模式，亦須釐定估值模式最適合的輸入數據，包括購股權的預計年期、波動率及股息率，以及就此作出假設。以股份為基礎的支付之詳情列於財務報表附註43及44。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Useful lives, residual values and depreciation of property, plant and equipment and investment properties

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment and investment properties. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and investment properties of similar nature and functions. The Group will revise the depreciation charges where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expenses in the future periods.

Fair value of dairy cows

The Group's dairy cows are valued at fair value less costs to sell. The fair value of dairy cows is determined based on either the market-determined prices as at the end of the reporting period adjusted with reference to the species, age, growing condition, costs incurred and expected yield of the milk to reflect differences in characteristics and/or stages of growth of the dairy cows; or the present value of expected net cash flows from the dairy cows discounted at a current market-determined rate, when market-determined prices are unavailable; or the cost when appropriate. Any change in the estimates may affect the fair value of the dairy cows significantly. The independent qualified professional valuer and management review the assumptions and estimates periodically to identify any significant change in the fair value of dairy cows. Details of assumptions used are disclosed in note 27.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

物業、廠房及設備及投資物業的使用年期、剩餘價值及折舊

本集團就其物業、廠房及設備及投資物業釐定估計可使用年期及相關折舊開支。此項估計乃按照性質及用途相似的物業、廠房及設備及投資物業的實際可使用年期的過往經驗而作出。倘可使用年期與過往的估計年期有出入，本集團將調整折舊開支，或將撇銷或撇減技術上陳舊或非策略性而已遭廢棄或出售的資產。實際經濟年期或會與估計可使用年期有所不同；實際剩餘價值亦可能會與估計剩餘價值有所不同。定期審閱可導致可予折舊年期及剩餘價值有所更改，從而導致未來期間的折舊開支有所更改。

乳牛的公允值

本集團的乳牛乃按公允值減銷售成本後估值。乳牛的公允值乃按報告期末的市場定價釐定，並參考品種、年齡、生長狀況、所招致成本及預期產奶量作出調整，以反映乳牛的不同特點及／或生長階段；或如沒有市場定價，則以來自乳牛的按現行市場利率貼現的預期現金流量淨額的現值；或在適當情況下按成本釐定。任何估計變動均可能顯著影響乳牛的公允值。獨立合資格專業估值師及管理層定期複核各項假設及估計，以識別乳牛公允值的任何重大變動。所用假設詳情載於附註27。

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- Liquid milk products segment – manufacture and distribution of ultra-high temperature milk (“UHT milk”), milk beverages and yogurt;
- Ice cream products segment – manufacture and distribution of ice cream;
- Milk powder segment – manufacture and distribution of milk powder; and
- Other dairy products segment – principally the Group’s cheese and trading business.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax from continuing operations. The adjusted profit/(loss) before tax from continuing operations is measured consistently with the Group’s profit/(loss) before tax from continuing operations except that interest income, finance costs, dividend income, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude equity investments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分部資料

出於管理需要，本集團按產品及服務構組業務單元，共有下列四個可報告經營分部：

- 液體奶產品分部－生產及經銷超高溫滅菌奶(「UHT奶」)、乳飲料及酸奶；
- 冰淇淋產品分部－生產及經銷冰淇淋；
- 奶粉分部－生產及經銷奶粉；及
- 其他乳製品分部－主要為本集團奶酪及貿易業務。

管理層獨立監察本集團各經營分部的業績，以作出有關資源分配及表現評估的決策。分部表現乃根據可報告分部利潤／(虧損)(其為對經調整來自持續經營業務的稅前利潤／(虧損)的一種計量)予以評估。經調整來自持續經營業務的稅前利潤／(虧損)乃貫徹以本集團來自持續經營業務的稅前利潤／(虧損)計量，惟利息收入、融資成本、股息收入及總部及公司支出不包含於該計量內。

分部資產並無包括股本投資，以及其他不分部的總部及公司資產，因該等資產按集團層面管理。

分部負債並無包括其他不分部的總部及公司負債，因該等負債按集團層面管理。

分部間銷售及轉讓是參考以當時市價向第三者銷售所採用的售價進行交易。

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2013

4. 經營分部資料(續)

截至二零一三年十二月三十一日止年度

		Liquid milk products 液體奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Other dairy products 其他乳製品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue:	分部收入:					
Sales to external customers	銷售予外部客戶	37,902,833	3,023,370	2,177,251	253,454	43,356,908
Intersegment sales	分部間銷售	281,572	40,549	38,829	43,066	404,016
		38,184,405	3,063,919	2,216,080	296,520	43,760,924
Reconciliation:	調整:					
Elimination of intersegment sales	對銷分部間銷售					(404,016)
Revenue from continuing operations	來自持續經營業務之收入					43,356,908
Segment results	分部業績	2,350,741	51,866	95,413	(22,796)	2,475,224
Reconciliation:	調整:					
Interest income	利息收入					359,295
Finance costs	融資成本					(160,377)
Share of profits and losses of associates	應佔聯營公司利潤及虧損					153,861
Unallocated corporate expenses	不分部的公司支出					(623,500)
Profit before tax from continuing operations	來自持續經營業務之稅前利潤					2,204,503
Income tax expense	所得稅支出					(366,713)
Profit for the year from continuing operations	來自持續經營業務之本年利潤					1,837,790
Segment assets	分部資產	19,362,089	1,536,988	11,861,065	474,480	33,234,622
Reconciliation:	調整:					
Elimination of intersegment receivables	對銷分部間應收款項					(8,618,415)
Unallocated corporate assets	不分部的公司資產					14,626,725
Assets related to discontinued operations	涉及已終止經營業務之資產					1,096,464
Total assets	總資產					40,339,396

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2013

4. 經營分部資料(續)

截至二零一三年十二月三十一日止年度

		Liquid milk products 液體奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Other dairy products 其他乳製品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment liabilities	分部負債	15,102,984	1,251,766	2,051,448	482,434	18,888,632
Reconciliation:	調整：					
Elimination of intersegment payables	對銷分部間應付款項					(8,618,415)
Unallocated corporate liabilities	不分部的公司負債					11,854,791
Liabilities related to discontinued operations	涉及已終止經營業務之負債					203,250
Total liabilities	總負債					22,328,258
Other segment information:	其他分部資料：					
Depreciation and amortisation	折舊及攤銷	961,248	112,220	92,535	6,307	1,172,310
Unallocated amounts	不分部款項					45,272
Total depreciation and amortisation	折舊及攤銷總額					1,217,582
Capital expenditure	資本開支	4,547,984	338,550	7,280,321	12,539	12,179,394
Unallocated amounts	不分部款項					417,135
Total capital expenditure*	資本開支總額*					12,596,529
Impairment losses recognised in the consolidated statement of profit or loss	於綜合損益表確認的減值虧損	79,750	10,431	1,477	239	91,897
Other non-cash expenses	其他非現金支出	15,322	3,755	-	-	19,077
Unallocated amounts	不分部款項					184,413
Total non-cash expenses	非現金支出總額					295,387

* Capital expenditure consists of cash paid for the purchase of property, plant and equipment, construction in progress, investment properties, intangible assets, land use rights, biological assets, and for the acquisition of associates and subsidiaries.

* 資本開支包括添置物業、廠房及設備、在建工程、投資物業、無形資產、土地使用權、生物資產及收購聯營公司和子公司所支付的現金。

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2012 (Restated)

4. 經營分部資料(續)

截至二零一二年十二月三十一日止年度(經重述)

		Liquid milk products	Ice cream products	Milk powder products	Other dairy products	Equity accounting adjustment	Total
		液體奶產品	冰淇淋產品	奶粉產品	其他乳製品	權益會計調整	總計
		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
Segment revenue:	分部收入:						
Sales to external customers	銷售予外部客戶	32,335,971	3,171,482	441,552	130,339	(79,354)	35,999,990
Intersegment sales	分部間銷售	245,591	27,153	151,898	111,526	-	536,168
		32,581,562	3,198,635	593,450	241,865	(79,354)	36,536,158
Reconciliation:	調整:						
Elimination of intersegment sales	對銷分部間銷售						(536,168)
Revenue from continuing operations	持續經營業務收入						35,999,990
Segment results	分部業績	1,830,613	39,048	(113,579)	(30,456)	113,590	1,839,216
Reconciliation:	調整:						
Interest income	利息收入						218,148
Finance costs	融資成本						(39,159)
Share of profits and losses of a joint venture and associates	應佔一間合營企業及聯營公司利潤及虧損						(52,908)
Unallocated corporate expenses	不分部的公司支出						(231,434)
Profit before tax from continuing operations	持續經營業務稅前利潤						1,733,863
Income tax expense	所得稅支出						(245,476)
Profit for the year from continuing operations	持續經營業務本年利潤						1,488,387
Segment assets	分部資產	16,458,513	1,405,014	274,677	366,459	(74,840)	18,429,823
Reconciliation:	調整:						
Elimination of intersegment receivables	對銷分部間應收款項						(5,424,716)
Unallocated corporate assets	不分部的公司資產						7,910,787
Assets related to a discontinued operation	已終止經營業務相關資產						-
Total assets	總資產						20,915,894
Segment liabilities	分部負債	10,988,647	816,066	315,185	393,189	(124,098)	12,388,989
Reconciliation:	調整:						
Elimination of intersegment payables	對銷分部間應付款項						(5,424,716)
Unallocated corporate liabilities	不分部的公司負債						830,514
Liabilities related to a discontinued operation	已終止經營業務相關負債						-
Total liabilities	總負債						7,794,787

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2012 (Restated)

4. 經營分部資料(續)

截至二零一二年十二月三十一日止年度(經重述)

		Liquid milk products	Ice cream products	Milk powder products	Other dairy products	Equity accounting adjustments	Total
		液體奶產品	冰淇淋產品	奶粉產品	其他乳製品	權益會計調整	總計
		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
Other segment information:	其他分部資料:						
Share of profits and losses of a joint venture	應佔一間合營企業利潤及虧損	-	-	(66,763)	-	-	(66,763)
Depreciation and amortisation	折舊及攤銷	851,104	90,441	21,572	5,513	(21,572)	947,058
Unallocated amounts	不分部款項						48,241
Total depreciation and amortisation	折舊及攤銷總額						995,299
Capital expenditure*	資本開支*	1,819,585	334,865	3,416	5,372	(3,416)	2,159,822
Unallocated amounts	不分部款項						103,291
Total capital expenditure	資本開支總額						2,263,113
Impairment losses recognised in the consolidated statement of profit or loss	於綜合損益表確認的減值虧損	31,396	418	1,142	879	(1,142)	32,693
Other non-cash expenses	其他非現金支出	21,273	3,277	-	(380)	-	24,170
Unallocated amounts	不分部款項						(4,998)
Total non-cash expenses	非現金支出總額						51,865

* Capital expenditure consists of cash paid for the purchase of property, plant and equipment, construction in progress, investment properties, intangible assets, land use rights, biological assets, and for the acquisition of associates and subsidiaries.

* 資本開支包括添置物業、廠房及設備、在建工程、投資物業、無形資產、土地使用權、生物資產及收購聯營公司和子公司所支付的現金。

Geographical information**a. Revenue from external customers**

Over 90% of the revenue is contributed by customers in Mainland China.

b. Non-current assets

Over 90% of the Group's non-current assets are located in Mainland China.

Information about a major customer

There is no single customer contributing over 10% of the Group's revenue.

地區資料**a. 來自外部客戶的收入**

90%以上的收入來自位於中國大陸的客戶。

b. 非流動資產

本集團90%以上的非流動資產均位於中國大陸。

主要客戶資料

並無單一客戶向本集團貢獻超過10%之收入。

5. REVENUE, OTHER INCOME AND GAINS

Revenue, being the turnover of the Group, represents the net invoiced value of goods sold, after allowances for goods returns and trade discounts, and after eliminations of all significant intra-group transactions.

An analysis of the Group's revenue, other income and gains from continuing operations is as follows:

5. 收入、其他收入及收益

收入為本集團的營業額，指已售出商品的發票淨值，經扣除退貨及貿易折扣，以及抵銷集團內所有公司間之重大交易後所得的數額。

本集團來自持續經營業務的收入、其他收入及收益的分析如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated 經重述
Revenue:	收入：		
Sale of goods	商品銷售	43,356,908	35,999,990
Other income and gains:	其他收入及收益：		
Government grants related to	政府補助金		
– Assets other than biological assets	– 與生物資產以外 資產有關	(a) 19,385	19,056
– Income	– 與收入有關	(b) 71,775	136,544
Gain on deemed disposal of an associate	視同出售一家聯營 公司收益	–	4,384
Gain on disposal of associates	出售聯營公司收益	–	50,635
Foreign exchange gains, net	匯兌收益淨額	155,147	–
Others	其他	42,326	38,576
		288,633	249,195
		43,645,541	36,249,185

Notes:

- (a) The Group has received certain government grants in the form of property, plant and equipment donations or cash donations to purchase items of property, plant and equipment. There are no unfulfilled conditions or contingencies attaching to these grants. The grants are initially recorded as deferred income and amortised to match the depreciation charge of the underlying property, plant and equipment in accordance with the assets' estimated useful lives (note 38).
- (b) The government grants in the form of cash donations have been received for the Group's contribution to the development of the local dairy products industry. There are no unfulfilled conditions or contingencies attaching to these grants.

附註：

- (a) 政府以物業、廠房及設備捐獻或現金捐獻以購買物業、廠房及設備方式，向本集團授予若干補助。該等補助金並無附帶任何未達成的條件或或然事項。該等補助金初始確認為遞延收益，並根據資產的估計可使用年期攤銷，以配對相關物業、廠房及設備的折舊開支(附註38)。
- (b) 本集團因對當地乳製品行業的發展有所貢獻，故獲現金捐獻形式的政府補助金。該等補助金並無附帶任何未達成的條件或或然事項。

6. OTHER EXPENSES

6. 其他費用

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Donation	捐贈支出	18,634	6,029
Loss on disposal of items of property, plant and equipment	處置物業、廠房及 設備虧損	17,496	5,992
Write-off of inventories	撇銷存貨	-	4,828
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	277	1,495
Provision for property, plant and equipment	物業、廠房及設備撥備	9,162	-
Provision for trade receivables and other receivables	應收賬款及 其他應收款項撥備	81,934	31,198
Educational surcharges and city construction tax	教育費附加和 城市維護建設稅	194,886	132,738
Foreign exchange losses, net	匯兌虧損淨額	-	2,393
Others	其他	37,736	9,138
		360,125	193,811

7. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging:

7. 稅前利潤

本集團來自持續經營業務的稅前利潤乃經扣除下列各項後計算所得：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Cost of inventories sold	銷售存貨成本	31,656,106	27,048,280
Realised and unrealised fair value losses of derivative financial instruments, net (a)	變現及未變現衍生金融工具公允價值虧損淨額(a)	3,557	1,712
Cost of sales	銷售成本	31,659,663	27,049,992
Employee benefit expense (excluding directors' and chief executive's remuneration as disclosed in note 8)	僱員福利費用(不包括附註8所披露的董事及主要行政人員薪酬)		
– Wages, salaries, housing benefits and other allowances	– 工資、薪金、住房福利及其他津貼	2,331,661	1,707,334
– Retirement benefit contributions	– 退休福利供款	239,757	172,766
– Share-based payment expense (note 43)	– 以股份為基礎的支付(附註43)	39,809	16,508
– Restricted share expense (note 44)	– 限制性股份的開支(附註44)	114,321	–
		2,725,548	1,896,608
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	1,178,923	972,652
Depreciation of investment properties	投資物業折舊	1,815	–
Amortisation of land use rights	土地使用權攤銷	21,748	14,711
Amortisation of other intangible assets	其他無形資產攤銷	15,096	7,936
Research and development costs – current year expenditure	當年研究開發費用	57,007	55,022
Provision for trade receivables and other receivables	應收賬款及其他應收款項撥備	81,934	31,198
Minimum lease payments under operating leases on buildings and certain production equipment	房屋及若干生產設備的經營租賃最低租金	322,341	212,342
Display space leasing fees	陳列空間租賃費	690,831	590,251
Auditors' remuneration	核數師酬金	4,440	4,220

(a) Since 2011, the Group has entered into various commodity futures contracts to manage its price exposure to future purchases of white sugar. A net fair value loss on derivative financial instruments of RMB3,557,000 (2012: RMB1,712,000) was charged to the consolidated statement of profit or loss.

(a) 本集團自二零一一年起訂立多份商品期貨合約，以處理其日後購買白糖所面對的價格風險。年內計入綜合損益表的衍生金融工具公允價值虧損淨額為人民幣3,557,000元(二零一二年：人民幣1,712,000元)。

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

8. 董事及主要行政人員薪酬

根據香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例第161條披露的本年度董事及主要行政人員薪酬如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Fees	袍金	2,120	1,062
Other emoluments	其他酬金		
– Basic salaries, housing benefits, other allowances and benefits in kind	– 基本薪金、住房福利、其他津貼及實物利益	18,366	8,887
– Retirement benefit contributions	– 退休福利供款	343	334
		20,829	10,283

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

8. 董事及主要行政人員薪酬(續)

		Notes 附註	Fees 袍金 RMB'000 人民幣千元	Basic salaries, housing benefits, other allowances and benefits in kind 基本薪金、住房福利、其他津貼及實物利益 RMB'000 人民幣千元	Retirement benefit contributions 退休福利供款 RMB'000 人民幣千元	Total remuneration 總酬金 RMB'000 人民幣千元
2013	二零一三年					
Executive directors	執行董事					
– Ms. Sun Yiping	– 孫伊萍女士	(a)	30	8,155	81	8,266
– Mr. Wu Jingshui	– 吳景水先生		30	2,021	50	2,101
– Mr. Bai Ying	– 白瑛先生		30	4,963	81	5,074
– Mr. Ding Sheng	– 丁聖先生	(a)	20	2,867	81	2,968
Non-executive directors	非執行董事					
– Mr. Ning Gaoning	– 寧高寧先生		150	–	–	150
– Mr. Yu Xubo	– 于旭波先生		150	–	–	150
– Mr. Niu Gensheng	– 牛根生先生		150	360	50	560
– Mr. Ma Jianping	– 馬建平先生		150	–	–	150
– Ms. Liu Ding	– 柳丁女士	(a)	150	–	–	150
– Mr. Tim Ørting Jørgensen	– Tim Ørting Jørgensen 先生	(a)	100	–	–	100
– Mr. Finn S. Hansen	– Finn S. Hansen先生	(a)	150	–	–	150
– Mr. Christine Neu	– Christian Neu先生	(a)	50	–	–	50
Independent non-executive directors	獨立非執行董事					
– Mr. Jiao Shuge	– 焦樹閣先生	(b)	–	–	–	–
– Mr. Julian Juul Wolhardt	– Julian Juul Wolhardt 先生	(b)	–	–	–	–
– Mr. Liu Fuchun	– 劉福春先生		240	–	–	240
– Mr. Zhang Xiaoya	– 張曉亞先生		240	–	–	240
– Mr. Xie Tao	– 謝韜先生	(a)	60	–	–	60
– Mr. Andrew Y Yan	– 閻焱先生	(a)	240	–	–	240
– Mr. Wu Kwok Keung Andrew	– 胡國強先生	(a)	180	–	–	180
			2,120	18,366	343	20,829

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

8. 董事及主要行政人員薪酬(續)

			Fees	Basic salaries, housing benefits, other allowances and benefits in kind	Retirement benefit contributions	Total remuneration
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	基本薪金、住房福利、其他津貼及實物利益	退休福利供款	總酬金
				袍金		袍金
2012		二零一二年				
Executive directors		執行董事				
- Ms. Sun Yiping	(a)	- 孫伊萍女士	20	2,064	50	2,134
- Mr. Yang Wenjun	(a)	- 楊文俊先生	17	1,375	46	1,438
- Mr. Wu Jingshui		- 吳景水先生	30	1,062	46	1,138
- Mr. Bai Ying		- 白瑛先生	30	2,181	73	2,284
- Mr. Ding Sheng	(a)	- 丁聖先生	30	1,845	73	1,948
Non-executive directors		非執行董事				
- Mr. Ning Gaoning		- 寧高寧先生	100	-	-	100
- Mr. Yu Xubo		- 于旭波先生	100	-	-	100
- Mr. Niu Gensheng		- 牛根生先生	100	360	46	506
- Mr. Ma Jianping		- 馬建平先生	100	-	-	100
- Mr. Fang Fenglei	(a)	- 方風雷先生	58	-	-	58
- Mr. Ma Wangjun	(a)	- 馬王軍先生	33	-	-	33
- Mr. Tim Ørting Jørgensen		- Tim Ørting Jørgensen 先生				
	(a)		42	-	-	42
- Mr. Finn S. Hansen	(a)	- Finn S. Hansen先生	42	-	-	42
Independent non-executive directors		獨立非執行董事				
- Mr. Jiao Shuge	(b)	- 焦樹閣先生	-	-	-	-
- Mr. Julian Juul Wolhardt		- Julian Juul Wolhardt 先生				
	(b)		-	-	-	-
- Mr. Zhang Xiaoya		- 張曉亞先生	120	-	-	120
- Mr. Liu Fuchun		- 劉福春先生	120	-	-	120
- Mr. Xie Tao	(a)	- 謝韜先生	120	-	-	120
			1,062	8,887	334	10,283

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

Notes:

- a. Mr. Ma Wangjun and Mr. Xie Tao resigned as directors on 12 April 2012 and 1 April 2013, respectively. Mr. Yang Wenjun and Mr. Fang Fenglei resigned as directors on 30 July 2012. Mr. Ding Sheng and Mr. Tim Ørting Jørgensen resigned as directors on 1 September 2013. Ms. Sun Yiping, Mr. Wu Kwok Keung Andrew and Mr. Christian Neu were appointed on 12 April 2012, 1 April 2013 and 1 September 2013, respectively. Mr. Tim Ørting Jørgensen and Mr. Finn S. Hansen were appointed as directors on 30 July 2012. Ms. Liu Ding and Mr. Andrew Y Yan were appointed on 10 January 2013.

Ms Sun Yiping is also the chief executive of the Company since 12 April 2012.

- b. During 2013, the two directors agreed to waive their entitlements to directors' fees totalling RMB300,000 (2012: RMB230,000) for the year. Other than the aforementioned, there was no arrangement under which a director waived or agreed to waive any remuneration during the year.
- c. As of 31 December 2013, certain directors were granted share options in respect of their services to the Group under the share option scheme of the Company, further details of which are set out in note 43 to the financial statements. In accordance with IFRS 2, share option benefits represent the fair value at the grant date of the share options issued under the share option scheme of the Company amortised to the consolidated statement of profit or loss during the year disregarding whether the options have been vested/exercised or not. During the year, the share option benefits relating to the share options granted to Mr. Wu Jingshui, Mr. Bai Ying and Mr. Ding Sheng were approximately RMB3,429,000 (2012: RMB2,787,000), RMB4,572,000 (2012: RMB3,035,000) and RMB4,572,000 (2012: RMB3,832,000), respectively. In addition, during 2012, there was a reversal of share-based payment expenses of RMB6,990,000 relating to the share options granted to Mr. Yang Wenjun in prior years but lapsed as a result of his resignation in July 2012. Share option benefits relating to the share options granted to the directors are not included in the above analysis.
- d. As of 31 December 2013, Ms. Sun Yiping was granted restricted shares in respect of her services to the Group under the Restricted Share Award Scheme of the Company, further details of which are set out in note 44 to the financial statements. In accordance with IFRS 2, share-based payments benefits represent the fair value at the grant date of the restricted shares amortised to the consolidated statement of profit or loss during the year disregarding whether the restricted shares have been vested/exercised or not. During the year, the share-based payments relating to the restricted shares granted to the director were approximately RMB36,787,000 (2012: Nil).

8. 董事及主要行政人員薪酬(續)

附註：

- a. 馬王軍先生及謝韜先生分別於二零一二年四月十二日及二零一三年四月一日辭任董事。楊文俊先生及方風雷先生於二零一二年七月三十日辭任董事。丁聖先生及Tim Ørting Jørgensen先生於二零一三年九月一日辭任董事。孫伊萍女士、胡國強先生及Christian Neu先生分別於二零一二年四月十二日及二零一三年四月一日及二零一三年九月一日獲委任。Tim Orting Jorgensen先生及Finn S. Hansen先生於二零一二年七月三十日獲委任為董事。柳丁女士及閻焱先生於二零一三年一月十日獲委任。

自二零一二年四月十二日起，孫伊萍女士亦是本公司總裁。

- b. 於二零一三年度，兩位董事同意放棄其董事袍金，金額合共人民幣300,000元(二零一二年：人民幣230,000元)。除前述者外，本年度並無任何有關董事放棄或同意放棄任何酬金的安排。
- c. 於二零一三年十二月三十一日，若干董事就其對本集團的服務獲本公司根據購股權計劃授出購股權(有關詳情載於財務報表附註43)。根據國際財務報告準則第2號，購股權福利指按本公司購股權計劃所發行的購股權於授出日期的公允值，年內已於綜合損益表內予以攤銷，而不論該等購股權是否已歸屬/行使。年內，有關授予吳景水先生、白瑛先生及丁聖先生購股權的購股權福利分別約為人民幣3,429,000元(二零一二年：人民幣2,787,000元)、人民幣4,572,000元(二零一二年：人民幣3,035,000元)及人民幣4,572,000元(二零一二年：人民幣3,832,000元)。此外，於二零一二年內，由於楊文俊先生於二零一二年七月請辭，因此就過往年度向其授出但於失效的購股權撥回以股份為基礎的支付人民幣6,990,000元。上述分析並無包括有關向該等董事授出購股權的購股權福利。
- d. 於二零一三年十二月三十一日，孫伊萍女士根據本公司限制性股票獎勵計劃，就彼對本集團提供之服務，獲授出限制性股票，更多詳情載於財務報表附註44。根據國際財務報告準則第2號，以股份為基礎的支付福利指限制性股票於授出日期的公允值，年內已於綜合損益表內予以攤銷，而不論該等限制性股票是否已歸屬/行使。年內，有關授予該等董事限制性股票的以股份為基礎的支付約為人民幣36,787,000元(二零一二年：無)。

9. FIVE HIGHEST PAID EMPLOYEES

Three (2012: four) of the five highest paid employees were directors whose emoluments have been shown above. Details of emoluments paid to the remaining two (2012: one) non-director, highest paid employee, who is neither a director nor chief executive of the Company as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、 其他津貼及實物利益	6,655	1,788
Retirement scheme contributions	退休福利計劃供款	67	73
		6,722	1,861

The number of non-director, highest paid employees whose remuneration fell within the following band is as follows:

		Number of employees 僱員數目	
		2013 二零一三年	2012 二零一二年
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	-
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	-
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1	-
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	-	-
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	1	-
		2	1

During the year, share options were granted to two (2012: one) non-director, highest paid employee in respect of their services to the Group, further details of which are set out in note 43 to the financial statements. During the year, the share option benefits relating to the share options granted to the non-director, highest paid employee was approximately RMB3,572,000 (2012: RMB1,942,000) in aggregate. The share option benefits relating to the share options granted to this non-director, highest paid employee is not included in the above analysis.

9. 五位最高薪僱員

五位最高薪僱員包括三位(二零一二年:四位)董事,有關彼等的酬金資料已於上文披露。本年度支付予本公司其餘二位(二零一二年:一位)非董事、最高薪僱員(非董事或總裁)的酬金如下:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、 其他津貼及實物利益	6,655	1,788
Retirement scheme contributions	退休福利計劃供款	67	73
		6,722	1,861

酬金列入以下組別的最高薪非董事僱員的數目如下:

		Number of employees 僱員數目	
		2013 二零一三年	2012 二零一二年
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	-
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	-
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1	-
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	-	-
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	1	-
		2	1

年內,兩名(二零一二年:一名)最高薪非董事僱員就其對本集團的服務獲授購股權(有關詳情在財務報表附註43中披露)。年內,有關向該名最高薪非董事僱員授出購股權的購股權福利合共約為人民幣3,572,000元(二零一二年:人民幣1,942,000元)。上述分析並無包括有關向該名最高薪非董事僱員授出購股權的購股權福利。

10. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

10. 融資成本

來自持續經營業務的融資成本分析如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Interest on long term payables	長期應付款項利息	11,659	15,913
Interest on bank loans wholly repayable within five years	須於五年內全數償還的 銀行貸款利息	123,114	18,419
Interest on US\$500,000,000 3.50% bond due 2018	息率3.50%於二零一八年 到期之500,000,000美元 債券之利息	10,392	-
Increase in discounted amounts of contingent consideration arising from the passage of time	因時間流逝而增加或然代價 的折現現值	15,212	4,827
		160,377	39,159

11. INCOME TAX EXPENSE

Under the Law of the People's Republic of China on Corporate Income Tax ("PRC CIT law"), except for certain preferential treatment available to twenty-one (2012: eighteen) of the Group's subsidiaries, the entities within the Group are subject to the PRC corporate income tax ("CIT") at a rate of 25% (2012: 25%) on the taxable income as reported in their statutory accounts which are prepared in accordance with the PRC accounting standards and financial regulations.

11. 所得稅支出

根據中華人民共和國企業所得稅法(「中國企業所得稅法」)，除了本集團二十一間(二零一二年：十八間)子公司獲得若干稅務優惠外，本集團旗下的企業應就其法定賬目所呈報應課稅利潤按25%(二零一二年：25%)之稅率交納中國企業所得稅(「企業所得稅」)，法定賬目是按照中國會計準則及財務法規編製。

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Current income tax	即期所得稅		
Current charge for the year	本年的即期支出	385,903	255,739
Adjustments recognised in the year for current tax of prior years	年內就往年當期所得稅確認的調整	(9,224)	(4,919)
Deferred income tax	遞延所得稅		
Relating to origination and reversal of tax losses and temporary differences (note 26)	有關稅項虧損及暫時性差異的產生及回撥(附註26)	(9,285)	(5,344)
Relating to origination and reversal of withholding tax of the undistributed earnings of certain subsidiaries (note 26)	有關若干子公司不發派利潤的預扣稅的產生及回撥(附註26)	(681)	-
		366,713	245,476

11. INCOME TAX EXPENSE (continued)

A reconciliation of the income tax expense applicable to profit before tax at the statutory income tax rate to the income tax expense at the Group's effective income tax rate for the year is as follows:

11. 所得稅支出 (續)

在年度內，就稅前利潤按法定所得稅稅率計算的所得稅支出，與按照本集團實際所得稅稅率計算的所得稅支出，調節如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 Restated (經重述)
Profit before tax from continuing operations	來自持續經營業務之稅前利潤	2,204,503	1,733,863
At CIT rate of 25% (2012: 25%)	按25%(二零一二年: 25%)企業所得稅稅率計算	551,126	433,466
Non-deductible items and others, net	不可抵扣稅的項目及其他(淨額)	25,085	23,203
Adjustment recognised in the year for current tax of prior years	年內就往年當期所得稅確認的調整	(9,224)	(4,919)
Effect of preferential tax rates	優惠稅率的影響	(66,081)	(64,900)
Effect of tax exemptions	稅務減免的影響	(159,879)	(124,540)
Effect of withholding tax at 5% on the distributable profits of the Group's certain PRC subsidiaries	就本集團若干中國子公司不發派利潤以5%交納的預扣稅的影響	(681)	-
Tax losses not recognised	未確認稅務虧損	26,367	3,948
Utilisation of previously unrecognised tax credits	使用先前未確認的稅務抵免	-	(20,782)
At the effective income tax rate of 16.63% (2012: 14.16%)	按16.63%(二零一二年: 14.16%)實際所得稅稅率計算	366,713	245,476

Notes:

- (a) Twenty-one (2012: eighteen) subsidiaries were subject to tax concessions in 2013. The total taxable profits of the subsidiaries that are subject to tax concessions amounted to approximately RMB745,140,000 (2012: RMB723,966,000) in aggregate. Out of the twenty-one subsidiaries, eleven (2012: nine) were granted tax concessions by the state tax bureau in accordance with the PRC CIT law and the corresponding transitional tax concession policy and "The notice of tax policies relating to the implementation of the western China development strategy". Eighteen (2012: fifteen) subsidiaries were granted tax concessions in accordance with the policy of "The notice of preferential tax policy for preliminary processing of agriculture products".

附註：

- (a) 於二零一三年，二十一間(二零一二年：十八間)子公司享受稅務減免。該等獲稅務減免的子公司的應課稅利潤總額合計約人民幣745,140,000元(二零一二年：人民幣723,966,000元)。二十一間子公司中，有十一間(二零一二年：九間)子公司獲國家稅務局授予的稅務減免以中國企業所得稅法、有關稅收優惠過渡政策及《關於深入實施西部大開發戰略有關稅收政策問題的通知》的政策為據。十八間(二零一二年：十五間)子公司的稅務減免以《關於發佈享受企業所得稅優惠政策的農產品初加工範圍(試行)的通知》的政策為據。

11. INCOME TAX EXPENSE (continued)

- (b) The share of tax attributable to a joint venture and associates amounting to approximately RMB12,010,000 (2012: RMB8,613,000) is included in the share of profits and losses of a joint venture and associates on the face of the consolidated statement of profit or loss.

12. DISCONTINUED OPERATIONS**Plan to disposal of dairy farming business**

On 25 November 2013, Inner Mongolia Fuyuan Farming Co., Ltd. (“Fuyuan”), Inner Mongolia Hehe Investment Co., Ltd. (“Hehe”), Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”) and certain third parties entered into a series of agreements in order to better finance Fuyuan’s business expansion. In accordance with the agreements, third parties will inject additional capital to Fuyuan, consequently resulting in the dilution of Hehe’s equity interest in Fuyuan from 100% to around 43%. Fuyuan engages in the dairy farming business. The deemed disposal of Fuyuan is due to be completed in 2014, upon which Hehe will lose the control of Fuyuan. As at 31 December 2013, Fuyuan was classified as a disposal group held for sale.

Acquisition of a subsidiary exclusively with a view to subsequent disposal

On 29 August 2013, Inner Mongolia Mengniu Founding Industry Management Co., Ltd. (“Founding”) acquired an additional 64% equity interest in Chengdu Mengniu Dairy Sales Co., Ltd. (“Chengdu Sales”) exclusively with a view to subsequent disposal within one year. Prior to the acquisition, Chengdu Sales was a 36% associate of Founding. The purchase consideration for the acquisition was in the form of cash of RMB5,763,000 paid on the acquisition date. Chengdu Sales engages in the dairy products trading business. The subsidiary was acquired for the purpose of the Group’s distributorship reorganisation. The Group expects to complete the subsequent disposal by 30 June 2014. Upon the acquisition of Chengdu Sales by the Group and as at 31 December 2013, the net assets of Chengdu Sales have been classified as a disposal group and as a discontinued operation in the consolidated financial statements.

11. 所得稅支出(續)

- (b) 合營企業及聯營公司應佔稅項約為人民幣12,010,000元(二零一二年: 人民幣8,613,000元), 已計入綜合損益表的應佔合營企業及聯營公司利潤及虧損內。

12. 已終止經營業務**計劃處置養殖業務**

於二零一三年十一月二十五日, 內蒙古富源牧業有限責任公司(「富源」)、內蒙古禾和投資有限責任公司(「禾和」)、內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)與若干第三方簽訂連串協議, 旨在協助富源更容易的融資以拓展其業務。根據該等協議, 第三方會向富源注入額外資本, 因而導致禾和於富源的股權由100%攤薄至大約43%。富源經營養殖業務。視作處置富源將於二零一四年完成, 屆時禾和會失去對富源之控制權。於二零一三年十二月三十一日, 富源分類為持有待售的處置組。

以後續處置為目的子公司收購

於二零一三年八月二十九日, 內蒙古蒙牛方鼎產業管理有限責任公司(「方鼎」)增購成都蒙牛乳業銷售有限責任公司(「成都銷售」)64%股權, 其純粹為了之後一年內處置該等股權。本次收購前, 成都銷售為方鼎佔36%的聯營公司。收購的代價人民幣5,763,000元於收購日以現金支付。成都銷售經營乳製品貿易業務。收購該子公司之目的是配合本集團重組經銷商架構。本集團預計最遲於二零一四年六月三十日完成後續處置事項。本集團收購成都銷售後及於二零一三年十二月三十一日, 成都銷售的資產淨值已分類為處置組, 並於綜合財務報表內列作為一項已終止經營業務。

12. DISCONTINUED OPERATIONS (continued)**Acquisition of a subsidiary exclusively with a view to subsequent disposal** (continued)

The Group has not recognised any impairment loss in respect of Fuyuan and Chengdu Sales, neither when the assets and liabilities of the operations were classified as held for sale nor at the end of the reporting period.

The combined results of discontinued operations (i.e., Fuyuan and Chengdu Sales) for the year are presented below:

12. 已終止經營業務 (續)**以後續處置為目的的子公司收購** (續)

本集團並無就富源及成都銷售確認任何減值虧損，不論當該等業務的資產及負債被分類為持有待售時，或於報告期末。

已終止經營業務(即富源及成都銷售)本年的合併業績呈報如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Revenue	收入	43,081	1,084
Net expenses	開支淨額	(18,650)	(655)
Finance costs	融資成本	(233)	-
Profit before tax from discontinued operations	來自己終止經營業務之 稅前利潤	24,198	429
Income tax expense	所得稅支出	-	-
Profit for the year from discontinued operations	來自己終止經營業務之 本年利潤	24,198	429

12. DISCONTINUED OPERATIONS (continued)

The major classes of assets and liabilities of discontinued operations (i.e., Fuyuan and Chengdu Sales) classified as held for sale as at 31 December are as follows:

12. 已終止經營業務(續)

於十二月三十一日已終止經營業務(即富源及成都銷售)分類為持有待售的主要資產與負債類別如下：

		2013 二零一三年 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	275,126
Construction in progress	在建工程	67,624
Land use rights	土地使用權	6,522
Other intangible assets	其他無形資產	2,676
Biological assets	生物資產	495,568
Inventories	存貨	74,102
Trade and bills receivables	應收賬款及票據	12,711
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	390,376
Cash and bank balances	現金及銀行結存	56,299
		1,381,004
Less: Intra-group receivables	減：集團內公司間應收款項	(284,540)
Assets classified as held for sale	分類為持有待售的資產	1,096,464
Liabilities	負債	
Trade and bills payables	應付賬款及票據	54,320
Other payables and accruals	其他應付款項及預提費用	663,705
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30,000
		748,025
Less: Intra-group payables	減：集團內公司間應付款項	(544,775)
Liabilities directly associated with the assets classified as held for sale	與分類為持有待售的資產直接相關的負債	203,250
Net assets directly associated with the disposal groups	與處置組直接相關的淨資產	893,214

12. DISCONTINUED OPERATIONS (continued)

The net cash flows incurred by discontinued operations (i.e., Fuyuan and Chengdu Sales) are as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Operating activities	經營業務	(167,712)	(29,725)
Investing activities	投資活動	(487,142)	(111,852)
Financing activities	融資活動	667,297	183,550
Net cash inflow	現金流入淨額	12,443	41,973

The calculations of basic and diluted earnings per share from discontinued operations are based on:

12. 已終止經營業務 (續)

已終止經營業務(即富源及成都銷售)產生的淨現金流量淨額如下:

		2013 二零一三年 Number of shares 股份數目 RMB'000 人民幣千元	2012 二零一二年 Number of shares 股份數目 RMB'000 人民幣千元
Profit attributable to ordinary equity holders of the Company from discontinued operations	來自己終止經營業務之本公司普通股擁有人應佔利潤	24,198	429
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation (note 14)	計算每股基本盈利所用的普通股加權平均數(附註14)	1,804,966	1,767,801
Weighted average number of ordinary shares for the purpose of the diluted earnings per share calculation (note 14)	計算每股攤薄盈利所用的普通股加權平均數(附註14)	1,820,397	1,767,966
Earnings per share:	每股盈利:		
Basic, from discontinued operations	基本, 來自己終止經營業務	0.013	-
Diluted, from discontinued operations	攤薄, 來自己終止經營業務	0.013	-

來自己終止經營業務之每股基本及攤薄盈利之計算基準如下:

13. DIVIDENDS

13. 股息

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
	Notes 附註		
<i>Declared and paid during the year</i>	本年度宣派及支付		
Equity dividends on ordinary shares	普通股股息	290,488	350,009
<i>Proposed for approval at the AGM</i>	建議提呈於股東週年大會批准		
Equity dividends on ordinary shares: Proposed final – RMB0.20 (2012: RMB0.16) per ordinary share	普通股股息： 擬派期末股息 — 每股普通股 人民幣0.20元 (二零一二年： 每股普通股 人民幣0.16元)	367,053	282,917
	(a)/(b)		

Notes:

- (a) The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting (the "AGM"). This dividend was not recognised as a liability in the consolidated financial statements as at 31 December 2013 but was reflected as an appropriation of retained earnings for the year ending 31 December 2014.
- (b) The proposed final dividend for the year is appropriated from the Company's distributable share premium.

附註：

- (a) 擬派年度期末股息須由本公司的股東在應屆股東週年大會(「股東週年大會」)批准。該等股息並未在二零一三年十二月三十一日的綜合財務報表確認為負債，但已反映為截至二零一四年十二月三十一日止年度的保留利潤分配。
- (b) 擬派年度期末股息從本公司的可分派股份溢價中撥出。

14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The basic earnings per share for the year is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

14. 本公司普通股擁有人應佔的每股盈利

本年度的每股基本盈利乃根據年內本公司普通股擁有人應佔利潤除以年內已發行普通股的加權平均數計算。

14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (continued)

The diluted earnings per share was calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during that year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the year pursuant to the contingent ordinary share provision in IAS 33 *Earnings per Share*.

A reconciliation of the weighted average number of shares used in calculating the basic and diluted earnings per share amount is as follows:

14. 本公司普通股擁有人應佔的每股盈利(續)

每股攤薄盈利乃根據年內本公司普通股擁有人應佔利潤除以用作計算每股基本盈利所採用的年內已發行普通股加權平均數並假設年內所有購股權獲行使並根據國際會計準則第33號*每股盈利*的或然普通股撥備按無代價發行的普通股加權平均數計算。

計算每股基本及攤薄盈利時所用加權平均股份數目調節如下：

		2013 二零一三年 Number of shares 股份數目 '000 千股	2012 二零一二年 Number of shares 股份數目 '000 千股
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	1,804,966	1,767,801
Weighted average number of ordinary shares, assuming issued at no consideration on the deemed exercise of all share options during the year	假設年內所有購股權獲行使並按無代價發行之普通股加權平均數	5,271	165
Adjustments for restricted share award	就限制性股票獎勵作出調整	10,160	-
Weighted average number of ordinary shares for the purpose of the diluted earnings per share calculation	計算每股攤薄盈利所用的普通股加權平均數	1,820,397	1,767,966

15. PROPERTY, PLANT AND EQUIPMENT

Movements of the Group's property, plant and equipment during the year are as follows:

15. 物業、廠房及設備

本集團的物業、廠房及設備於本年內變動如下：

		Buildings and structures 房屋及建築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日					
Cost	成本值	3,541,571	8,588,889	529,686	100,955	12,761,101
Accumulated depreciation	累計折舊	(757,786)	(3,927,624)	(286,031)	(50,401)	(5,021,842)
Net carrying amount	賬面淨值	2,783,785	4,661,265	243,655	50,554	7,739,259
At 1 January 2013, net of accumulated depreciation	於二零一三年一月一日，扣減累計折舊	2,783,785	4,661,265	243,655	50,554	7,739,259
Acquisition of subsidiaries (note 45)	收購一家子公司(附註45)	642,107	431,019	26,822	15,932	1,115,880
Additions	增加	181,074	250,995	112,123	17,788	561,980
Transfers from construction in progress (note 16)	轉撥自在建工程(附註16)	492,717	825,506	15,896	4,080	1,338,199
Assets included in a discontinued operation (note 12)	包括於已終止經營業務之資產(附註12)	(179,421)	(85,717)	(9,708)	(280)	(275,126)
Transfers to investment properties (note 17)	轉撥至投資物業(附註17)	(2,008)	-	-	-	(2,008)
Disposals	處置	(1,852)	(38,185)	(3,059)	(894)	(43,990)
Impairment	減值	58	(9,318)	-	98	(9,162)
Depreciation provided during the year	年內折舊撥備	(206,888)	(871,962)	(82,862)	(17,211)	(1,178,923)
At 31 December 2013, net of accumulated depreciation	於二零一三年十二月三十一日，扣減累計折舊	3,709,572	5,163,603	302,867	70,067	9,246,109
At 31 December 2013	於二零一三年十二月三十一日					
Cost	成本值	4,799,192	10,204,561	714,189	174,655	15,892,597
Accumulated depreciation and impairment	累計折舊	(1,089,620)	(5,040,958)	(411,322)	(104,588)	(6,646,488)
Net carrying amount	賬面淨值	3,709,572	5,163,603	302,867	70,067	9,246,109

15. PROPERTY, PLANT AND EQUIPMENT (continued)

15. 物業、廠房及設備(續)

		Buildings and structures 房屋及建築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日					
Cost	成本值	2,881,209	7,369,218	425,097	87,597	10,763,121
Accumulated depreciation	累計折舊	(598,757)	(3,248,258)	(230,597)	(49,588)	(4,127,200)
Net carrying amount	賬面淨值	2,282,452	4,120,960	194,500	38,009	6,635,921
At 1 January 2012, net of accumulated depreciation	於二零一二年一月一日， 扣減累計折舊	2,282,452	4,120,960	194,500	38,009	6,635,921
Acquisition of a subsidiary (note 45)	收購一家子公司(附註45)	8,323	5,784	148	15	14,270
Additions	增加	192,127	307,126	106,618	20,976	626,847
Transfers from construction in progress (note 16)	轉撥自在建工程(附註16)	457,501	996,894	12,528	5,352	1,472,275
Disposals	處置	(1,066)	(33,505)	(1,857)	(974)	(37,402)
Depreciation provided during the year	年內折舊撥備	(155,552)	(735,994)	(68,282)	(12,824)	(972,652)
At 31 December 2012, net of accumulated depreciation	於二零一二年十二月 三十一日，扣減累計折舊	2,783,785	4,661,265	243,655	50,554	7,739,259
At 31 December 2012	於二零一二年十二月三十一日					
Cost	成本值	3,541,571	8,588,889	529,686	100,955	12,761,101
Accumulated depreciation	累計折舊	(757,786)	(3,927,624)	(286,031)	(50,401)	(5,021,842)
Net carrying amount	賬面淨值	2,783,785	4,661,265	243,655	50,554	7,739,259

(a) All of the Group's buildings are located in Mainland China.

(a) 本集團的房屋均位於中國大陸。

(b) Certain property, plant and equipment of the Group with a net book value of approximately RMB253,407,000 (2012: RMB271,327,000), RMB7,836,000 (2012: RMB8,047,000) and RMB14,723,000 (2012: Nil) have been pledged to secure the long term payables, short term bank loans and other loans, respectively, details of which are set out in notes 37, 35 and 36 to the financial statements.

(b) 本集團若干賬面淨值約為人民幣253,407,000元(二零一二年: 人民幣271,327,000元)、人民幣7,836,000(二零一二年: 人民幣8,047,000)及人民幣14,723,000元(二零一二年: 無)的物業、廠房及設備已經用作本集團獲得長期應付款項、短期銀行貸款及其他銀行貸款的抵押品。有關詳情載於財務報表附註37、附註35及附註36。

15. PROPERTY, PLANT AND EQUIPMENT (continued)

- (c) The Group leases its ranch facilities included in property, plant and equipment with a net book value of approximately RMB193,395,000 (2012: RMB233,971,000) to certain dairy farm companies under operating lease arrangements, with lease terms ranging from five to eight years (note 48(a)).
- (d) As at 31 December 2013, the Group is in the process of applying for the title certificates of certain of its buildings with an aggregate book value of approximately RMB14,018,000 (2012: Nil). The directors are of the view that the Group is entitled to lawfully and validly occupy and use the above mentioned buildings. The directors are also of the opinion that the aforesaid matter does not have any significant impact on the Group's financial position as at 31 December 2013.

Movements of the Company's property, plant and equipment during the year, which comprise only office equipment, are as follows:

15. 物業、廠房及設備(續)

- (c) 本集團根據經營租賃安排向若干家牧場公司租賃其列入物業、廠房及設備的牧場設施的賬面淨值約人民幣193,395,000元(二零一二年: 人民幣233,971,000元), 租賃為期五年至八年(附註48(a))。
- (d) 於二零一三年十二月三十一日, 本集團正為其若干樓宇(賬面總值約為人民幣14,018,000元(二零一二年: 無))申請業權證。董事認為, 本集團有權合法及有效地佔用及使用上述樓宇。董事亦認為上述事宜不會對本集團於二零一三年十二月三十一日的財務狀況造成影響。

本公司的物業、廠房及設備(全部為辦公設備)於本年內變動如下:

		Company	
		本公司	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日		
Cost	成本值	463	188
Accumulated depreciation	累計折舊	(121)	(160)
Net carrying amount	賬面淨值	342	28
At 1 January, net of accumulated depreciation	於一月一日, 扣減累計折舊	342	28
Additions	增加	72	363
Depreciation provided during the year	年內折舊撥備	(61)	(49)
At 31 December, net of accumulated depreciation	於十二月三十一日, 扣減累計折舊	353	342
At 31 December	於十二月三十一日		
Cost	成本值	535	463
Accumulated depreciation	累計折舊	(182)	(121)
Net carrying amount	賬面淨值	353	342

16. CONSTRUCTION IN PROGRESS

Movements of the Group's construction in progress, all of which are located in Mainland China, are as follows:

16. 在建工程

本集團全部位於中國大陸的在建工程變動如下：

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Carrying amount at beginning of year	年初的賬面值	596,812	886,674
Acquisition of subsidiaries (note 45)	收購子公司(附註45)	355,952	45
Additions during the year	年內增加	1,735,259	1,187,834
Assets included in a discontinued operation (note 12)	包括於已終止經營業務內之資產(附註12)	(67,624)	-
Transfers to property, plant and equipment (note 15)	轉撥至物業、廠房及設備(附註15)	(1,338,199)	(1,472,275)
Transfers to other intangible assets (note 20)	轉撥至其他無形資產(附註20)	(6,325)	(5,466)
Carrying amount at end of year	年終的賬面值	1,275,875	596,812

17. INVESTMENT PROPERTIES

17. 投資物業

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
At 1 January, net of accumulated depreciation	於一月一日，扣除累計折舊	-	-
Acquisition of a subsidiary (note 45)	收購一間子公司(附註45)	115,623	-
Transfers from property, plant and equipment (note 15)	轉撥自物業、廠房及設備(附註15)	2,008	-
Depreciation provided during the year	年內折舊撥備	(1,815)	-
At 31 December, net of accumulated depreciation	於十二月三十一日，扣除累計折舊	115,816	-
At 31 December Cost	於十二月三十一日 成本	128,836	-
Accumulated depreciation	累計折舊	(13,020)	-
Net carrying amount	賬面淨值	115,816	-

The fair value of the investment properties, as determined by directors of the Company, based on market approach with reference to market transactions price of similar properties, taking into account of other factors i.e., characteristics of the properties, locations, is estimated to be approximately RMB175,866,000 as at 31 December 2013.

投資物業之公允值於二零一三年十二月三十一日估計約為人民幣175,866,000元，乃由本公司董事根據市場法及參考類似物業的市場交易價格釐定，並已計及其他因素，即物業特質及地點等。

17. INVESTMENT PROPERTIES (continued)**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

17. 投資物業 (續)**公允值等級**

下表載列有關本集團投資物業之公允值計量等級：

Fair value measurements as at 31 December 2013 using

於二零一三年十二月三十一日使用之公允值計量

	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	活躍市場之報價 (Level 1) (第一級)	重大可觀察 輸入數據 (Level 2) (第二級)	重大不可觀察 輸入數據 (Level 3) (第三級)	總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Fair value measurement for:	就下列各項之公允值計量：			
Industrial properties	-	-	49,211	49,211
Commercial properties	-	-	126,655	126,655
	-	-	175,866	175,866

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

年內，第一級及第二級之間概無公允值計量轉移，亦無轉入第三級或自第三級轉出。

The carrying value of investment properties comprises properties:

投資物業賬面值包括下列物業：

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
In the PRC under a medium-term lease	114,427	-
In the United States of America on self-owned land	1,389	-
	115,816	-

18. LAND USE RIGHTS

18. 土地使用權

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Carrying amount at beginning of year	年初的賬面值	818,689	591,256
Acquisition of subsidiaries (note 45)	收購子公司(附註45)	290,265	5,448
Additions during the year	年內增加	6,556	236,696
Amortisation provided during the year	年內計提攤銷	(21,748)	(14,711)
Disposal	出售	(16,098)	-
Assets included in a discontinued operation (note 12)	包括於已終止經營業務內之資產(附註12)	(6,522)	-
Carrying amount at end of year	年終的賬面值	1,071,142	818,689
Current portion included in prepayments, deposits and other receivables under current assets (note 31)	即期部分(計入流動資產中預付款及按金及其他應收款項(附註31))	22,329	17,498
Non-current portion	非即期部分	1,048,813	801,191
		1,071,142	818,689

(a) The leasehold land is held under a long term lease of 40 or 50 years and is situated in Mainland China.

(b) As at 31 December 2013, certain land use rights of the Group with a net book value of approximately RMB2,469,000 (2012: RMB2,530,000) have been pledged to secure the short term bank loans of the Group, details of which are set out in note 35 to the financial statements.

(a) 租賃土地以40或50年長期租賃持有，位於中國大陸。

(b) 於二零一三年十二月三十一日，本集團賬面淨值約為人民幣2,469,000元(二零一二年：人民幣2,530,000元)的若干土地使用權已作為本集團短期銀行貸款的抵押，有關詳情載於財務報表附註35。

19. GOODWILL

19. 商譽

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	482,436	482,436
Acquisition of subsidiaries (note 45)	收購子公司(附註45)	5,220,347	-
Transfer (note 45)	轉出(附註45)	(7,845)	-
Carrying amount at 31 December	於十二月三十一日的賬面值	5,694,938	482,436

During 2013, the Group acquired a 49% equity interest in Mengniu Arla. The business acquisition gave rise to goodwill of RMB272,760,000. Further details of the acquisition are included in note 45 to the financial statements.

於二零一三年，本集團收購歐世蒙牛49%股權。該業務收購帶來價值人民幣272,760,000元之商譽。更多收購詳情載於財務報表附註45。

During 2013, the Group acquired a 89.82% equity interest in Yashili International Holdings Ltd. ("Yashili"). The business acquisition gave rise to goodwill of RMB4,947,587,000. Further details of the acquisition are included in note 45 to the financial statements.

於二零一三年，本集團收購雅士利國際控股有限公司(「雅士利」)89.82%股權。該業務收購帶來價值人民幣4,947,587,000元之商譽。更多收購詳情載於財務報表附註45。

During 2012, the Group acquired a 100% equity interest in Shijiazhuang Taihang Dairy Co., Ltd. ("Taihang"). The business acquisition did not give rise to any goodwill.

於二零一二年內，本集團收購石家莊太行乳業有限公司(「太行」)100%股權。該業務收購並無產生任何商譽。

As at 31 December 2013 and 2012, the goodwill was tested for impairment (note 21).

於二零一三年及二零一二年十二月三十一日，商譽已進行減值測試(附註21)。

20. OTHER INTANGIBLE ASSETS

Movements of the Group's other intangible assets are as follows:

20. 其他無形資產

本集團的其他無形資產變動如下：

		Patents and licences 專利及特許權 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元 (a)	Computer software 電腦軟件 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元 (b)	Total 總計 RMB'000 人民幣千元
Cost at 1 January 2013, net of accumulated amortisation	於二零一三年一月一日，按成本值，扣減累計攤銷	3,548	180,939	37,785	1,956	224,228
Acquisition of subsidiaries (note 45)	收購一家子公司(附註45)	17,500	1,366,000	6,645	-	1,390,145
Additions	增加	-	-	9,669	-	9,669
Transfers from construction in progress (note 16)	轉撥自在建工程(附註16)	-	-	6,325	-	6,325
Disposal	轉出	(271)	-	(31)	-	(302)
Amortisation provided during the year	年內計提攤銷	(5,491)	(1,560)	(7,383)	(662)	(15,096)
Assets included in a discontinued operation (note 12)	包括於已終止經營業務內之資產(附註12)	-	-	(2,676)	-	(2,676)
At 31 December 2013	於二零一三年十二月三十一日	15,286	1,545,379	50,334	1,294	1,612,293
At 31 December 2013 Cost	於二零一三年十二月三十一日 成本值	53,503	1,555,909	86,028	9,503	1,704,943
Accumulated amortisation	累計攤銷	(38,217)	(10,530)	(35,694)	(8,209)	(92,650)
Net carrying amount	賬面淨值	15,286	1,545,379	50,334	1,294	1,612,293
Cost at 1 January 2012, net of accumulated amortisation	於二零一二年一月一日，按成本值，扣減累計攤銷	3,818	182,499	34,508	2,617	223,442
Acquisition of a subsidiary (note 45)	收購一家子公司(附註45)	-	-	30	-	30
Additions	增加	251	-	2,975	-	3,226
Transfers from construction in progress (note 16)	轉撥自在建工程(附註16)	-	-	5,466	-	5,466
Amortisation provided during the year	年內計提攤銷	(521)	(1,560)	(5,194)	(661)	(7,936)
At 31 December 2012	於二零一二年十二月三十一日	3,548	180,939	37,785	1,956	224,228
At 31 December 2012 Cost	於二零一二年十二月三十一日 成本值	6,664	189,909	56,480	9,503	262,556
Accumulated amortisation	累計攤銷	(3,116)	(8,970)	(18,695)	(7,547)	(38,328)
Net carrying amount	賬面淨值	3,548	180,939	37,785	1,956	224,228

20. OTHER INTANGIBLE ASSETS (continued)

- (a) There were three trademarks: a trademark acquired in 2007 at a cost of RMB15,690,000, which was stated at cost less any impairment losses and was amortised on the straight-line basis over its estimated useful life of 10 years; two trademarks acquired as part of business combination in 2010 at RMB174,219,000, and in 2013 at RMB1,366,000,000, respectively, which were regarded as having an indefinite useful life because the trademarked product is expected to generate net cash inflows indefinitely. As at 31 December 2013 and 2012, the two trademarks were tested for impairment (note 21).
- (b) Others mainly represented the exclusive right of distribution channels and a right to receive dividends acquired as part of a business combination in 2010 at RMB2,195,000 and RMB1,326,000, respectively. Their useful lives ranged from 3 to 10 years.

21. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE LIVES

Goodwill and trademarks with indefinite lives acquired through business combinations have been allocated to the following cash-generating units (the "CGUs") for impairment testing:

- liquid milk products excluding CGU of Shijiazhuang Junlebao Dairy Co., Ltd. ("Junlebao");
- ice cream products CGU;
- milk powder products CGU; and
- Junlebao CGU.

20. 其他無形資產(續)

- (a) 商標共有三個：一個於二零零七年按成本人民幣15,690,000元收購，已按成本值減去任何減值損失列賬及以直線法按其估計可使用年期十年攤銷；兩個則作為業務合併的一部分分別於二零一零年及二零一三年以人民幣174,219,000元及人民幣1,366,000,000元收購，並因商標產品預期可以無限期產生淨現金流入而被視為擁有無限可使用年期。於二零一三年及二零一二年十二月三十一日，該商標已進行減值測試(附註21)。
- (b) 其他主要指作為業務合併的一部分於二零一零年收購的分銷渠道專營權及收取股息的權利分別為人民幣2,195,000元及人民幣1,326,000元。其可使用年期由三年至十年不等。

21. 商譽及無限年期商標的減值測試

透過業務合併取得的商譽及無限年期商標已分配至下列現金產生單位(「現金產生單位」)作減值測試：

- 液體奶產品現金產生單位(石家莊君樂寶乳業有限公司(「君樂寶」)現金產生單位除外)；
- 冰淇淋產品現金產生單位；
- 奶粉產品現金產生單位；及
- 君樂寶現金產生單位。

21. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE LIVES

(continued)

The carrying amounts of goodwill and trademarks with indefinite useful lives allocated to each of the cash generating units are as follows:

		Liquid milk products excluding Junlebao 液體奶產品 (君樂寶除外)		Ice cream products 冰淇淋產品		Milk powder products 其他乳製品		Junlebao 君樂寶		Total 總計	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Goodwill	商譽	167,433	167,433	23,865	23,865	5,220,347	7,845	283,293	283,293	5,694,938	482,436
Trademarks	商標	-	-	-	-	1,366,000	-	174,219	174,219	1,540,219	174,219
		167,433	167,433	23,865	23,865	6,586,347	7,845	457,512	457,512	7,235,157	656,655

The recoverable amount of each CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets or forecasts approved by senior management covering a five-year period. The growth rates used to extrapolate the cash flows beyond the five-year period are based on the estimated growth rate of each unit taking into account the industry growth rate, past experience and the medium or long term growth target of each CGU. The growth rates for these CGUs are higher than the respective average industry growth rates. Senior management believes such growth rates are justified because:

- the growth rates of these CGUs have significantly exceeded those in the market in the past years;
- the new product launch and new market expansion have been successful in the past;
- market share grew continuously in the past years due to strong brand equity and marketing capability; and
- expertise on product innovation, portfolio enhancement and marketing will be further leveraged.

21. 商譽及無限年期商標的減值測試 (續)

分配至各現金產生單位的商譽及無限可使用年期商標的賬面值如下：

各現金產生單位的可收回金額乃以經高級管理人員批准的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。用於推算五年期以後現金流量的增長率，乃以各單位的估計增長率為基準，並考慮行業增長率、過往經驗及各現金產生單位的中長期增長目標而計算所得。此等現金產生單位的增長率高於各自的平均行業增長率。高級管理人員相信該等增長率合理，原因是：

- 此等現金產生單位在過去多年遠超市場增長率；
- 過去推出新產品及開拓新市場一直十分成功；
- 在強勁品牌優勢和營銷能力的推動下，過去幾年市場份額持續增長；及
- 將會進一步發揮產品創新、優化產品結構及營銷專長。

21. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE LIVES

(continued)

The discount rates applied to cash flow projections and the growth rates used to extrapolate cash flows beyond the five-year period are as follows:

		Discount rate 折現率		Growth rate 增長率	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
Liquid milk products excluding Junlebao CGU	液體奶產品現金產生 單位(君樂寶現金 產生單位除外)	14.53%	13.18%	4.0%	4.0%
Ice cream products CGU	冰淇淋產品現金產生 單位	14.17%	13.19%	3.0%	3.0%
Milk powder products CGU	奶粉產品現金產生 單位	13.61%	13.06%	5.0%	4.0%
Junlebao CGU	君樂寶現金產生單位	14.56%	15.74%	4.0%	4.0%

Assumptions were used in the value in use calculation of each CGU for 31 December 2013 and 2012. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

- Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the year immediately before the budget year, adjusted for expected efficiency improvements and expected increase in production costs.
- Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant CGUs.
- Raw materials price fluctuation – Reference is made to the actual data of the past year of countries from where raw materials are sourced.

The values assigned to key assumptions are consistent with external information sources.

In the opinion of the Company's directors, any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

21. 商譽及無限年期商標的減值測試 (續)

用於現金流量預測的折現率及用於五年期以後現金流量推斷的增長率如下：

在計算二零一三年及二零一二年十二月三十一日各現金產生單位的使用價值時採用了一些假設。管理層按現金流量預測進行商譽減值測試所依據的各項主要假設詳述如下：

- 預算毛利率—用於釐定預算毛利率價值的基準乃緊接預算年度前一年所達致的平均毛利率，並因應預計效能提升及預期生產成本增加而予以調整。
- 折現率—所用折現率乃稅前並反映有關現金產生單位的特定風險。
- 原材料價格變動—參考原料採購國家往年實際數據。

主要假設的價值與外部數據來源一致。

本公司董事認為，可收回金額所依據的主要假設的任何可能的合理變動，均不會導致現金產生單位的賬面值超過其可收回金額。

22. LOANS TO A SUBSIDIARY/FROM SUBSIDIARIES

The loans to a subsidiary included in the Company's non-current assets of RMB2,476,625,000 (2012: RMB2,657,176,000) are unsecured and repayable within twenty years. The annual interest rates had been made by reference to the Hong Kong Interbank Offered Rate. The carrying amount of the loans to a subsidiary approximates to their fair value.

The loans from subsidiaries in the Company's current liabilities of RMB531,322,000 (2012: Nil) are unsecured, with annual interest rates ranging from 1.67667% to 3%, and repayable within one year. The carrying amount of the loans from subsidiaries approximates to their fair value.

23. INVESTMENTS IN SUBSIDIARIES

Loans to a subsidiary included in the investments in subsidiaries above are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors, the loans are considered as quasi-equity loans to the subsidiary. The carrying amount of the loans to a subsidiary approximates to their fair value.

22. 應收一家子公司款項／應付子公司款項

計入本公司非流動資產的應收一家子公司款項人民幣2,476,625,000元(二零一二年：人民幣2,657,176,000元)為無抵押，且須於二十年內償還。年利率參考香港銀行同業拆息計算。應收一家子公司款項的賬面值與其公允值相若。

本公司流動負債中來自子公司的貸款人民幣531,322,000元(二零一二年：無)為無抵押、按年利率1.67667%至3%計息，並須於一年內償還。來自子公司的貸款賬面值與其公允值相若。

23. 於子公司的投資

		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本值	11,062,582	4,366,994
Loans to a subsidiary	應收一家子公司款項	718,693	741,197
		11,781,275	5,108,191

計入上述於子公司的投資的應收一家子公司款項為無抵押、免息且無固定還款期。董事認為，該應收款項被視為應收一家子公司的準權益款項。應收一家子公司款項的賬面值與其公允值相若。

23. INVESTMENTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:

23. 於子公司的投資 (續)

主要子公司的詳情載於下文：

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Dairy Holdings (i)	Cayman 開曼群島	US\$214 214美元	100%	–	Investment holding 投資控股
China Dairy (Mauritius) Limited (i)	Mauritius 毛里裘斯	US\$100 100美元	–	100%	Investment holding 投資控股
China Mengniu Investment Company Limited (i) (中國蒙牛投資有限公司)(i)	Hong Kong 香港	HK\$1000 1,000港元	100%	–	Investment holding 投資控股
China Mengniu International Co., Ltd. (i) (中國蒙牛國際有限公司)(i)	British Virgin Islands 英屬處女群島	HK\$9,524,808,204 9,524,808,204港元	88.82%	–	Investment holding 投資控股
Inner Mongolia Mengniu Dairy (Group) Company Limited (iii) ("Inner Mongolia Mengniu") (內蒙古蒙牛乳業(集團)股份有限公司)(iii) (「內蒙古蒙牛」)	PRC 中國	RMB1,504,290,870 人民幣1,504,290,870元	8.97%	84.32%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Founding Industry Management Co., Ltd. (i)(ii) (內蒙古蒙牛方鼎產業管理有限責任公司)(i)(ii)	PRC 中國	RMB45,000,000 人民幣45,000,000元	–	93.29%	Investment holding 投資控股
Mengniu Dairy (Wulanhaote) Co., Ltd. (i)(ii) (蒙牛乳業(烏蘭浩特)有限責任公司)(i)(ii)	PRC 中國	RMB60,000,000 人民幣60,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Beijing) Co., Ltd. (i)(iii) (蒙牛乳業(北京)有限責任公司)(i)(iii)	PRC 中國	RMB120,000,000 人民幣120,000,000元	26.70%	68.38%	Manufacture and sale of dairy products 生產及出售乳製品

23. INVESTMENTS IN SUBSIDIARIES (continued)

23. 於子公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Dengkou Bayan Gaole) Co., Ltd. (i)(ii) (蒙牛乳業(磴口巴彥高勒)有限責任公司)(i)(ii)	PRC 中國	RMB70,000,000 人民幣70,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Dairy Baotou Co., Ltd. (i)(iii) (內蒙古蒙牛乳業包頭有限責任公司)(i)(iii)	PRC 中國	RMB30,000,000 人民幣30,000,000元	26.40%	68.66%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Dairy Keerqin Co., Ltd. (i)(ii) (內蒙古蒙牛乳業科爾沁有限責任公司)(i)(ii)	PRC 中國	RMB50,000,000 人民幣50,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Shenyang) Co., Ltd. (i)(iii) (蒙牛乳業(瀋陽)有限責任公司)(i)(iii)	PRC 中國	RMB100,000,000 人民幣100,000,000元	26.05%	68.99%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Jiaozuo) Co., Ltd. (i)(ii) (蒙牛乳業(焦作)有限公司)(i)(ii)	PRC 中國	RMB120,000,000 人民幣120,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy Taian Co., Ltd. (i)(iii) (蒙牛乳業泰安有限責任公司)(i)(iii)	PRC 中國	RMB60,000,000 人民幣60,000,000元	26.03%	69.01%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Luannan) Co., Ltd. (i)(iii) (蒙牛乳業(瀋南)有限責任公司)(i)(iii)	PRC 中國	RMB56,000,000 人民幣56,000,000元	26.06%	68.98%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Tangshan) Co., Ltd. (i)(iii) (蒙牛乳業(唐山)有限責任公司)(i)(iii)	PRC 中國	RMB70,000,000 人民幣70,000,000元	26.05%	68.99%	Manufacture and sale of dairy products 生產及出售乳製品

23. INVESTMENTS IN SUBSIDIARIES (continued)

23. 於子公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Maanshan) Co., Ltd. (i)(ii) (蒙牛乳業(馬鞍山)有限責任公司)(i)(ii)	PRC 中國	RMB275,000,000 人民幣275,000,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Shangzhi) Co., Ltd. (i)(ii) (蒙牛乳業(尚志)有限責任公司)(i)(ii)	PRC 中國	RMB80,000,000 人民幣80,000,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Baoji) Co., Ltd. (i)(iii) (蒙牛乳業(寶雞)有限公司)(i)(iii)	PRC 中國	RMB96,840,000 人民幣96,840,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Beijing Mengniu Hongda Dairy Co., Ltd. (i)(ii)(v) (北京蒙牛宏達乳製品有限責任公司)(i)(ii)(v)	PRC 中國	RMB20,000,000 人民幣20,000,000元	-	48.51%	Packaging and sale of dairy products 包裝及出售乳製品
Mengniu Dairy (Chabei) Co., Ltd. (i)(ii) (蒙牛乳業(察北)有限公司)(i)(ii)	PRC 中國	RMB30,000,000 人民幣30,000,000元	-	72.77%	Manufacture and sale of dairy products 生產及出售乳製品
Hubei Frealth Dairy Co., Ltd. (i)(iii) (湖北友芝友乳業有限責任公司)(i)(iii)	PRC 中國	RMB70,000,000 人民幣70,000,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Shijiazhuang Junlebao Dairy Co., Ltd. (ii)(v) (石家莊君樂寶乳業有限公司)(ii)(v)	PRC 中國	RMB52,351,700 人民幣52,351,700元	-	47.58%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Hi-tech Dairy Co., Ltd. (i)(ii) (內蒙古蒙牛高科乳業有限公司)(i)(ii)	PRC 中國	RMB150,000,000 人民幣150,000,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Tai Yuan) Co., Ltd. (i)(ii) (蒙牛乳業(太原)有限公司)(i)(ii)	PRC 中國	RMB116,670,000 人民幣116,670,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品

23. INVESTMENTS IN SUBSIDIARIES (continued)

23. 於子公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Baoding) Co., Ltd. (i)(ii) (蒙牛乳業(保定)有限公司)(i)(ii)	PRC 中國	RMB62,000,000 人民幣62,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Saibei Dairy Co., Ltd. (i)(iii) (蒙牛塞北乳業有限公司)(i)(iii)	PRC 中國	RMB67,121,418 人民幣67,121,418元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Qiqihaer) Co., Ltd. (i)(iii) (蒙牛乳業(齊齊哈爾)有限公司)(i)(iii)	PRC 中國	RMB75,000,000 人民幣75,000,000元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Suqian) Co., Ltd. (i)(ii) (蒙牛乳業(宿遷)有限公司)(i)(ii)	PRC 中國	RMB110,000,000 人民幣110,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Tianjin) Co., Ltd. (i)(iii) (蒙牛乳業(天津)有限公司)(i)(iii)	PRC 中國	RMB74,000,000 人民幣74,000,000元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Yinchuan) Co., Ltd. (i)(ii) (蒙牛乳業(銀川)有限公司)(i)(ii)	PRC 中國	RMB170,000,000 人民幣170,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Hengshui) Co., Ltd. (i)(iii) (蒙牛乳業(衡水)有限公司)(i)(iii)	PRC 中國	RMB150,000,000 人民幣150,000,000元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Jinhua) Co., Ltd. (i)(iii) (蒙牛乳業(金華)有限公司)(i)(iii)	PRC 中國	RMB172,458,007 人民幣172,458,007元	26.06%	68.98%	Research and development of dairy products 研發乳製品

23. INVESTMENTS IN SUBSIDIARIES (continued)

23. 於子公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Inner Mongolia Hehe Investment Co., Ltd. (i)(ii) (內蒙古禾和投資有限責任公司)(i)(ii)	PRC 中國	RMB200,000,000 人民幣200,000,000元	-	93.29%	Investment holding 投資控股
Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. (i)(ii) (內蒙古歐世蒙牛乳製品有限責任公司)(i)(ii)	PRC 中國	RMB520,000,000 人民幣520,000,000元	-	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Yashili International Holdings Ltd. (i) (雅士利國際控股有限公司)(i)	Hong Kong 香港	HK\$1 1港元	-	68.02%	Investment holding 投資控股
Yashili International Ltd.(i) (雅士利國際有限公司)(i)	British Virgin Islands 英屬處女群島	US\$1 1美元	-	68.02%	Investment holding 投資控股
Yashili International Group Limited (i) (雅士利國際集團有限公司)(i)	Hong Kong 香港	HK\$1 1港元	-	68.02%	Investment holding 投資控股
Yashili International Investment Ltd. (i) (雅士利國際投資有限公司)(i)	Hong Kong 香港	HK\$1 1港元	-	68.02%	Investment holding 投資控股
New Zealand Dairy International Holdings Ltd. (i) (新西蘭乳業國際控股有限公司)(i)	New Zealand 紐西蘭	NZD1 1紐西蘭元	-	68.02%	Investment holding 投資控股
Yashili New Zealand Dairy Co., Ltd. (i) (新西蘭雅士利乳業有限公司)(i)	New Zealand 紐西蘭	NZD1,000,000 1,000,000紐西蘭元	-	68.02%	Production and sales of dairy products 生產及出售乳製品
Yashili (China) Co., Ltd. (i)(iv) (雅士利(中國)有限公司)(i)(iv)	PRC 中國	RMB100,000,000 人民幣100,000,000元	-	68.02%	Production and sales of dairy products 生產及出售乳製品
Yashili International Group Limited (i)(iv) (雅士利國際集團有限公司)(i)(iv)	PRC 中國	RMB826,105,300 人民幣826,105,300元	-	68.02%	Production and sales of dairy products 生產及出售乳製品

23. INVESTMENTS IN SUBSIDIARIES (continued)

23. 於子公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 業務地點	Issued/ registered share capital 已發行/ 註冊股本	Percentage of equity interest attributable to the Company 本集團應佔的 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Scient (China) Co., Ltd. (i)(iv) (施恩(中國)有限公司)(i)(iv)	PRC 中國	RMB155,000,000 人民幣155,000,000元	–	68.02%	Production and sales of dairy products 生產及出售乳製品
Heilongjiang Yashili Dairy Co., Ltd. (i)(ii) (黑龍江雅士利乳業有限公司)(i)(ii)	PRC 中國	RMB20,080,000 人民幣20,080,000元	–	68.02%	Production and sales of dairy products 生產及出售乳製品
Yashili (Zhengzhou) Nourishment Co., Ltd. ("Yashili (Zhengzhou)") (i)(ii) (雅士利(鄭州)營養品有限公司)(i)(ii)	PRC 中國	RMB250,000,000 人民幣250,000,000元	–	68.02%	Production and sales of dairy products 生產及出售乳製品
Shanxi Yashili Dairy Co., Ltd. (i)(ii) (山西雅士利乳業有限公司)(i)(ii)	PRC 中國	RMB300,000,000 人民幣300,000,000元	–	68.02%	Production and sales of dairy products 生產及出售乳製品
Chaoan Victory Trading Limited (i)(ii) (潮安縣利成貿易有限公司)(i)(ii)	PRC 中國	RMB5,000,000 人民幣5,000,000元	–	68.02%	Import and export of dairy products and related materials 進出口乳製品及相關材料
Yashili Dairy (Manashan) Trading Limited (i)(ii) (雅士利乳業(馬鞍山)銷售有限公司)(i)(ii)	PRC 中國	RMB20,000,000 人民幣20,000,000元	–	68.02%	Sales of food products 銷售食品

23. INVESTMENTS IN SUBSIDIARIES (continued)

- (i) Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.
- (ii) The subsidiaries are registered as companies with limited liability under PRC law.
- (iii) The subsidiaries are registered as Sino-foreign equity joint ventures under PRC law.
- (iv) The subsidiaries are wholly-foreign-owned enterprises established in the PRC.
- (v) Since more than 50% of the equity interests of the subsidiaries was held by either Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”) or Inner Mongolia Hehe Investment Co., Ltd. (“Hehe”) in which the Company held a 93.29% equity interest, the Company had control over the subsidiaries even with less than 50% of equity interest held indirectly as at the end of the reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

23. 於子公司的投資(續)

- (i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司所審核。
- (ii) 該等子公司均根據中國法律註冊為有限責任公司。
- (iii) 該等子公司均根據中國法律註冊為中外合資公司。
- (iv) 該等子公司均為於中國註冊的全資外資企業。
- (v) 於報告期末，由於該等子公司逾一半股權由內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)或內蒙古禾和投資有限責任公司(「禾和」)(本公司持有其93.29%股權)持有，縱使本公司間接持有少於一半股權，本公司對該等子公司仍具有控制權。

董事認為上表載列之本公司子公司主要對本集團本年度業績構成影響，或構成本集團資產淨值之重大部分。董事認為提供其他子公司之詳情會導致詳情過於冗長。

23. INVESTMENTS IN SUBSIDIARIES (continued)

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

23. 於子公司的投資(續)

本集團擁有重大非控股權益之子公司之詳情載列如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Percentage of equity interest held by non-controlling interests:	非控股股東權益所持股權之百分比：		
Inner Mongolia Mengniu	內蒙古蒙牛	6.71%	6.71%
Yashili	雅士利	23.42%	-
Profit/(loss) for the year allocated to non-controlling interests:	分配至非控股股東權益之本年利潤/(虧損)：		
Inner Mongolia Mengniu	內蒙古蒙牛	95,493	86,639
Yashili	雅士利	19,301	-
Dividends paid to non-controlling interests:	支付非控股股東權益的股息：		
Inner Mongolia Mengniu	內蒙古蒙牛	16,147	19,175
Yashili	雅士利	-	-
Accumulated balances of non-controlling interest at the reporting dates:	於報告日期非控股股東權益之累計結餘：		
Inner Mongolia Mengniu	內蒙古蒙牛	540,106	206,716
Yashili	雅士利	1,091,766	-

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

下表展示上述子公司之財務資料概要。上述披露之金額為集團內公司間對銷前之金額：

		Inner Mongolia Mengniu 內蒙古蒙牛 RMB'000 人民幣千元	Yashili 雅士利 RMB'000 人民幣千元
2013	二零一三年		
Revenue	收益	41,857,841	1,499,067
Total expenses	開支總額	(40,213,702)	(1,364,370)
Profit for the year	本年利潤	1,644,139	134,697
Other comprehensive for the year	年度其他全面收益	98,754	3,003
Total comprehensive for the year	年度全面收益總額	1,742,893	137,700
Current assets	流動資產	13,179,552	2,421,668
Non-current assets	非流動資產	12,303,927	2,117,886
Current liabilities	流動負債	11,270,704	1,334,994
Non-current liabilities	非流動負債	3,775,139	71,700

23. INVESTMENTS IN SUBSIDIARIES (continued)**23. 於子公司的投資** (續)

		Inner Mongolia Mengniu 內蒙古蒙牛 RMB'000 人民幣千元	Yashili 雅士利 RMB'000 人民幣千元
2012	二零一二年		
Revenue	收益	35,999,990	—
Total expenses	開支總額	(34,504,336)	—
Profit for the year	本年利潤	1,495,654	—
Other comprehensive for the year	其他全面收益	30,661	—
Total comprehensive for the year	年度全面收益總額	1,526,315	—
Current assets	流動資產	9,093,120	—
Non-current assets	非流動資產	10,675,533	—
Current liabilities	流動負債	7,179,190	—
Non-current liabilities	非流動負債	3,565,345	—

24. INVESTMENT IN A JOINT VENTURE

The Group had a 46.65% interest in Mengniu Arla before 10 January 2013. Under IAS 31 Investment in Joint Ventures (prior to the transition to IFRS 11), the Group's interest in Mengniu Arla was classified as a jointly-controlled entity and the Group's share of the assets, liabilities, revenue, income and expenses was proportionately consolidated in the consolidated financial statements. Upon the adoption of IFRS 11 on 1 January 2013, the Group has determined its interest to be a joint venture and it is required to be accounted for using the equity method. The initial investment as at 1 January 2012 is measured as the aggregate of the carrying amounts of the assets and liabilities that the Group has previously proportionately consolidated to the extent that the Group's investment in the joint venture is reduced to zero. The change in accounting for the investment in a joint venture has been applied retrospectively. The opening balances as at 1 January 2012 and comparative information for the year ended 31 December 2012 have been restated in the consolidated financial statements. The quantitative impact of the adoption of IFRS 11 on the financial statements is summarised in note 2.2(b).

24. 於合營企業之投資

於二零一三年一月十日前，本集團擁有歐世蒙牛46.65%權益。根據國際會計準則第31號「於合營企業之投資」(於過渡至國際財務報告準則第11號前)，本集團於歐世蒙牛之權益分類為共同控制實體及本集團應佔資產、負債、收益、收入及開支按比例於綜合財務報表綜合入賬。於二零一三年一月一日採納國際財務報告準則第11號後，本集團釐定其權益為合營企業，並須按權益法入賬。在計算於二零一二年一月一日之初步投資時，本集團以之前比例合併的資產與負債賬面值之和為於合營企業之投資金額，並以該投資金額減計至零為限。於合營企業之投資之會計變動已追溯應用。於二零一二年一月一日之年初結餘及截至二零一二年十二月三十一日止年度之比較數字已於綜合財務報表重列。採納國際財務報告準則第11號對財務報表之量化影響概述於附註2.2(b)。

24. INVESTMENT IN A JOINT VENTURE (continued)

Details of the Mengniu Arla are set out below:

Name 名稱	Particulars of issued shares held 所持已發行股份之詳情	Place of establishment and business 成立及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. 內蒙古歐世蒙牛乳製品有限責任公司	Registered capital 註冊資本	Mainland China 中國內地	-	46.65%	Manufacture and sale of dairy products 製造及銷售乳製品

The carrying amount of the Group's investment in Mengniu Arla after transition to IFRS 11 is as follows:

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Investment in a joint venture 於合營企業之投資	-	-

As at 31 December 2012, the Group's unrecognised cumulative losses of the joint venture were RMB49,258,000. The Group does not have legal or constructive obligations in relation to the negative net assets of the joint venture and accordingly the Group did not recognise the corresponding liabilities and adjusted it against the retained earnings.

The Group's voting power held and profit sharing arrangement are same with its ownership interest.

24. 於合營企業之投資 (續)

歐世蒙牛之詳情載列如下：

Name 名稱	Particulars of issued shares held 所持已發行股份之詳情	Place of establishment and business 成立及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. 內蒙古歐世蒙牛乳製品有限責任公司	Registered capital 註冊資本	Mainland China 中國內地	-	46.65%	Manufacture and sale of dairy products 製造及銷售乳製品

於過渡至國際財務報告準則第11號後，本集團於歐世蒙牛之投資賬面值如下：

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Investment in a joint venture 於合營企業之投資	-	-

於二零一二年十二月三十一日，本集團於合營企業投資中之未確認累計虧損為人民幣49,258,000元。本集團對合營企業負資產淨值並無法定或推定責任，故本集團並無確認相關負債，亦無調整保留利潤。

本集團所持投票權及利潤分成安排與其所有權權益相同。

24. INVESTMENT IN A JOINT VENTURE (continued)

The following table illustrates the summarised financial information of Mengniu Arla extracted from its financial statements and reconciled to the carrying amount in the consolidated financial statements:

24. 於合營企業之投資(續)

下表列示歐世蒙牛之財務資料概要，乃摘錄自其財務報表及與綜合財務報表之賬面值之對賬：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	-	305,313
Other non-current assets	其他非流動資產	-	33,794
		-	339,107
Current assets	流動資產		
Cash and bank balance	現金及銀行結存	-	52,696
Trade and bills receivables	應收賬款及票據	-	32,912
Inventories	存貨	-	114,451
Other current assets	其他流動資產	-	10,189
		-	210,248
Current liabilities	流動負債		
Trade and bills payables	應付賬款及票據	-	213,542
Other current liabilities	其他流動負債	-	416,828
		-	630,370
Net assets	資產淨值	-	(81,015)
Revenue	收入	-	801,113
Cost of sales	銷售成本	-	(593,658)
Other income and gains	其他收入及收益	-	5,839
Selling and distribution expense	銷售及經銷費用	-	(406,165)
Administrative expenses	行政費用	-	(31,732)
Other operating expenses	其他經營費用	-	(7,558)
Interest income	利息收入	-	329
Finance costs	融資成本	-	(5,190)
Share of profits and losses of an associate	應佔一間聯營企業利潤及虧損	-	2
Income tax expenses	所得稅支出	-	-
Loss and other comprehensive loss for the year	本年虧損及其他全面虧損	-	(237,020)

25. INVESTMENTS IN ASSOCIATES

25. 於聯營公司的投資

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Shares listed in Hong Kong (note iii)	於香港上市之股份(附註iii)	2,756,365	–
Share of net assets, unlisted	應佔資產淨值，非上市	86,790	77,921
		2,843,155	77,921

		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Shares listed in Hong Kong, at cost (note iii)	於香港上市之股份，按成本 (附註iii)	2,619,746	–

Particulars of the principal associates are as follows:

主要聯營公司的詳情如下：

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的 股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
China Modern Dairy Holdings Ltd. (i)(iii) (中國現代牧業控股有限公司)(i)(iii))	Ordinary Share of HK\$0.1 each 每股面值0.1港元的 普通股	Cayman Islands 開曼群島	28%	1.08%	Production and sale of milk 乳製品貿易
Wuhan Mengniu Dairy Co., Ltd. (i) (武漢蒙牛乳業有限公司)(i))	Registered capital 註冊資本	PRC 中國大陸	26%	26%	Trading of dairy products 乳製品貿易
Guilin Mengniu Dairy Sales Co., Ltd. (i) (桂林蒙牛乳業銷售有限公司)(i))	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易

25. INVESTMENTS IN ASSOCIATES (continued)

25. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的 股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Tianjin Mengniu Ice Cream Sales Co., Ltd. (i) (天津蒙牛冰淇淋銷售有限責任公司)(i)	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Nanjing Mengniu Dairy Sales Co., Ltd. (i) (南京蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Nanchang Mengniu Dairy Sales Co., Ltd. (i) (南昌蒙牛乳業銷售有限責任公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Hefei Mengniu Dairy Sales Co., Ltd. (i) (合肥市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	43%	43%	Trading of dairy products 乳製品貿易
Shijiazhuang Jinmengyuan Trading Co., Ltd. (i) (石家莊金蒙源貿易有限責任公司)(i)	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Xi'an Mengniu Dairy Sales Co., Ltd. (i) (西安蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	43%	43%	Trading of dairy products 乳製品貿易
Changchun Mengniu Dairy Sales Co., Ltd. (i) (長春蒙牛乳品銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Xuzhou Mengniu Dairy Sales Co., Ltd. (i) (徐州蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Foshan Mengniu Dairy Sales Co., Ltd. (i) (佛山市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Shengyang Mengniu Dairy Sales Co., Ltd. (i)(ii) (瀋陽蒙牛乳業銷售有限公司)(i)(ii)	Registered capital 註冊資本	PRC 中國大陸	19%	19%	Trading of dairy products 乳製品貿易
Xiangfan Mengniu Dairy Sales Co., Ltd. (i) (襄樊市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Guangzhou Mengniu Dairy Sales Co., Ltd. (i) (廣州市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	29%	29%	Trading of dairy products 乳製品貿易

25. INVESTMENTS IN ASSOCIATES (continued)

25. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的 股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Guangzhou Mengniu Low Temperature Dairy Sales Co., Ltd. (i) (廣州市蒙牛乳業低溫奶銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Nanchang Mengniu Ice Cream Sales Co., Ltd. (i) (南昌蒙牛冰淇淋銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Taiyuan Mengniu Low Temperature Dairy Sales Co., Ltd. (i) (太原蒙牛乳業低溫乳品銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Xi'an Mengniu Low Temperature Dairy Sales Co., Ltd. (i) (西安蒙牛乳業低溫乳品銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Zhanjiang Mengniu Dairy Sales Co., Ltd. (i) (湛江市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Dezhou Mengniu Dairy Sales Co., Ltd. (i) (德州市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Zhaoqing Mengniu Dairy Sales Co., Ltd. (i) (肇慶市蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Quanzhou Mengniu Hongtai Sales Co., Ltd. (i) (泉州市蒙牛乳業鴻泰銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	23%	23%	Trading of dairy products 乳製品貿易
Harbin Mengniu Frozen Food Sales Co., Ltd. (i) (哈爾濱蒙牛冷凍食品銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Harbin Mengniu Trading Co., Ltd. (i) (哈爾濱蒙牛商貿有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	28%	28%	Trading of dairy products 乳製品貿易
Xianyang Mengniu Sales Co., Ltd. (i) (咸陽蒙牛乳業銷售有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	46%	42%	Trading of dairy products 乳製品貿易

25. INVESTMENTS IN ASSOCIATES (continued)

25. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的 股權百分比(間接)		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Shenzhen Mengniu Trading Co., Ltd. (i) (深圳蒙牛貿易有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Beijing Mengniu Dairy Trading Co., Ltd. (i) (北京蒙牛貿易有限公司)(i)	Registered capital 註冊資本	PRC 中國大陸	45%	45%	Trading of dairy products 乳製品貿易

(i) Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

(ii) Since more than 20% of the equity interest of the associates was held by Inner Mongolia Mengniu, the Company had significant influence over the associates even with less than 20% of equity interest held indirectly as at the end of the reporting period.

(iii) During the year, the Company acquired an aggregate of 1,296,000,000 shares of China Modern Dairy Holdings Ltd. ("China Modern Dairy"), a Hong Kong listed company, representing approximately a 26.92% equity interest in China Modern Dairy as at the date of acquisition, at an aggregate purchase price of approximately RMB2,536,594,000. The acquisition was completed on 21 May 2013 and since then China Modern Dairy became an associate of the Company.

The above table lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

The Group's voting power held and profit sharing arrangement are same with its ownership interest.

China Modern Dairy, which is considered a material associate of the Group, is a strategic partner of the Group mainly engaged in the manufacture and distribution of raw milk and is accounted for using the equity method.

(i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司所審核。

(ii) 於報告期末，由於該等聯營公司逾20%股權由內蒙蒙牛持有，縱使本公司間接持有的股權低於20%，本公司對該等聯營公司仍有重大影響力。

(iii) 年內，本公司收購香港上市公司中國現代牧業控股有限公司(「中國現代牧業」)合共1,296,000,000股股份，佔中國現代牧業於收購日期約26.92%股權，總購買價約人民幣2,536,594,000元。收購事項於二零一三年五月二十一日完成，此後中國現代牧業成為本公司聯營公司。

董事認為上表載列之本集團聯營公司主要對本集團本年度業績構成影響，或構成本集團資產淨值之重大部分。董事認為提供其他聯營公司之詳情會導致詳情過於冗長。

本集團持有之投票權及利潤攤分安排與其擁有權益相同。

中國現代牧業被視為本集團重要聯營公司，為本集團主要從事原奶生產及經銷業務之策略伙伴，並以權益法入賬。

25. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the summarised financial information of China Modern Dairy extracted from its financial statements and reconciled to the carrying amount in the consolidated financial statements:

25. 於聯營公司的投資(續)

下表顯示中國現代牧業的財務資料概要(摘錄自其財務報表)及與綜合財務報表之賬面值之對賬:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Current assets	流動資產	2,037,061	-
Non-current assets	非流動資產	10,456,760	-
Current liabilities	流動負債	4,483,123	-
Non-current liabilities	非流動負債	2,149,964	-
Net assets	淨資產	5,860,734	-
Less: Non-controlling interests	減: 非控股股東權益	(117,710)	-
Attributable to owners of the Company	本公司擁有人應佔	5,743,024	-

Reconciliation to the Group's interest in the associate:

本集團於聯營公司的權益調整如下:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Proportion of the Group's ownership	本集團擁有權所佔比例	28%	-
Group's share of net assets attributable to owners of the associate, excluding goodwill	本集團分佔聯營公司擁有人應佔資產淨值, 不包括商譽	1,607,932	-
Group's share of net assets of an unlisted domestic subsidiary of the associate, excluding goodwill	本集團分佔聯營公司國內一間非上市子公司之資產淨值, 不包括商譽	78,720	-
Valuation appreciation, net of depreciation and amortisation	估值升值, 扣除折舊及攤銷	(38,091)	-
Goodwill on acquisition	收購之商譽	1,152,066	-
Exchange realignment	匯兌調整	(44,262)	-
Carrying amount of the investment	投資的賬面值	2,756,365	-
Revenue	收入	2,155,935	-
Profit for the year	年度利潤	437,120	-
Other comprehensive income	其他全面收益	-	-
Total comprehensive income for the year	年度全面收益總額	437,120	-

25. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material extracted from their unaudited management accounts:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Share of the associates' assets and liabilities:	分佔聯營公司的資產及負債：		
Current assets	流動資產	268,684	275,353
Non-current assets	非流動資產	4,677	5,500
Current liabilities	流動負債	(186,571)	(202,932)
Non-current liabilities	非流動負債	-	-
Net assets	淨資產	86,790	77,921
Share of the associates' revenues and profit:	分佔聯營公司的收入及利潤：		
Revenues	收入	1,587,028	1,769,294
Profit for the year	年度利潤	29,242	13,855
Total comprehensive income for the year	年度全面收益總額	29,242	13,855

All the above associates have been accounted for using the equity method in these financial statements. The Group has discontinued the recognition of its share of losses of certain associates because the share of losses of the associates exceeded the Group's interests in the associates. The amounts of the Group's unrecognised share of losses of these associates for the current year and cumulatively were RMB17,147,000 (2012: RMB22,378,000) and RMB62,226,000 (2012: RMB53,502,000), respectively.

25. 於聯營公司的投資(續)

下表顯示本集團聯營公司(個別而言並不重大)的財務資料總述(摘錄自其未經審核管理賬目)：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Share of the associates' assets and liabilities:	分佔聯營公司的資產及負債：		
Current assets	流動資產	268,684	275,353
Non-current assets	非流動資產	4,677	5,500
Current liabilities	流動負債	(186,571)	(202,932)
Non-current liabilities	非流動負債	-	-
Net assets	淨資產	86,790	77,921
Share of the associates' revenues and profit:	分佔聯營公司的收入及利潤：		
Revenues	收入	1,587,028	1,769,294
Profit for the year	年度利潤	29,242	13,855
Total comprehensive income for the year	年度全面收益總額	29,242	13,855

上述所有聯營公司已採用權益法於財務報表內處理。本集團已終止確認其所佔若干聯營公司的虧損，因為應佔聯營公司的虧損超過本集團於聯營公司的權益。於本年度，本集團未確認應佔該等聯營公司的虧損及累計虧損分別為人民幣17,147,000元(二零一二年：人民幣22,378,000元)及人民幣62,226,000元(二零一二年：人民幣53,502,000元)。

26. DEFERRED TAX

The movements in the deferred tax assets and liabilities during the year are as follows:

Deferred tax assets:

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	72,093	66,749
Acquisition of a subsidiary (note 45)	收購一間子公司(附註45)	74,361	-
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year (note 11)	年內於綜合損益表計入/ (扣除)的遞延稅項 (附註11)	9,285	5,344
Gross deferred tax assets at 31 December	於十二月三十一日的遞延稅項資產總額	155,739	72,093

Deferred tax liabilities:

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	33,051	22,830
Acquisition of a subsidiary (note 45)	收購一間子公司(附註45)	65,110	-
Deferred tax charged/(credited) to the consolidated statement of comprehensive income arising from fair value changes of available-for-sale investments during the year (note 28(b))	年內因可供出售投資的公允價值變動而產生扣除/ (計入)綜合全面收益表的遞延稅項(附註28(b))	(33,051)	10,221
Deferred tax credited to the consolidated statement of profit or loss during the year (note 11)	年內於綜合損益表計入的遞延稅項(附註11)	(681)	-
Gross deferred tax liabilities at 31 December	於十二月三十一日的遞延稅項負債總額	64,429	33,051

26. 遞延稅項

年內遞延稅項資產及負債的變動如下：

遞延稅項資產：

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	72,093	66,749
Acquisition of a subsidiary (note 45)	收購一間子公司(附註45)	74,361	-
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year (note 11)	年內於綜合損益表計入/ (扣除)的遞延稅項 (附註11)	9,285	5,344
Gross deferred tax assets at 31 December	於十二月三十一日的遞延稅項資產總額	155,739	72,093

遞延稅項負債：

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	33,051	22,830
Acquisition of a subsidiary (note 45)	收購一間子公司(附註45)	65,110	-
Deferred tax charged/(credited) to the consolidated statement of comprehensive income arising from fair value changes of available-for-sale investments during the year (note 28(b))	年內因可供出售投資的公允價值變動而產生扣除/ (計入)綜合全面收益表的遞延稅項(附註28(b))	(33,051)	10,221
Deferred tax credited to the consolidated statement of profit or loss during the year (note 11)	年內於綜合損益表計入的遞延稅項(附註11)	(681)	-
Gross deferred tax liabilities at 31 December	於十二月三十一日的遞延稅項負債總額	64,429	33,051

26. DEFERRED TAX (continued)

Deferred income tax assets at 31 December 2013 related to the following:

26. 遞延稅項 (續)

於二零一三年十二月三十一日的遞延所得稅資產與下列項目有關：

		Consolidated statement of financial position 綜合財務狀況表		Consolidated statement of profit or loss 綜合損益表	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Tax losses available for offsetting against future taxable profits	可抵銷日後應課稅利潤的稅項虧損	10,959	26,268	(15,500)	16,024
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	–	224	(224)	(33)
Provision for trade receivables and other receivables	應收賬款及其他應收款項撥備	7,750	–	7,750	–
Un-invoiced accruals	未獲得發票的預提費用	102,215	21,797	21,861	(9,062)
Deferred income	遞延收益	34,815	23,804	(4,602)	(1,585)
Deferred tax assets	遞延稅項資產	155,739	72,093		
Deferred income tax expense (note 11)	遞延所得稅支出 (附註11)			9,285	5,344

Management expects it is probable that taxable profits will be available against which the above tax losses and deductible temporary differences can be utilised in the coming years.

管理層預期未來年度有可能出現應課稅利潤，可用以抵扣上述稅項虧損及可扣減暫時性差異。

26. DEFERRED TAX (continued)

Deferred tax assets have not been recognised in respect of the following items:

26. 遞延稅項(續)

遞延稅項資產並未就下列項目確認：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Tax losses arising in Mainland China (i)	於中國大陸產生的稅項虧損(i)	628,024	51,709
Tax credits related to purchases of domestic equipment (ii)	與購置國內設備有關的稅項抵免(ii)	-	2,100
Deductible temporary differences	可扣減暫時性差異	215,144	134,474
		843,168	188,283

(i) The above tax losses are available for offsetting against future taxable profits of the companies in which the losses arose for a maximum of five years.

(ii) Tax credits can be carried forward for five to seven years to offset the tax payables if the future year tax exceeded the base year tax.

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that tax profits will be available against which the above items can be utilised or tax authorities should approve the Group to utilise the above tax credits or deductible temporary differences.

(i) 上述稅項虧損可用以抵銷公司產生虧損日後應課稅利潤最多五年。

(ii) 倘未來年度的稅款超逾基準年度的稅款，稅項抵免可結轉五至七年以抵銷應付稅款。

遞延稅項資產並無就上述各項而予以確認，因認為可能沒有可供上述各項動用的稅項利潤，或稅務機關可能不會批准本集團動用上述稅項抵免或可扣減暫時性差異。

26. DEFERRED TAX (continued)

Deferred income tax liabilities at 31 December 2013 related to the following:

26. 遞延稅項 (續)

於二零一三年十二月三十一日，與如下相關的遞延所得稅負債：

		Consolidated statement of financial position 綜合財務狀況表		Consolidated statement of profit or loss 綜合損益表		Consolidated statement of comprehensive income 綜合全面收益表	
		2013	2012	2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年
		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
Fair value changes of available-for-sale investments	可供出售投資 公允值變動	-	33,051	-	-	(33,051)	10,221
Withholding tax arising from undistributed earnings of PRC subsidiaries	中國子公司未分配 盈利產生的預扣稅	64,429	-	(681)	-	-	-
Deferred tax liabilities	遞延稅項負債	64,429	33,051				
Deferred income tax expense	遞延所得稅支出			(681)	-	(33,051)	10,221

Pursuant to the PRC CIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

根據中國企業所得稅法，於中國大陸成立的外資企業向外國投資者宣派的股息須徵收10%預扣稅。有關規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後所產生的盈利。倘中國與外國投資者所屬司法權區之間訂有稅務協定，則可按較低預扣稅率徵收。本集團的適用稅率為5%或10%。因此，本集團須就該等於中國大陸成立的子公司就二零零八年一月一日起產生的盈利所分派的股息計繳預扣稅。

26. DEFERRED TAX (continued)

At 31 December 2013, the Group recognised deferred tax liabilities for the withholding taxes amounting to RMB64,429,000 (2012: Nil) which were attributed to certain of the Group subsidiaries located in Mainland China with a plan to distribute dividends in the foreseeable future. No other deferred tax liabilities have been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's other subsidiaries located in Mainland. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB5,871,412,000 at 31 December 2013 (2012: Nil).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

27. BIOLOGICAL ASSETS**(A) Nature of activities**

Certain subsidiaries of the Company are milk production companies that principally engaged in the production and sale of milk. Dairy cows are primarily held to produce milk. The quantity of dairy cows owned by the Group and the output of milk during the year at end of the reporting period are shown below.

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		Head of dairy cows 乳牛(頭)	Head of dairy cows 乳牛(頭)
Milkable cows	奶牛	-	86
Heifers and calves	小母牛及小牛	2,214	8,923
Total dairy cows	乳牛總數	2,214	9,009

26. 遞延稅項(續)

於二零一三年十二月三十一日，本集團就預扣稅人民幣64,429,000元(二零一二年：無)確認遞延稅項負債，此乃源於本集團若干位於中國大陸之子公司計劃於可見將來分派股息。並未就於本集團位於中國大陸的其他子公司的未匯出盈利而應付的預扣稅確認其他遞延稅項負債。董事認為，該等子公司於可見將來分派盈利的可能性很低。於二零一三年十二月三十一日，尚未就與於中國大陸子公司之投資相關之臨時性差異總額確認遞延稅項負債合共約人民幣5,871,412,000元(二零一二年：無)。

概無因本公司向其股東支付股息而附帶的所得稅後果。

27. 生物資產**(A) 業務性質**

本公司若干子公司是牛奶生產企業，主要從事牛奶產銷。乳牛主要乃持有作產奶之用。年內，本集團於報告期末擁有的乳牛數量及產奶量如下。

27. BIOLOGICAL ASSETS (continued)**(A) Nature of activities** (continued)

Milkable cows are those dairy cows that are held for milk production. Heifers and calves are those dairy cows that have not reached the age that can produce milk.

In general, the heifers are inseminated with semen when the heifers reached approximately 14 months old. After approximately a nine month pregnancy term, a calf is born and the dairy cow begins to produce raw milk and the lactation period begins. A milkable cow is typically milked for approximately 340 days before a dry period of approximately 60 days.

When a heifer begins to produce milk, it would be transferred to the category of milkable cows based on the estimated fair value on the date of transfer. The sales of dairy cows is not one of the Group's principal activities and is not included as revenue. The sales of dairy cows are determined based on the actual selling price.

27. 生物資產 (續)**(A) 業務性質** (續)

奶牛是持有作產奶用途的乳牛。小母牛及小牛是未到產奶年齡的乳牛。

一般情況下，小母牛於長至約十四個月大時進行配種。約九個月的孕期過後，小牛出生，乳牛開始出產原奶，哺乳期開始。奶牛通常會擠奶約340天，之後進入約60天的乾乳期。

小母牛開始產奶時，將按轉撥日期的估計公允值轉撥至奶牛類別。乳牛銷售並非本集團的主要業務之一，亦不計入收入。乳牛銷售乃根據實際售價而定。

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		KG	KG
		千克	千克
Volume of sales of milk produced	所產奶銷量	8,307,781	24,320

The Group is exposed to fair value risks arising from changes in price of the dairy products. The Group does not anticipate that the price of the dairy products will decline significantly in the foreseeable future and the directors of the Company are of the view that there is no available derivative or other contracts which the Group can enter into to manage the risk of a decline in the price of the dairy products.

本集團承受乳製品價格變動所產生的公允值風險。本集團預計在可見將來乳製品價格不會大幅下跌。本公司董事認為，並無可用的衍生工具或本集團可以訂立的其他合約可用以控制乳製品價格下跌的風險。

27. BIOLOGICAL ASSETS (continued)**(B) Value of dairy cows**

The value of dairy cows at the end of the reporting period was:

27. 生物資產(續)**(B) 乳牛的價值**

於報告期末的乳牛價值：

		Heifers and calves	Group Milkable cows	Total
		小母牛及小牛	奶牛	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2013	於二零一三年 一月一日	209,679	2,007	211,686
Increases due to purchase	收購	175,703	-	175,703
Increase due to raising (Feeding cost and others)	養殖(飼養成本及 其他)	147,894	-	147,894
Transfer	轉出	(127,242)	127,242	-
Assets included in a discontinued operation (note 12)	包括於已終止經營 有業務內之資產 (附註12)	(372,840)	(122,728)	(495,568)
Decrease due to sales	出售	(6,417)	(1,097)	(7,514)
Gains/(loss) arising from changes in fair value less costs to sell	公允值變動減銷售 成本產生的 收益/(虧損)	9,930	(5,424)	4,506
At 31 December 2013	於二零一三年 十二月三十一日	36,707	-	36,707

The Group's dairy cows in the PRC were valued by an independent qualified professional valuer. The fair value less cost to sell of the heifers and calves are determined with reference to the market-determined prices of items with similar age, breed and genetic merit, if the market-determined prices are available. Due to the fact that the market-determined prices of milkable cows are not available, the valuer has applied the net present value approach to calculate the fair value less cost to sell of these items.

本集團在中國的乳牛乃由獨立合資格專業估值師進行估值。如可取得市場定價，小母牛及小牛之公允值減出售成本乃經參考年齡、品種及遺傳優點相近之項目之市場定價釐定。由於無法獲得奶牛之市場定價，估值師已應用淨現值法，以計算該等項目之公允值減出售成本。

27. BIOLOGICAL ASSETS (continued)

(B) Value of dairy cows (continued)

The principal valuation assumptions adopted in applying the net present value approach are as follows:

- The quantities of the existing dairy cows at the end of the reporting period will reduce at a certain culling rate due to the natural or unnatural factors;
- The culling rates adopted are based on the current available breeding data of the Group and future operating plans;
- The quantities of cows will increase as calves are born;
- The expected average prices of milk during the projected period of six lactations are estimated after taking into account certain percentage growth, future demand and inflation in the PRC for each projected year;
- The cash flows for financing the assets and taxation are not included as required by IAS 41 *Agriculture*;
- Costs are average costs based on historical cost information;
- The discount rate used is 13.04% at 31 December 2013.

27. 生物資產 (續)

(B) 乳牛的價值 (續)

應用淨現值法時所採納之主要估值假設列載如下：

- 於報告期末之現有奶牛數量將因為自然及非自然因素而按某個淘汰率扣減；
- 所採納淘汰率乃基於本集團目前可取得之養殖資料及未來營運計劃；
- 小牛出生將令牛隻數量增加；
- 考慮每個預測年度之若干增長百分比、未來需求及中國通脹來估計牛奶於六個哺乳期預測期間的預期平均價格；
- 並無根據國際會計準則第41號 *農業* 計入資產及稅項提供資金之現金流；
- 成本乃基於過往成本資料之平均成本；
- 於二零一三年十二月三十一日所用之折現率為13.04%。

28. OTHER FINANCIAL ASSETS

28. 其他金融資產

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
		Notes 附註	
Available-for-sale investments at fair value	可供出售投資，按公允值		
Hong Kong listed equity investments	香港上市股本投資	(a)/(b)	89,642
Unlisted equity investments	非上市股本投資	(a)	144,201
			302,049
Available-for-sale investments at cost	可供出售投資，按成本		
Unlisted equity investments	非上市股本投資	(c)	145,687
Long term unit trust investments	長期單位信託投資	(d)	130,258
Long term unit trust investments due within one year	於一年內到期之長期單位信託投資	(d)	–
Short term commercial banks wealth investment products	短期商業銀行財富投資產品	(e)	240,000
			489,855
Loans and receivables	貸款及應收款項		
Long term entrusted loans	長期委託貸款	(f)	53,521
Long term entrusted loans due within one year	於一年內到期之長期委託貸款	(f)	41,377
Short term investment deposits	短期投資存款	(g)	160,000
Long term pledged deposits	長期保證金存款	32	–
Long term time deposits	長期定期存款	32	–
			2,652,509
Total other financial assets	其他金融資產總額		1,004,686
Current	流動		441,377
Non-current	非流動		563,309
			3,444,413

28. OTHER FINANCIAL ASSETS (continued)

28. 其他金融資產(續)

		Company 本公司	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Available-for-sale investments at fair value	可供出售投資，按公允值		
Listed equity investments, at fair value:	上市股本投資，按公允值：		
Hong Kong	香港	(a) 302,049	89,642
Short term investment deposits	短期投資存款	(g) 100,000	-
Total other financial assets	其他金融資產總額	402,049	89,642
Current	流動	100,000	-
Non-current	非流動	302,049	89,642
		402,049	89,642

(a) During 2013, the Company acquired a 4.41% equity interest in a Hong Kong listed company with approximately HK\$469,831,000 (equivalent to RMB369,396,000). The fair value of the listed equity securities is determined by reference to published quotations in an active market. The above equity investment has no fixed maturity date or coupon rate and was designated as available-for-sale financial assets. As at 31 December 2013, changes in fair value of the available-for-sale investments recognised in other comprehensive income amounted to RMB67,347,000 (2012: Nil), there is no tax effect on such changes.

(a) 於二零一三年，本公司收購一間香港上市公司4.41%之股權，價值約469,831,000港元（相當於人民幣369,396,000元）。上市股本證券之公允值乃參考活躍市場所報之報價釐定。上述股本投資並無固定到期日或息率並指定為可供出售金融資產。於二零一三年十二月三十一日，可供出售投資之公允值變動於其他全面收益確認人民幣67,347,000元（二零一二年：無），有關變動並無任何稅務影響。

28. OTHER FINANCIAL ASSETS (continued)

- (b) On 26 November 2010, China Modern Dairy Holdings Ltd. ("China Modern Dairy"), in whose unlisted domestic subsidiary the Group held a 2.13% equity interest at the cost of RMB12,000,000 at that time, was listed in Hong Kong Stock Exchange. Accordingly the fair value of the unlisted equity investment has been estimated by reference to the quoted market share price of its holding company, taking into account the liquidity factors. In addition, the Company invested cash of approximately HK\$151,512,000 (equivalent to RMB128,926,000) into China Modern Dairy upon its listing, representing a 1.08% equity interest at that time. The fair value of the listed equity securities is determined by reference to published quotations in an active market. The above equity investments have no fixed maturity date or coupon rate and were designated as available-for-sale financial assets. Changes in fair value of the Group's equity investments in China Modern Dairy recognised in other comprehensive income amounted to RMB51,283,000, net of tax of RMB10,221,000 (note 26), as at 31 December, 2012. The above investments ceased to be accounted for as available-for-sale of the Group after the Company acquired certain shares in the holding company during the year (note 25(iii)), changes in fair value of the Group's above available-for-sale recognised before the acquisition date in other comprehensive income of RMB65,283,000, net of tax of RMB33,051,000 (note 26) was reversed accordingly.

During 2013, the Group acquired an additional 26.92% equity interest in China Modern Dairy and accordingly accounted for the Group's total equity investment in China Modern Dairy as an associate.

28. 其他金融資產(續)

- (b) 於二零一零年十一月二十六日，中國現代牧業控股有限公司(「中國現代牧業」)(其未上市國內子公司當時由本集團擁有2.13%股權，成本為人民幣12,000,000元)香港聯合交易所上市。據此，已估計未上市股權投資之公允值，當中已參考其控股公司之所報股份市價，並計及流動資金因素。此外，本公司於中國現代牧業上市時投資現金約151,512,000港元(相當於人民幣128,926,000元)，佔其當時1.08%之股權。上市股權證券之公允值乃經參考活躍市場上已刊發報價後釐定。上述股權投資並無固定到期日或票面息率，並被指定為可供出售金融資產。於二零一二年十二月三十一日，本集團於中國現代牧業之股權投資之公允值變動已於其他全面收益確認，金額為人民幣51,283,000元，已扣除稅項人民幣10,221,000元(附註26)。年內，於本公司收購控股公司若干股份後(附註25(iii))，上述投資不再入賬為可供出售，因此，本集團上述可供出售投資公允值之變動(已於收購日期前於其他全面收益確認)人民幣65,283,000元(已扣除稅項人民幣33,051,000元(附註26))經已撥回。

於二零一三年，本集團進一步收購中國現代牧業26.92%股權，據此，已將本集團於中國現代牧業之股權投資總額入賬為聯營公司。

28. OTHER FINANCIAL ASSETS (continued)

- (c) As at 31 December 2013, certain unlisted equity investments with a carrying amount of RMB139,597,000 (2012: RMB145,687,000) were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future.
- (d) During 2012, the Group, as one of the beneficiaries, purchased 130,000,000 units in certain unit trusts set up and managed by an affiliate of a substantial shareholder and connected party of the Company, at a consideration of RMB130,258,000. According to the trust documents, the trust shall apply the entire amount of trust fund invested by its beneficiaries to finance certain specific projects owned and operated by an independent third party. The investments in unit trusts were unsecured with no guaranteed return amount and with original maturity of more than one year, which were measured at costs less impairment under non-current assets because the range of reasonable fair value estimates is so significant that the directors are of opinion that their fair value cannot be measured reliably. As at 31 December 2013, the investments were due within one year.
- (e) As at 31 December 2013, the Group had short term commercial banks wealth investment products of approximately RMB220,000,000 (2012: RMB240,000,000), which were measured at costs less impairment because the range of reasonable fair value estimates is so significant that the directors are of opinion that their fair value cannot be measured reliably. The investment instruments were unsecured with no guaranteed return amount and with original maturity of less than one year.
- (f) Entrusted loans represent the Group's loans to certain dairy farmers via banks. The above entrusted loans are unsecured, with annual interest rates ranging from 5.76% to 6.90% (2012: 5% to 9.98%). As at 31 December 2013, these entrusted loans are neither past due nor impaired and have no recent history of default.

28. 其他金融資產 (續)

- (c) 於二零一三年十二月三十一日，若干非上市股權投資(賬面值為人民幣139,597,000元(二零一二年：人民幣145,687,000元)乃按成本減減值列賬，因為合理公允值估計之範圍過大，董事認為其公允值不能準確計量。本集團無意於短期內出售該等投資。
- (d) 於二零一二年，本集團(作為受益人之一)以人民幣130,258,000元購入由主要股東及關連人士的聯屬公司設立及管理的若干單位信託內的130,000,000個單位。根據信託文件，該信託須把其受益人所投資的信託基金全數用作資助由獨立第三方擁有及營運的若干特定項目。單位信託的投資為無抵押及不設保證回報金額，原到期日超過一年，由於合理估計公允值的範圍的變動很重大，董事認為其公允值不能可靠計量，因此在非流動資產項下按成本值扣除減值後計量。於二零一三年十二月三十一日，該投資於一年內到期。
- (e) 於二零一三年十二月三十一日，本集團有短期商業銀行財富管理產品約人民幣220,000,000元(二零一二年：人民幣240,000,000元)，其按成本減減值列賬，因為合理公允值估計之範圍過大，董事認為其公允值不能準確計量。該投資為無抵押，亦無保證回報金額，原到期日為一年內。
- (f) 委託貸款指本集團透過銀行向若干奶戶提供之貸款。上述委託貸款屬無抵押，年利率介乎5.76%至6.90%(二零一二年：5%至9.98%)。於二零一三年十二月三十一日，該等委託貸款尚未逾期亦無減值，近期亦無拖欠記錄。

28. OTHER FINANCIAL ASSETS (continued)

(g) As at 31 December 2013, the Group's investment deposits were purchased from banks with good credit rating and were stated at amortised cost. The investment deposits were acquired with original maturity of three months or one year and were not allowed to be withdrawn prior to the maturity date without the bank's consent. The investment deposits were unsecured with guaranteed return amount and had an expected annual interest rate of 5.28% (2012: 5.05%). An investment deposit of the Group amounting to approximately RMB64,000,000 (2012: Nil) has been pledged to secure the short term bank loans, details of which are set out in note 35 to the financial statements.

29. INVENTORIES

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Raw materials	原材料	1,833,768	819,605
Finished goods	產成品	743,310	543,068
Total inventories at the lower of cost and net realisable value	按成本與可變現淨值的較低者計價的存貨總額	2,577,078	1,362,673

The amount of write-down of inventories recognised as an expense was RMB277,000 (2012: RMB1,495,000). This was recognised in other expenses (note 6).

28. 其他金融資產(續)

(g) 於二零一三年十二月三十一日，本集團的投資存款均購買自信貸評級良好的銀行，並按攤銷成本列賬。所收購的投資存款的原到期日為三個月或一年且在並無銀行同意下，不得於到期日前撤銷。投資存款為無抵押、具保證回報金額，預期年利率為5.28%（二零一二年：5.05%）。本集團投資存款約人民幣64,000,000元（二零一二年：無）已質押作短期銀行貸款之抵押。詳情載於財務報表附註35。

29. 存貨

確認為開支的存貨撇減金額為人民幣277,000元（二零一二年：人民幣1,495,000元），並於其他費用（附註6）中確認。

30. TRADE AND BILLS RECEIVABLES

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Bills receivable	應收票據	64,628	172,596
Trade receivables	應收賬款	762,577	699,813
Impairment	減值	(72,940)	(16,701)
		754,265	855,708

30. 應收賬款及票據

30. TRADE AND BILLS RECEIVABLES (continued)

The Group normally allows a credit limit to its customers which is adjustable in certain circumstances. The Group closely monitors overdue balances. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables. The trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice dated and net of provision, is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within 3 months	3個月以內	635,620	624,808
4 to 6 months	4至6個月	95,743	223,517
7 to 12 months	7至12個月	11,353	6,788
Over 1 year	1年以上	11,549	595
		754,265	855,708

The movements in the provision for impairment of trade receivables are as follows:

30. 應收賬款及票據 (續)

本集團通常授予客戶特定信貸額度，並可在特定情形下進行調整。本集團密切留意逾期未償還結餘。鑒於上文所述及本集團的應收賬款乃與大量不同類別的客戶有關，故並無重大信貸集中風險。本集團並無在其應收賬款方面持有任何抵押品或其他信貸提升。應收賬款並無附帶利息。

於報告期末，經扣除撥備的應收賬款按發票日期的賬齡分析如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
At 1 January	於一月一日	16,701	1,844
Impairment losses recognised	已確認的減值損失	83,762	31,212
Amount written-off as uncollectible	因不可收回而撇銷的款額	(26,478)	(16,341)
Impairment losses reversed	撥回減值損失	(1,045)	(14)
At 31 December	於十二月三十一日	72,940	16,701

應收賬款減值撥備的變動如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
At 1 January	於一月一日	16,701	1,844
Impairment losses recognised	已確認的減值損失	83,762	31,212
Amount written-off as uncollectible	因不可收回而撇銷的款額	(26,478)	(16,341)
Impairment losses reversed	撥回減值損失	(1,045)	(14)
At 31 December	於十二月三十一日	72,940	16,701

30. TRADE AND BILLS RECEIVABLES (continued)

The aged analysis of the trade and bills receivables that are not individually nor collectively considered to be impaired is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Neither past due nor impaired	既未過期亦無減值	663,488	807,026
Past due but not impaired	已過期但無減值		
– Within three months	– 3個月內	–	10
– Over three months	– 3個月以上	2,731	–
		666,219	807,036

Trade and bills receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Trade and bills 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, the directors of the Company are of the opinion that no provision for impairment 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 amounts due from associates of approximately RMB305,692,000 (2012: RMB345,085,000) are included in the above balances. As at 31 December 2012, the amount due from a joint venture of approximately RMB97,539,000 is included in the above balances. These balances are unsecured, non-interest-bearing and are repayable on credit terms similar to those offered to other major customers of the Group.

Certain bills receivable of the Group amounting to approximately RMB50,000,000 (2012: 13,800,000) have been pledged to secure the bills payable of the Group, details of which are set out in note 33 to the financial statements.

30. 應收賬款及票據 (續)

個別或總體均不存在減值問題的應收賬款及票據的賬齡分析如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Neither past due nor impaired	既未過期亦無減值	663,488	807,026
Past due but not impaired	已過期但無減值		
– Within three months	– 3個月內	–	10
– Over three months	– 3個月以上	2,731	–
		666,219	807,036

既未過期亦無減值之應收款項及票據乃與大量不同類別的客戶有關，彼等在近期並無拖欠款項之記錄。

到期未付但並無減值之應收款項及票據乃與一些獨立客戶有關，該等客戶在本集團內有良好的往績記錄。根據過往經驗，本公司董事認為無需就該等結餘計提減值撥備，皆因信貸質量並無太大的轉變而結餘被認為依然可以全數收回。

上述結餘包括應收聯營公司款項約人民幣305,692,000元(二零一二年：人民幣345,085,000元)。上述結餘亦包括截至二零一二年十二月三十一日應收一家合營企業款項約人民幣97,539,000元。上述結餘為無抵押及免息，償還信貸期與給予本集團其他主要客戶的相若。

本集團金額約為人民幣50,000,000元(二零一二年：人民幣13,800,000元)之若干應收票據經已抵押，作為本集團應付票據之擔保，詳情載於財務報表附註33。

30. TRADE AND BILLS RECEIVABLES (continued)

As at 31 December 2013, none of bills receivable were endorsed by the Group (2012: Nil).

31. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**30. 應收賬款及票據** (續)

於二零一三年十二月三十一日，本集團概無背書任何應收票據(二零一二年：無)。

31. 預付款、按金及其他應收款項

		Group 本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deposits	按金	19,888	8,239
Prepayments	預付款	1,685,729	706,409
Value-added tax recoverable	可抵扣增值稅	272,934	159,528
Other receivables	其他應收款項	337,798	435,645
Corporate income tax recoverable	可退企業所得稅	30,433	14,443
Land use rights – current portion (note 18)	土地使用權 – 即期部分 (附註18)	22,329	17,498
Long term prepayments (note a)	長期預付款(附註a)	405,331	341,796
Total prepayments, deposits and other receivables	預付款、按金及其他應收款項總額	2,774,442	1,683,558
Less: Long term prepayments – non-current portion (note a)	減：長期預付款 – 非即期部分(附註a)	(289,145)	(299,947)
		2,485,297	1,383,611

Notes:

- (a) During the year, the Group has entered into various long term raw milk supply contracts with certain milking cow raising companies. In accordance with these contracts, the Group prepaid for raw milk supplies for the next two to five years.
- (b) The amount due from associates of approximately RMB2,000 (2012: RMB12,916,000) is included in the above balances. As at 31 December 2012, the amount due from a joint venture of approximately RMB270,000,000 is included in the above balances. These balances are unsecured, non-interest-bearing and are repayable on demand.

附註：

- (a) 年內，本集團與若干飼養泌乳牛公司訂立多份長期原料鮮奶供貨合約。根據該等合約，本公司就未來二至五年預付原料鮮奶供貨。
- (b) 上述結餘包括應收聯營公司款項約人民幣2,000元(二零一二年：人民幣12,916,000元)。於二零一二年十二月三十一日，上述結餘包括應收一家合營企業款項約人民幣270,000,000元。上述結餘為無抵押及免息，並須應要求隨時歸還。

31. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)**31. 預付款、按金及其他應收款項(續)**

		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Dividends receivable	應收股息	224,540	729,756
Loans to subsidiaries	應收一家子公司款項	575,111	72,306
Others	其他	40,814	140
Total	總計	840,465	802,202

The loans to subsidiaries included in other receivables above are unsecured, interest-bearing and repayable within one year. The carrying amount of the loans to subsidiaries approximates to their fair value.

計入上述其他應收款項的應收一家子公司款項為無抵押、計息且須於一年內償還。應收一家子公司款項的賬面值與其公允值相若。

32. CASH AND BANK BALANCES AND OTHER DEPOSITS**32. 現金及銀行結存及保證金存款**

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	3,354,590	2,917,541
Pledged deposits	保證金存款	711,709	51,602
Time deposits	定期存款	4,830,538	2,834,500
		8,896,837	5,803,643
Less: Short term pledged deposits for banking facilities (note 33 and 35)	減：銀行融資之短期保證金存款(附註33及35)	(561,709)	(51,602)
Less: Long term pledged deposits for banking facilities (note 35)	減：銀行融資之長期保證金存款(附註35)	(150,000)	-
Less: Long term time deposits (note a)	減：長期定期存款(附註a)	(1,083,548)	-
Cash and bank balances in the consolidated statement of financial position	綜合財務狀況表之現金及銀行結存	7,101,580	5,752,041

32. CASH AND BANK BALANCES AND OTHER DEPOSITS_(continued)

- (a) The effective interest rates on long term time deposits as at 31 December 2013 varied from 3.3% to 5.6% (2012: Nil) per annum and will be mature in two to four years.

32. 現金及銀行結存及保證金存款_(續)

- (a) 於二零一三年十二月三十一日，定期銀行存款之實際利率介乎每年3.3%至5.6%（二零一二年：無），並將於兩至四年內到期。

		Company	
		本公司	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	245,717	751,922
Pledged deposits	保證金存款	469,592	-
Less: Pledged deposits for banking facilities (note 35)	減：銀行融資之保證金存款 (附註35)	(469,592)	-
Cash and bank balances in the statement of financial position	財務狀況表內現金及 銀行結存	245,717	751,922

At the end of the reporting period, cash and bank balances of the Group and the Company denominated in RMB amounted to approximately RMB6,638,405,000 (2012: RMB5,623,966,000) and RMB147,867,000 (2012: RMB607,402,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於報告期末，本集團及本公司的現金及銀行結存均以人民幣為單位，分別約為人民幣6,638,405,000元（二零一二年：人民幣5,623,966,000元）及人民幣147,867,000元（二零一二年：人民幣607,402,000元）。人民幣並非可自由兌換為其他貨幣。然而，根據中國大陸的外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行，將人民幣匯兌為其他貨幣。

32. CASH AND BANK BALANCES AND OTHER DEPOSITS (continued)

Cash at banks earns interest at the prevailing market interest rates. Time deposits are made for varying periods of between one day and five years depending on the immediate cash requirements of the Group and earn interest at the respective time deposit rate. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

33. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables of the Group, based on the invoice date, is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within 3 months	3個月以內	4,199,004	2,884,261
4 to 6 months	4至6個月	524,303	729,048
7 to 12 months	7至12個月	29,127	12,442
Over 1 year	1年以上	8,864	3,709
		4,761,298	3,629,460

The amounts due to associates of approximately RMB253,976,000 (2012: RMB8,000) are included in the above balances. As at 31 December 2012, the amount due to a joint venture of approximately RMB14,637,000 is included in the above balances. These balance are with similar credit terms to those offered by the associates to their major customers.

32. 現金及銀行結存及保證金存款(續)

銀行存款根據市場利率計息。定期存款乃視乎本集團的即時現金需求而按介乎一日至五年的不同存款期存放，以及根據定期存款利率計息。銀行結存及保證金存款乃存放於信譽良好且無近期拖欠記錄的銀行。

33. 應付賬款及票據

本集團應付賬款及票據根據發票日期的賬齡分析如下：

上述結餘包括應付聯營公司款項約人民幣253,976,000元(二零一二年：人民幣8,000元)。上述結餘亦包括截至二零一二年十二月三十一日止應付一間合營企業款項約人民幣14,637,000元。該等結餘之信貸期與聯營公司向其主要客戶提供者相若。

33. TRADE AND BILLS PAYABLES (continued)

The Group's trade payables are unsecured and non-interest-bearing and payable on demand.

Except for an aggregate balance of approximately RMB152,325,000 (2012: RMB110,081,000) secured by the pledge of certain of the Group's deposits amounting to approximately RMB49,805,000 (2012: RMB49,602,000) (note 32) and certain of the Group's bills receivable amounting to approximately RMB50,000,000 (2012: RMB13,800,000) (note 30), bills payable are unsecured. The above balances are non-interest-bearing.

34. OTHER PAYABLES AND ACCRUALS

Included in other payables is an amount of RMB3,192,000, which represents unrealised fair value losses of derivate financial instruments as at 31 December 2013 (2012: Nil).

The amounts due to associates of approximately RMB63,405,000 (2012: RMB93,073,000) are included in the above balances. The balances are unsecured, non-interest-bearing and are repayable on demand.

33. 應付賬款及票據 (續)

本集團的應付賬款為無抵押及免息及須應要求隨時償還。

除合計約人民幣152,325,000元(二零一二年：人民幣110,081,000元)的應付票據結餘乃以本集團為數約人民幣49,805,000元(二零一二年：人民幣49,602,000元)的若干存款(附註32)及本集團為數約人民幣50,000,000元(二零一二年：人民幣13,800,000元)的若干應收票據(附註30)作抵押外，其餘的應付票據為無抵押。上述結餘為免息。

34. 其他應付款項及預提費用

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Advances from customers	客戶預付款	1,408,658	664,684
Salary and welfare payables	應付薪金及福利費	597,865	310,961
Other payables	其他應付款項	2,348,317	1,575,266
		4,354,840	2,550,911

於二零一三年十二月三十一日計入其他應付款項的款額人民幣3,192,000元(二零一二年：無)為衍生金融工具的未變現公允價值虧損。

上述結餘包括應付聯營公司款項約人民幣63,405,000元(二零一二年：人民幣93,073,000元)。上述結餘為無抵押、免息及須應要求償還。

35. INTEREST-BEARING BANK AND OTHER BORROWINGS

35. 計息銀行及其他借貸

		Group 本集團					
		2013 二零一三年			2012 二零一二年		
		Maturity	Fixed	Floating	Maturity	Fixed	Floating
		到期日	rate	rate	到期日	rate	rate
			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
Current	即期						
Short term bank loans, secured	短期銀行貸款 (有抵押)	2014	16,000	4,375,693	2013	16,000	-
Short term bank loans, unsecured	短期銀行貸款 (無抵押)	2014	1,523,036	2,099,508	2013	77,352	480,425
Current portion of long term bank loans - unsecured	長期銀行貸款(無抵 押)的即期部分	2014	447,269	-	2013	-	-
Non-current	非即期						
Long term bank loans, secured	長期銀行貸款 (有抵押)	2015	-	47,084	-	-	-
Long term bank loans, unsecured	長期銀行貸款 (無抵押)	2016	178,025	-	-	-	-
Bonds issued in 2013	於二零一三年發行之 債券	2018	3,010,426	-	-	-	-
			5,174,756	6,522,285		93,352	480,425

The repayment schedule of the bank loans is as follows:

銀行貸款的還款期如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within 1 year	一年內	8,461,506	573,777
1 to 2 years	一至兩年	47,084	-
2 to 5 years	兩至五年	3,188,451	-
Total interest-bearing bank loans	計息銀行貸款總額	11,697,041	573,777
Less: Amount due within one year included in current liabilities	減：包括於流動負債中之 一年內到期款項	(8,461,506)	(573,777)
		3,235,535	-

35. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

35. 計息銀行及其他借貸(續)

		Company 本公司					
		2013 二零一三年			2012 二零一二年		
		Maturity	Fixed rate	Floating rate	Maturity	Fixed rate	Floating rate
		到期日	固定利率	浮動利率	到期日	固定利率	浮動利率
			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
Current	即期						
Short term bank loans, secured	短期銀行貸款 (有抵押)	2014	-	3,839,907	-	-	-
Short term bank loans, unsecured	短期銀行貸款 (無抵押)	2014	-	1,954,508	2013	-	405,425
Non-current	非即期						
Bonds issued in 2013	於二零一三年發行之 債券	2018	3,010,426	-	-	-	-
			3,010,426	5,794,415		-	405,425

The repayment schedule of the bank loans is as follows:

銀行貸款的還款期如下：

		Company 本公司	
		2013 二零一三年	2012 二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	一年內	5,794,415	405,425
1 to 2 years	一至兩年	-	-
2 to 5 years	兩至五年	3,010,426	-
		8,804,841	405,425

35. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) Certain of the Group's bank and other borrowings are secured as follows:
- (i) a short term bank loan of approximately RMB60,574,000 (2012: Nil) was secured by an investment deposit (note 28) of the Group;
 - (ii) certain short term bank loans of approximately RMB475,212,000 (2012: Nil) were secured by certain pledged deposits (note 32) of the Group;
 - (iii) certain short term bank loans of approximately RMB16,000,000 (2012: RMB16,000,000) were secured by certain land use rights (note 18(b)) and property, plant and equipment (note 15(b)) of the Group;
 - (iv) certain short term bank loans of approximately RMB3,839,907,000 were secured by a pledged deposit (note 32) of the Group and an aggregate of 2,420,906,271 shares in Yashili, the Group's listed subsidiary; and
 - (v) a long term bank loan of approximately RMB47,084,000 was secured by certain pledged deposits (note 32).
- (b) As at 31 December 2013, except for certain short term bank loans of HK\$1,411,500,000 (2012: HK\$500,000,000) equivalent to approximately RMB1,109,764,000 (2012: RMB405,425,000) denominated in Hong Kong dollars, certain short term bank loans of US\$1,041,697,000 (2012: US\$6,216,000) equivalent to approximately RMB6,799,595,000 (2012: RMB38,852,000) denominated in United States dollars, and a long term bank loan of US\$36,971,000 (2012: Nil) equivalent to approximately RMB225,109,000 (2012: Nil) denominated in United States dollars, all the Group's interest-bearing bank loans were denominated in RMB.
- (c) During the year, except for certain short term bank loans of RMB154,464,000 (2012: Nil) and a long term bank loan of RMB47,084,000 (2012: Nil) of which the annual interest rates had been made by reference to the London Interbank Offered Rate at LIBOR+0.7% and LIBOR+0.85%, respectively, the annual interest rates of the short term bank loans and the long term bank loans varied from 1.17% to 9.47% (2012: varied from 1.11% to 7.22%) and 2.09% to 2.70% (2012: Nil), respectively.
- (d) On 27 November 2013, the Company issued five-year bonds due 2018 with an aggregated principal amount of USD500,000,000 at 99.456% of the face value. The bond will bear interest from and including 27 November 2013 at the rate of 3.5% per annum, payable semi-annually in arrears on 27 May and 27 November in each year.

35. 計息銀行及其他借貸(續)

附註：

- (a) 若干本集團之銀行及其他借貸抵押情況如下：
- (i) 一筆短期銀行貸款約人民幣60,574,000元(二零一二年：無)以本集團一項投資存款(附註28)作抵押；
 - (ii) 若干短期銀行貸款約人民幣475,212,000元(二零一二年：無)以本集團若干保證金存款(附註32)作抵押；
 - (iii) 若干短期銀行貸款約人民幣16,000,000元(二零一二年：人民幣16,000,000元)以本集團若干土地使用權(附註18(b))及物業、廠房及設備(附註15(b))作抵押；
 - (iv) 若干短期銀行貸款約人民幣3,839,907,000元以本集團保證金存款(附註32)及本集團上市子公司雅士利合共2,420,906,271股股份作抵押；及
 - (v) 一筆長期銀行貸款約人民幣47,084,000元以若干保證金存款(附註32)作抵押。
- (b) 於二零一三年十二月三十一日，除了若干短期銀行貸款1,411,500,000港元(二零一二年：500,000,000港元)(相等於約人民幣1,109,764,000元(二零一二年：人民幣405,425,000元))以港元為單位及若干短期銀行貸款1,041,697,000美元(二零一二年：6,216,000美元)相等於約人民幣6,799,595,000元(二零一二年：人民幣38,852,000元)，以及長期銀行貸款36,971,000美元(二零一二年：無)(相等於人民幣約225,109,000元(二零一二年：無))以美元為單位外，本集團所有計息銀行貸款乃以人民幣為單位。
- (c) 年內，若干短期銀行貸款人民幣154,464,000元(二零一二年：無)及長期銀行貸款人民幣47,084,000元(二零一二年：無)的年利率已分別按倫敦銀行同業拆息作出，年利率分別為LIBOR加0.7%及LIBOR加0.85%。除此之外，短期銀行貸款及長期銀行貸款之年利率分別介乎1.17%至9.47%(二零一二年：介乎1.11%至7.22%)及2.09%至2.70%(二零一二年：無)。
- (d) 於二零一三年十一月二十七日本公司發行二零一八年到期之五年債券，本金總額為99.456%面值之500,000,000美元。債券將由二零一三年十一月二十七日(包括當日)起計年利率3.5%計息，於五月二十七日及十一月二十七日每半年派息一次。

36. OTHER LOANS**36. 其他貸款**

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Short term loans	短期貸款	92,565	24,915

Except for an other loan of RMB33,500,000 with a fixed interest rate of 5.76% per annum which was secured by certain property, plant and equipment (note 15(b)), other loans are unsecured and interest-free. There was no repayment terms for the Group's other loans.

除其他貸款人民幣33,500,000元(以若干物業、廠房及設備作抵押(附註15(b)))按固定年利率5.76%計息外,其他貸款為無抵押及免息。本公司其他貸款並無還款期。

Other loans were all granted by local government authorities in the PRC for the purpose of supporting the Group's establishment of production plants in various locations in the PRC.

其他貸款全部由中國地方政府當局為支持本集團在中國多個地方設置生產廠房而授出。

37. LONG TERM PAYABLES

The Group's long term payables represent the amortised costs of the outstanding instalments payable for the purchase of production equipment. The effective interest rate used for the amortisation is the prevailing market interest rate. The balances are repayable as follows:

37. 長期應付款項

本集團的長期應付款項指須就購置生產設備分期支付款項的攤銷成本。攤銷所使用的實際利率為市場利率。有關結餘的還款期如下:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within 1 year	1年內	58,915	51,536
1 to 2 years	1至2年	51,300	48,859
2 to 5 years	2至5年	49,378	95,734
Over 5 years	5年以上	-	-
Total long term payables		159,593	196,129
Less: Amount due within one year included in current liabilities under other payables	減: 計入流動負債中其他應付款項的一年內到期款項	(58,915)	(51,536)
		100,678	144,593

Certain long term payables are secured by the Group's property, plant and equipment (note 15(b)).

若干長期應付款項以本集團的物業、廠房及設備作抵押(附註15(b))。

38. DEFERRED INCOME

Various local government authorities have granted certain property, plant and equipment to the Group for nil consideration and provided finance to the Group for the purchase of certain property, plant and equipment by way of a cash donation. Both the property, plant and equipment and grants are recorded initially at fair value. The grants received are regarded as deferred income, which is amortised to match the depreciation charge of the property, plant and equipment granted or purchased in accordance with their estimated useful lives. Movements of the balances during the year are as follows:

38. 遞延收益

多個地方政府當局無償向本集團授予若干物業、廠房及設備，並以現金捐獻方式向本集團提供融資，讓本集團購買若干物業、廠房及設備。物業、廠房及設備及補助金最初均以公允值列賬。已收取的補助金均被視為遞延收益，遞延收益根據物業、廠房及設備的估計可使用年期攤銷，以配對該等授予或購置物業、廠房及設備的折舊費用。年內該結餘的變動如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
At beginning of year	年初	234,796	253,852
Received during the year	年內收取	4,304	–
Amortisation during the year (note 5)	年內攤銷(附註5)	(19,385)	(19,056)
At end of year	年終	219,715	234,796
Current portion	即期部分	19,389	19,056
Non-current portion	非即期部分	200,326	215,740
		219,715	234,796

39. OTHER FINANCIAL LIABILITIES

39. 其他金融負債

		Notes	Group 本集團 2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
		附註		
Contingent consideration	或然代價	(a)	134,605	101,486
Present value of considerations to be paid beyond one year	將於一年後支付之代價現值	(b)	17,259	—
Present value of redemption amount for potential acquisition of puttable non-controlling interests	可能收購可沽售非控股股東權益之贖回金額現值	(c)	512,095	443,372
			663,959	544,858

Notes:

- (a) During the year, the Group has agreed to pay on demand the contingent consideration of RMB100,000,000 arising from the Group's acquisition of Shijiazhuang Junlebao Dairy Co., Ltd. ("Junlebao") in 2010. The amount has therefore been reclassified to other payables and accruals. As at 31 December 2012, the fair value of the contingent consideration was RMB95,887,000.

The fair value of the contingent consideration of RMB6,025,000 arising from the Group's acquisition of Shijiazhuang Junlebao Leshi Dairy Co., Ltd. ("Leshi") in 2011 was remeasured to RMB5,940,000 as at 31 December 2013 (2012: RMB5,599,000).

The fair value of the contingent consideration arising from the Group's acquisition of Mengniu Arla is RMB120,131,000 at the acquisition date of 1 January 2013 and re-measured to RMB128,665,000 as at 31 December 2013.

- (b) The fair value of the considerations of RMB40,000,000 to be paid in the coming four years arising from the Group's acquisition of Mengniu Arla is RMB36,696,000 at the acquisition date. Included in the amount was an amount of RMB20,000,000 to be paid within one year which is reclassified to other payables and accruals. The remaining balance of RMB20,000,000 to be paid beyond one year is remeasured at RMB17,259,000 as at 31 December 2013.
- (c) According to the equity purchase agreement entered into among the Group, Junlebao and the non-controlling shareholders of Junlebao, the Group granted a put option to the non-controlling shareholders under which the non-controlling shareholders have the right to sell, and the Group has an obligation to buy the 49% equity interest in Junlebao after 2016. At 31 December 2013, the Group derecognised the carrying amount of non-controlling interests of RMB324,804,000 (2012: RMB276,137,000) and recognised a financial liability at the present value of the amount payable upon exercise of the option of RMB512,095,000 (2012: RMB443,372,000) and accounted for the difference in equity.

附註：

- (a) 年內，本集團同意按要求支付或然代價人民幣100,000,000元，其產生自本集團於二零一零年收購石家莊君樂寶乳業有限公司（「君樂寶」），因此，金額重新分類至其他應付款項及預提費用。於二零一二年十二月三十一日，或然代價之公允值為人民幣95,887,000元。

本集團於二零一一年收購石家莊君樂寶樂時乳業有限公司「樂時」產生的或然代價公允值人民幣6,025,000元，於二零一三年十二月三十一日重新計量為人民幣5,940,000元（二零一二年：人民幣5,599,000元）。

產生自本集團收購歐世蒙牛之或然代價於收購日期（即二零一三年一月一日）之公允值為人民幣120,131,000元，並於二零一三年十二月三十一日重估為人民幣128,665,000元。

- (b) 產生自本集團收購歐世蒙牛之代價人民幣40,000,000元（須於未來四年支付）於收購日期之公允值為人民幣36,696,000元。該金額包括須於一年內支付之人民幣20,000,000元，據此，其已重新分類至其他應付款項及預提費用。截至二零一三年十二月三十一日，須於一年後支付之餘額人民幣20,000,000元重估為人民幣17,259,000元。
- (c) 根據本集團、君樂寶及君樂寶的非控股股東訂立的股本購買協議，本集團向非控股股東授出認沽權，據此，於二零一六年後非控股股東有權出售，及本集團有責任購買君樂寶49%股權。於二零一三年十二月三十一日，本集團終止確認非控股股東權益的賬面值人民幣324,804,000元（二零一二年：人民幣276,137,000元）及按行使認沽權時應付款項的現值人民幣512,095,000元（二零一二年：人民幣443,372,000元）確認金融負債，並將差額計入權益。

40. SHARE CAPITAL AND SHARE HELD FOR RESTRICTED SHARE AWARD SCHEME

40. 股本及就限制性股票獎勵計劃持有的股份

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Authorised: 3,000,000,000 ordinary shares of HK\$0.1 each	法定： 3,000,000,000股每股面值 0.1港元的普通股	319,235	319,235
		Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
		Note 附註	
Issued and fully paid: At 1 January 2013	已發行及繳足： 於二零一三年一月一日	1,768,232	181,151
Shares issued under the equity-settled share option scheme	根據以股份支付的購股 權計劃發行股份	67,031	5,325
		(a)	
At 31 December 2013	於二零一三年 十二月三十一日	1,835,263	186,476
		Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
		Note 附註	
Issued and fully paid: At 1 January 2012	已發行及繳足： 於二零一二年一月一日	1,767,440	181,087
Shares issued under the equity-settled share option scheme	根據以股份支付的購股 權計劃發行股份	792	64
		(a)	
At 31 December 2012	於二零一二年 十二月三十一日	1,768,232	181,151

Note:

- (a) Details of the Company's share option scheme and the share options issued under the scheme are included in note 43 to the financial statements.
- (b) During the year, the Restricted Share Award Scheme (note 44) acquired 16,215,000 of the Company's shares (2012: Nil) through purchases on the open market. The total amount paid to acquire the shares during the period was HK\$501,279,000, equivalent to RMB394,121,000 (2012: Nil).

附註：

- (a) 本公司購股權計劃及根據該計劃發行的購股權的詳情載列於財務報表附註43。
- (b) 年內限制性股票獎勵計劃(附註44)透過公開市場購買16,215,000股本公司股份(二零一二年：無)。期內購買該等股份的已付金額總數為501,279,000港元(相當於人民幣394,121,000港元)(二零一二年：無)。

41. RESERVES**(A) Group**

The movements of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 6 to 7 of the financial statements.

Movements in the other reserves of the Group during the year are as follows:

		Share premium	Contributed surplus	Statutory reserves	Currency translation differences	Available-for-sale investment revaluation reserve	Share option Restricted Share Award reserve	Other reserve	Total
		股份溢價	實繳盈餘	法定儲備	貨幣換算差額	可供出售投資重估儲備	購股權儲備/限制性股票獎勵儲備	其他儲備	總計
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
			Note (a) 附註(a)	Note (b) 附註(b)		Note 28 附註28			
At 1 January 2012	於二零一二年一月一日								
As previously reported	如先前呈列	6,327,591	232,020	1,475,715	(489,169)	9,404	802,529	(142,456)	8,215,634
Prior year adjustment	去年調整	(25,000)	-	-	-	-	-	-	(25,000)
As restated	經重述	6,302,591	232,020	1,475,715	(489,169)	9,404	802,529	(142,456)	8,190,634
Other comprehensive income for the year:	本年其他全面收益：								
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允價值變動，扣除稅項	-	-	-	-	49,226	-	-	49,226
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	474	-	-	-	474
Other comprehensive income for the year	年度其他全面收益	-	-	-	474	49,226	-	-	49,700
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	12,063	-	-	-	-	-	-	12,063
Equity-settled share option arrangements (note 43)	以股份支付的購股權安排(附註43)	-	-	-	-	-	19,172	-	19,172
Transfer to statutory reserves	轉撥至法定儲備	-	-	235,636	-	-	-	-	235,636
Acquisition of non-controlling interests	收購非控股股東權益	-	-	-	-	-	-	(2,346)	(2,346)
Derecognition of puttable non-controlling interests (note 39)	終止確認可沽售非控股股東權益(附註39)	-	-	-	-	-	-	(13,558)	(13,558)
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	4,285	-	-	-	-	(4,285)	-	-

41. 儲備**(A) 本集團**

本集團的儲備及本年度及往年度的儲備變動，載於財務報表第6至第7頁的綜合權益變動表內。

年度內，本集團的其他儲備變動如下：

41. RESERVES (continued)
(A) Group (continued)

41. 儲備 (續)
(A) 本集團 (續)

		Share premium	Contributed surplus	Statutory reserves	Currency translation differences	Available-for-sale investment revaluation reserve	Share option reserve/ Restricted Share Award reserve	Other reserve	Total
		股份溢價	實繳盈餘	法定儲備	貨幣換算差額	可供出售投資重估儲備	購股權儲備/ 限制性股票獎勵儲備	其他儲備	總計
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
			Note (a) 附註(a)	Note (b) 附註(b)		Note 28 附註28			
At 1 January 2013	於二零一三年一月一日	6,318,939	232,020	1,711,351	(488,695)	58,630	817,416	(158,360)	8,491,301
Other comprehensive loss for the year:	本年其他全面虧損：								
Reversal of change in fair value of available-for-sale investment, net of tax	可供出售投資公允價值變動撥回，扣除稅項	-	-	-	-	(58,630)	-	-	(58,630)
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允價值變動，扣除稅項	-	-	-	-	(67,347)	-	-	(67,347)
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	(45,969)	-	-	-	(45,969)
Other comprehensive loss for the year	年度其他全面虧損	-	-	-	(45,969)	(125,977)	-	-	(171,946)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	1,223,377	-	-	-	-	-	-	1,223,377
Equity-settled share option arrangements (note 43)	以股份支付的購股權安排(附註43)	-	-	-	-	-	52,382	-	52,382
Transfer of share option reserve upon forfeiture or expiry of share options	於購股權失效或屆滿時轉出購股權儲備	-	-	-	-	-	(95,492)	-	(95,492)
Restricted Share Award Scheme (note 44)	限制性股票獎勵計劃(附註44)	-	-	-	-	-	151,108	-	151,108
Disposal of equity interests in a subsidiary without loss of control (note (e))	出售子公司股權(並無失去控制權)(附註(e))	-	-	-	-	-	-	689,529	689,529
Acquisition of non-controlling interests	收購非控股股東權益	-	-	-	-	-	-	(5,708)	(5,708)
Transfer to statutory reserves	轉撥至法定儲備	-	-	312,301	-	-	-	-	312,301
Derecognition of puttable non-controlling interests (note 39)	終止確認可沽售非控股股東權益(附註39)	-	-	-	-	-	-	(18,710)	(18,710)
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	587,616	-	-	-	-	(587,616)	-	-
At 31 December 2013	於二零一三年十二月三十一日	8,129,932	232,020	2,023,652	(534,664)	(67,347)	337,798	506,751	10,628,142

41. RESERVES (continued)**(B) Company**

Movements in the reserves of the Company during the year are as follows:

41. 儲備(續)**(B) 本公司**

年度內，本公司的儲備變動如下：

		Share premium	Contributed surplus	Currency translation differences	Available-for-sale investment revaluation reserve	Retained earnings	Share option reserve/ Restricted Share Award reserve	Total
		股份溢價	實繳盈餘	貨幣換算差額	可供出售投資重估儲備	保留溢利	購股權儲備/ 限制性股票獎勵儲備	總計
		RMB'000	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	人民幣千元
			Note (a) 附註(a)		Note 28 附註28			
At 1 January 2012	於二零一二年一月一日	8,676,644	387,574	(1,153,021)	(54,490)	198,703	802,529	8,857,939
Profit for the year (note (d))	本年利潤(附註(d))	-	-	-	-	259,846	-	259,846
Other comprehensive income for the year:	本年其他全面收益：							
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允值變動，扣除稅項	-	-	-	20,622	-	-	20,622
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	-	1,637	-	-	-	1,637
Total comprehensive income for the year	年度全面收益總額	-	-	1,637	20,622	259,846	-	282,105
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	12,063	-	-	-	-	-	12,063
Equity-settled share option arrangements (note 43)	以股份支付的購股權安排(附註43)	-	-	-	-	-	19,172	19,172
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	4,285	-	-	-	-	(4,285)	-
Final 2011 dividend declared	已宣派二零一一年期末股息	-	-	-	-	(350,009)	-	(350,009)

41. RESERVES (continued)
(B) Company (continued)

41. 儲備 (續)
(B) 本公司 (續)

		Share premium	Contributed surplus	Currency translation differences	Available-for-sale investment revaluation reserve	Retained earnings	Share option reserve/ Restricted Share Award reserve	Total
		股份溢價	實繳盈餘	貨幣換算差額	可供出售投資重估儲備	保留溢利	購股權儲備/ 限制性股票獎勵儲備	總計
		RMB'000	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	人民幣千元
			Note (a)		Note 28			
			附註(a)		附註28			
At 1 January 2013	於二零一三年一月一日	8,692,992	387,574	(1,151,384)	(33,868)	108,540	817,416	8,821,270
Profit for the year (note (d))	本年利潤(附註(d))	-	-	-	-	121,657	-	121,657
Other comprehensive loss for the year:	本年其他全面虧損:							
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允值變動, 扣除稅項	-	-	-	(33,479)	-	-	(33,479)
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	-	(288,632)	-	-	-	(288,632)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	(288,632)	(33,479)	121,657	-	(200,454)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	1,223,377	-	-	-	-	-	1,223,377
Equity-settled share option arrangements (note 43)	以股份支付的購股權安排 (附註43)	-	-	-	-	-	52,382	52,382
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	587,616	-	-	-	-	(587,616)	-
Transfer of share option reserve upon forfeiture or expiry of share options	購股權失效或屆滿時轉出購股權儲備	-	-	-	-	95,492	(95,492)	-
Restricted Share Award Scheme (note 44)	限制性股票獎勵計劃(附註44)	-	-	-	-	-	51,665	51,665
Final 2012 dividend declared	已宣派二零一二年期末股息	-	-	-	-	(290,488)	-	(290,488)
At 31 December 2013	於二零一三年十二月三十一日	10,503,985	387,574	(1,440,016)	(67,347)	35,201	238,355	9,657,752

41. RESERVES (continued)

Notes:

(a) Contributed surplus

The balance of the contributed surplus of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation over the nominal value of the shares of the Company issued in exchange therefor, and the excess of the amount of capital injected by the minority shareholder over its additional interest in the subsidiary's net assets attributable to the Company's owners was recorded as contributed surplus of the Group.

The contributed surplus of the Company represents the difference between the then combined net assets value of the subsidiaries acquired pursuant to the group reorganisation over the nominal value of the shares of the Company issued in exchange therefor.

(b) Statutory reserves

In accordance with the relevant PRC laws and regulations, the PRC domestic companies are required to transfer 10% of their profit after income tax, as determined under the PRC accounting standards and financial regulations, to the statutory common reserve. Subject to certain restrictions as set out in the relevant PRC laws and regulations, the statutory common reserve may be used to offset against the accumulated losses, if any.

(c) Distributable reserves

Under the Companies Law (2013 Revision) of the Cayman Islands, the share premium and contributed surplus of the Company are distributable to shareholders, provided that immediately following such distributions, the Company is able to pay off its debts as and when they fall due in the ordinary course of business.

(d) The loss attributable to owners of the Company for the year ended 31 December 2013 dealt with in the financial statements of the Company was RMB102,883,000 (2012: loss of RMB6,795,000), excluding the dividend income from subsidiaries amounting to approximately RMB224,540,000 (2012: RMB266,641,000).

(e) On 11 November 2013, the Group disposed a 13.24% equity interest in Yashili to independent third parties. The disposed was accounted for as an equity transaction, which resulted in the Group's equity interest in Yashili from 89.82% to 76.58% without loss of control. As a consequence, the difference between the disposal of non-concurring interests and the fair value of the consideration received was recognised directly in equity as a revenue.

42. MAJOR NON-CASH TRANSACTIONS

During 2013, the Group purchased property, plant and equipment by means of long term payables with a total contractual amount and a total amortised cost of approximately RMB24,282,000 (2012: Nil) and RMB22,533,000 (2012: Nil), respectively.

41. 儲備(續)

附註:

(a) 實繳盈餘

本集團的實繳盈餘的結餘指根據集團重組所收購子公司的股本面值與本公司為換取上述股本所發行股份的面值間的差額，及該少數股東所注入的資本金額超過其獲得該子公司資產淨值的額外權益中本公司擁有人應佔部分，已記錄為本集團的實繳盈餘。

本公司的實繳盈餘指根據集團重組所收購子公司的當時合併資產淨值與本公司為換取上述合併資產淨值所發行股份的面值間的差額。

(b) 法定儲備

根據中國有關法律及法規的規定，中國的國內公司須將除所得稅後利潤的10%（根據中國會計準則及財政法規釐定）轉撥至法定公積金。根據中國有關法律及法規所載若干限制的規定，法定公積金可被用作抵銷累計虧損（如有）。

(c) 可供分派儲備

根據開曼群島公司法（二零一三年修訂），倘於緊隨擬派股息當日，本公司將能於日常業務過程中償還其到期的債務，則本公司股份溢價及實繳盈餘均可分派予股東。

(d) 截至二零一三年十二月三十一日止年度，在本公司財務報表中處理之本公司擁有人應佔虧損為人民幣102,883,000元（二零一二年：虧損人民幣6,795,000元），不包括來自子公司的股息收入約人民幣224,540,000元（二零一二年：人民幣266,641,000元）。

(e) 於二零一三年十一月十一日，本集團出售13.24%之雅士利權益予獨立第三方。出售已入賬為權益交易，其導致本集團於雅士利之權益由89.82%減至76.58%，惟並無失去控制權。因此，出售非控股權益與已收代價之公允值之差額已直接於權益入賬為儲備。

42. 重大非現金交易

於二零一三年，本集團透過長期應付款項，即合約款項總額及攤銷成本總額分別約為人民幣24,282,000元（二零一二年：無）及人民幣22,533,000元（二零一二年：無）的方式購買物業、廠房及設備。

43. SHARE-BASED PAYMENT PLAN

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers and any person or entity that provides research, development or technological support to the Group. The Scheme became effective on 28 June 2005 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares in respect of share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the total number of shares of the Company in issue as at the date of approval and adoption of the Scheme provided that the Group may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in a general meeting where such limit is refreshed. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the total shares of the Company in issue at any time. Any further grant of share options in excess of these limits is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 20 business days from the date of offer, upon payment of a consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than seven years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

43. 以股份為基礎的支付計劃

本公司設立之購股權計劃(「計劃」)，目的為激勵對本集團業務成功作出貢獻的合資格參與者，並為彼等作出獎賞。計劃的合資格計劃參與者包括本公司董事(包括獨立非執行董事)、本集團之其他僱員、本集團之貨品或服務供應商、客戶以及向本集團提供研究、開發或技術支援的任何人士或實體。計劃於二零零五年六月二十八日生效，除另作取消或修訂外，否則於該日起十年內有效。

現時根據計劃准予授出之購股權經行使後可予發行的股份數目最多相等於本公司在批准及採納計劃當日已發行股份總數之10%，惟本集團可隨時徵求股東批准將上限重新釐定為股東於有關上限獲更新的股東大會上授出有關批准當日之已發行股份之10%。於任何十二個月期間內，根據購股權可發行予計劃內每位合資格參與者之股份數目最多為於任何時間本公司已發行股份總數之1%。凡再授出任何超出此上限之購股權，必須經股東在股東大會上批准。

向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人授出之購股權必須經獨立非執行董事事先批准。此外，於任何十二個月期間內，凡向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出之任何購股權超出於任何時間本公司已發行股份之0.1%或總值(按授出日期本公司股份之收市價計算)超出5,000,000港元，必須經股東在股東大會上事先批准。

承授人可於授出購股權建議日起20個營業日內以支付象徵性代價合共1港元接納此建議。授出購股權之行使期由董事會決定，行使期由某一歸屬期後起計及在不遲過授出購股權建議日七年之日或計劃到期日(以較早者為準)終止。

43. SHARE-BASED PAYMENT PLAN (continued)

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") closing price of the Company's shares on the offer date of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Particulars of share options

Date of grant 授出日期	Exercise period of share options (both dates inclusive) 購股權的行使期(包括首尾兩日)	Exercise price per share option (note f) 每份購股權的 行使價(附註f) (HK\$) (港元)	Weighted average fair value per share option 每份購股權的 加權平均公允值 (HK\$) (港元)
26 October 2006 二零零六年十月二十六日	26 October 2007 to 25 October 2012 (note a) 二零零七年十月二十六日至 二零一二年十月二十五日(附註a)	13.40	4.82
9 November 2007 二零零七年十一月九日	9 November 2009 to 8 November 2013 (note b) 二零零九年十一月九日至 二零一三年十一月八日(附註b)	32.24	10.61
18 August 2008 二零零八年八月十八日	18 August 2010 to 17 August 2014 (note b) 二零一零年八月十八日至 二零一四年八月十七日(附註b)	22.03	7.60
23 November 2009 二零零九年十一月二十三日	23 November 2011 to 22 November 2015 (note c) 二零一一年十一月二十三日至 二零一五年十一月二十二日(附註c)	24.40	8.50
6 December 2010 二零一零年十二月六日	6 December 2012 to 5 December 2016 (note d) 二零一二年十二月六日至 二零一六年十二月五日(附註d)	22.80	7.25
10 October 2011 二零一一年十月十日	10 October 2011 to 9 October 2018 (note e) 二零一一年十月十日 二零一八年十月九日(附註e)	24.10	8.37

43. 以股份為基礎的支付計劃(續)

購股權之行使價由董事釐定，惟不可低於(i)本公司股份於授出購股權建議之日在香港聯合交易所有限公司(「聯交所」)所報之收市價；(ii)本公司股份於緊接建議授出日期前五個營業日在聯交所所報之平均收市價；及(iii)股份面值之最高者。

購股權之持有人無權獲派股息或於股東大會上投票。

購股權詳情

43. SHARE-BASED PAYMENT PLAN (continued)**Particulars of share options** (continued)

- (a) The share options will be vested in four equal batches with 25% of the share options granted vesting on the first, second, third and fourth anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (b) The share options will be vested in two equal batches with 50% of the share options granted vesting on the second and third anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (c) The share options will be vested in three batches with 20%, 40% and 40% of the share options granted vesting on, respectively, the second, third and fourth anniversaries of the date of the grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.

Out of the 89,025,000 share options granted, in aggregate, 20,116,500 share options are granted in exchange for and replacement of the outstanding share options previously granted on 9 November 2007 to better achieve the objectives of the Scheme (the "Replacement").

- (d) The share options will be vested in three batches with 20%, 40% and 40% of the share options granted vesting on, respectively, the second, third and fourth anniversaries of the date of the grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.

43. 以股份為基礎的支付計劃(續)**購股權詳情**(續)

- (a) 購股權將歸屬分為四等份，25%購股權分別於由授出日期起第一、二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (b) 購股權將歸屬分為兩等份，50%購股權分別於由授出日期起第二及三個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (c) 購股權將歸屬分為三份，20%、40%及40%購股權分別於由授出日期起第二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。

於合共授出的89,025,000份購股權中，其中20,116,500份購股權乃就替代先前於二零零七年十一月九日所授出的未行使購股權而授出，以更好達致計劃的目標(「替代」)。

- (d) 購股權將歸屬分為三份，20%、40%及40%購股權分別於由授出日期起第二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。

43. SHARE-BASED PAYMENT PLAN (continued)**Particulars of share options** (continued)

- (e) The share options will be vested in two equal batches with 50% of the share options granted vesting on the fourth and fifth anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (f) The exercise price per share option was the average closing share price for the five business days immediately preceding the grant date or the closing price of the share on the grant date.
- (g) Except for the options granted on 10 October 2011, which have a contractual life of seven years, the contractual life of the above options granted is six years. All the above options granted have no cash alternatives.

Movements of share options**2013**

Date of grant	授出日期	As at	Granted	Exercised	Forfeited	Expired	As at	Exercisable
		1 January	during	during	during	during the	31 December	at
		2013	the year	the year	the year	year	2013	2013
								於二零一三年
		於二零一三年	年內授出	年內行使	年內沒收	年內屆滿	於二零一三年	十二月
		一月一日					十二月	三十一日
							三十一日	可行使
26 October 2006	二零零六年十月二十六日	-	-	-	-	-	-	-
18 August 2008	二零零八年八月十八日	37,290,904	-	(36,908,601)	-	-	382,303	382,303
23 November 2009	二零零九年十一月二十三日	68,297,395	-	(29,548,134)	(7,995,559)	(27,061,450)	3,692,252	3,692,252
6 December 2010	二零一零年十二月六日	4,070,000	-	(574,000)	-	(2,308,000)	1,188,000	200,000
10 October 2011	二零一一年十月十日	53,000,000	-	-	-	(8,900,000)	44,100,000	-
Total	總計	162,658,299	-	(67,030,735)	(7,995,559)	(38,269,450)	49,362,555	4,274,555

43. 以股份為基礎的支付計劃 (續)**購股權詳情** (續)

- (e) 購股權將歸屬分為兩等份，50%及50%購股權分別於由授出日期起第四及五個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (f) 每份購股權的行使價乃緊接授出日期前五個營業日的平均股份收市價或授出日期的股份收市價。
- (g) 除了於二零一一年十月十日授出的購股權合約年期為七年外，上述所授出購股權的合約年期為六年。上述所有授出的購股權均並無現金替代品。

購股權變動**二零一三年**

44. RESTRICTED SHARE AWARD SCHEME

The restricted share award scheme (the "Restricted Share Award Scheme") of the Company was adopted by the board on 26 March 2013 (the "Adoption Date"). The purpose of the Restricted Share Award Scheme is an incentive to encourage the participants for the continual operation and development of the Group.

Subject to the terms of the Restricted Share Award Scheme and the Listing Rules, the board may at any time make an offer to any eligible person it may in its absolute discretion select to accept the grant of an award over such a number of shares as it may determine. Existing shares of the Company will be purchased by the trustee of the Restricted Share Award Scheme from the market out of cash contributed by the Group and be held in trust for the relevant Participants until such shares are vested with the relevant Participants in accordance with the provisions of the Restricted Share Award Scheme. The shares of the Company granted and held by the trustee until vesting are referred to as the Restricted Share and each Restricted Share shall represent one ordinary share of the Company. Shares will be acquired by the independent trustee (the "Trustee") of the Restricted Share Award Scheme on the market out of the funds contributed by the Group and be held in trust in accordance with the provisions of the Restricted Share Award Scheme.

No shares shall be purchased pursuant to the Restricted Share Award Scheme, nor any amounts paid to the Trustee for the purpose of making such a purchase, if as a result of such purchase, the number of Shares administered under the Restricted Share Award Scheme shall exceed 5% of the issued share capital of the Company, and the maximum number of Restricted Shares which may be granted to a Participant at any one time or in aggregate may not exceed 0.5% of the issued share capital of the Company at the Adoption Date.

Subject to any early termination as may be determined by the board, the Restricted Share Award Scheme shall be valid and effective for a period of five years commencing on the Adoption Date.

44. 限制性股票獎勵計劃

本公司限制性股票獎勵計劃(「限制性股票獎勵計劃」)於二零一三年三月二十六日(「採納日期」)獲董事會採納。限制性股票獎勵計劃旨在獎勵參與者繼續為本集團的經營及發展作出貢獻。

根據限制性股票獎勵計劃條款及上市規則，董事會可隨時向任何合資格人士作出要約，由合資格人士酌情選擇接納董事會決定授出之有關股份數目之獎勵。限制性股票獎勵計劃之受託人以本集團出資的現金於市場上購買本公司現有股份，及以信託形式代相關參與者持有，直至該等股份根據限制性股票獎勵計劃之條文歸屬於相關參與者為止。已授出及由受託人持有直至歸屬之本公司股份指限制性股份，而各限制性股份應指本公司一股普通股。股份將由限制性股票獎勵計劃之獨立受託人(「受託人」)於市面藉本集團提供之資金收購，並根據限制性股票獎勵計劃條文於信託中持有。

概無股份根據本限制性股票獎勵計劃獲購買，亦無向受託人支付任何款項以作出有關購買，倘因有關購買，致使本限制性股票獎勵計劃管理的股份數目超過本公司已發行股本之5%，於任何時間可能授予單一參與者的限制性股票數目上限或總數不得超過採納日期本公司已發行股本之0.5%。

受限於董事會可能釐定之任何提早終止，限制性股票獎勵計劃將於採納日期起計五年期間內一直有效及生效。

44. RESTRICTED SHARE AWARD SCHEME (continued)

On 26 April 2013, a total number of 17,569,400 restricted shares, representing 0.99% of the issued capital of the Company as at the Adoption Date, were granted to the selected participants. The Selected Participants are persons who, in the opinion of the Administration Committee, contributed directly to the overall business performance and will contribute to the sustainable development of the Group. Out of the total shares granted, 8,425,800 Restricted Shares were granted to the Chief Executive Officer, who is also an executive Director of the Company, which would vest in five tranches each on the first, second, third, fourth and fifth anniversaries of the Grant Date in accordance with certain vesting conditions (including the Group's performance targets), subject to the publication of the full-year results of the Company for the relevant financial year. The grant of Restricted Shares to other directors, senior management, heads of departments and other employees of the Group shall vest in full on 31 March 2014 in accordance with the vesting conditions (including the Group's performance targets), subject to the publication of the full-year results of the Company for the relevant financial year.

The fair value of the Restricted Shares granted was calculated based on the market price of the Company's shares at the respective grant dates. No dividend will be considered. The weighted average fair value of the Restricted Shares granted during the year was HK\$21.65 per share. The Group recognised the Restricted Share expenses of approximately RMB151,108,000 (2012: Nil) into the consolidated statement profit or loss during the year.

During the year, based on the Company's instructions, the trustee of the Restricted Share Award Scheme has purchased a total of 16,215,000 ordinary shares of the Company on the Stock Exchange at a total consideration of approximately HK\$501,279,000 equivalent to RMB394,121,000.

44. 限制性股票獎勵計劃(續)

於二零一三年四月二十六日，本集團向經選定參與者授出合共17,569,400股限制性股份，佔本公司於採納日期之已發行股本0.99%。行政委員會認為，經選定參與者為過往對本集團整體業務表現有直接貢獻，並將促成本集團可持續發展之人士。於已授出股份總數中，8,425,800股限制性股份乃授予總裁（其亦為本公司執行董事），該等股份將根據若干歸屬條件（包括本集團表現目標），分五個批次歸屬，而歸屬日期分別為自授出日期起第一、二、三、四及五個週年，惟須待本公司就相關財政年度刊發全年業績後，方可作實。向本集團其他董事、高級管理人員、部門主管及其他僱員授出之限制性股份，將根據歸屬條件（包括本集團表現目標），於二零一四年三月三十一日悉數歸屬，惟須待本公司就相關財政年度刊發全年業績後，方可作實。

已授出限制性股份之公允值，乃基於本公司股份於各授出日期之市值計算，當中將不會計及股息。年內授出之限制性股份之加權平均公允值，為每股21.65港元。年內，本集團已於綜合損益表中，確認限制性股份支出約人民幣151,108,000元（二零一二年：零）。

年內，根據本公司指示，限制性股票獎勵計劃之受託人於聯交所購入合共16,215,000股本公司普通股，總代價約為501,279,000港元（相當於人民幣394,121,000元）。

45. BUSINESS COMBINATION

(a) Acquisition of subsidiaries in 2013:

Acquisition of Mengniu Arla

On 10 January 2013, the Group acquired a 49% equity interest in Mengniu Arla from the joint venture partner. Mengniu Arla is mainly engaged in the production of milk powder. The acquisition was made as part of the Group's strategy to expand its market share of milk powder in the PRC. Pursuant to the original joint venture contract entered into in 2006, except for Mengniu Arla, the Group was not allowed to establish or set up other entities to run the milk powder business in the PRC. Subsequent to this business combination, this restriction was void.

The purchase consideration for the acquisition was in the form of cash, with RMB60,000,000 paid at the acquisition date, an aggregate of RMB40,000,000 paid equally in the first, second, third and fourth anniversaries of the acquisition date, and the remaining RMB150,000,000 as a contingent consideration, which is to be paid if certain operating results criteria can be achieved or by the Group over the subsequent years.

45. 業務合併

(a) 於二零一三年收購子公司：

收購歐世蒙牛

於二零一三年一月十日，本集團向合營夥伴收購內蒙古歐世蒙牛乳製品有限責任公司的49%股權。歐世蒙牛之主要業務為生產奶粉。該收購為本集團擴大其於中國奶粉市場份額的戰略的一部分。根據於二零零六年訂立的原有合營企業合約，除歐世蒙牛外，本集團不可成立或設立其他實體，於中國經營奶粉業務。於上述業務合併後，有關限制已經作廢。

該收購代價以現金形式支付，其中人民幣60,000,000元於收購日支付，合共人民幣40,000,000元將於自收購日起計第一、二、三及四個週年等額支付，其餘人民幣150,000,000元為或然代價，將在本集團於往後數年達到若干經營業績條件時支付。

45. BUSINESS COMBINATION (continued)**(a) Acquisition of subsidiaries in 2013:** (continued)**Acquisition of Mengniu Arla** (continued)

The fair values of the identifiable assets and liabilities of Mengniu Arla as at the date of acquisition were as follows:

45. 業務合併(續)**(a) 於二零一三年收購子公司：**(續)**收購歐世蒙牛**(續)

於收購日歐世蒙牛之可識別資產及負債之公允值如下：

		Fair value recognised on acquisition 於收購時確認的 公允值 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	335,508
Land use rights	土地使用權	12,796
Other intangible assets	其他無形資產	20,996
Trade and bills receivables	應收賬款及票據	32,912
Investment in an associate	於聯營公司的投資	2
Prepayments, deposits and other receivables	預付款、按金及其他應收賬款	10,189
Inventories	存貨	114,451
Cash and bank balances	現金及銀行結存	52,696
		579,550
Liabilities	負債	
Trade and bills payables	應付賬款及票據	(213,542)
Other payables and accruals	其他應付款項及預提費用	(416,828)
		(630,370)
Total identifiable net assets at fair value	按公允值列賬之可資識別淨資產總額	(50,820)
Less: Non-controlling interests' proportionate share of identifiable net liabilities	減：非控股股東權益按比例分佔之可識別淨負債	(508)
Less: Goodwill previously allocated to Mengniu Arla	減：先前分配至歐世蒙牛的商譽	7,845
Add: Goodwill arising on acquisition (note 19)	加：收購產生的商譽(附註19)	272,760
Purchase consideration at fair value	於公允值計算之收購代價	214,603

45. BUSINESS COMBINATION (continued)**(a) Acquisition of subsidiaries in 2013:** (continued)**Acquisition of Mengniu Arla** (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition are same as the gross contractual amounts of trade receivables and other receivables which amounted to RMB32,912,000 and RMB6,501,000, respectively.

The Group incurred transaction costs of RMB3,680,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of the acquisition of Mengniu Arla for the current period is as follows:

45. 業務合併 (續)**(a) 於二零一三年收購子公司：** (續)**收購歐世蒙牛** (續)

於收購日的應收賬款及其他應收款項公允值分別為人民幣32,912,000元及人民幣6,501,000元，與應收賬款及其他應收款項合約總額相等。

本集團就該收購產生交易成本人民幣3,680,000元。該等交易成本已於綜合損益表支銷並計入行政費用。

就本期間收購歐世蒙牛的現金流量分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	60,000
Cash and cash equivalents acquired	所收購現金及現金等價物	(52,696)
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括在投資活動產生的現金流量內的現金及現金等價物淨流出	7,304
Transaction costs of the acquisition included in cash flows from operating activities	包括在經營業務產生的現金流量內的收購交易成本	3,680
		10,984

Since its acquisition, Mengniu Arla contributed RMB718,700,000 to the Group's turnover and net losses of 25,913,000 to the consolidated profit for the year ended 31 December 2013.

Had the combination taken place at the beginning of the year, the revenue from continuing operations of the Group and the profit of the Group for the year would had been RMB43,356,908,000 and RMB1,861,988,000, respectively.

自其收購起，歐世蒙牛為本集團截至二零一三年十二月三十一日止年度的營業額及綜合利潤，分別貢獻人民幣718,700,000元及淨虧損人民幣25,913,000元。

倘合併於年初完成，年度本集團持續經營業務之收入及本集團利潤分別應為人民幣43,356,908,000元及人民幣1,861,988,000元。

45. BUSINESS COMBINATION (continued)**(a) Acquisition of a subsidiary in 2013 :** (continued)**Acquisition of Yashili**

On 13 August 2013, the Group acquired an 89.82% equity interest in Yashili from independent third parties. Yashili is mainly engaged in the manufacture and sale of dairy and nourishment products. The acquisition was made as part of the Group's strategy to expand its market share of milk powder in the PRC. The purchase consideration for the acquisition was in the form of cash, with RMB8,025,882,000 paid at the acquisition date, and 11.18% equity interest in China Mengniu International Company Limited, an investment shell company established solely for the acquisition of Yashili, in which the Company held an 88.82% equity interest. The fair value of RMB992,404,000 of the 11.18% equity interest in China Mengniu International Company Limited transferred was measured by reference to quoted price of corresponding Yashili shares. The Group has elected to measure the non-controlling interest in Yashili at the non-controlling interest's proportionate share of Yashili's identifiable net assets.

45. 業務合併(續)**(a) 於二零一三年收購子公司：**(續)**收購雅士利**

於二零一三年八月十三日，本集團向獨立第三方收購雅士利89.82%股權。雅士利主要從事乳製品及營養品製造及銷售。作出收購事項乃本集團策略之一部分，以擴大於中國奶粉市場之份額。收購事項之購買代價以現金（於收購日期已支付人民幣8,025,882,000元）及中國蒙牛國際有限公司（僅為收購雅士利而成立之投資空殼公司，其由本公司持有88.82%股權）之11.18%股權支付。已轉移之中國蒙牛國際有限公司11.18%股權之公允值人民幣992,404,000元經已計量，當中已參考相關雅士利股份之報價。本集團選擇以非控股權益應佔雅士利可資識別資產淨值之比例計量雅士利股份之非控股權益。

45. BUSINESS COMBINATION (continued)**(a) Acquisition of a subsidiary in 2013 :** (continued)**Acquisition of Yashili** (continued)

The fair values of the identifiable assets and liabilities of Yashili as at the date of acquisition were as follows:

45. 業務合併 (續)**(a) 於二零一三年收購子公司：** (續)**收購雅士利** (續)

於收購日期，雅士利之可資識別資產淨值及負債之公允值如下：

		Fair value recognised on acquisition 收購時確認之 公允值 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	780,372
Construction in progress	在建工程	355,952
Investment properties	投資物業	115,623
Land use rights	土地使用權	277,469
Other intangible assets	其他無形資產	1,369,149
Deferred tax assets	遞延稅項資產	74,361
Non-current financial assets	非流動金融資產	680,000
Inventories	存貨	843,563
Trade and bills receivables	應收賬款票據	28,386
Prepayments, deposits and other receivables	預付款、按金及其他應收賬款	198,262
Other current financial assets	其他流動金融資產	214,000
Pledged deposits	保證金存款	452,436
Cash and bank balances	現金及銀行結存	550,352
		5,939,925

45. BUSINESS COMBINATION (continued)**(a) Acquisition of a subsidiary in 2013 :** (continued)**Acquisition of Yashili** (continued)

The fair values of the identifiable assets and liabilities of Yashili as at the date of acquisition were as follows:

45. 業務合併(續)**(a) 於二零一三年收購子公司：**(續)**收購雅士利**(續)

於收購日期，雅士利之可資識別資產淨值及負債之公允值如下：

		Fair value recognised on acquisition 收購時確認之 公允值 RMB'000 人民幣千元
Liabilities	負債	
Trade and bills payables	應付賬款及票據	(341,298)
Other loans	其他貸款	(33,500)
Other payables and accruals	其他應付款項及預提費用	(526,335)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(404,246)
Income tax payable	應付所得稅	(37,373)
Deferred income	遞延收益	-
Deferred tax liabilities	遞延稅項負債	(65,110)
		(1,407,862)
Total identifiable net assets at fair value	按公允值列值之可資識別資產總額	4,532,063
Less: Non-controlling interests' proportionate share of identifiable net assets	減：非控股權益應佔雅士利可資識別資產淨值	461,364
Add: Goodwill arising on acquisition (note 19)	加：收購產生商譽(附註19)	4,947,587
Purchase consideration at fair value	按公允值列值之購買代價	9,018,286

45. BUSINESS COMBINATION (continued)**(a) Acquisition of a subsidiary in 2013:** (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition are same as the gross contractual amounts of trade receivables and other receivables which amounted to RMB28,386,000 and RMB105,566,000, respectively.

The Group incurred transaction costs of RMB42,038,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of the acquisition of Yashili for the current period is as follows:

45. 業務合併 (續)**(a) 於二零一三年收購子公司：** (續)

於收購日期的應收賬款及其他應收款項公允值分別為人民幣28,386,000元及人民幣105,566,000元，與應收賬款及其他應收款項合約總額相等。

本集團就是次收購事項產生人民幣42,038,000元之交易成本。該等交易成本經已於綜合損益表開銷及計入行政開支。

於本期間，有關雅士利收購事項之現金流分束列載如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	8,025,882
Cash and cash equivalents acquired	已收購現金及現金等價物	(440,852)
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動產生的現金流量之現金及現金等價物流出淨額	7,585,030
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動產生的現金流量之收購事項交易成本	42,038
		7,627,068

Since its acquisition, Yashili contributed RMB1,499,067,000 to the Group's turnover and RMB128,615,000 to the consolidated profit for the year ended 31 December 2013.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group for the year would have been RMB45,756,462,000 and RMB2,168,573,000, respectively.

自收購起，雅士利貢獻本集團營業額人民幣1,499,067,000元及截至二零一三年十二月三十一日止年度之綜合利潤人民幣128,615,000元。

倘合併於年初進行，本集團本年之收益及利潤將分別為人民幣45,756,462,000元及人民幣2,168,573,000元。

45. BUSINESS COMBINATION (continued)**(b) Acquisition of a subsidiary in 2012:**

On 11 April 2012, the Group acquired a 100% interest in Taihang from independent third parties. Taihang is mainly engaged in the production of dairy products. The acquisition was made as part of the Group's strategy to expand its market share of dairy products in the PRC. The purchase consideration for the acquisition was in the form of cash, with RMB5,200,000 paid at the acquisition date, and the remaining RMB7,800,000 to pay when Taihang completes certain business administrative registration procedures.

The fair values of the identifiable assets and liabilities of Taihang as at the date of acquisition were as follows:

45. 業務合併(續)**(b) 於二零一二年收購一家子公司：**

於二零一二年四月十一日，本集團向獨立第三方收購太行的100%權益。太行主要從事生產乳製品。該收購為本集團擴大其於中國乳製品市場份額的策略的一部分。該收購的購買代價中，人民幣5,200,000元於收購日以現金形式支付，其餘人民幣7,800,000元將於太行完成若干商業管理登記手續時支付。

於收購日太行的可識別資產及負債的公允值如下：

		Fair value recognised on acquisition 於收購時確認的 公允值 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	14,270
Construction in progress	在建工程	45
Land use rights	土地使用權	5,448
Other intangible assets	其他無形資產	30
Trade and bills receivables	應收賬款及票據	391
Prepayments, deposits and other receivables	預付款、按金及其他應收賬款	1,290
Inventories	存貨	33
		21,507
Liabilities	負債	
Trade and bills payables	應付賬款及票據	(3,526)
Other payables and accruals	其他應付款項及預提費用	(1,230)
Other loans	其他貸款	(3,416)
Income tax payables	應付所得稅	(335)
		(8,507)
Total identifiable net assets at fair value	按公允值列賬之可資識別淨資產總額	13,000
Goodwill arising on acquisition	收購產生的商譽	-
Purchase consideration	購買代價	13,000

45. BUSINESS COMBINATION (continued)**(b) Acquisition of a subsidiary in 2012:** (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition are same as the gross contractual amounts of trade receivables and other receivables which amounted to RMB391,000 and RMB70,000, respectively.

The Group incurred transaction costs of RMB45,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of the acquisition of Taihang is as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	5,200
Cash and cash equivalents acquired	所收購現金及現金等價物	-
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括在投資活動產生的現金流量內的現金及現金等價物淨流出	5,200
Transaction costs of the acquisition included in cash flows from operating activities	包括在經營業務產生的現金流量內的收購交易成本	45
		5,245

Since its acquisition, Taihang contributed nil to the Group's turnover and net losses of RMB3,327,000 to the consolidated profit for the year ended 31 December 2012.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group for the year ended 31 December 2012 would have been RMB35,999,990,000 and RMB1,487,990,000, respectively.

45. 業務合併 (續)**(b) 於二零一二年收購一家子公司：** (續)

於收購日的應收賬款及其他應收款項公允值分別為人民幣391,000元及人民幣70,000元，與應收賬款及其他應收款項合約總額相等。

本集團就該收購產生交易成本人民幣45,000元。該等交易成本已於綜合損益表支銷並計入行政費用。

有關收購太行的現金流量分析如下：

自其收購起，太行為本集團截至二零一二年十二月三十一日止年度的營業額及綜合利潤分別貢獻零及淨虧損人民幣3,327,000元。

假設合併於年初發生，本集團於截至二零一二年十二月三十一日止年度的收入及利潤會分別為人民幣35,999,990,000元及人民幣1,487,990,000元。

46. CONTINGENT LIABILITIES

Aside from the disclosure in note 39, the Group had contingent liabilities not provided for in the consolidated financial statements at the end of the reporting period as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Guarantees given to banks in connection with facilities granted to: Third parties	就以下人士獲授融資而向銀行提供擔保： 第三方	114,000	-

47. PLEDGE OF ASSETS

Details of the Group's bills payable, bank loans, other loans and long term payables, which are secured by the assets of the Group, are included in notes 33, 35, 36 and 37, respectively, to the financial statements.

48. OPERATING LEASE ARRANGEMENTS**(a) As lessor**

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within one year	1年內	24,754	15,415
In the second to fifth years, inclusive	2年至5年 (包括首尾兩年在內)	77,185	64,442
Over five years	5年以上	39	-
		101,978	79,857

46. 或然負債

除附註39所披露者外，本集團於報告期末在綜合財務報表內之未撥備或然負債列載如下：

47. 資產抵押

有關獲本集團的資產作抵押的本集團應付票據、銀行貸款、其他貸款及長期應付款項詳情，分別載於財務報表附註33、35、36及37。

48. 經營租賃安排**(a) 作為出租人**

於報告期末，本集團根據不可註銷經營租賃，日後到期應收其租戶的最低租金總額如下：

48. OPERATING LEASE ARRANGEMENTS (continued)**(b) As lessee**

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases in respect of buildings and certain production equipment as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within one year	1年內	91,985	88,758
In the second to fifth years, inclusive	2年至5年 (包括首尾兩年在內)	119,020	190,748
Over five years	5年以上	31,945	3,425
		242,950	282,931

49. COMMITMENTS

In addition to the operating lease commitments detailed in note 53, the Group had the following outstanding capital commitments in respect of the purchase and construction of property, plant and equipment as at the end of the reporting period:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但未撥備	974,968	427,877

Subsequent to the end of the reporting date, the board of directors approved the capital expenditure (not contracted for) amounting to approximately RMB4,246,276,000 (2012: RMB2,276,557,500).

The Company did not have any significant commitments at the end of the reporting period.

48. 經營租賃安排 (續)**(b) 作為承租人**

於報告期末，本集團按照房屋及若干生產設備的不可註銷經營租賃須於日後支付的最低租金總額如下：

49. 承擔

除了附註53詳述的經營租賃承擔外，於報告期末，本集團有關購置及興建物業、廠房及設備的資本承擔如下：

於報告期末後，董事會批准資本開支(但未訂約)約為人民幣4,246,276,000元(二零一二年：人民幣2,276,557,500元)。

於報告期末，本公司並無任何重大承擔。

50. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances which are disclosed elsewhere in these financial statements, the Group had the following significant transactions with its associates, a jointly-controlled entity and other related parties.

50. 關聯人士交易

- (a) 除於本財務報表其他段落披露的交易及結餘外，本集團與其聯營公司、共同控制實體及其他關聯人士進行下列重大交易。

			Group 本集團	
			2013 二零一三年	2012 二零一二年
			RMB'000 人民幣千元	RMB'000 人民幣千元
Notes 附註				
(I)	Sales of liquid milk products to associates	向聯營公司銷售液體奶產品	4,665,579	4,261,668
(II)	Sales of ice cream products to associates	向聯營公司銷售冰淇淋產品	268,510	243,711
(III)	Sales of other dairy products to associates	向聯營公司銷售其他乳製品	30,181	10,634
(IV)	Sales of raw materials to a joint venture	向合營企業銷售原材料	-	338,607
(V)	Purchase of raw materials from a joint venture	向合營企業購買原材料	-	(225,582)
(VI)	Purchase of raw materials from associates	向聯營公司實體購買原材料	(2,372,938)	-
(VII)	Purchase of ice cream products from an associate	向聯營公司購買冰淇淋產品	(87,350)	(8,394)
(VIII)	Purchase of raw materials from affiliates of a substantial shareholder of the Company	向本公司一主要股東的聯屬公司購買原材料	(325,155)	(408,977)

Notes:

- (i) The considerations were determined with reference to the prevailing market prices/rates and the prices charged to third parties.
- (ii) These transactions were conducted at cost, which approximated to the prevailing market prices of the materials.

附註：

- (i) 價格是經參考當時市場價格／費率及收取第三方的價格釐定。
- (ii) 此等交易按成本值(約為原材料之市價)進行。

50. RELATED PARTY TRANSACTIONS (continued)**(b) Other transactions with related parties**

During the year of 2012, Inner Mongolia Mengniu sold 32,000,000 ordinary shares in Saikexing, an associate of Inner Mongolia Mengniu, to a former executive director and chief executive officer of the Company at the price of RMB101,760,000. The consideration of RMB101,760,000 was arrived at after negotiation taking into consideration the appraised value of the shares prepared by an independent valuer.

(c) Compensation of key management personnel of the Group

Key management compensation is detailed in notes 8 and 9 to the financial statements.

Except for (a VIII) and (b), the above transactions did not constitute connected transactions as defined in the Listing Rules.

51. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

		2013		2012		
		二零一三年	二零一二年	二零一三年	二零一二年	
		Available- for-sale	Available- for-sale	Total	Total	
		Loans and receivables	Loans and receivables	Loans and receivables	Loans and receivables	
		貸款及 應收款項	可供出售 金融資產	貸款及 應收款項	可供出售 金融資產	
		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	
Trade and bills receivables	應收賬款及票據	754,265	-	754,265	855,708	855,708
Financial assets included in prepayments, deposits and other receivables	包括於預付款、 按金及其他應收 賬款的金融資產	337,798	-	337,798	435,645	435,645
Other financial assets	其他金融資產	74,453	791,904	866,357	94,898	844,686
Investment deposits	投資存款	1,344,508	-	1,344,508	160,000	160,000
Pledged deposits	保證金存款	711,709	-	711,709	51,602	51,602
Cash and bank balances	現金及銀行結存	8,185,128	-	8,185,128	5,752,041	5,752,041
		11,407,861	791,904	12,199,765	7,349,894	8,099,682

50. 關聯人士交易(續)**(b) 與關聯人士進行的其他交易**

於二零一二年，內蒙蒙牛向本公司前執行董事兼總裁出售內蒙蒙牛的聯營公司賽科星的32,000,000股普通股，作價人民幣101,760,000元。對價人民幣101,760,000元乃經考慮獨立估值師所釐定的股份估定價值，經磋商後釐定的。

(c) 本集團的主要管理人員的報酬

主要管理人員的報酬詳載於財務報表附註8及附註9。

除了(a VIII)及(b)外，上述交易並不構成上市規則所界定的關連交易。

51. 按類別劃分的金融工具

於報告期末，各個分類的金融工具的賬面值如下：

金融資產

	Group		Group	
	二零一三年	二零一二年	二零一三年	二零一二年
	Available- for-sale	Available- for-sale	Total	Total
	Loans and receivables	Loans and receivables	Loans and receivables	Loans and receivables
	貸款及 應收款項	可供出售 金融資產	貸款及 應收款項	可供出售 金融資產
	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
Trade and bills receivables	855,708	-	855,708	855,708
Financial assets included in prepayments, deposits and other receivables	435,645	-	435,645	435,645
Other financial assets	94,898	749,788	844,686	844,686
Investment deposits	160,000	-	160,000	160,000
Pledged deposits	51,602	-	51,602	51,602
Cash and bank balances	5,752,041	-	5,752,041	5,752,041
	7,349,894	749,788	8,099,682	8,099,682

51. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial liabilities

51. 按類別劃分的金融工具(續)

金融負債

		Group 本集團			
		2013 二零一三年		2012 二零一二年	
		Financial liabilities at fair value	Financial liabilities at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost
		按公允值列賬的金融負債	按攤銷成本列賬的金融負債	按公允值列賬的金融負債	按攤銷成本列賬的金融負債
		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
Trade and bills payables	應付賬款及票據	-	4,761,298	-	3,629,460
Financial liabilities included in other payables and accruals	包括於其他應付款項及預提費用之金融負債	3,192	2,286,210	-	1,523,730
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借貸	-	11,697,041	-	573,777
Other loans	其他貸款	-	92,565	-	24,915
Long term payables	長期應付款項	-	159,593	-	196,129
Other financial liabilities	其他金融負債	-	663,959	-	544,858
		3,192	19,660,666	-	6,492,869

51. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

51. 按類別劃分的金融工具(續)

於報告期末，各個分類的金融工具的賬面值如下：

		金融資產					
		2013			2012		
		二零一三年			二零一二年		
		Available-for-sale			Available-for-sale		
		financial			financial		
		assets			assets		
		Total			Total		
		Loans and receivables			Loans and receivables		
		及			及		
		應收款項			應收款項		
		RMB'000			RMB'000		
		人民幣千元			人民幣千元		
		二零一三年			二零一二年		
		Available-for-sale			Available-for-sale		
		financial			financial		
		assets			assets		
		Total			Total		
		Loans and receivables			Loans and receivables		
		及			及		
		應收款項			應收款項		
		RMB'000			RMB'000		
		人民幣千元			人民幣千元		
Loans to a subsidiary (note 22)	應收一家子公司款項 (附註22)	2,476,625	-	2,476,625	2,657,176	-	2,657,176
Financial assets included in prepayment deposits and other receivables	包括於預付款、按金及其他應收賬款的金融資產	615,925	-	615,925	72,446	-	72,446
Cash and bank balances	現金及銀行結存	245,717	-	245,717	751,922	-	751,922
Investment deposits	投資存款	100,000	-	100,000	-	-	-
Pledge deposits	保證金存款	469,592	-	469,592	-	-	-
Other financial assets	其他金融資產	-	302,049	302,049	-	89,642	89,642
		3,907,859	302,049	4,209,908	3,481,544	89,642	3,571,186

51. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial liabilities**51. 按類別劃分的金融工具(續)****金融負債**

		Company	
		本公司	
		2013	2012
		二零一三年	二零一二年
		Financial liabilities at amortised cost	Financial liabilities at amortised cost
		按攤銷成本列賬的金融負債	按攤銷成本列賬的金融負債
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Loans from subsidiaries	子公司貸款	531,322	-
Other payables and accruals	其他應付款項及預提費用	49,552	1,629
Interest-bearing bank and other borrowings	計息銀行及其他借貸	8,804,841	405,425
		9,385,715	407,054

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS**Fair value**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, the current portion of pledged deposits, trade receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables, loans from subsidiaries and accruals, current interest-bearing bank loans, other loans, approximate to their carrying amounts largely due to the short term maturities of these instruments.

52. 金融工具之公允值及公允值層級**公允值**

金融資產及負債之公允值以該工具於自願訂約各方現時進行之交易(強迫或清算銷售除外)中可交換之金額入賬。

下文載列用於估計公允值的方法和假設：

現金及現金等價物的公允值、保證金存款的即期部分、應收賬款、應付賬款及票據、包括於預付款、按金及其他應收賬款的金融資產、包括於其他應付款項、子公司貸款及預提費用的金融負債、流動計息銀行貸款及其他借貸等工具因短期內到期而與彼等之賬面值相若。

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value (continued)

The fair values of other financial assets, loans to a subsidiary, the non-current portion of interest-bearing bank loans, bonds payables and long term payables and other financial liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale equity investments have been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group enters into derivative financial instruments with established commodity trading exchanges. Derivative financial instruments are measured using market quoted prices. The carrying amounts of the commodity futures contracts are the same as their fair values.

The carrying amounts and fair values of the Group's and the Company's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

Group

		Carrying amounts		Fair values	
		賬面值		公允值	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		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
Financial assets	金融資產				
Other financial assets	其他金融資產				
– non-current portion	– 非流動部分	466,118	563,309	466,212	563,811
Long term pledged deposits	長期保證金存款	150,000	–	148,572	–
Long term time deposits	長期定期存款	1,083,548	–	1,031,305	–
		1,699,666	563,309	1,646,089	563,811

52. 金融工具之公允值及公允值層級 (續)

公允值(續)

其他金融資產、應收一家子公司款項、計息銀行借貸、應付債券及長期應付款項的非流動部分以及其他金融負債的公允值乃採用類似條款、信貸風險及餘下到期日的工具現時可獲得的利率折現預期未來現金流量的方式計算。

上市股本投資的公允值乃基於市場報價。非上市可供出售股本投資的公允值使用基於並無可觀察市場價格或利率支持的假設的估值技術進行估計。董事相信估值技術所達致的估計公允值(其列入綜合財務狀況表)及公允值的相關變動(其列入其他全面收益)實屬合理，並為於報告期末的最適當估值。

本集團與已成立的商品貿易交易所訂立衍生金融工具。衍生金融工具乃使用市場報價計量。商品期貨合約的賬面值與彼等的公允值相同。

本集團及本公司之金融工具(除賬面值與公允值合理地相若之金融工具外)之賬面值及公允值如下：

本集團

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value** (continued)**Group** (continued)

		Carrying amounts 賬面值		Fair values 公允值	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Financial liabilities	金融負債				
Other financial liabilities – non-current portion	其他金融負債 – 非流動部分	663,959	544,858	663,959	544,858
Interest-bearing bank loans and other borrowings – non-current portion	計息銀行貸款及其他借貸 – 非流動部分	3,235,535	–	3,235,535	–
Long term payables	長期應付款項	100,678	144,593	100,678	144,593
		4,000,172	689,451	4,000,172	689,451

Company

本公司

		Carrying amounts 賬面值		Fair values 公允值	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Financial liabilities	金融負債				
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借貸	3,010,426	–	3,010,426	–
		3,010,426	–	3,010,426	–

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

公允值層級

本集團採用以下層級以釐定及披露金融工具的公允值：

- 第一級：根據相同資產或負債於活躍市場的報價(未經調整)計量公允值
- 第二級：公允值基於估值技術計量，且全部對所記錄的公允值有重大影響的輸入數據是可直接或間接觀察得到
- 第三級：公允值基於估值技術計量，且任何對所記錄的公允值有重大影響的輸入數據是並非基於可觀察的市場數據(非可觀察輸入數據)

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy** (continued)**Assets measured at fair value:****52. 金融工具之公允值及公允值層級** (續)**公允值層級** (續)**按公允值計量的資產：**

		Group 本集團 2013 二零一三年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	302,049	-	302,049

		Company 本公司 2013 二零一三年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	302,049	-	302,049

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy** (continued)**Assets measured at fair value:**

		Group 本集團 2012 二零一二年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	89,642	144,201	233,843

		Company 本公司 2012 二零一二年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	89,642	–	89,642

52. FAIR VALUES AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy** (continued)**Assets measured at fair value:** (continued)

The movements in fair value measurements in Level 3 during the year are as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Available-for-sale investments – unlisted	可供出售投資 – 非上市		
At 1 January	於一月一日	144,201	103,319
Total gains/(losses) recognised in other comprehensive income	於其他全面收益確認的收益/(虧損)總額	(144,201)	40,882
At 31 December	於十二月三十一日	–	144,201

Liabilities measured at fair value:

按公允值計量的負債：

		Group 本集團 2013 二零一三年 Level 1 第一級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other payables – derivative financial instruments at fair value	其他應付款項 – 按公允值計量的衍生金融工具	3,192	3,192

Liabilities measured at fair value:

按公允值計量的負債：

		Group 本集團 2012 二零一二年 Level 1 第一級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other payables – derivative financial instruments at fair value	其他應付款項 – 按公允值計量的衍生金融工具	–	–

The Company did not have any financial liabilities measured at fair value as at 31 December 2013 and 2012.

於二零一三年及二零一二年十二月三十一日，本公司並無任何按公允值計量的金融負債。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Group's principal financial instruments, other than derivatives, comprise cash and cash equivalents, trade receivables and payables, other receivables and payables, balances with related parties, interest-bearing bank loans, other loans and long term payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also entered into derivative transactions, mainly commodity futures contracts. The purpose is to manage the commodity risks arising from the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors and senior management meet periodically to analyse and formulate measures to manage the Group's exposure to these risks. Generally, the Group adopts prudent strategies on its risk management.

(i) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group closely monitors its interest rate risk by performing periodic reviews and evaluations of its debt portfolio and gearing ratio. The interest rates and terms of repayment of the bank loans of the Group are disclosed in note 39 to the financial statements. In the opinion of the directors, the Group has no significant interest rate risk and has not used any interest rate swaps to hedge its exposure to interest rate risk.

53. 財務風險管理目標及政策

財務風險管理

本集團之主要金融工具(衍生工具除外)包括現金及現金等價物、應收及應付賬款、其他應收及應付款項、與關聯人士的結餘、計息銀行借貸、其他貸款及長期應付款項。該等金融工具主要目的是為本集團的營運籌集資金。本集團有各式各樣直接來自其業務的其他金融資產及負債，例如應收賬款及應付賬款。

本集團亦訂立衍生交易，主要為商品期貨合約。目的是管理本集團業務所產生的商品風險。

來自本集團金融工具的主要風險有利率風險、外幣風險、信貸風險及流動性風險及股本價格風險。董事會及高級管理人員定期舉行會議，分析本集團所承受的風險，並制定用以管理風險的措施。本集團一般採納審慎的策略管理風險。

(i) 利率風險

本集團承受的市場利率變動風險主要有關本集團的浮息借貸。本集團定期檢討和評估其債務組合及資本負債比率，對其利率風險進行密切注視。本集團的銀行貸款利率及還款期於財務報表附註39披露。董事認為，本集團並無重大利率風險，亦未曾使用任何利率調期對沖利率風險。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(i) Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

		Group 本集團	Increase/ (decrease) in basis points 利率基點增加/ (減少)	Increase/ (decrease) in profit before tax 稅前利潤增加/ (減少) RMB'000 人民幣千元
2013	二零一三年			
RMB	人民幣		50	(317)
RMB	人民幣		(50)	317
Hong Kong dollars	港元		50	(7,860)
Hong Kong dollars	港元		(50)	7,860
United States dollars	美元		50	(6,520)
United States dollars	美元		(50)	6,520
2012	二零一二年			
RMB	人民幣		50	(2,797)
RMB	人民幣		(50)	2,797
Hong Kong dollars	港元		50	(1,901)
Hong Kong dollars	港元		(50)	1,901
United States dollars	美元		50	-
United States dollars	美元		(50)	-

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(i) 利率風險(續)

下表列示在所有其他變數維持不變的情況下，利率可能出現合理變動對本集團稅前利潤(透過浮息借貸的影響)的影響：

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(ii) Foreign currency risk

The Group's businesses are principally located in Mainland China and substantially all transactions are conducted in RMB, except for the purchases of imported machinery and equipment and sales of dairy products to Hong Kong and Macau. As at 31 December 2013, substantially all of the Group's assets and liabilities were denominated in RMB except for the cash and bank balances of approximately RMB244,157,000 (2012: RMB327,503,000), RMB193,832,000 (2012: RMB12,565,000), RMB2,024,000 (2012: RMB23,000), RMB9,960,000 (2012: Nil) and RMB13,202,000 (2012: Nil) which were denominated in United States dollars, Hong Kong dollars, Euro, New Zealand dollars and Danish Krone, respectively, the interest-bearing bank and other borrowings of approximately RMB1,109,764,000 (2012: 405,425,000) and RMB10,035,130,000 (2012: RMB38,852,000) which were denominated in Hong Kong dollars and United States dollars, respectively, and the long term payables of approximately RMB50,447,000 (2012: RMB79,867,000) which were denominated in United States dollars. The fluctuation of the exchange rates of RMB against foreign currencies could affect the Group's results of operations. However, in the opinion of the directors, the foreign currency risk exposure is under management's control.

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(ii) 外幣風險

本集團的業務主要位於中國大陸，除了購置進口機器及設備以及向香港和澳門出售乳製品外，絕大部分交易均以人民幣為本位貨幣。於二零一三年十二月三十一日，本集團的資產及負債當中，除了為數約人民幣244,157,000元(二零一二年：人民幣327,503,000元)、人民幣193,832,000元(二零一二年：人民幣12,565,000元)及人民幣2,024,000元(二零一二年：人民幣23,000元)、人民幣9,960,000元(二零一二年：無)及人民幣13,202,000元(二零一二年：無)的現金及銀行結存分別以美元、港元、歐元、新西蘭元及丹麥克朗為單位，計息銀行及其他借貸約人民幣1,109,764,000元(二零一二年：人民幣405,425,000元)及約人民幣10,035,130,000元(二零一二年：人民幣38,852,000元)乃分別以港元及美元為單位，以及長期應付款項約人民幣50,447,000元(二零一二年：人民幣79,867,000元)乃以美元為單位以外，絕大部分均以人民幣為單位。人民幣兌外幣的匯價若有波動，可能影響本集團的經營業績，但董事認為外幣風險在管理層的控制之中。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(ii) Foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rate as compared to United States dollars, Hong Kong dollars, Euro, New Zealand dollars and Danish Krone with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and equity:

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Increase/ (decrease) in profit before tax 稅前利潤 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity 權益增加/ (減少) RMB'000 人民幣千元
2013	二零一三年	5	(257,726)	(75,755)
		(5)	257,726	75,755
2012	二零一二年	5	55,505	(191,943)
		(5)	(55,505)	191,943

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(ii) 外幣風險(續)

下表列示在所有其他變數維持不變的情況下，人民幣與美元、港元、歐元、新西蘭元及丹麥克朗的兌換率可能出現的合理變動(因貨幣資產及負債的公允值變動導致)對本集團稅前利潤及權益的影響：

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(iii) Credit risk

The cash and bank balances, as well as the pledged deposits, of the Group are mainly deposited with state-owned commercial banks in Mainland China.

The majority of the Group's sales are conducted on a cash basis. The Group has implemented policies to ensure that sales of products are made to distributors, who wish to trade on credit terms, with an appropriate credit history which is subject to periodic reviews. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

Except for the above, the Group has no significant concentration of credit risk, with exposure spreading over a number of counterparties.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 30 to the financial statements.

(iv) Liquidity risk

The Group closely monitors its liquidity risk by performing periodic reviews and evaluations of its liquidity with regard to the industry characteristics, market conditions, business strategies and changes in the Group's state of affairs and adjusting the current and non-current portions of the Group's debt portfolio on a proper and timely basis. In addition, the Group aims to ensure a continuity of funds and flexibility through the use of various means of financing and by keeping committed credit lines available.

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(iii) 信貸風險

本集團的現金及銀行結存以及保證金存款，主要存於中國大陸的國有商業銀行。

本集團大部分的銷售均按現金基準進行。本集團已實施政策以確保產品是售予擁有適當信貸記錄並有意以除賬形式進行交易的經銷商，並就其信貸記錄進行定期的覆檢。本集團一直持續監察應收款項的結餘，本集團並無重大壞賬風險。

由於交易方違約產生由按金及其他應收款項構成的本集團其他金融資產的信貸風險最高限額相等於此等資產的賬面值。

除上述者外，本集團的風險涉及多名對手方，並無重大的集中信貸風險。

有關本集團因應收賬款而須面對之信貸風險之其他量化數據，披露於財務報表附註30。

(iv) 流動性風險

本集團定期會根據行業特點、市場環境及業務戰略、財務狀況的變化，對集團的流動性進行檢討及審視，適當並及時調整本集團負債結構的即期及非即期部分，以監控流動性風險。此外，本集團亦透過利用不同的融資方式及保持一定的承諾信貸額度以確保資金的連續性及靈活性。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(iv) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2013 based on contractual undiscounted payments.

		2013 二零一三年				
		On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
		按要求	一年以內	一至五年	五年以上	總計
		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
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	8,696,648	3,714,867	-	12,411,515
Other loans	其他貸款	92,565	-	-	-	92,565
Trade and bills payables	應付賬款及票據	-	4,761,298	-	-	4,761,298
Financial liabilities included in other payables and accruals, excluding current portion of long term payables	包括於其他應付款項及預提費用之金融負債，不包括長期應付款項的即期部分	-	2,289,402	-	-	2,289,402
Long term payables	長期應付款項	-	67,414	108,557	-	175,971
Other financial liabilities	其他金融負債	-	-	1,026,388	-	1,026,388

		2012 二零一二年				
		On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
		按要求	一年以內	一至五年	五年以上	總計
		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
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	581,925	-	-	581,925
Other loans	其他貸款	24,915	-	-	-	24,915
Trade and bills payables	應付賬款及票據	-	3,629,460	-	-	3,629,460
Financial liabilities included in other payables and accruals, excluding current portion of long term payables	包括於其他應付款項及預提費用之金融負債，不包括長期應付款項的即期部分	-	1,523,730	-	-	1,523,730
Long term payables	長期應付款項	-	60,330	162,127	-	222,457
Other financial liabilities	其他金融負債	-	-	647,113	309,275	956,388

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(iv) 流動性風險(續)

下表載列於二零一三年十二月三十一日根據合約無折讓付款的本集團金融負債的到期情況。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(v) Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments classified as available-for-sale investments (note 28) as at 31 December 2013.

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, for the available-for-sale equity investments, the impact is deemed to be on the available-for-sale investment revaluation reserve and no account is given for factors such as impairment which might impact the consolidated statement of profit or loss.

2013		Carrying amount of equity investments	Change in equity
二零一三年		股本投資的 賬面值 RMB'000 人民幣千元	股本變動 RMB'000 人民幣千元
Investments listed in:	列入以下項目的投資：		
Hong Kong – available-for-sale	香港－可供出售	302,049	15,102

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(v) 股本價格風險

股本價格風險為股票指數水平及個別證券價值變動導致股本證券公允值下降之風險。於二零一三年十二月三十一日，本集團面對之股本價格風險來自分類為可供出售投資(附註28)之個別股本投資。

下表顯示在其他所有可變因素維持不變且未計入任何稅務影響之情況下，股本投資之公允值每5%變動時之敏感度，乃按股本投資於報告期末之賬面值計算。就本分析而言，對於可供出售股本投資，視為對可供出售投資重估儲備造成影響，並無計及可能影響綜合損益表的因素，例如減值。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(v) Equity price risk (continued)

2012		Carrying amount of equity investments	Change in equity
二零一二年		股本投資的賬面值	股本變動
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investments listed in:	列入以下項目的投資：		
Hong Kong – available-for-sale	香港—可供出售	89,642	4,482
Unlisted investments at fair value:	按公允值計量的非上市投資：		
Available-for-sale	可供出售	144,201	7,210

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2013 and 31 December 2012.

53. 財務風險管理目標及政策(續)

財務風險管理(續)

(v) 股本價格風險(續)

資本管理

本集團資本管理的基本目標乃維持本集團持續經營的能力及保持穩健的資本比率，以支持其業務及提高股東價值。

本集團管理其資本架構，並因應經濟環境的變化及相關資產的風險特徵作出調整。為維持或調整資本架構，本集團可能會調整派付予股東的股息、股東的資本回報或發行新股。於截至二零一三年十二月三十一日及二零一二年十二月三十一日止年度有關資本管理的目標、政策或程序並無變動。

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. Net debt includes interest-bearing bank loans and other loans, trade, bills and other payables, accruals and customers' deposits, bonds payables, long term payables, other financial liabilities, less cash and bank balances and long term time deposits, and excludes discontinued operations. Capital represents equity attributable to owners of the Company. The gearing ratios as at the ends of reporting periods were as follows:

53. 財務風險管理目標及政策(續)

資本管理(續)

本集團以資本負債比率監控資本，資本負債比率即淨負債除以資本總額加上淨負債之和。淨負債包括計息銀行貸款及其他借貸、應付賬款、應付票據及其他應付款項、預提費用及客戶訂金、應付債券、長期應付款項以及其他金融負債等淨負債之和，減現金及銀行結存及長期定期存款，並不包括已終止經營業務。資本是指本公司擁有人應佔的權益。於報告期末的資本負債比率如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	11,697,041	573,777
Trade and bills payables	應付賬款票據	4,761,298	3,629,460
Other payables and accruals	其他應付款項及預提費用	4,354,840	2,550,911
Other loans	其他貸款	92,565	24,915
Long term payables	長期應付款項	100,678	144,593
Other financial liabilities	其他金融負債	663,959	544,858
Less: Cash and bank balances	減：現金及銀行結存	(7,101,580)	(5,752,041)
Less: Long term time deposits	減：長期定期存款	(1,083,548)	-
Net debt	淨負債	13,485,253	1,716,473
Equity attributable to owners of the Company	本公司擁有人應佔權益	15,360,918	12,489,245
Capital and net debt	資本與淨負債	28,846,171	14,205,718
Gearing ratio	資本負債比率	46.75%	12.08%

54. EVENTS AFTER THE REPORTING PERIOD

On 5 January 2014, the Company and WhiteWave Foods Company (“WhiteWave”) entered into an equity transfer agreement with Yashili (HK) and Guangdong Yashili Group Company Limited to purchase 100% of the equity interests in Yashili (Zhengzhou). The acquisition was made as part of the Group’s strategy to expand its market share of beverage products in the PRC. The acquisition will be in the form of cash, with RMB376,660,000 (equivalent to approximately HK\$482,900,000) paid at the acquisition date. The purchasers will acquire Yashili (Zhengzhou) through a new incorporated subsidiary of the Group, which will be held as to 51% by the Group and 49% by WhiteWave.

On 12 February 2014, the board of directors announced that, Danone Asia-Pacific Management Co., Ltd. (“Danone Asia”), COFCO Dairy Investments Limited (“COFCO Dairy Investments”) and the Company entered into the Subscription Agreement, pursuant to which the Company conditionally agreed to issue and allot 121,236,357 shares (representing approximately 6.2% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares) to COFCO Dairy Investments, a joint venture company which upon Subscription Completion will be beneficially owned as to approximately 31.4% by Danone Asia, approximately 51.7% by COFCO (Hong Kong) Limited COFCO (HK) (“COFCO (HK)”) and approximately 16.9% by Arla Foods Amba.

55. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, due to the adoption of revised IFRSs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made, certain comparative amounts have been reclassified and restated to conform with the current year’s presentation and accounting treatment, and a third statement of financial position as at 1 January 2012 has been presented. In addition, the comparative statement of profit or loss has been re-presented as if the operation discontinued during the current year had been discontinued at the beginning of the comparative period (note 12).

56. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2014.

54. 報告期後事項

於二零一四年一月五日，本公司及 WhiteWave Foods Company (「WhiteWave」) 與雅士利(香港)及雅士利(廣東)訂立股權轉讓協議，以購買雅士利(鄭州)100%股權。收購事項乃本集團策略之一部分，以擴大其於中國飲品的市場份額。收購事項將以現金的形式進行，人民幣376,660,000元(相當於約482,900,000港元)已於收購日期支付。買方將透過本集團新註冊成立之子公司收購雅士利(鄭州)，雅士利(鄭州)將由本集團及 WhiteWave 分別持有51%及49%。

於二零一四年二月十二日，董事會宣佈，Danone Asia-Pacific Management Co., Ltd. (「Danone Asia」)、中糧乳業投資有限公司(「中糧乳業投資」)及本公司訂立認購協議，據此，本公司有條件地同意發行及配發121,236,357股股份(佔本公司經發行認購股份擴大之全部已發行股本約6.2%)予中糧乳業投資。中糧乳業投資為合營公司，認購事項完成後，將分別由Danone Asia、中糧集團(香港)有限公司(「中糧(香港)」)及阿拉食品安巴有限責任合作公司擁有約31.4%、51.7%及16.9%。

55. 比較金額

誠如財務報表附註2.2所述，由於本年度採納新訂國際財務報告準則，故財務報表若干項目及結餘之會計處理及呈列已作出修訂，以符合新規定。因此，過往年度若干調整已作出，若干比較金額已重新分類及重列，以符合本年度之呈列及會計處理，而二零一二年一月一日的第三份財務狀況表經已呈報。此外，損益比較表已重新呈列，猶如於本年度終止的業務在比較期初時已告終止(附註12)。

56. 批准財務報表

董事會已於二零一四年三月二十五日批准及授權刊發財務報表。

FINANCIAL SUMMARY

財務概要

The following is a summary of the audited financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries for the respective years.

下列為中國蒙牛乳業有限公司(「本公司」)及其子公司於下列各個年度之經審核財務報表概要。

RESULTS

業績

		Year ended				
		截至十二月三十一日止年度				
		2013	2012	2011	2010	2009
		二零一三年	二零一二年	二零一一年	二零一零年	二零零九年
		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
			Restated			
			(經重述)			
Revenue	收入	43,356,908	35,999,990	37,387,844	30,265,415	25,710,460
Profit before tax from continuing operations	來自持續經營業務之稅前利潤	2,204,503	1,733,863	2,060,630	1,538,102	1,346,346
Income tax expense	所得稅支出	(366,713)	(245,476)	(276,081)	(182,185)	(126,240)
Profit for the year from continuing operations	來自持續經營業務之本年利潤	1,837,790	1,488,387	1,784,549	1,355,917	1,220,106
Profit for the year from discontinued operations	來自已終止經營業務之本年利潤	24,198	429	–	–	–
Profit for the year	本年利潤	1,861,988	1,488,816	1,784,549	1,355,917	1,220,106
Attributable to:	以下各方應佔：					
Owners of the Company	本公司擁有人	1,630,925	1,303,101	1,589,274	1,237,273	1,115,799
Non-controlling interests	非控股股東權益	231,063	185,715	195,275	118,644	104,307
Proposed dividend	擬派股息	367,053	282,917	349,953	278,078	245,465
Earnings per share attributable to ordinary equity holders of the Company (RMB) (note (i))	本公司普通股擁有人應佔每股盈利(人民幣元)(附註(i))					
For profit for the year	本年利潤					
– Basic	– 基本	0.904	0.737	0.908	0.712	0.681
– Diluted	– 攤薄	0.896	0.737	0.905	0.711	N/A

ASSETS, LIABILITIES AND EQUITY

資產、負債及權益

		At 31 December 於十二月三十一日				
		2013	2012	2011	2010	2009
		二零一三年	二零一二年	二零一一年	二零一零年	二零零九年
		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
			Restated (經重述)	Restated (經重述)		
Total assets	總資產	40,339,396	20,915,894	19,999,679	17,305,841	14,096,126
Total liabilities	總負債	22,328,258	7,794,787	7,950,859	7,088,332	5,184,432
Equity attributable to owners of the Company	本公司擁有人應佔權益	15,360,918	12,489,245	11,471,058	9,758,064	8,575,678
Non-controlling interests	非控股股東權益	2,650,220	631,862	577,762	459,445	336,016

Note:

附註：

(i) The calculation basis for the earnings per share attributable to ordinary owners of the Company is set out in note 14 to the consolidated financial statements.

(i) 本公司普通股擁有人應佔每股盈利的計算基準載於綜合財務報表附註14。



只為點滴幸福

China Mengniu Dairy Company Limited
中國蒙牛乳業有限公司*

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

Stock Code 股份代號：2319



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