

雅士利®

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

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號：01230



INTERIM REPORT
中期報告 2017

**YASHILI INTERNATIONAL HOLDINGS LTD
(THE “COMPANY” OR “YASHILI”)
(STOCK CODE: 01230) and its subsidiaries
(collectively the “Group”)**

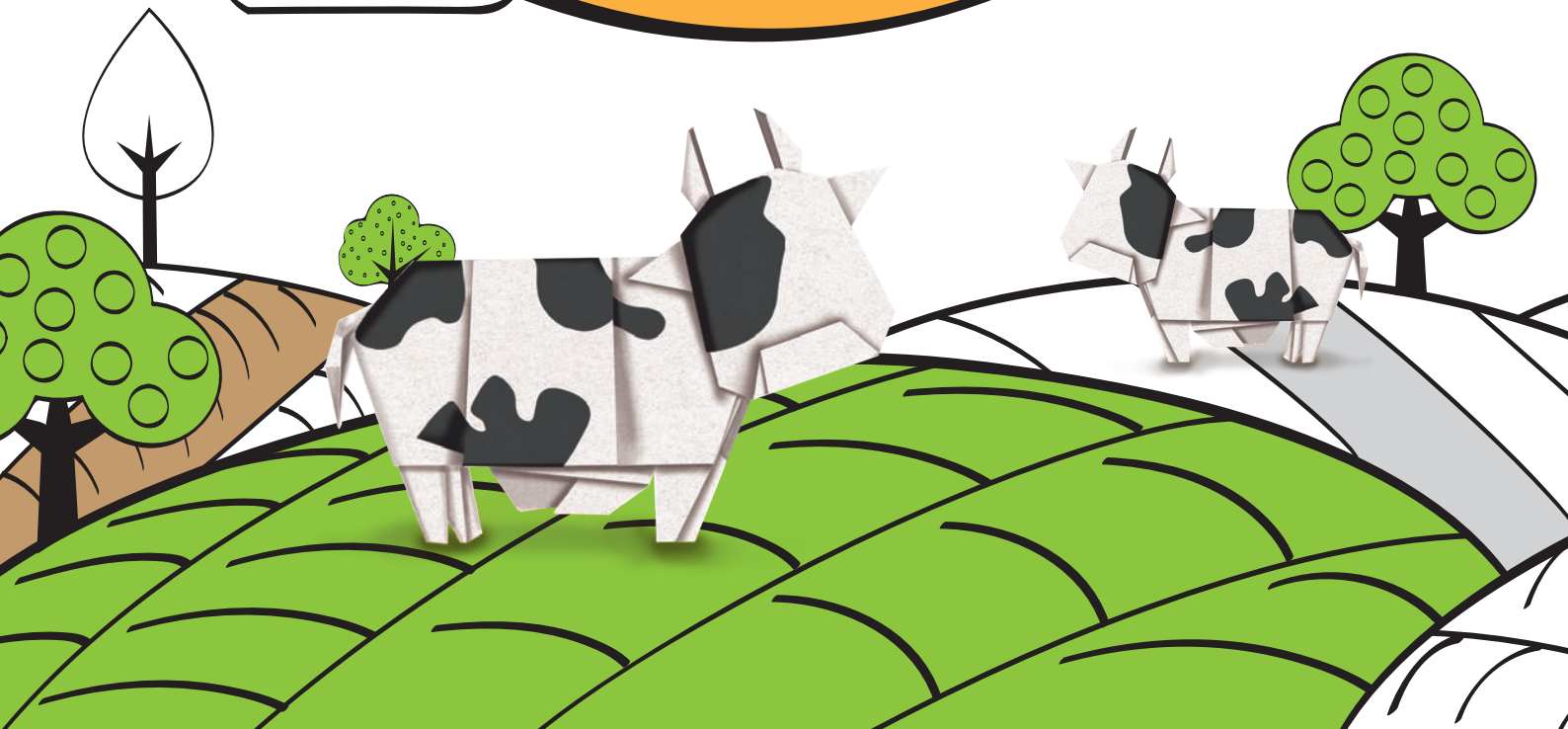
as a whole is a domestically leading professional infant formula producer with international presence that produces and sells premium infant formula and nutrition food in China.

The Group has factories in Guangdong, Shanghai, Shanxi, Inner Mongolia, New Zealand, etc. It sells infant formula products through widely recognized brands such as Yashily, Mengniu, Dumex, Arla and Scient, as well as various nutrition food including adult milk powder and dissolvable products.

雅士利國際控股有限公司（「本公司」或「雅士利」）
（股份代號：01230）及其子公司（統稱「本集團」）

於中國生產及銷售優質嬰幼兒配方奶粉及營養食品，是中國領先的國際化專業嬰配奶粉生產商。

本集團在廣東、上海、山西、內蒙古、新西蘭等地擁有工廠，通過雅士利、蒙牛、多美滋、Arla及施恩等廣受認可品牌銷售嬰配奶粉產品，並出售包括成人奶粉及沖調產品在內的多種營養食品。





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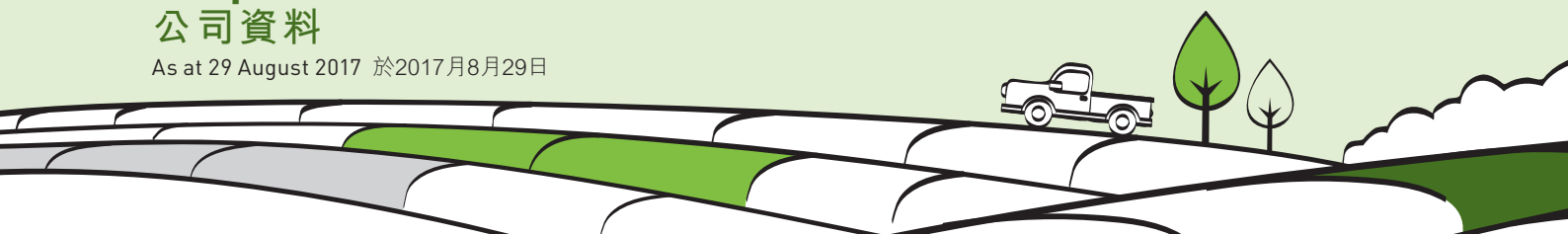
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Corporate Information

公司資料

As at 29 August 2017 於2017年8月29日



BOARD OF DIRECTORS

Non-executive directors

Mr. Jeffrey, Minfang Lu (*Chairman*)
Mr. Qin Peng
Mr. Zhang Ping
Ms. Lam Pik Po, Katty⁽¹⁾

Executive directors

Mr. Chopin Zhang (*Chief Executive Officer*)
Mr. Hua Li (*Chief Operating Officer*)

Independent non-executive directors

Mr. Mok Wai Bun Ben
Mr. Cheng Shoutai
Mr. Lee Kong Wai Conway

NOMINATION COMMITTEE

Mr. Jeffrey, Minfang Lu (*Chairman*)
Mr. Mok Wai Bun Ben
Mr. Cheng Shoutai

REMUNERATION COMMITTEE

Mr. Mok Wai Bun Ben (*Chairman*)
Mr. Jeffrey, Minfang Lu
Mr. Qin Peng
Mr. Cheng Shoutai
Mr. Lee Kong Wai Conway

AUDIT COMMITTEE

Mr. Lee Kong Wai Conway (*Chairman*)
Mr. Mok Wai Bun Ben
Mr. Zhang Ping

AUTHORIZED REPRESENTATIVES

Mr. Chopin Zhang
Mr. Hua Li

董事會

非執行董事

盧敏放先生(主席)
秦鵬先生
張平先生
林碧寶女士⁽¹⁾

執行董事

張平(Chopin Zhang)先生(行政總裁)
華力先生(首席運營官)

獨立非執行董事

莫衛斌先生
程守太先生
李港衛先生

提名委員會

盧敏放先生(主席)
莫衛斌先生
程守太先生

薪酬委員會

莫衛斌先生(主席)
盧敏放先生
秦鵬先生
程守太先生
李港衛先生

審核委員會

李港衛先生(主席)
莫衛斌先生
張平先生

授權代表

張平(Chopin Zhang)先生
華力先生



COMPANY SECRETARY

Ms. Ho Siu Pik

公司秘書

何小碧女士

PRINCIPAL PLACE OF BUSINESS IN THE PRC

9/F Nova Tower
No. 185 Yuexiu Road South
Yuexiu District, Guangzhou City
Guangdong Province, 510057
The People's Republic of China (the "PRC")

中國主要營業地點

中華人民共和國(「中國」)
廣東省
廣州市越秀區越秀南路185號
創舉商務大廈9樓
(郵編：510057)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 801-2, 8th Floor
COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈
8樓801-2室

REGISTERED ADDRESS OF THE COMPANY

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

公司註冊地址

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Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

香港股份過戶登記分處

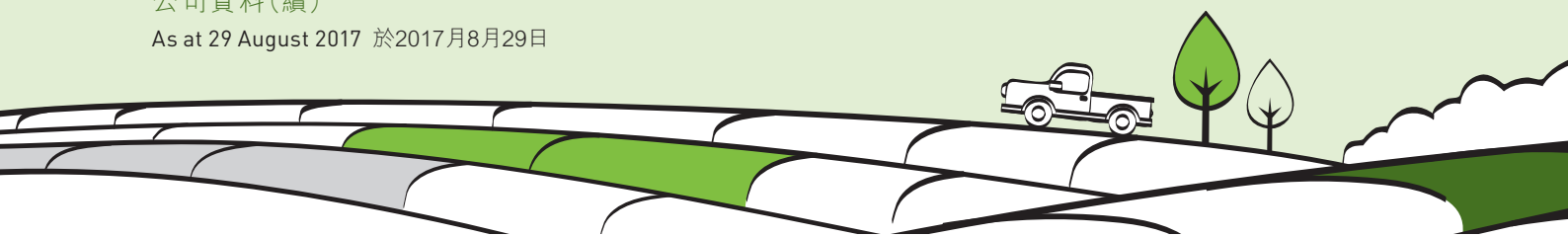
香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

INVESTOR RELATIONS DEPARTMENT

Office of the Board

投資者關係部門

董事會辦公室



INVESTOR ENQUIRY HOTLINE

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+852-2845-1230

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STOCK CODE

Hong Kong Stock Exchange 01230

股份代碼

香港聯合交易所01230

COMPANY'S WEBSITE

www.yashili.hk

公司網站

www.yashili.hk

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
Australia and New Zealand Banking Group Limited Hong Kong Branch
Bank of China, Guangdong Pilot Free Trade Zone Nansha Branch
Industrial Bank Co., Limited, Hong Kong Branch

主要往來銀行

中國工商銀行(亞洲)有限公司
澳大利亞和新西蘭銀行集團有限公司香港分行
中國銀行廣東自貿試驗區南沙分行
興業銀行股份有限公司香港分行

LEGAL ADVISERS

As to Hong Kong law

Sullivan & Cromwell (Hong Kong) LLP

法律顧問

香港法律

蘇利文·克倫威爾律師事務所(香港)有限
法律責任合夥

As to Cayman law

Conyers, Dill & Pearman

開曼法律

康德明律師事務所

AUDITORS

Ernst & Young, Certified Public Accountants

核數師

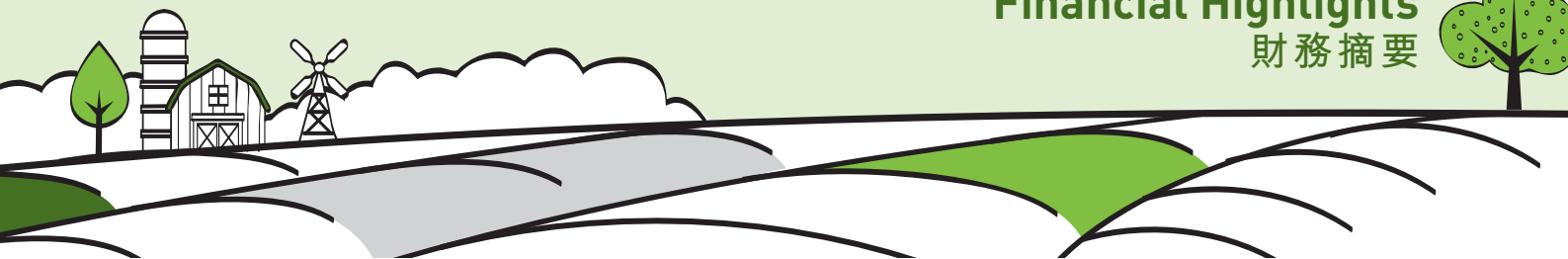
安永會計師事務所·執業會計師

Note:

(1) Appointed on 5 June 2017

附註:

(1) 於2017年6月5日獲委任



For the six months ended 30 June

截至6月30日止6個月

		2017	2016	Percentage
		RMB million	RMB million	change
		人民幣百萬元	人民幣百萬元	變動比例
Revenue	收入	966.7	1,146.5	(15.7%)
Gross profit	毛利	447.6	580.5	(22.9%)
Profit attributable to equity holders of the parent	母公司股權持有人應佔利潤	(121.9)	15.1	(907.3%)
Earnings per share (RMB cents)	每股盈利(人民幣分)			
— Basic and diluted	— 基本及攤薄	(2.6)	0.3	(966.7%)

For the six months ended 30 June 2017, the revenue of the Group amounted to RMB966.7 million (same period of 2016: RMB1,146.5 million), representing a decrease of 15.7% from the same period of 2016. The decrease in revenue of the Group was mainly due to: (1) the accelerated shrinking of the modern and traditional channels compromised the Group's existing competitive advantages in these channels and the Group withdrew from some inefficient stores of such modern and traditional channels; (2) during the first half of 2017, the Group continued to deal with the sales model transformation of the mother-and-baby store channel and the e-commerce channel whereby the implementation and effect of the new marketing strategies require time and cost input; (3) the Group increased its promotion efforts during the first half of 2017 to cope with the intensified market competition; and (4) the Group was proactively consolidating its product lines in response to the impact brought by *The Administrative Measures for the Registration of Recipes of Infant Formula Milk Powder Products* (the "Recipe Registration Requirement"), and such consolidation may affect the sales of some products to a certain extent.

截至2017年6月30日止六個月，本集團之收入達人民幣966.7百萬元(2016年同期：人民幣1,146.5百萬元)，較2016年同期下降15.7%。本集團收入下降主要是由於：(一)現代和傳統渠道的加速萎縮削弱了本集團原本在該渠道的競爭優勢，本集團撤出部分低效的現代和傳統渠道的經營；(二)本集團於2017年上半年持續應對母嬰及電商渠道的銷售模式轉型，新的營銷策略的執行和效果需要時間以及成本費用的投入；(三)本集團於2017年上半年加大促銷力度以應對激烈的市場競爭；以及(四)本集團正在積極整合產品線應對《嬰幼兒配方乳粉產品配方註冊管理辦法》(「配方註冊制」)帶來的影響，而整合會在一定程度上影響部分產品的銷售達成。

Management's Discussion and Analysis

管理層討論與分析



INDUSTRY REVIEW

During the first half of 2017, the global economy continued to improve. Developed economies recovered steadily, while among the emerging economies, China and India continued driving the economic growth. However, the world's economy still faced risks and uncertainties as its recovery was not balanced and there hadn't yet been a structural strong growth.

China's economy operated within an appropriate range with more visible good momentum, and was in good shape featuring steady growth, upbeat employment, stable price, rising income and structural improvement. The economic development has become more stable, sustainable and better coordinated. According to the preliminary statistics published by the National Bureau of Statistics of China, the gross domestic products for the first half of the year reached RMB38,149 billion, representing an increase of 6.9% from the previous year based on comparable prices. The annual national disposable income per capita was RMB12,932, representing a nominal growth of 8.8% from the same period of 2016 and a real growth of 7.3% after excluding price factors. The annual national consumption expenditure per capita amounted to RMB8,834, representing a nominal growth of 7.6% and a real growth of 6.1% after excluding price factors.

On 1 October 2016, Recipe Registration Requirement came into effect. Recipe Registration Requirement requires that every enterprise, in principle, shall not have more than three product series or nine product recipes, and when enterprises apply for recipe registration, product claims related to the product recipe in the product label and the instruction manual will also be reviewed, in order to ensure the authenticity, accuracy and scientificity of the labels and instructions of infant formula milk powder and to prevent enterprises from over-advertising and misleading consumers via labels and instructions. 1 January 2018 is the deadline for registering the existing products and brands. Against this backdrop, mother-and-baby chain store systems were more prudent in brand selection with more attention paid to the overall strength of producers, such as brand, supply chain, management, support and service. With regards to population policy, the demographic dividend from the nationwide two-child policy was gradually reflected in the first half of 2017, which drove the infant formula industry and presented new development opportunities for relevant enterprises and markets.

行業回顧

2017年上半年，世界經濟繼續改善。發達經濟體總體復蘇平穩；新興經濟體中，中國和印度繼續引領增長。但全球復蘇並不平衡，結構性強勁增長仍未出現，依然面臨風險和不確定因素。

中國經濟運行保持在合理區間，穩中向好態勢趨於明顯，呈現增長平穩、就業向好、物價穩定、收入增加、結構優化的良好格局，經濟發展的穩定性、協調性和可持續性增強。中國國家統計局公佈的初步核算數據顯示，上半年國內生產總值人民幣38,149億元，按可比價格計算，同比增長6.9%；全國居民人均可支配收入人民幣12,932元，同比名義比2016年同期增長8.8%，扣除價格因素實際增長7.3%。全國居民人均消費支出人民幣8,834元，同比名義增長7.6%，扣除價格因素，實際增長6.1%。

2016年10月1日配方註冊制正式實行，對企業申請的配方數量做出限制，每個企業原則上不得超過3個配方系列9種產品配方，並且在申請對產品配方註冊時，要對標籤、說明書與配方相關的聲稱內容一併審查，為確保嬰幼兒配方乳粉標籤、說明書真實準確、科學規範，避免企業通過標籤、說明書誇大宣傳、誤導消費者。2018年1月1日是現有產品和品牌的註冊期限。在此背景下，母嬰連鎖系統對品牌的選擇更加慎重，更加關注廠家的綜合實力，如品牌、供應鏈、管理、支持和服務等。人口政策方面，全面二胎政策開放後，人口紅利在2017年上半年逐步體現，嬰幼兒配方奶粉行業回暖升溫，企業及市場迎來發展新機遇。



The domestic infant formula market size during the first half of 2017 increased 7% as compared to the same period of 2016, with increased sales volumes and prices. The mother- and-baby store channel maintained stronger growth with increased sales volumes and price and was the largest market channel with 54% market share. The Internet continued to affect consumers' behavior and buying habits. The development of overseas online shopping, overseas intermediate purchase and cross-border e-commerce underwent inspection and standardization. Affected by the new policy of milk powder, some products were sold at low price online, which influenced consumer perception. The modern trade channel continued to shrink with price recovering, and domestic brands relying on this channel speed up the shift to the mother-and-baby store channel under huge competition pressure.

BUSINESS REVIEW

In 2013, Mengniu Group entered into strategic cooperation with the Group by way of a general offer, thereby becoming the Group's controlling shareholder. In 2014, the Group, China Mengniu International Company Limited ("Mengniu International") and Danone Asia Baby Nutrition Pte. Ltd. ("Danone Asia") entered into a share subscription agreement. As the deal closed in February 2015, Danone Asia officially became the Group's second largest shareholder. In December 2015, the Group completed the acquisition of the entire equity interest in Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu"), a member of Mengniu Group, and officially became the sole milk powder business platform under Mengniu Group. In May 2016, the Group completed the acquisition of the entire equity interest in Dumex Baby Food Co., Ltd. ("Dumex China"), a member of Danone Group, and initially completed its brand consolidation and domestic capacity expansion.

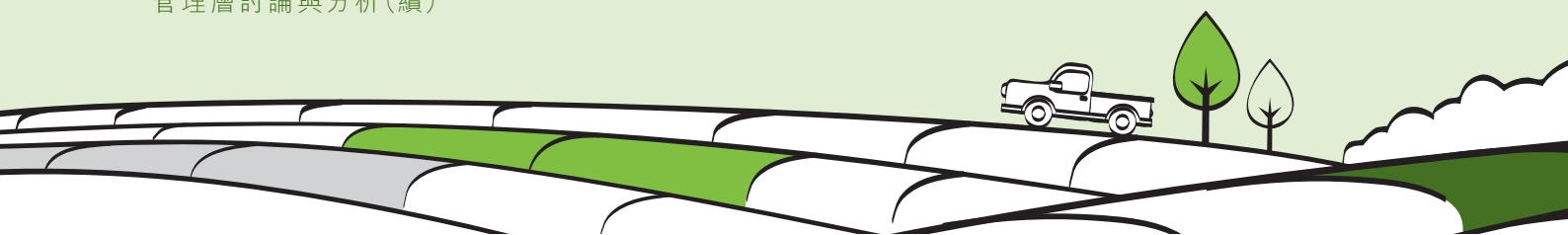
The Group is committed to developing reliable nutrition products for consumers, including the branded product series for promoting healthy growth of infants and toddlers such as Yashili, Reeborne, Dumex, Arla and Scient, as well as those designed to meet the nutritional needs of adults such as Youyi, Huanqing and Zhengwei. The Group's business model incorporates such key factors as premium imported dairy raw materials, premium imported original infant formula milk powder products, self-developed recipes, advanced manufacturing system and professional marketing teams with sufficient knowledge on local consumer markets, which enables us to offer trustworthy products to consumers.

2017年上半年國內嬰幼兒配方奶粉市場規模相比2016年同期成長7%，量價齊增。母嬰渠道保持較強增速，渠道銷售量價齊升，為市場佔比最大渠道，市場份額54%；互聯網繼續影響消費者的消費行為和購買習慣，海淘、海外代購及跨境電商的發展進入盤整和規範期，受奶粉新政影響，部分品牌線上低價甩貨，對消費者認知有所影響；商超渠道銷量繼續萎縮，但價格有所回升，依賴於該渠道的國產品牌仍然承受較大競爭壓力而加速向母嬰渠道轉變。

業務回顧

2013年，蒙牛集團以全面股權要約收購形式實現了與本集團戰略合作，成為本集團控股股東。2014年，本集團、中國蒙牛國際有限公司（「蒙牛國際」）與Danone Asia Baby Nutrition Pte. Ltd.（「達能亞洲」）簽署股份認購協議並於2015年2月完成交割，達能亞洲正式成為本集團第二大股東。2015年12月，本集團完成對蒙牛集團旗下內蒙古歐世蒙牛乳製品有限責任公司（「歐世蒙牛」）全部股權的收購，正式成為蒙牛集團旗下唯一奶粉業務平台。2016年5月，本集團完成對達能集團旗下多美滋嬰幼兒食品有限公司（「多美滋中國」）全部股權的收購，初步完成品牌整合及國內產能新佈局。

本集團致力於開發值得消費者信賴的營養產品，包括促進嬰幼兒健康成長的雅士利、瑞哺恩、多美滋、Arla、施恩等品牌產品系列，以及滿足成人營養需要的優怡、煥輕、正味等品牌產品系列。本集團的業務模式結合了進口優質乳品原材料、進口優質原裝嬰幼兒配方奶粉產品、自主研發配方、先進的生產系統及熟悉本地消費市場的專業營銷團隊等幾大因素，為廣大消費者提供具有信心保證的產品。



Introduction of Product Categories

Infant formula products

The infant milk formula products developed by the Group are mainly aimed at satisfying the health and nutritional needs of infants and toddlers during daily feeding, and can serve as a major source of nutrition for infants and toddlers supplementary to breast milk. All of the Group's branded infant milk formula products are produced using premium imported raw materials. The Group is striving to develop infant formula with the most ideal nutrition composition to well cater to the needs of infants and toddlers during different stages of growth and development.

The Group has established different infant milk formula product lines targeting customers at different consumption levels. The originally canned and packaged imported organic "Baby & Me" introduced by the Group through partnership with Arla Foods is originated from Denmark and targets the ultra-high-end market. The upgraded "Diamor" and "Precinutri" of Dumex are mainly aimed at creating integrated solutions for babies. Mengniu's "Reeborne" as a strategic brand of the Group mainly targets the high-end customers, under which organic series products are launched as key ones. The Group is committed to establishing "Reeborne" as a leading and professional brand in organic products market. Mengniu's "Platinum Jiazhi" mainly focuses on mid-end consumers which provides infants with comprehensive nutrition. Products under "Meileizi" and "Meimengyi" also mainly focus on mid-end consumer groups to achieve finer market segment in the mother-and-baby store channel. Yashily's "Super α -Golden", originally canned and imported from New Zealand, targets mid- to high-end customer groups, and gathers global resources. Its vigor system enhances the growth of babies' own probiotic group, releasing internal intestinal vitality. Yashily's " α -Golden", originally canned and imported from New Zealand, targets mid-end customer groups. Products of this series contain the 1+1 nutrition mix to supply key nutrition for physique and intelligence growth. Yashily's "Super Golden" targets mid-end customers. Infant formula milk powder of this series is elaborately developed by the Yashily R&D team based on the growth characteristics and nutritional needs of infants and toddlers so as to provide them with necessary and balanced nutrition for healthy growth. Yashily's "Golden" targets low- to mid-end customers, focusing on nutrition provision to facilitate the healthy growth of infants. Yashily's "New Formula" facilitates intellectual development and stimulates immune cells, mainly targeting low- to mid-end customers.

分類產品介紹

嬰幼兒配方奶粉

本集團開發的嬰幼兒配方奶粉產品主要滿足嬰幼兒日常喂哺的健康營養需求，可輔助母乳作為嬰幼兒的主要營養來源。本集團所有品牌嬰幼兒配方奶粉產品均主要使用進口優質原料，尋求開發營養組合最理想的配方奶粉，以切合嬰幼兒成長及發育的不同階段需要。

本集團已設立針對不同消費水平分佈的目標客戶的嬰幼兒配方奶粉產品線。本集團與Arla Foods合作的原罐原裝進口有機「寶貝與我」，源自丹麥，定位超高端市場。多美滋「致粹」、「精確盈養」經過升級後則主要致力於打造系統的兒科解決方案。本集團蒙牛「瑞哺恩」作為集團戰略品牌，主要針對高端消費者，其中有機系列產品將作為「瑞哺恩」品牌下主推產品，力將其打造成為有機市場專業領導品牌；蒙牛「白金佳智」主要針對中端消費者，全面營養給寶寶全面的呵護；「美蕾茲」、「美萌益」等系列產品主要針對中端消費群，以細分母嬰渠道為主。雅士利「超級 α 金裝」定位中高端，新西蘭原罐進口，匯聚全球資源，其動態活力系統提升寶寶自身益生菌群生長，釋放內在腸道活力；雅士利「 α 金裝」定位中端，新西蘭原罐進口，含1+1營養組合包，補充體格智力發展關鍵營養素。雅士利「超級金裝」定位於中端消費者，是雅士利研發團隊根據嬰幼兒的生長特點和營養需求精心調配而成的配方奶粉，為寶寶提供所需營養，均衡營養，使寶寶優良發展。雅士利「金裝」定位於中低端消費者，專注營養，提供無憂成長力。雅士利「新配方」促進智力發展及激發免疫細胞活性，主要針對中低端消費者。



Tailored infant formula products

The accelerating modernization and industrialization process, and the changing environment, lifestyles and diets in China pose increasing health challenges to Chinese infants and toddlers. As an infant nutrition expert, the Group not only endeavors to satisfy the nutritional needs of infants and toddlers, but also has professional formula products under Dumex to meet the special nutritional needs of special infants and toddlers. At present, the Group has three series of professional formula products under Dumex:

- Products for Allergy: this category includes products for prevention of allergy (HA) and treatment of allergy (PEPTI). HA products can effectively guard infants and toddlers exposing to high risk of allergy against such risk through semi-hydrolyzing techniques. PEPTI products serve as an effective remedy to the allergy to protein in food of infants and toddlers through deeply hydrolyzing techniques.
- Products for Digestion: this category includes lactose-free formula products (LF) which would effectively avoid the vicious circle of diarrhoea due to hypolactasia.
- Products for Under-weight Newborn: this category includes formula for low-birth-weight newborn babies (LBW) which would cater to their needs for catching up with standards of growth.

Nutrition food

The Group also produces and sells various types of nutrition food, including: nutritional milk powder for adult family members — adult milk powder under the “Mengniu” brand and adult milk powder under the “Youyi” brand; high-end functional milk powder for middle-aged and elderly people — milk powder for the middle-aged and elderly people under the “Huanqing” brand; nutritional milk powder for children — “Future Star” milk powder; healthy and delicious dissolvable products — cereal under the “Zhengwei” brand; and infant complementary food — nutritional rice cereal for infants and toddlers under the “Yashily” brand. Such a portfolio comprises products with differentiated nutritional mixes designed for consumers with special needs as well as those suitable for general consumers.

“Mengniu”-branded adult milk powder targets customers demanding daily nutritional supplements, such as the middle-aged and elderly people, students and women. Leveraging on 100% premium milk source, technologies from Northern Europe, scientific formula and under stringent supervision and control, the products provide consumers in China with milk power of international quality.

嬰幼兒特殊配方奶粉

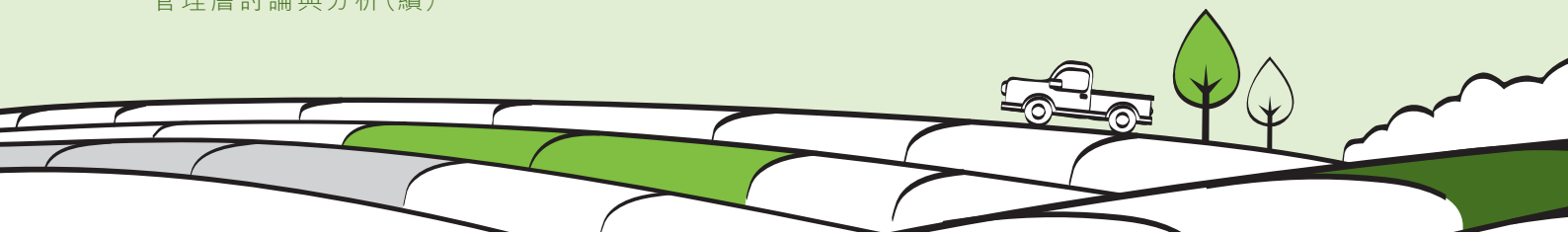
隨著中國加速的現代化、工業化建設的發展，環境、生活方式、飲食的變化，使中國嬰幼兒面臨日益增加的健康挑戰。本集團作為嬰幼兒營養專家，除了滿足嬰幼兒營養需求外，旗下多美滋更有專業配方系列產品，滿足特殊嬰幼兒的特殊營養需求。目前本集團多美滋旗下有三大系列專業配方產品：

- 過敏系列產品：目前包括過敏預防產品(HA)和過敏治療產品(PEPTI)。HA產品通過部分水解工藝，有效預防過敏高風險嬰兒的過敏風險；PEPTI產品，通過深度水解工藝，有效治療嬰兒食物蛋白過敏。
- 消化系列產品：目前包括無乳糖配方產品(LF)，可以有效避免乳糖不耐受引起的腹瀉惡性循環。
- 低體重兒系列產品：目前包括低出生體重兒配方產品(LBW)，滿足低出生體重兒追趕式生長的需求。

營養食品

本集團亦生產銷售多種營養食品，包括：大眾型全家營養奶粉—「蒙牛」品牌成人奶粉、「優怡」品牌成人奶粉；中老年高端功能性奶粉—「煥輕」品牌中老年奶粉；兒童配方的營養奶粉—「未來星」兒童成長奶粉；健康美味的沖調產品—「正味」品牌麥片；嬰幼兒輔食—「雅士利」品牌嬰幼兒營養米粉等。形成了專為具有特殊需要的消費者而設的不同營養組合產品以及適合一般人士的產品組合。

「蒙牛」品牌成人奶粉，針對有日常營養補充需求的中老年人、學生、女士等消費者，100%優質奶源，採用北歐技術，產品科學配方，層層嚴格監管，讓中國消費者享有國際品質的奶粉。



"Youyi"-branded adult milk powder, with a track record of 17 years, focuses on consumers including the middle-aged and elderly people, students and women. It contains calcium, vitamin A/D/E, dietary fiber and other beneficial elements. Produced in compliance with international standards, products of this series are reliable.

「優怡」品牌成人奶粉，上市17載，為中老年、學生、女士等消費者研製，含鈣、維生素A/D/E、膳食纖維等有益成分，國際標準生產，品質值得信賴。

"Huanqing"-branded milk powder for the middle-aged and elderly people addressing their needs for strong bones and cardiovascular system. Products of this series are developed with recipes beneficial to bones, including colostrum basic protein, vitamin D and rich calcium, and to cardiovascular system, including phytosterol esters, linoleic acid (ω -3), linolenic acid (ω -6). The products use 100% imported milk sources. They are sugar-free and added with inulin. The healthy and fat-free milk powder agrees with the constitution of the middle-aged and elderly people.

「煥輕」品牌中老年奶粉，為具有骨骼與心血管健康需求的中老年人研製，分別含有初乳鹼性蛋白、維生素D、富含鈣等骨骼健康配方，植物甾醇脂、亞油酸(ω -3)、亞麻酸(ω -6)等心血管健康配方，採用100%進口奶源，零白砂糖、添加菊粉，健康無負擔，適合中老年人體質。

"Future Star" milk powder for children growth contains 58 dietary mixes, including 28 fruit-vegetable powders, probiotics + prebiotics and DHA. The products are applicable to babies who are slow or picky eater, or eat little.

「未來星」兒童成長奶粉，含有58種膳食組合：28種果蔬粉、益生菌+益生元及DHA；適合吃得少、吃得挑、吃得慢的寶寶使用。

"Zhengwei"-branded cereal is positioned to provide consumers with premium nutrition mix. Being of natural and pure flavor, the cereal products supplement daily dietary fiber and are suitable for the whole family members for daily drinking.

「正味」品牌麥片，致力於為消費者提供優質的營養組合。麥片自然純正，補充每日膳食纖維攝入，適合全家人日常飲用。

"Yashily"-branded nutritious milk rice cereal for infants and toddlers are developed for Chinese babies based on their characteristics of growth and development. Products of this series mainly use rice of premium quality as raw materials, and are processed with high-speed production line, sealed equipment and fine packaging process so as to ensure stable quality and safety.

「雅士利」品牌嬰幼兒營養奶米粉，根據寶寶成長發育特點，精選大米為主要原料，為中國寶寶研製，採用高速生產線、封閉式設備及精細包裝工藝，確保產品質量穩定、安全。



Brand Strategies

The first half of 2017 was crucial for the brands of the Group. Each department has made steady progress in implementing the differentiated business models and branding portfolios established between late 2016 and early 2017 as follows: "Yashily" brand focuses on basic nutrition; "Reeborne" under the Mengniu brand is committed to differentiated competition, mainly for the organic market; "Dumex" is positioned to build up a professional image and dedicated to discovering pediatric solutions; Arla as a strategic brand of shareholders will highlight its privilege of serving royal families. Among them, "Baby & Me" covers the ultra-high-end market; "Dumex" and "Reeborne" under Mengniu brand cover the mid- to high-end market, and "Yashily" covers the mid-end market. Products of each series enjoy competitive advantages as compared with that of other series in terms of price range. On regional strategies, "Baby & Me" and "Dumex" focus on first- and second-tier cities, while penetrating into the eastern region; "Yashily" and "Reeborne" under Mengniu brand focus on third- and fourth-tier cities, while penetrating into the central region. With such coordination, the Group has established a tight brand matrix with its products covering the whole market network, which lays a solid foundation for coping with the fierce competition in infant formula market which will offer high-end and branded products in the future.

The consumption habits of consumers indicated an evident consumption upgrading. According to the data from a third party, the volume of the ultra-high-end market (RMB430 per kilogram) recorded a significant growth as compared to that of the same period of 2016. Price is no longer the only factor to be considered by consumers born after 1985 to 1990. They are inclined to buy more specialized products with better quality, and that is also the case in third- and fourth-tier cities. Hence, the high-end market of milk powder has experienced significant growth in recent years as consumers are willing to pay more money for products with specialized formula and of reliable quality from country of origin. Therefore, it is the best time for the Group to develop the high-end market.

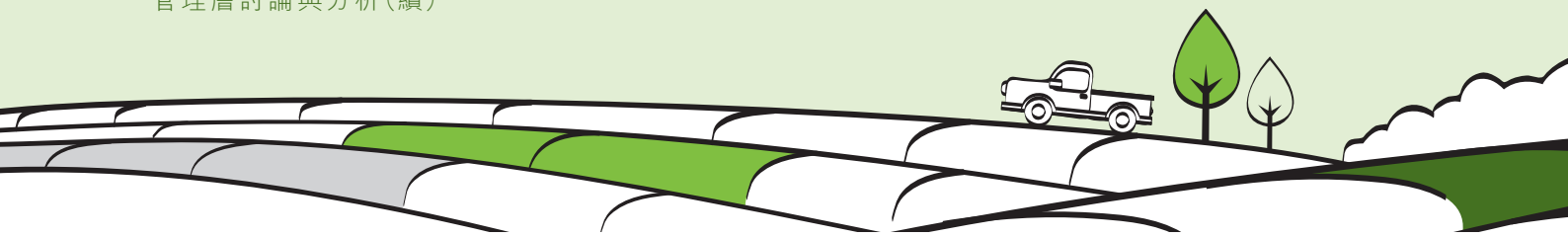
In addition, change in media form of external communication is underway. When purchasing and collecting products, many consumers choose to search the internet and check comments from the users in addition to considering recommendations made by friends, while traditional media have an increasingly insignificant influence on consumers. Therefore, the Group mainly applied media budget to digital marketing as a way to attract purchasers. The Group hopes to have its roots in domestic market and thoroughly examine consumer insights. It aims to influence consumers by producing such contents as may strike a responsive chord in the hearts of target groups. Based on such contents, the Group explores ways of targeted marketing, seeking to reach consumers effectively. Membership promotion and community marketing are also highly valued to allow consumers to become spokesmen, thus spontaneously spreading positive comments.

品牌策略

2017年上半年是本集團品牌最為關鍵時刻，各業務部門開始逐步推進2016年年底至2017年年初訂立的差異化業務模式及品牌佈局：「雅士利」品牌側重於基礎營養方向；蒙牛「瑞哺恩」致力於差異化競爭，主攻有機市場；「多美滋」定位於建立專業形象，致力於研究兒科解決方案；Arla作為股東戰略品牌，突出皇室御用概念。其中，超高端有「寶貝與我」，中高端有「多美滋」、蒙牛「瑞哺恩」，中端有「雅士利」。從價格區間上看，每個系列產品跟其他產品相比均有競爭優勢。從地域策略上，「寶貝與我」和「多美滋」專攻一二線城市，開始滲透東部地區；「雅士利」和蒙牛「瑞哺恩」主攻三四線市場，滲透中部地區。如此配合使本集團形成緊密品牌矩陣，產品覆蓋全市場網絡，為未來嬰配市場高端化、品牌化的激烈競爭打下良好基礎。

從消費者消費習慣看，消費升級表現明顯。基於第三方數據，超高端市場（人民幣430元/公斤）容量與2016年同期相比錄得較大幅增長。1985年後至1990年後出生的消費者不再只考慮價格因素，其注重選擇更優質、甚至更細分專業產品，於三四線市場情況也是如此，因此近幾年奶粉高端市場增長尤為明顯，消費者願意付出更多錢購買更專業配方奶粉及原產地質量安全更令人放心之產品。因此對於本集團，佈局高端市場正切合時機。

再者，對外溝通的媒體形式也在發生改變。消費者在選購產品時，除身邊朋友推薦，很多人會在網上搜索、查看他人口碑，而傳統媒體對消費者的影響則越來越弱，因此本集團將媒體費用側重通過數字營銷來影響購買人群。本集團希望能植根本土市場，做好消費者洞察，通過產出能觸發目標人群共鳴的口碑內容來影響消費者，在內容的基礎上，探索精準化營銷，高效地觸達消費者，同時非常注重會員營銷和社群營銷，讓消費者成為品牌的代言人，讓消費者自發擴散品牌口碑。



Product R&D

In 2017, as infant formula producers are gearing up for the Recipe Registration Requirement, the Group is no exception. During the year, the key task of the Group's R&D management center is to smooth the recipe registration of infant formula products, submit the scientific development processes of safe and nutritional infant formula to the China Food and Drug Administration ("CFDA") and actively coordinate with experts for the review process. Thanks to the active cooperation of the Group's relevant departments, several factories under the Group have submitted filing applications for the recipe registration of series products, and these applications were accepted by CFDA. In August, the Group was listed among the first batch of enterprises granted recipe registration by CFDA. A total of 7 series and 21 recipes of the Group were approved for registration and record, which indicated the Group had the most approved recipes on the list.

On product packaging, the R&D team of the Group is actively improving the lid design for existing canned products, making them more novel and practical, and prepares to apply for patent protection in this regard.

For adult products, the Group's R&D team developed the organic modified milk powder for pregnant and lying-in women. Currently, it comes to the final preparation stage to launch the products.

In 2017, the Group's R&D center puts a lot of efforts in basic nutrition research. It has applied jointly with the National Institute for Nutrition and Health of the Chinese Center for Disease Control and Prevention for a national 13th Five-Year Plan project titled "Development of Special Dairy Products based on China's Breastmilk Components and Research on Key Generic Technology (基於我國母乳組分的特需乳製品創製及共性關鍵技術研究)". Oushi Mengniu under the Group, acting as the leading unit, undertakes the research assignment in respect of Task Five of the project, titled *A New Generation of Infant Dairy Products and Development of Dairy Based Foodstuffs for Special Medical Purpose* (《新一代嬰幼兒乳製品和乳基特殊醫學用途食品的創製》).

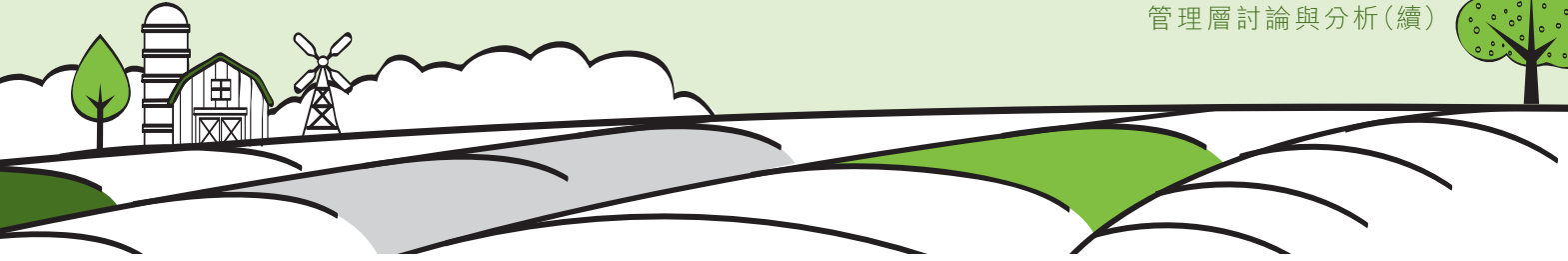
產品研發

2017年，在各嬰幼兒配方乳品企業積極備戰配方註冊制的形勢下，本集團也不例外。年內，本集團研發管理中心的重點任務是做好嬰幼兒配方產品的配方註冊，將科學、安全、營養的嬰幼兒乳粉配方的研製過程上報國家食品藥品監督管理總局(「國家食藥局」)，積極配合專家的審核。在本集團公司各相關部門積極配合下，本集團旗下多家工廠已提交系列產品配方註冊備案申請，並獲國家食藥局受理。8月份，本集團成為首批獲得國家食藥局配方註冊企業，共有7個系列21個配方獲註冊備案，是首批名單中獲批配方數量最多的企業。

在產品包裝方面，本集團研發團隊也在積極地對現有罐裝產品的蓋子的設計改進，實現新穎實用性，同時準備著手申請相關專利保護。

對於成人產品，本集團研發團隊完成了有機孕產婦調製乳粉的開發研製工作，目前進入產品上市的後續準備階段。

2017年，本集團研發中心大力投入基礎營養研究，與中國疾病預防控制中心營養與健康所聯合申請國家十三五項目「基於我國母乳組分的特需乳製品創製及共性關鍵技術研究」，本集團旗下的歐世蒙牛作為牽頭單位承擔了項目中課題五《新一代嬰幼兒乳製品和乳基特殊醫學用途食品的創製》的研究任務。



Sales Channels

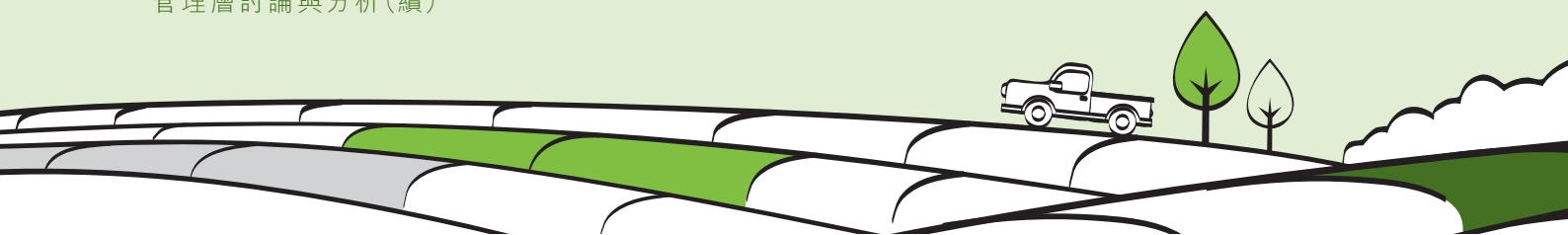
During the first half of 2017, the Group rapidly increased the contribution of the mother-and-baby store channel and developed the e-commerce business by further advancing channel transformation and innovation activities. According to statistical analysis (not financial data) by the channel management department of the Group based on membership loyalty systems and actual sales from point of sales machines at stores, the mother-and-baby store channel accounted for 76% of terminal sales of infant formula in June 2017, modern trade 20% and e-commerce 4% (Beginning of 2017: mother-and-baby store channel 64%, modern trade 35% and e-commerce 1%). To this end, the original marketing organizational structure consisting of brand divisions was restructured into a system comprising CBUs set up by channel and product category, where the "maternity CBU" is in charge of the strategic objective of brand upgrading and channel transformation; the "modern trade CBU" strives to tackle the problem of "channel, product category and price declines"; the "high-end maternity CBU" is positioned to restore Dumex's position as one of the top four foreign brands again and help Arla stand out among a long list of brands; the "innovation CBU" is to expand community marketing, integrate internal market resources and develop TP business in a bid to capture new consumers based on the existing e-commerce network; and the Scient Project Department was established for new business development jointly by the brand business, distributors and sales teams.

The "maternity CBU" established by the Group unleashed its team potential and accelerated the exploration of mother-and-baby chain stores through a partnership and push money based incentive mechanism. During the first half of the year, the contribution of the mother-and-baby store channel recorded a significant double-digit growth on year-on-year basis, with its results up by over 50% year-on-year. The "high-end maternity CBU" strictly controlled costs in the supermarket channel (inefficient and ineffective shopping guide and contract expenses, etc.) and strengthened mother-and-baby chain stores expansion as a way to stabilize sales volume. The "modern trade CBU" completed partial transformation by advancing direct supply to mother-and-baby-stores, and fruitful results were achieved in reducing losses by KAs. As for "innovation CBU", on e-commerce sales, online business layout has been fully developed, thus laying a solid foundation for the development of the second half of the year; on innovation activities, the Group rationalized the business model of joyful-shopping developed for employees, which recorded profit as a separate account, and all of the three brand-new business activities consisting of new media, communities and TP operation were launched and reached the scheduled goal, making a good start to the development of new competence in the Internet field.

銷售渠道

2017年上半年，本集團通過深度推動渠道轉型和創新業務，迅速提高母嬰渠道佔比和電商業務成長。根據本集團內部渠道管理部依據會員系統及門店POS機實銷統計分析(非財務數據)，於2017年6月當月，嬰幼兒配方奶粉的終端銷售中，母嬰渠道佔比76%，商超渠道佔比20%，電商渠道佔比4%(2017年初：母嬰渠道佔比64%，商超渠道佔比35%，電商渠道佔比1%)。為此，組織架構從原有的品牌事業部轉變為以渠道和品類切割的CBU架構，其中「母嬰CBU」承載了品牌升級和渠道轉型的戰略目標；「商超CBU」著力改變「下滑渠道、下滑品類、下滑價格帶」問題；「高端母嬰CBU」立足於使多美滋重回外資四大品牌之列、Arla成為品牌金字塔上的皇冠；「創新CBU」則以原有電商為基礎，拓展社群營銷、整合內部市場資源、發展TP業務以抓取新客等；同時組建由品牌商、渠道商、銷售團隊合夥創業的施恩項目部。

本集團組建的「母嬰CBU」通過合夥提成激勵機制，釋放團隊潛能，加速開拓母嬰連鎖，上半年母嬰渠道佔比同比錄得高雙位數增長，業績同比成長50%以上；「高端母嬰CBU」則通過大力度控制商超渠道費用(低效無效導購、合同費用等)及強化母嬰連鎖拓展，穩定了銷量；「商超CBU」則通過推動母嬰門店直供完成局部轉型，KA止血減虧也效果顯著；「創新CBU」電商銷售方面，線上業務佈局已全面展開，為下半年打下良好基礎；創新業務方面，重新梳理員工歡樂購業務模式，獨立核算實現營利，新媒體、社群、TP運營三個純新業務方向，均已啟動，並達到預定目標，為互聯網領域的新能力建設做出了良好開局。



In terms of internal marketing management, the Group has established the marketing support department with great attention paid to channel management, inspection and anti-cross management and membership system. The Group rationalized marketing mechanisms and procedures and the matrix of powers and responsibilities, and set up a strong inspection system to inspect and review market costs in an effort to improve cost efficiency. It cracked down on goods fleeing and price undercutting to maintain market order. The Group participated in solving and optimizing SAP related problems and built up a membership management system connecting with Outworker Assistant (外勤助手) to achieve information-based management on all procedures, from purchase, production, warehousing, delivery, entry into store, sales to interaction with consumers. This system is able to achieve such integrated functions as comprehensive budget management, targeted use of expenses, efficient business operation, purchase-sales-inventory management, anti-cross management and instant interaction with consumers. Moreover, the membership management system also achieves order processing and settlement functions for directly-managed mother-and-baby stores. Market BP was established to support each CBU to perform brand promotion and sales campaign. Thanks to the above efforts, a well-established and efficient marketing management system has come into being.

Quality Control

Quality is the lifeblood of an enterprise and the only way for an enterprise to capture the market. The Group is continuously dedicated to building up a comprehensive quality management system covering the entire value chain from supplier quality management to consumer services.

The Group selects and manages suppliers with stringent standards from the beginning of the supply chain. During the first half of 2017, the review process for all suppliers was unified and the Group reviewed and examined suppliers regularly to ensure the audit of suppliers is complete and comprehensive. Moreover, in accordance with the national standards newly issued in respect of raw materials and packaging materials as well as new risk control requirements, the Group has updated the standards of raw and auxiliary materials and carried out strict incoming inspection as a way to ensure the high quality and standards of materials purchased.

During the first half of the year, the Group established a new quality center in a bid to optimize resources of the Group and offer guidance on achieving quality excellence at all levels.

營銷內部管理方面，本集團已組建營銷支持本部，主抓渠道管理、巡查防竄、會員系統。本集團重新梳理了營銷制度流程、權責矩陣，建立強有力的巡查體系，對市場費用巡查檢核，提高費用使用效率；查處竄貨砸價，維護市場秩序。本集團參與SAP問題解決和優化，打造會員管理系統，並與外勤助手打通，從採購、生產、入庫、出庫、進店、動銷，一直到消費者互動，達到全流程信息化管理，實現全面預算管理、費用精準投放、業務高效運轉、進銷存管理、防竄管理、消費者實時互動等綜合功能。會員管理系統還實現了母嬰直營門店的訂單及結算功能。組建市場BP支持各CBU進行品牌推廣服務和消費者促銷活動，整體上形成了完善且高效的營銷管理體系。

質量管理

質量是企業的生命之源，是企業佔領市場的唯一出路。本集團持續致力於建立起一套從供應商質量管理至消費者服務的整條價值鏈的全面質量管理系統。

本集團從供應鏈源頭開始嚴格對供應商進行篩選管理，2017年上半年統一了供應商審核流程，並定期對供應商進行評價和考核，確保供應商審核的完整和全面。同時根據新發佈生效的原料和包裝材料國家標準及新的風險監控要求，更新了相關原輔料標準，並進行嚴格的進貨查驗，確保採購物料的高標準及高質量。

上半年，本集團組建了新的質量中心，優化集團資源，指導集團各層面質量工作的良好運作。



On laboratory test, laboratories in all factories purchased advanced test and analysis equipment based on test requirements, including inductively coupled plasma mass spectrometer, ultra-performance liquid chromatography-tandem mass spectrometer, gas chromatograph-mass spectrometer, high performance liquid chromatograph, atomic absorption spectrometer and gas chromatograph. During the first half of the year, the Horinger factory completed relevant resource allocation and conducted full analysis for finished products. All analysis and test results of the products of the Group's factories were in compliance with relevant national standards. In the strict national sampling campaign conducted in the first half of the year, the pass rate of products under "Yashily", "Mengniu", "Dumex" and "Scient" was 100%, which further boosted consumers' confidence for the products of the Group.

The Group's factories constantly upgraded and transferred their infrastructure so as to ensure compliance with requirements specified by the production license for infant formula milk powder. This included separation of drying and concentration zones, upgrading the entrance of air-conditioned changing rooms of the dryer, adding air shower facilities for ton bags and packaging materials, and building a stripping room and an unloading awning in the raw material warehouse in the Horinger factory; upgrade of stick pack production workshop in the Shanxi factory; and upgrade of changing rooms in the Shanghai factory. The upgrading tasks have been basically completed. In order to improve the quality traceability system, the Group has carried out the upgrade and transformation of equipment for the GBT product quality traceability project, starting with the Chaozhou factory during the first half of the year.

The Group's factories passed the supervisory accreditation or re-assessment of such management systems as ISO9001, HACCP, FSSC22000, Integrity and CNAS in accordance with the requirements of audit plans, and accomplished such tasks as are required to obtain the production license as a way to ensure a sound operation of the quality system and lay a solid foundation for producing quality products.

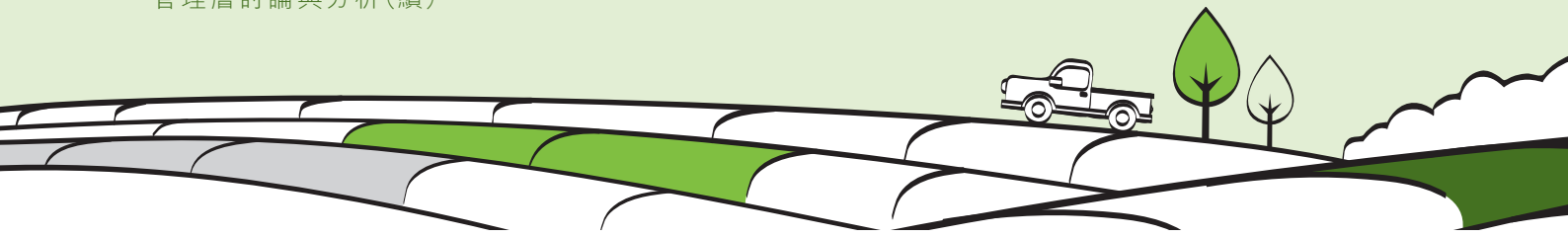
The Group's quality center has developed its product risk control plan in response to the national risk control plan and hot issues in the market. This plan involves testing 32 batches of products including infant formula milk powder, modified milk powder and milk rice cereal. Results indicated a satisfactory condition.

實驗室檢測方面，各工廠實驗室根據測試需求購買了先進的檢測分析設備，包括電感耦合等離子質譜儀、超高效液相質譜聯用儀、氣相質譜聯用儀、高效液相色譜儀、原子吸收儀光譜儀、氣相色譜儀等。上半年和林工廠已完成相關資源配備並開展了成品的全分析測試。本集團工廠所有的產品全分析檢測結果顯示均符合相關國家標準。在上半年國家嚴格的抽檢中，雅士利、蒙牛、多美滋、施恩品牌產品檢測結果100%合格，加強了消費者使用本集團產品的信心。

本集團各工廠持續對基礎設施進行升級改造，確保全面符合嬰幼兒配方乳粉生產許可的各項要求。其中包括和林工廠的乾燥濃縮分區，乾燥塔乾燥空調更衣室入口改造及新增噸包及包材風淋殺菌設施，脫包間，原料庫房卸貨雨棚等；山西工廠條包包裝生產車間的改造及上海工廠更衣室改造等。目前大部分改進工作基本完成。為改善質量追溯系統，今年上半年從潮州工廠開始，開展了GBT產品質量追溯項目的設備升級改造。

本集團各工廠根據審核計劃要求順利完成包括ISO9001、HACCP、FSSC22000、誠信、CNAS等管理體系的監督審核或複評審，同時，根據生產許可的相關要求，按時完成了相關生產許可的獲證工作，確保質量系統的良好運行，為生產優質產品提供了堅實保障。

本集團質量中心針對國家風險監控計劃及市場關注熱點建立了本集團產品風險監控計劃，風險監控共測試包括嬰幼兒配方乳粉，調製乳粉及奶米粉等品類32批次產品，監控結果表明整體情況良好。



The Group's factories have prepared and submitted relevant quality files in accordance with the requirements of recipe registration for infant formula to ensure the recipe registration goes smoothly.

In terms of application system, the Shanghai factory successfully switched to the Mengniu LIMS system, and the Group's factories started using the Mengniu SAP system to ensure a sound operation of quality related work as well as the effectiveness of product traceability through quality modules of such systems.

Resource Integration

During the first half of 2017, the supply chain management center was further integrated and reorganized based on the Group's overall deployment and future business needs.

As for strategies, the Group closed the Longjiang factory and the Guangzhou factory as a way to make good use of fixed assets and improve utilisation rate; focused on main business, i.e. infant formula milk powder, and outsourced non-core businesses to specialized companies for supply; and improved efficiency and cut labor cost through delayering of organization structure.

As for planning, a specialized planning management department was established independent of the original planning and logistics department to strengthen central S&OP coordination, develop the demand forecasting model and increase the order fulfillment rate.

本集團各工廠根據嬰幼兒配方註冊要求完成了相關質量文件的編寫提交，確保配方註冊工作順利進行。

應用系統方面，上海工廠已順利完成蒙牛LIMS系統的切換，本集團各工廠也開始使用蒙牛SAP系統，通過系統質量模塊確保質量相關工作的有效運行及產品追溯的有效性。

資源整合

2017年上半年，供應鏈管理中心根據本集團整體部署和未來商業需求，深化整合和重組。

戰略方面，本集團關閉龍江工廠和廣州工廠，盤活固定資產，提高產能利用率；聚焦主營業務，即嬰配奶粉，並將其他非主營業務外包專業公司供應；扁平化組織結構，提高效率並降低人力費用。

計劃方面，成立專門的計劃管理部，獨立於原計劃物流部，加強中央S&OP協調，建模需求預測，提高訂單滿足率。

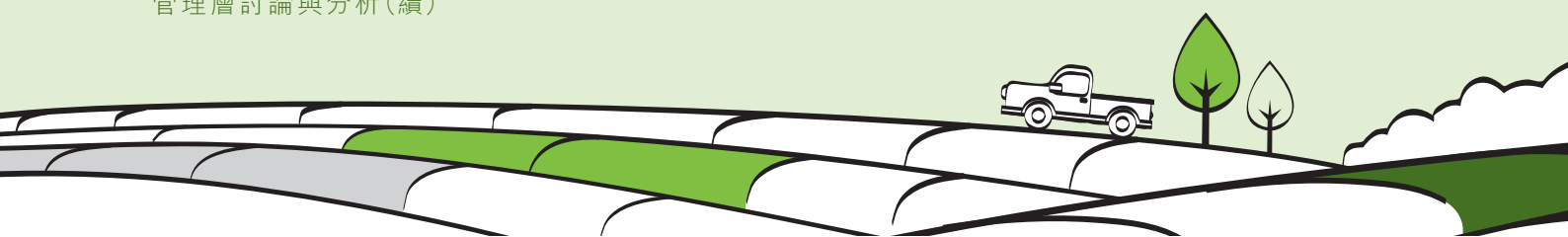


As for procurement, the Group has improved the procurement bidding system and procedure based on business functions, thus realizing significant savings. As to raw material procurement, the Group drew on Mengniu's strength in centralized procurement of bulk materials and monitored market opportunities to lock purchase prices or stock up, thus avoiding the impact of price fluctuations on the costs. As to procurement of key materials, the Group screened the suppliers and selected strategic suppliers, and carried out direct procurement from manufacturers to establish long-term relations with suppliers. As to procurement of packaging materials, the Group will conduct benchmarking within the Group for the major packaging materials and concentrate the demands for materials with uniform specifications to organize procurement bidding, so as to reduce costs and improve efficiency. As to market procurement, the Group screened and slashed suppliers considering their prices, services and quality, in order to motivate suppliers, cut costs, improve service and reduce daily management costs by leveraging on economy of the scale of centralized procurement. As to fixed asset procurement and comprehensive procurement, the Group set up and promoted the working procedures for comprehensive procurement and provided professional supplier sourcing, bidding, price bargaining and contract services for various departments with purchasing needs. The Group conducted benchmarking by reducing the items to be purchased, screened and reduced suppliers, and optimized and shared the supplier resources within the Group to reduce purchasing and operating costs.

As for manufacturing, the Group has established an engineering committee and a safety committee consisting of specialized staff from all the factories. The engineering committee focuses on budget control and feasibility of construction projects as well as in-depth communication in respect of technical proposals so as to achieve connectivity among resources, information and technologies and further improve the management of capital expenditure projects. The safety committee identifies risk sources and formulates specific solutions leveraging on guiding tools for safety assessment and shares various tools, concepts and methods with respect to daily safety management. Each factory reviews and shares cases on a regular basis so as to carry out safety related work in a deeper and more professional way, enhance the safety awareness of factory personnel, identify and eliminate the potential safety hazards. Thanks to these efforts, no major safety accident occurred in the first half of the year.

採購方面，本集團按照不同業務職能劃分，完善了採招制度和流程，實現大幅節約：原料採購方面，大宗物料利用蒙牛集採優勢，監控市場機會進行價格鎖定或囤貨，避免了價格波動對成本的影響，針對重點物料，進行供應商梳理和戰略供應商的評選，向生產商直採，以建立長期供應商關係；包材採購方面，主要包材將進行集團內部對標，規格統一，集中需求進行採招，降本增效。市場採購方面，從價格、服務及質量三方面梳理供應商並減少供應商數量，以利用集採規模效應，調動供應商積極性，降低成本，提高服務，減低日常管理成本；固定資產採購及綜合採購方面，建立並推動了綜合類採招的工作流程，為各需求部門提供專業的供應商尋源，採招，議價及合同服務。本集團通過消減採購品種，對標統一，供應商整合，減少供應商數量，實現集團內供應商資源優化和共享，降低採購及運營成本。

製造方面，本集團已抽調各工廠專業人員，組建了工程委員會與安全委員會。工程委員會著力工程項目預算控制、項目可行性與工程技術方案深入溝通，以實現資源、信息、技術互通，進一步完善資本性支出項目管理。安全委員會通過安全評估指導工具，識別風險源並出具詳細應對方案；同時分享各類日常安全管理工具、理念和方法，各工廠定期回顧與分享案例，將安全工作開展往更深入、專業的方向發展，切實提高工廠人員安全意識，識別並消除安全隱患，實現上半年零重大安全事故。



As for logistics, the Group selected appropriate re-distribution centers based on the sales concentration areas to improve the overall distribution efficiency and reduce transportation costs. The logistics service model and the existing carrier network were optimized to improve the capacity and efficiency of their support for business, thus simultaneously reducing sales logistics cost and production logistics cost.

物流方面，本集團根據銷售集中區域，選取合適的再配送中心，提高整體配送效率，降低運輸成本。優化物流服務模式及現有承運商結構，提高對業務支持的能力和效率，銷售物流成本及生產物流成本雙雙下降。

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2017, the revenue of the Group amounted to RMB966.7 million (same period of 2016: RMB1,146.5million), representing a decrease of 15.7% from the same period of 2016.

Revenue by product category

By product category

Infant formula products
 Nutrition food products
 Others

按產品類別劃分

嬰幼兒配方奶粉產品
 營養食品
 其他

Total

總計

財務回顧

收入

截至2017年6月30日止六個月，本集團之收入達人民幣966.7百萬元(2016年同期：人民幣1,146.5百萬元)，較2016年同期下降15.7%。

按產品類別劃分之收入

For the six months ended 30 June

截至6月30日止6個月

	2017 RMB million 人民幣百萬元	2016 RMB million 人民幣百萬元	Percentage change 變動比例
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Infant formula products	673.9	825.2	(18.3%)
Nutrition food products	246.6	312.2	(21.0%)
Others	46.2	9.1	407.7%
Total	966.7	1,146.5	(15.7%)

For the six months ended 30 June 2017, revenue realized by infant formula products amounted to RMB673.9 million (same period of 2016: RMB825.2 million), representing a decrease of 18.3% from same period of 2016 while the sales proportion of high-end infant formula products (including Reeborne and Arla Organic) is growing from 9.4% for the first half of 2016, 13.3% for the second half of 2016 to 22.5% for the first half of 2017, and revenue realized by nutrition food products amounted to RMB246.6 million (same period of 2016: RMB312.2 million), representing a decrease of 21.0% from same period of 2016, and revenue realized by other products amounted to RMB46.2 million (same period of 2016: RMB9.1 million), representing an increase of 407.7% from same period of 2016, which was mainly derived from the base powder sold by the subsidiary, Yashili New Zealand Dairy Co., Ltd. ("Yashili New Zealand") to members of the Danone Group.

截至2017年6月30日止六個月，嬰幼兒配方奶粉產品實現收入人民幣673.9百萬元(2016年同期：人民幣825.2百萬元)，較2016年同期減少18.3%；其中，高端嬰幼兒奶粉(包括瑞哺恩品牌以及Arla有機)銷售佔比從2016年上半年的9.4%，2016年下半年的13.3%提升至2017年上半年的22.5%；而營養品實現收入人民幣246.6百萬元(2016年同期：人民幣312.2百萬元)，較2016年同期減少21.0%；其他產品實現收入人民幣46.2百萬元(2016年同期：人民幣9.1百萬元)，較2016年同期增加407.7%，主要是子公司雅士利新西蘭乳業有限公司(「新西蘭乳業」)銷售基粉給達能集團成員產生。



The decrease in the Group's revenue was mainly due to: (1) the accelerated shrinking of the modern and traditional channels compromised the Group's existing competitive advantages in these channels and the Group withdrew from some inefficient stores of such modern and traditional channels; (2) during the first half of 2017, the Group continued to deal with the sales model transformation of the mother-and-baby store channel and the e-commerce channel whereby the implementation and effect of the new marketing strategies require time and cost input; (3) the Group increased its promotion efforts during the first half of 2017 to cope with the intensified market competition; and (4) the Group was proactively consolidating its product lines in response to the impact brought by the Recipe Registration Requirement, and such consolidation may affect the sales of some products to a certain extent.

During the first half of the year, the Group introduced an experienced marketing management team which accelerated the integration process and adopted proactive initiatives, including reinforcement of internal marketing management, optimization of sales model, channels transformation and continuous focus on targeted products. At the same time, the Group also achieved progress in the integration of back office management and supply chain of the Group. It is anticipated that the effectiveness and benefits of such integration will be gradually realized during the second half of the year.

Gross profit

For the six months ended 30 June 2017, the Group recorded a gross profit of RMB447.6 million (same period of 2016: RMB580.5 million), representing a decrease of 22.9% from the same period of 2016. The gross profit margin was 46.3%, representing a decrease of 4.33% from the same period of 2016, which was due to more gift products offered during the period.

Selling and distribution expenses

For the six months ended 30 June 2017, the Group generated selling and distribution expenses of RMB490.7 million (same period of 2016: RMB493.4 million), representing a decrease of 0.5% from the same period of 2016. In terms of the percentage of revenue, selling and distribution expense was 50.8% (same period of 2016: 43.0%) for the first half of 2017, representing an increase of 7.8% from the same period of 2016. The increase was mainly because some fixed expense such as labor cost and marketing cost did not decrease while revenue dropping down.

本集團收入下降主要是由於：(一)現代和傳統渠道的加速萎縮削弱了本集團原本在該渠道的競爭優勢，本集團撤出部分低效的現代和傳統渠道的經營；(二)本集團於2017年上半年持續應對母嬰及電商渠道的銷售模式轉型，新的營銷策略的執行和效果需要時間以及成本費用的投入；(三)本集團於2017年上半年加大促銷力度以應對激烈的市場競爭；以及(四)本集團正在積極整合產品線應對配方註冊制帶來的影響，而整合會在一定程度上影響部分產品的銷售達成。

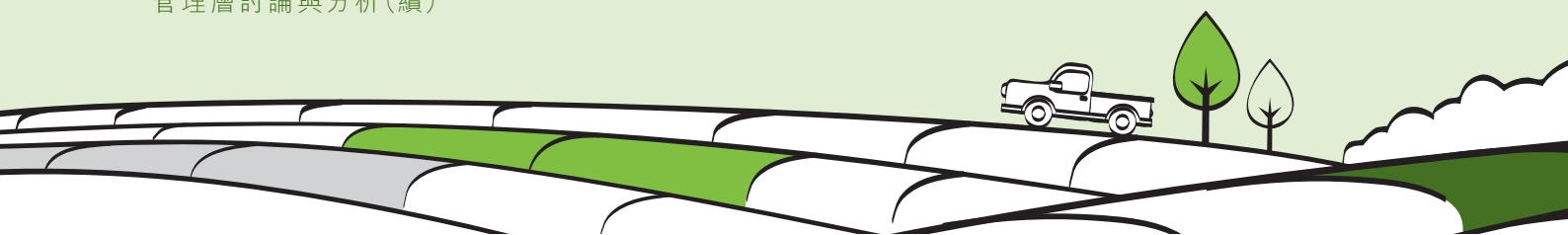
本集團上半年已引進經驗豐富的營銷管理團隊，團隊正加緊融合，並採取積極行動，包括營銷內部管理強化、銷售模式優化、渠道轉型深入、產品不斷聚焦；同時本集團後台管理、供應鏈的整合也取得新進展，整合產生的效益預計將在下半年逐步體現。

毛利

截至2017年6月30日止六個月，本集團錄得毛利為人民幣447.6百萬元(2016年同期：人民幣580.5百萬元)，較2016年同期下降22.9%。毛利率為46.3%，毛利率較2016年同期下降4.33%，下降原因在於本期加大本品搭贈力度。

銷售及經銷開支

截至2017年6月30日止六個月，本集團產生銷售及經銷開支為人民幣490.7百萬元(2016年同期：人民幣493.4百萬元)，較2016年同期下降了0.5%；就收益百分比而言，銷售及經銷開支於2017年上半年為50.8%(2016年同期：43.0%)，較2016年同期上升了7.8%，上升的主要原因為收入下降，但人工成本、市場費用等相對固定費用未能同比下降。



Administrative expenses

For the six months ended 30 June 2017, administrative expenses amounted to RMB114.0 million (same period of 2016: RMB159.9 million), representing a decrease of 28.7% from the same period of 2016, mainly attributable to the decrease in the downtime losses in the first half of 2017 of RMB34.0 million as compared to the same period of 2016.

Net finance income

For the six months ended 30 June 2017, net finance income amounted to RMB54.5 million (same period of 2016: RMB70.8 million). The decrease in net finance income of 23.0% was mainly attributable to acquisition of Dumex China (completed in May 2016) which led to the decrease of working capital available for investment.

Income tax credit

For the six months ended 30 June 2017, the income tax credit of the Group amounted to RMB37.7 million (same period of 2016: RMB27.7 million), and the effective income tax rate was -23.6% (same period of 2016: -218.1%). The increase in income tax credit was mainly because the income tax expense arising from a profit-making subsidiary same period of 2016 affected the deferred income tax expense.

Inventory

As at 30 June 2017, the balance of inventory of the Group amounted to RMB678.6 million (31 December 2016: RMB619.9 million), and the increase in inventory was mainly attributable to an increase in work in progress stocked up in preparation for sales in the second half of the year.

Other financial assets

As at 30 June 2017, other financial assets included wealth management products of RMB50.8 million, which were principal guaranteed and with an anticipated annualized yield of 3.1% (31 December 2016: 3.1%), and wealth management products of RMB362.9 million, which were of floating proceeds and with anticipated annualized yields of 3.55% to 4.65% (31 December 2016: 3.50% to 4.00%).

行政開支

截至2017年6月30日止六個月，行政開支為人民幣114.0百萬元(2016年同期：人民幣159.9百萬元)，較2016年同期下降了28.7%，主要是2017年上半年產生的停工損失較2016年同期減少人民幣34.0百萬元。

淨財務收入

截至2017年6月30日止六個月，財務收入淨額為人民幣54.5百萬元(2016年同期：人民幣70.8百萬元)。財務收入淨額有下降23.0%，主要由於收購多美滋中國(於2016年5月完成)導致可用於投資的流動資金減少。

所得稅抵減

截至2017年6月30日止六個月，本集團的所得稅抵減為人民幣37.7百萬元(2016年同期：人民幣27.7百萬元)，實際所得稅率為-23.6%(2016年同期：-218.1%)。所得稅抵減上升的原因主要是2016年同期盈利的子公司產生的所得稅費用拉低遞延所得稅費用所導致。

存貨

於2017年6月30日，本集團存貨餘額為人民幣678.6百萬元(2016年12月31日：人民幣619.9百萬元)，存貨增加主要是為下半年銷售而儲備的半成品增加所致。

其他金融資產

於2017年6月30日，其他金融資產包含穩健型保本保收益理財產品人民幣50.8百萬元，年化收益率為3.1%(2016年12月31日：3.1%)；浮動收益理財產品人民幣362.9百萬元，預期年化收益率為3.55%至4.65%(2016年12月31日：3.50%至4.00%)。



Trade and bills receivables

As at 30 June 2017, the Group's trade and bills receivables amounted to RMB162.0 million (31 December 2016: RMB161.4 million). During the first half of 2017, the trade receivables turnover days were 30 days (same period of 2016: 25 days), representing an increase of 5 days as compared to the same period of 2016, mainly attributable to the consolidation of Dumex China since June 2016, which had a longer turnover days.

Human resources and employees' remuneration

As at 30 June 2017, the Group had a total of 2,634 full-time employees (30 June 2016: 4,362). The total staff cost for the first half of 2017 was approximately RMB272.0 million (same period of 2016: RMB209.7 million). The increase in total staff cost was mainly because only one month's salary cost of Dumex China was included during the same period of 2016 as Dumex China was consolidated since June 2016. In addition, the increase of termination benefits also caused the increase in staff cost.

Contingent liabilities

As at 30 June 2017, the Group had no material contingent liabilities (31 December 2016: Nil).

Capital commitment

As at 30 June 2017, the Group's capital commitment was RMB24.2 million (31 December 2016: RMB36.3 million) which is mainly related to the rectification project for the Recipe Registration Requirement and purchase of milk powder production equipment.

貿易應收款及票據

於2017年6月30日，本集團貿易應收款及應收票據為人民幣162.0百萬元(2016年12月31日：人民幣161.4百萬元)。於2017年上半年，貿易應收款周轉天數為30天(2016年同期：25天)，周轉天數較2016年同期增加5天，原因在於2016年6月併入的多美滋中國周轉天數較長所致。

人力資源及僱員薪酬

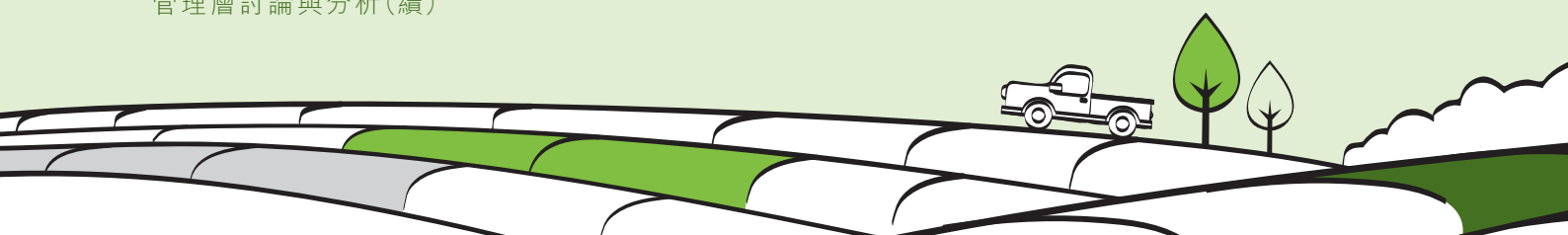
於2017年6月30日，本集團共有全職僱員2,634名(2016年6月30日：4,362名)。僱員於2017年上半年總成本約為人民幣272.0百萬元(2016年同期：人民幣209.7百萬元)。僱員總成本的增加主要是2016年6月起多美滋中國開始併表，故2016年同期僅含多美滋中國1個月工資成本；此外，辭退福利增加亦導致僱員總成本的上升。

或然負債

於2017年6月30日，本集團並無重大或然負債(2016年12月31日：無)。

資本承擔

於2017年6月30日，本集團資本承擔額為人民幣24.2百萬元(2016年12月31日：人民幣36.3百萬元)，主要為配方註冊制整改項目及購置奶粉生產設備。



Use of net proceeds from Initial Public Offering

The Company's net proceeds from Initial Public Offering amounted to approximately RMB1,965.8 million after deduction of relevant expenses. The Company had applied these net proceeds as disclosed in the section "Future Plans and Use of Proceeds" in the prospectus dated 30 October 2010. Therefore, the use of net proceeds as of 30 June 2017 is set out as below:

首次公開招股所得款項淨額用途

本公司於扣除有關開支後的首次公開發售所得款項淨額約為人民幣1,965.8百萬元。本公司已按照2010年10月30日的招股章程「未來計劃及所得款項用途」一節所披露的方式運用這些款項淨額。因此，截至2017年6月30日所得款項淨額用途如下：

Items	項目	Available at the	Applied	Pending
		end of 2016	during the six months ended 30 June 2017	for application during the six months ended 30 June 2017
		於2016年 底可動用 RMB'000 人民幣千元	於截至2017年 6月30日止 6個月動用 RMB'000 人民幣千元	於截至2017年 6月30日止 6個月未動用 RMB'000 人民幣千元
Expansion of production capacity for infant formula and nutrition food products	用於擴大嬰幼兒配方奶粉及營養食品之產能	150,271	27,456	122,815
Acquisition of integrated dairy companies engaged in the production of raw milk and raw milk powder and establishment of vertically-integrated production facilities overseas	收購從事原奶及原料奶粉生產的綜合乳製品公司及在海外建立垂直整合的生產設施	—	—	—
Promotional activities in television networks and websites of popular baby nursing forums as well as major magazines, newspapers and other printing media	電視網絡及流行育嬰論壇網站，以及主要雜誌、報紙及其他印刷媒體的廣告活動	—	—	—
Enhancement on the Group's research and development capabilities	提高本集團的研發能力	14,356	7,660	6,696
Total	總計	164,627	35,116	129,511



HUMAN RESOURCES

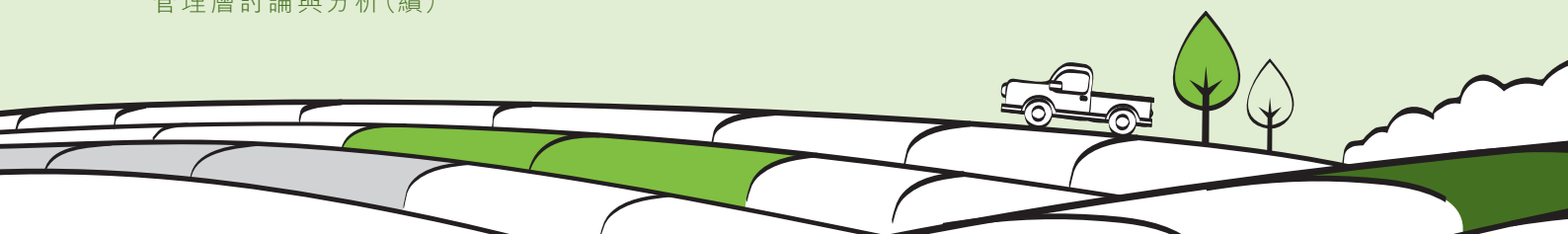
During the first half of 2017, the human resources management center of the Group closely centered on the strategic plan and the must-win battles for 2017 to carry out work in the following aspects as a way to reorganize its resources, regenerate to shine and seize opportunities in industrial competition:

- I. For organizational transformation, as the Group implemented the marketing structure consisting of four CBUs and rationalized the supply chain, it actively drove to complete the integration of middle and back office, effectively rationalize resources for optimal allocation, integrate the original Yashili with Oushi Mengniu and Dumex in an effective way. That is how the Group realized the entire chain integration from the supply chain to marketing, human resources, finance, legal affairs and audit, established such a structure as was applicable to milk powder business segment and accomplished talents allotment under the new circumstances so as to ensure its positive operation.
- II. For improving the incentive mechanism, position ranking, remuneration and welfare and performance were consolidated, laying a sound foundation for centralized management. The Group adjusted the salary for high-performance employees and carried out retention plan for high-potential employees as a way to motivate them. Multi-level incentive schemes were designed covering all employees, among which the distinctive sales incentive policy effectively inspired employees and boosted business development. Welfare projects were optimized and improved for full coverage and care delivery so as to enhance their own well-being.

人力資源

2017年上半年，緊緊圍繞戰略規劃與2017年必贏之戰，本集團人力資源管理中心圍繞以下項目開展工作助力集團聚勢重整、亮劍重生、在行業競爭中搶佔先機：

- 一、組織轉型方面，本集團在完成四大CBU營銷架構落地運營及供應鏈梳理的基礎上，積極推動完成中後台職能整合，有效進行資源梳理及最優配置，將原雅士利、歐世蒙牛、多美滋有效融合，實現供應鏈、營銷、人力、財務、法務審計等全鏈條整合，形成適合奶粉業務板塊發展的架構模式，完成新形勢下的人才配置，保證集團良性運轉。
- 二、完善激勵方面，進行職級、薪酬福利及績效的整合，為統一管理奠定良好的基礎；針對高績效等員工進行調薪，對高潛等員工實施保留計劃，調動員工積極性；設計多重激勵方案，覆蓋全員，尤其是富有特色的銷售激勵政策，有效激發員工潛能，促進業務發展；優化和提升福利項目，更全面覆蓋和更體現員工關懷，增強員工幸福感。



- III. For talent pool construction, a series of talent and organizational development projects were carried out, such as identifying high-potential personnel through organization and talent filtration in a bid to improve the development and training plan for high-potential personnel, thus supporting future business development with talent reserves. Moreover, the Group increased the investment in training resources in an effort to develop high-potential personnel, enhance the capability of the marketing team and train new staff. Various activities were carried out, such as new staff training camp, marketing training and internal marketing trainer cultivation so as to build learning organizations and enhance professional skills of marketing personnel.
- IV. Streamline organization. The Group rationalized and optimized procedures, issued the first-level and second-level matrix of powers and responsibilities for the entire group and each center, and sped up decentralization to improve the efficiency of business decision-making.
- V. For cultural construction, the Group held strategy consensus meetings to strengthen the promotion of strategies and improve the consensus on strategies, so as to unite all personnel for cohesion. The cultural construction focused on two important values, i.e. "passion" and "openness". The Group organized distinctive staff activities on an annual and quarterly basis to better promote its corporate culture's core values, and continuously maintained communication and exchanges with employees to strengthen the cultural characteristics of the Group, in an effort to improve cohesion with culture and build a passionate team of officers and executives. Meanwhile, the Group set up, improved and implemented culture-related rules, and developed uniform culture and awareness, so as to foster corporate culture featuring passion, teamwork and responsibility.
- 三、人才梯隊建設方面，通過一系列人才與組織發展項目推動人才培養，如進行組織與人才盤點，識別高潛人才，逐步完善高潛人才的發展與培養計劃，為本公司未來業務的開展提供了人才儲備的支持；同時加大培訓資源的投入，聚焦在高潛人才的培養、營銷團隊能力提升和新員工的培訓上，實施新員工集訓營、營銷系列培訓、營銷內訓師培養等項目，促進建設學習型組織，助力營銷人員業務技能的提升。
- 四、簡政增效。梳理並優化流程，完成整個集團及各個中心一級、二級權責矩陣的發佈，加速放權，提升業務決策速度。
- 五、文化建設方面，本集團舉辦戰略共識會等契機加強戰略的宣導，提升戰略共識度，做到上下同欲，凝聚力量，聚焦於「激情」和「開放」兩個重要的價值觀，通過年度常規和季度富有特色的員工活動，加大對企業文化核心價值觀的推廣，並持續推動員工溝通交流，不斷強化本集團的文化特徵，通過文化來凝聚人心，打造富有激情的高管與執行團隊。同時建立並完善與貫徹文化相關的制度，統一文化和認知，形成有激情、團隊協作有擔當的企業文化。



SOCIAL RESPONSIBILITY

In 2017, the Group made persistent efforts in social welfare activities and extensively spread love.

In March, the Group donated milk powder valued approximately RMB419,000 to the Overseas Chinese Charity Foundation of China, and these products were delivered to poor people in need of love and care across the country in a bid to help children living in poverty; the Group donated milk powder valued approximately RMB56,000 to the Guangdong Branch of Red Cross Society of China. Through the Guangdong Branch of Red Cross Society of China and the Red Cross of Heyuan City, these products were distributed to children from the impoverished families in Heyuan. Most children involved in this activity were left in their grandparents' or other relatives' care, while their parents worked away in the cities. While bringing food to these children, this activity was also expected to spread warmth and social care.

In April, a blind mother insisted on giving up treatment to save her unborn fetus which made her family face a dilemma. After a short pleasant for having a new baby, the poverty-stricken family faced another predicament that the mother receiving chemotherapy could not feed breast milk to the baby, but the family could not even afford milk powder. Upon receipt of such information, the Company donated milk powder to the blind mother through the Red Cross in an effort to help the family living in distressed circumstances.

In July, the Group donated milk powder to the poverty-stricken families living in such mountainous areas as Chongqing, Hongya County in Meishan City of Sichuan, Luding County in Garze Tibetan Autonomous Prefecture of Sichuan, Ma'erkang County in Ngawa Tibetan and Qiang Autonomous Prefecture of Sichuan and Xuzhou City of Jiangsu, hoping that these children will enhance their physical quality in the future to have a stronger physique, be energetic and grow up healthily and happily.

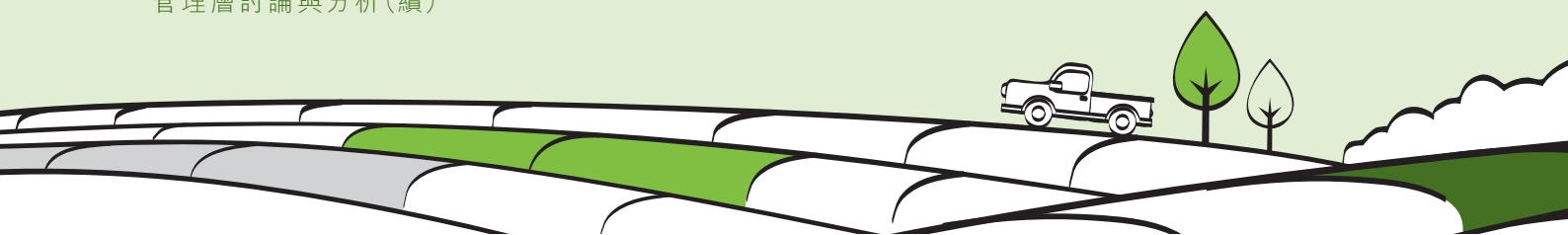
社會責任

2017年，本集團在社會公益活動中再接再勵，將愛心擴大傳播。

3月份，本集團向中國華僑公益基金會捐贈了價值約人民幣41.9萬元的奶粉，送到全國各地需要愛心關注的貧困人群中，借此活動，為困境中的兒童照亮前行之路；向廣東省紅十字會捐贈了價值約人民幣5.6萬元的奶粉，通過廣東省紅十字會及河源市紅十字會發放給河源當地困難家庭的孩子，此次捐贈的小孩多為父母外出務工、由爺爺奶奶或者其他親戚照看的留守兒童。希望通過此次捐贈，不僅給這些小孩帶去口糧，還能帶去家的溫暖，讓他們感受到社會的關懷。

4月份，盲妻為保住腹中胎兒，堅持放棄治療，卻讓家庭陷入兩難。新生命到來的短暫喜悅後，一貧如洗的家庭面臨新困境：母親接受化療無法母乳餵養，可家裡連奶粉錢都出不了。本公司得知該消息後，通過紅十字會向這位失明母親捐贈了奶粉，希望能幫助這個苦難的家庭，幫助他們渡過難關。

7月份，本集團向重慶、四川眉山市洪雅縣、四川甘孜瀘定縣、四川阿壩馬爾康縣、江蘇徐州等山區貧困家庭捐贈了奶粉。希望這些孩子將來能提高身體素質，擁有更強健的體魄和充沛的活力，無憂無慮、健康快樂成長。



PUBLIC RELATIONS AND CRISIS MANAGEMENT

The Group maintains active and effective publicity means and communicates relevant information to external parties in an open and transparent manner. The Group also maintains good communication with all publicity departments and institutions, publishes the Company's latest information on a timely basis, and takes an active part in various social welfare and charitable activities.

The Group has developed a complete set of internal crisis management systems and response mechanisms, and addresses complaints from consumers and issues of the media's concern via its crisis management center in a timely and accurate manner. Meanwhile, the Group is highly concerned with potential problems reflected by the market, and provides good services for consumers in advance to prevent the occurrence of crisis. The Group has established a news center to pay close attention to the trends and news of the industry and monitor public opinions, in order to make timely response to any incidents in the industry. The Group eliminates negative impacts and maintains a good reputation in the industry through effective communication and disclosure of information to the public and the media.

INVESTOR RELATIONS

The Group believes that effective communication with shareholders, investors and prospective investors is essential for enhancing investor relations and enabling investors to understand the business performance and strategies of the Group. The Group conducts communication and exchanges with investors through various channels and means such as on-site receptions, telephone conferences, non-deal roadshows and investment summits of securities companies.

To facilitate effective communication, the Group has set up a website (www.yashili.hk) to post the latest information on its financial information, corporate governance practices and other data available for public inspection.

公共關係及危機處理

本集團保持積極有效的宣傳方式，公開透明地向外界傳達相關信息並與各宣傳部門、機構保持良好地溝通關係，及時更新並發佈公司最新信息，積極參與各項公益事業和慈善活動。

本集團內部制定了一套完整的危機管理系統及應對機制，並通過本集團危機處理中心，及時、準確地處理消費者的投訴及媒體關注的問題；同時，本集團高度重視市場反映可能問題，提前為消費者提供良好服務，預防危機事件的發生。本集團設立新聞中心，高度關注行業動向及新聞事件，對輿情進行監控，對行業事件及時做出反應。通過與公眾及媒體有效溝通，公佈信息，消除負面影響，樹立在行業中良好地位。

投資者關係

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

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



FUTURE PROSPECT

Policy Implications

Recipe Registration Requirement officially came into force on 1 October 2016, which will have profound impacts on the industry. After 1 January 2018, only infant milk powder brands at home and abroad that have obtained the registration certificate are allowed to carry out domestic production, sales and imports activities. The number of infant milk powder brands will decrease from 2,000 to 500-odd, over 70% of which are estimated to be eliminated. Less known, OEM and small brands are likely to be phased out, making some market space of third-tier and below cities available.

The effects of the nationwide two-child policy are becoming more visible, and the period from 2017 to 2019 may be a domestic baby boom. According to the data from the National Bureau of Statistics of China, the number of newborns during 2016 increased by 17.86 million, representing a high growth of 7.6%. The National Health and Family Planning Commission estimates that the number of newborns will range from 17.5 million to 21 million each year during the 13th Five-Year Plan period. From a macro perspective, the number of newborns in 2017 is estimated to be approximately 20 million, with a growth rate of around 10% during the period from 2017 to 2019.

As the nationwide two-child policy plays its role over time, the third- and fourth-tier cities and townships with relatively low life stress are likely to create a baby boom and boost local milk powder demands, which will then shore up the sales of domestic milk powder brands with competitive strength in the modern trade channel in these areas.

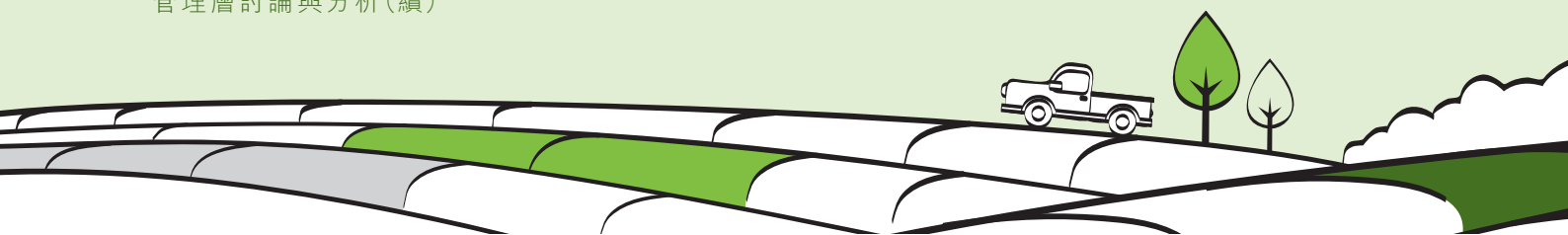
未來展望

政策影響

配方註冊制已於2016年10月1日正式施行，其落地將對行業產生深遠影響。2018年1月1日後，僅有取得註冊制證書的國內外嬰幼兒奶粉品牌可在我國境內生產、銷售和進口。嬰幼兒奶粉品牌數量將由2,000個下降至500多個，預計淘汰70%以上的品牌。雜牌、貼牌、小品牌大概率被清出市場，空出部分三線城市及以下城市的市場空間。

全面二胎政策效果開始體現，2017至2019年可能是國內生育高峰時期。根據中國國家統計局數據，2016年新生兒增加17.86百萬人，實現7.6%的高增長。國家衛生計生委估算十三五期間每年出生人口將在17.5百萬至21百萬人之間。綜合來看，預計2017年新生兒約20百萬人，2017至2019年新生兒增長率在10%左右。

全面二胎政策料將逐漸發揮效應，生活壓力較輕的三四線城市及鄉鎮地區有望釋放一定出生人口，提振當地奶粉需求，繼而推動在該類地區商超渠道享有競爭優勢的本土奶粉品牌的銷售。



Industry Trend

In the second half of 2017, China's infant formula market will continue to recover and take on an increasingly consolidated trend, featuring quick reshuffle of domestic brands, integration of online and offline channels, and a growing fleet of high-end products and normalized prices. The entire infant formula industry would be in a critical period for reform and transformation.

With the implementation of Recipe Registration Requirement going further, those brands failing in recipe registration have gone for clearance sale in the first half of the year. Distributors will choose brands for partnership more prudently. Those brands that have national or even global presence, sound brand strategy planning and channel strategy planning will be advantaged.

International brands are extending business channels to wider areas while enhancing the advantages of their strong brands. Domestic brands are drawing on their well-established channels, coupled with brand promotion that well serves the national conditions, to gradually enhance their brand images and consumer loyalty. Brands mainly leveraging on the mother-and-baby store channel are becoming the most competitive ones by virtue of their innovative partnership models. The e-commerce channel is still dominated by international brands, but such brands and channels are undermined by market disorder due to the lack of online and offline price control. Domestic brands are exploring the online and offline combination model for consumer experience and brand promotion.

The high-level price of international raw milk powder will lead to general price increase by enterprises. However, the hiking channel costs and brand promotion costs will continue squeezing profit margin of enterprises. With the need for brand upgrading and differentiated competition being further highlighted, high-end functional products, organic infant formula and especially infant formula containing pure goat milk protein will become new favorites of the market because of their technical barriers and resource scarcity.

The entire industry is in urgent need of making good use of existing resources by virtue of innovative models in a bid to provide a role model for manufacturer supply and create a healthier market atmosphere.

行業趨勢

2017年下半年，中國嬰幼兒配方奶粉市場繼續回暖，呈加速整合趨勢，國產品牌迅速洗牌，線上與線下渠道融合，產品高端化與價格回歸並行，整個嬰幼兒奶粉行業處於變革、轉型的轉折點。

隨著配方註冊制的深入實施，未能通過配方註冊的品牌上半年已經出現清倉甩貨。渠道商將會更加審慎地選擇合作品牌。已經做好全球全國基地佈局、做好品牌戰略規劃、做好渠道策略規劃的品牌將具有優勢。

國際品牌繼續強化品牌優勢，同時也在渠道下沉方面有所作為；國產品牌則借助扎實的渠道功底，加上符合國情的品牌推廣服務，逐步提升品牌形象並增強客戶黏性；以母嬰渠道為主體的品牌，通過其創新的合夥人模式，正成為最有競爭力的品牌。電商渠道仍然以國際品牌為主導，但是由於線上線下缺乏價格管控，市場秩序混亂，逐漸導致其品牌受損、渠道受傷；國產品牌在解決用戶體驗、品牌推廣服務方面，正在探索線上線下結合的模式。

國際原料奶粉價格高位運行，將導致奶粉企業普遍提價。與日俱增的渠道費用和品牌推廣費用仍會壓縮企業的盈利空間。品牌升級和差異化競爭的必要性進一步突顯，高端功能性產品、有機嬰兒配方奶粉，特別是純羊乳蛋白嬰幼兒配方奶粉將以其技術壁壘和資源的稀缺性，成為市場的新寵。

整個行業急需通過模式創新來重新盤活現有資源，創造廠商供應的典範，營造健康良性的市場氛圍。



Company Strategies

Brand strategies

In the second half of 2017, the Group will follow the brand strategies established in the first half of the year: "Yashily" will focus on basic nutrition; "Reeborne" under the Mengniu brand is committed to differentiated competition, mainly the organic market; "Dumex" is positioned to build up a professional image and dedicated to discovering pediatric solutions; Arla as a strategic brand of shareholders will highlight its privilege of serving royal families to provide comprehensive nutritional solutions for Chinese babies.

As there has been an obviously growing trend towards consumption upgrading, the Group will speed up efforts to introduce Mengniu's "Reeborne" and Arla "Baby & Me" to target consumer groups. For example, since mid-2017, Mengniu's "Reeborne" has launched large-scale roadshows covering third- and fourth-tier cities and combining trial of products and sales promotion, to rapidly enhance brand recognition and trial rates in short term, thus driving sales volume. Arla will further increase its penetration in first-tier cities by devoting greater effort to display and promotion. It is expected that the sales growth for the second half of the year will be faster than that of the first half. Upon elimination of some less-productive stores in the modern trade channel in the first half of the year, resources of "Yashily" and "Dumex" will be allocated more precisely, thus enhancing the output efficiency. With overall adjustment and more investment being made, the Group's sales target for the second half of the year will be more aggressive.

The Group's overall media communication strategy for 2017 is based upon the model of "Reeborne" to conduct online brand communication and offline brand promotion to approach mothers and ensure targeted spending of brand costs, so as to generate cost effectiveness and achieve the dual goals of brand growth and corporate profits. Meanwhile, the Group will leverage on Danone, Arla and Yashily New Zealand to further strengthen its international brand image. The Group will continue to carry out the research program on nutritional composition of breast milk from eight major domestic cities, in an attempt to showcase its ongoing effort in Chinese breast milk study via such public welfare activity, and to convey its sense of social responsibility and care for consumers, so as to enhance its brand reputation in an all-round manner.

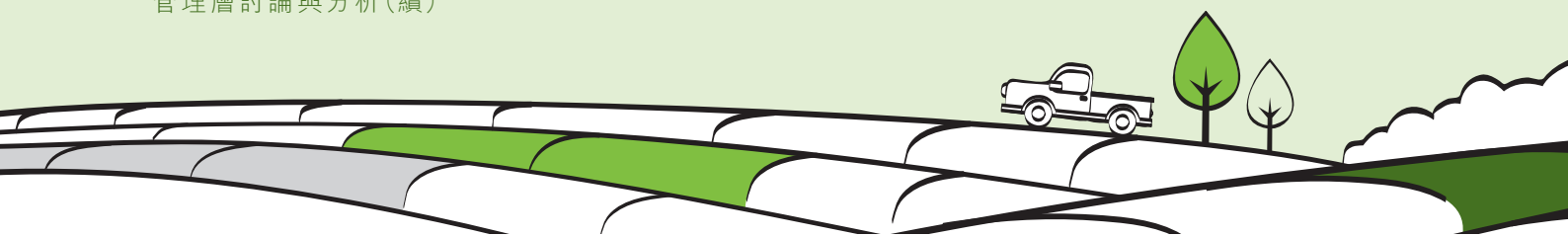
公司策略

品牌策略

2017年下半年，本集團將延續上半年的品牌策略不變：「雅士利」品牌將定位側重於基礎營養方向；蒙牛「瑞哺恩」致力於差異化競爭，主攻有機市場；「多美滋」定位於建立專業形象，致力於研究兒科解決方案；Arla作為股東戰略品牌，突出皇室御用概念，為中國寶寶提供全方位的營養解決方案。

基於消費升級的明顯上升，本集團會加快將蒙牛「瑞哺恩」及Arla「寶貝與我」介紹給目標消費群：例如，2017年年中開始，蒙牛「瑞哺恩」已經開展了覆蓋三、四線城市的大規模路演活動，結合產品試用及促銷活動，可在短期內快速提升品牌知名度及試用率，帶動銷量；Arla將繼續推動在一線城市母嬰店的滲透率，加大陳列及促銷力度，預期下半年的銷售增長較上半年會更加明顯。通過上半年在商超渠道淘汰部分低產出的門店，「雅士利」和「多美滋」的資源分配將會更精準，產出效率會明顯提升。隨著整體調整及投入的加大，下半年本集團的銷售目標更為奮進。

2017年本集團整體媒體溝通策略將以「瑞哺恩」模式為藍本，線上傳播和線下推廣貼近媽媽，品牌費用精準投放，以較低的投入帶來更高的產出，實現品牌成長和企業盈利雙重目標。同時依託達能、Arla及新西蘭乳業基地，進一步強化國際化品牌形象；繼續通過中國八大城市母乳營養成分研究項目，以公益活動的形式表達本集團一直致力於中國母乳研究，並傳達本集團的社會責任感以及對消費者的關愛，全面提升品牌美譽度。



Product R&D

In the second half of 2017, the Group's R&D center will actively promote the development of other new series of infant formula products and prepare the materials required in accordance with the Recipe Registration Requirement, with focus on goat milk-based infant formula. Goat milk powder, as an emerging milk powder, becomes increasingly popular in the market, making China a large consumer market. Besides, enterprises involved in goat milk powder have been thriving in recent years. As the market keeps growing, numbers of dairy enterprises target goat milk powder. The official implementation of the Recipe Registration Requirement will also speed up the reshuffle of domestic goat milk powder market and offer development opportunities for new brands and well-established brands. The Group will seize such opportunities to develop goat milk infant formula products and enter the goat milk infant formula market, so as to expand its product lines, create new opportunities for profit growth and provide consumers with a greater variety of products and more choices.

The R&D center will continue to uphold the product innovation concept, expand the Group's product lines, and select foreign premium organic raw materials to develop not only domestic organic products but also organic products originally packaged and imported from other countries. The product category involves infant complementary food and children products.

Sales channels

In the second half of 2017, in response to the industry changes brought by the new policy on milk powder, the Group will leverage on its strength in the global supply chain and multi-brand network established in the first half of the year, coupled with the successful CBUs business structure, to firmly promote channel transformation.

The "maternity CBU" assumes the strategic objective of brand upgrading and channel transformation. "Reeborne", as a strategic brand, will target medium and large mother-and-baby chain stores and high-end market, while tactical brands will strive for fast and sustained growth and continue leveraging on their strengths of being fast and flexible to seize small and medium mother-and-baby chain stores and individual weighted stores. While expanding channels, the Group will pay greater attention to enhancing the quality, average sales per point of sale and new consumer accumulation of these stores.

產品研發

2017年下半年，本集團研發中心將積極準備其他新系列嬰幼兒配方產品的研製，按照配方註冊制相關要求準備資料，主要聚焦在嬰幼兒羊奶配方。作為新興的一種奶粉品種，羊奶粉近年來逐漸受到市場的追捧。中國漸漸已成為羊奶粉的消費大國，涉足羊奶粉的企業，這幾年的業績也是蒸蒸日上。而隨著羊奶粉市場的不斷升溫，不少乳企紛紛發力羊奶領域。隨著配方註冊制的正式實施，國內羊奶粉市場也將加速行業洗牌，騰出一定空間為新進入的品牌和已經做大的品牌提供機會。本集團也會抓住此時機，研製羊奶嬰配產品，進入羊奶嬰配市場，拓展集團產品線，為集團公司的利潤增長提供新機會，也為廣大消費者提供更豐富的產品及更多的選擇。

研發中心將繼續保持產品創新理念，拓展本集團產品線，選用國外優質的有機原料。不僅開發國產有機產品，還將開發原裝進口版的有機產品，產品類別將涉及嬰幼兒輔食和兒童產品。

銷售渠道

2017年下半年，本集團將繼續應對奶粉新政帶來的行業變局，利用上半年已打造的全球供應鏈和多品牌優勢，結合已成功運轉的CBU業務架構，堅定不移地推動渠道轉型。

「母嬰CBU」承載品牌升級和渠道轉型的戰略目標，戰略品牌「瑞哺恩」將向大中型母嬰連鎖和高端市場發起衝擊，戰術品牌實現快速成長和持續增長，繼續發揮快速靈活的優勢，搶佔中小母嬰連鎖和單體權重門店。在渠道拓展的同時，本集團將更加注重門店質量、單點賣力的提升和新客的積累。



The "modern trade CBU" will completely withdraw from chain stores with negative contribution margin. For KAs with profit contribution, the Group will boost sales volume with special offer for hot selling products and special shelves in the second half of the year when consumers stock up for the Mid-Autumn Festival, the National Day and the Spring Festival. The Group will vigorously expand to small chain stores and single mother-and-baby stores with "Super α -Golden" produced in New Zealand and Yashily's "New Formula" to further advance partial transformation. Distribution of adult milk powder and dissolvable products to retail stores will be increased, and there will be foretaste in school districts in autumn and order-placing meetings prior to the Mid-Autumn Festival.

The "high-end maternity CBU" is still positioned to regain leadership of "Dumex" as one of the top four foreign brands and help Arla stand out among a long list of brands. In the second half of the year, the Group will continue strengthening sales teams to make them closer to frontline sales and acquire stronger execution capacity. The Group will constantly advance downward development of the sales channels of existing products (from first- and second-tier cities to third- and fourth-tier cities), and strengthen control over channels by introducing system platform, using costs in a targeted way, improving cost efficiency, and achieving sound anti-goods-fleeing and price-control management. "Dumex" and Arla will duplicate the superior channel operation capacity of domestic brands, which, coupled with their strong brand influence as foreign brands, can create strong competitive strength.

The "innovation CBU" continues to explore innovative businesses and form models based on the steadily improving e-commerce business. Actions to be taken include expanding community marketing, integrating internal market resources, developing official accounts operation and promoting fans-to-member conversion. It will continue to explore Internet-based new business models to lay a foundation for developing the Group's future business models.

Supply chain

In the second half of 2017 and the foreseeable future for 2 to 3 years, the overall supply chain of the Group will be operated in line with its existing central strategies, i.e. "to develop an end-to-end, performance-driven new supply chain management model of Yashili that is oriented toward meeting customers' demands and aims to reduce total costs of the supply chain through specialized functional divisions, teamwork and continuous improvement".

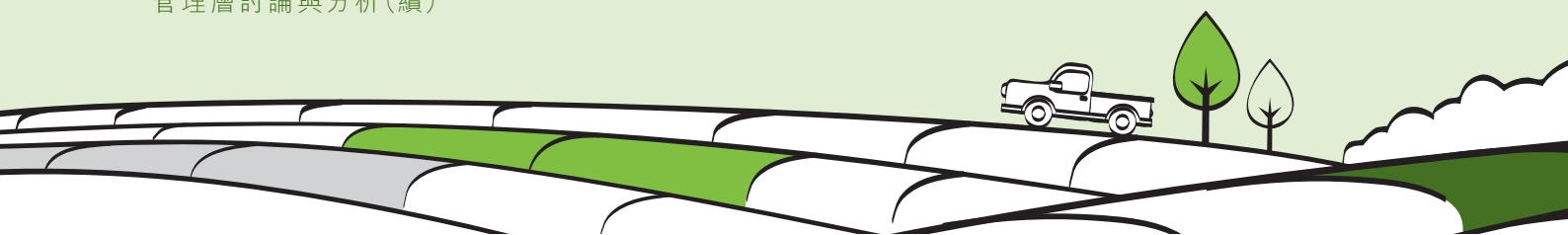
「商超CBU」將全部退出邊際貢獻為負的連鎖系統，在有利潤貢獻的KA，下半年將抓住中秋、國慶、春節備貨，通過爆款特價、特殊陳列提升銷量。以新西蘭生產的「超級 α 金裝」和雅士利「新配方」大力拓展小型連鎖和單體母嬰門店，強化局部轉型。流通渠道則加強成人粉和沖調類鋪貨，執行秋季學區試飲和中秋前訂貨會。

「高端母嬰CBU」繼續立足於使「多美滋」重回外資四大品牌之列、Arla成為品牌金字塔上的皇冠。下半年本集團將繼續強化銷售執行團隊，使之更加接近一線、更加落地，對現有產品不斷進行渠道下沉（從一二線市場下沉到三四線），同時渠道管控能力加強，引入系統平台、費用精準投放、費用使用效率提高、防竄控價管理到位，將國產奶粉優秀的渠道經營能力移植到「多美滋」和Arla，與之作為外資品牌較強的品牌力結合起來，形成競爭優勢。

「創新CBU」在電商業務穩步提升的基礎上，繼續探索創新業務並形成模式：拓展社群營銷、整合內部市場資源、發展公眾號運營及粉絲轉化等。持續探索基於互聯網的新型業務模式，為打造本集團未來新型業務模式奠定基礎。

供應鏈

在2017年下半年以及可預見的未來2至3年，本集團整體供應鏈將沿著既定中心戰略繼續前進—「以滿足客戶需求為導向，以降低供應鏈總成本為目的，通過專業分工、團隊協作與持續改善，打造端到端、績效驅動的新雅士利供應鏈管理模式」。



The Group will further rationalize the supply chain management structure to precisely control the whole end-to-end process starting with customers' demands and ended with demands satisfaction. It involves five specialized functions including strategy, planning, procurement, manufacture and logistics, and four fundamental tasks including: team and talent development; operational management excellence, and concepts, methods and tools for constant improvement; EQSA (environment, quality, safety and audit) redlines and risk control; CAPEX on continuous hardware and capital investment and improvement.

The Group will design the supply chain organizational structure as required to get the right person in the right place and let professional persons do professional things. Performance indicators are provided with clear definition, seeking to drive improvement by performance. The performance is designed with three parts including sharing indicators, specialization indicators and redline indicators, among which, sharing highlights teamwork; specialization emphasizes specialized management and division; and redline reflects bottom line awareness where violation can be the overriding reason for disqualifying an employee. The Group will develop specific improvement projects and action plans to ensure goals are achieved and followed up.

While strictly strengthening the management, the Group also adopts an incentive system for the team. The supply chain management center of the Group is working with the human resource department to formulate incentive schemes for the team, in order to boost them to deliver good results and make continuous improvement as a way to achieve excellence in performance.

Human resources

The human resources management center will support the Group in stabilizing sales and improving efficiency in the second half of 2017 in multiple aspects:

- I. Sustain transformation and streamline the organization. The center will continue advancing organizational transformation to rationalize resources and optimize allocation based on business activities, improve the supply chain system and speed up the transformation. The center will strengthen efforts to unify working standards, speed up process optimization, carry out relevant training and workshops, and assist business tackling and streamlining as a way to improve operating efficiency of the entire organization. Meanwhile, it will constantly conduct benchmarking between internal and external organization, reduce costs, perform downsizing and streamline administration to build efficient teams.

本集團將進一步梳理供應鏈管理的框架，即從客戶需求開始，直至滿足需求，端到端的全過程精細化控制，包括五大專業性職能：策略、計劃、採購、製造及物流，四大基礎性工作：團隊及人才發展、卓越運營及持續改善的理念、方法和工具、EQSA(環境、質量、安全、審計)紅線及風險控制、CAPEX持續的硬件及資本性投資和改善。

本集團將據此需求設計供應鏈組織構架，將合適的人放在合適的位置，讓專業的人做專業的事。同時配套清晰定義的績效指標，通過績效驅動改善。績效的設計分為三大部分，包括共享指標、專有指標及紅線指標：共享，旨在強調團隊協作；專有，強調專業化管理及分工，而紅線，體現底線意識，一票否決。接下來本集團將進一步制定具體改善項目及行動計劃，確保目標的實現及同時跟進。

一手嚴抓管理，一手則需要配套團隊的激勵，本集團供應鏈管理中心已聯合人力資源部門一起制定團隊激勵方案，鼓勵團隊取得好結果的同時更有動力持續改善，從優秀到卓越！

人力資源

人力資源管理中心將從多個方面支撐本集團在2017年下半年企穩銷售、提升效率：

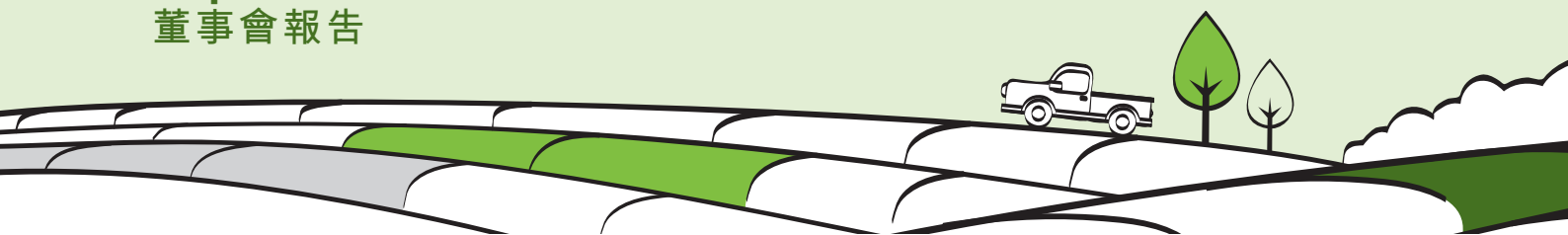
- 一、持續轉型，簡政增效。持續推動組織轉型，結合業務進行有效的資源梳理及最優配置，完善供應鏈體系建設，加速轉型。統一工作標準，加速流程優化，實施相關培訓與工作坊，協助業務梳理和簡化流程，不斷提升整體組織運營效率，同時進行內外部對標，降低成本，精兵簡政，打造高效團隊。



- II. Implement the incentive system which is performance-oriented. The center will implement short and long-term incentive plans featuring more passion of entrepreneurship and distinctive special incentive systems, both of which are performance-oriented, so as to inspire employees with effective mechanism and thus boost businesses. The center will further integrate and improve the Group's remuneration and welfare system to cover all employees, thus enhancing staff's satisfaction and their own well-being.
- III. Construct talent pool and strengthen capability. More efforts will be made to train high-potential talent, improve the capability of marketing teams and train new employees. Targeted training will be carried out based on the competence map of the high-potential talent to improve talent pool construction. Targeted professional training, especially a series of marketing trainings, will be conducted to improve the capability of marketing teams and enhance the marketing and promotion capability of the front-line personnel, seeking to build a team of internal marketing trainers, construct learning organizations and boost marketing businesses.
- IV. Strengthen cultural construction to improve cohesion. The center will organize distinctive staff activities on quarterly and annual bases to constantly promote and propagandize corporate culture's core values, and maintain communication with employees in various forms and through multiple channels to foster a cultural atmosphere focusing on the values of "passion" and "openness". It will also carry out cultural workshops and team building activities in a bid to strengthen the integration of corporate cultures, thus improving cohesion and fostering a distinctive Yashili corporate culture.
- 二、 績效導向，激勵落地。以績效結果為導向，落地實施更富創業激情的長短期激勵計劃以及富有特色的專項激勵制度，以行之有效的機制激發員工積極性，助力業務發展；進一步整合完善本集團的薪酬福利體系，覆蓋全員，增強員工滿意度和幸福感。
- 三、 培養人才，提升能力。持續加強高潛人才培養、營銷團隊能力提升及新員工培訓，根據高潛人才的能力地圖實施針對性的培養，加強人才梯隊建設。實施針對性的專業培訓，特別是通過一系列的營銷類培訓，提升營銷團隊能力，加強一線業務人員的銷售推廣能力，建設營銷內訓師隊伍，打造學習型組織，推動營銷業務的提升。
- 四、 強化文化，凝聚人心。實施季度及年度有特色的員工活動，持續加強企業文化核心價值觀的宣貫和滲透，多形式及多渠道與員工溝通交流，打造「激情」及「開放」的文化氛圍，舉辦文化工作坊及團隊建立等活動，加強文化融合，以文化凝聚人心，形成鮮明的雅士利企業文化。

Report of the Directors

董事會報告



The board of directors (the "Directors" or the "Board") of the Company would like to present their interim report together with the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2017.

本公司董事會（「董事」或「董事會」）謹此提呈其中期報告，連同本公司及其附屬公司（「本集團」）截至2017年6月30日止六個月的未經審核簡明合併財務報表。

INTERIM DIVIDENDS

The Board does not recommend an interim dividend for the six months ended 30 June 2017 (for the six months ended 30 June 2016: Nil).

中期股息

董事會不建議派發截至2017年6月30日止六個月中期股息（截至2016年6月30日止六個月：無）。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES AS AT 30 JUNE 2017

As at 30 June 2017, none of the Directors or chief executives of the Company or their respective associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"), which have been notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO, including interests or short positions which the Directors and the chief executives of the Company are taken or deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities (the "Listing Rules").

於2017年6月30日董事及最高行政人員於股份、相關股份和債權證之權益及淡倉

於2017年6月30日，本公司董事或最高行政人員及彼等各自的聯繫人於本公司及其相聯法團（定義見香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中，概無擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司（「聯交所」）的權益或淡倉（包括本公司董事及最高行政人員根據該等證券及期貨條例條文被當作或被視為擁有的任何權益或淡倉），或須於根據證券及期貨條例第352條規定須存置的登記冊內記錄的權益或淡倉，或根據聯交所證券上市規則（「上市規則」）附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」）另行知會本公司及聯交所的權益或淡倉。

Furthermore, at no time during the six months ended 30 June 2017 was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

此外，於截至2017年6月30日止六個月期間內任何時間，本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司的董事及最高行政人員（包括彼等的配偶及未滿18歲子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中持有任何權益或淡倉。



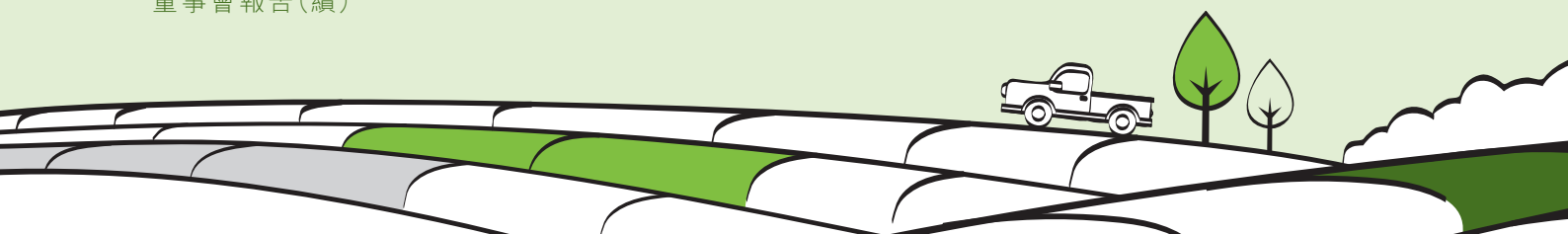
SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AS AT 30 JUNE 2017

於2017年6月30日主要股東於股份及相關股份的權益及淡倉

To the best of knowledge of any Director or chief executive of the Company, as at 30 June 2017, the persons or corporations (other than Directors or chief executives of the Company) who had interest or short positions in the shares and underlying shares of the Company or its associated corporation(s) which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register required to be kept under section 336 of the SFO were as follows:

就本公司任何董事或最高行政人員所深知，於2017年6月30日，於本公司或其相聯法團的股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉，或須記入根據證券及期貨條例第336條須存置的登記冊內的權益或淡倉的人士或法團（並非本公司董事或最高行政人員）如下：

Name of substantial shareholder	Capacity/Nature of interest	Number of shares	Approximate percentage to the issued share capital ⁽⁷⁾
主要股東名稱	身份／權益性質	股份數目	佔已發行股本概約百分比 ⁽⁷⁾
China Mengniu Dairy Company Limited [“China Mengniu”] ⁽¹⁾ 中國蒙牛乳業有限公司(「中國蒙牛」) ⁽¹⁾	Interests in a controlled corporation 受控制法團之權益	2,422,150,437 ⁽⁶⁾	51.04%
Mengniu International ⁽²⁾ 蒙牛國際 ⁽²⁾	Beneficial owner 實益擁有人	2,422,150,437 ⁽⁶⁾	51.04%
Danone SA ⁽³⁾ 達能SA ⁽³⁾	Interests in a controlled corporation 受控制法團之權益	1,186,390,074 ⁽⁶⁾	25.00%
Danone Baby and Medical Holding ⁽³⁾	Interests in a controlled corporation 受控制法團之權益	1,186,390,074 ⁽⁶⁾	25.00%
Danone Baby and Medical Nutrition BV ⁽³⁾	Interests in a controlled corporation 受控制法團之權益	1,186,390,074 ⁽⁶⁾	25.00%
Nutricia International BV ⁽³⁾	Interests in a controlled corporation 受控制法團之權益	1,186,390,074 ⁽⁶⁾	25.00%
Danone Asia ⁽⁴⁾ 達能亞洲 ⁽⁴⁾	Beneficial owner 實益擁有人	1,186,390,074 ⁽⁶⁾	25.00%
Zhang International Investment Limited ⁽⁵⁾ 張氏國際投資有限公司 ⁽⁵⁾	Beneficial owner 實益擁有人	303,462,119 ⁽⁶⁾	6.39%



Notes:

- (1) As at 30 June 2017, China Mengniu held 99.95% interest in Mengniu International.
- (2) As at 30 June 2017, Mengniu International directly held the relevant shares.
- (3) As at 30 June 2017, Danone SA held 100% interest in Danone Baby and Medical Holding. Danone Baby and Medical Holding held 100% interest in Danone Baby and Medical Nutrition BV. Danone Baby and Medical Nutrition BV held 100% interest in Nutricia International BV. Nutricia International BV held 100% interest in Danone Asia.
- (4) As at 30 June 2017, Danone Asia directly held the relevant shares.
- (5) Zhang International Investment Ltd. is held by Mr. Zhang Lihui, Mr. Zhang Likun, Mr. Zhang Liming, Mr. Zhang Lidian, Mr. Zhang Libo and Ms. She Lifang as their wholly-owned investment holding company to hold their shares in the Company.
- (6) All the above shares are held in long position (as defined under Part XV of the SFO).
- (7) The total number of issued shares of the Company as at 30 June 2017 was 4,745,560,296.

Save as disclosed above, as at 30 June 2017, the Directors of the Company were not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company or its associated corporation(s) which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

附註：

- (1) 於2017年6月30日，中國蒙牛持有蒙牛國際的99.95%權益。
- (2) 於2017年6月30日，蒙牛國際直接持有有關股份。
- (3) 於2017年6月30日，達能SA持有Danone Baby and Medical Holding的100%權益。Danone Baby and Medical Holding持有Danone Baby and Medical Nutrition BV的100%權益。Danone Baby and Medical Nutrition BV持有Nutricia International BV的100%權益。Nutricia International BV持有達能亞洲的100%權益。
- (4) 於2017年6月30日，達能亞洲直接持有有關股份。
- (5) 張氏國際投資有限公司由張利輝先生、張利坤先生、張利明先生、張利鈿先生、張利波先生及余麗芳女士持有，作為彼等之全資投資控股公司以持有彼等於本公司之股份。
- (6) 以上所持股份皆屬好倉(定義見證券及期貨條例第XV部)。
- (7) 於2017年6月30日，本公司已發行股份總數為4,745,560,296股。

除上文所披露者外，於2017年6月30日，本公司董事概不知悉任何其他人士或法團於本公司或其相聯法團的股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。



SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Pre-IPO Share Option Scheme”) on 8 October 2010, and adopted a share option scheme (the “Share Option Scheme”) on 8 October 2010. On 23 July 2013, Mengniu International made a voluntary general offer to option holders of the Company (“Option Offer”), to cancel the outstanding options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme. On 13 August 2013 (being the final closing date of the Option Offer), the Option Offer was accepted in respect of 52,088,266 options. The underlying options together with all the rights attached thereto were cancelled and given up and all the outstanding options automatically lapsed upon acceptance of the Option Offer.

No option was granted by the Company nor was there any outstanding option granted by the Company from 1 January 2017 to 30 June 2017.

FOREIGN CURRENCY RISK

The Group is exposed to foreign currency risk primarily from bank deposits, other receivables and bank loans, denominated in foreign currencies, that are currencies other than the functional currencies of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Hong Kong dollars, US dollars and New Zealand dollars.

PLEDGED ASSETS

As at 30 June 2017, the Group has pledged bank deposits, other current assets and non-current assets in an aggregate of approximately RMB2,337.9 million (31 December 2016: RMB803.1 million).

購股權計劃

本公司已於2010年10月8日採納一項購股權計劃(「首次公開發售前購股權計劃」)，且已於2010年10月8日採納一項購股權計劃(「購股權計劃」)。於2013年7月23日，蒙牛國際向本公司的購股權持有人提出自願性全面收購要約(「期權要約」)，以註銷首次公開發售前購股權計劃及購股權計劃項下授出的所有尚未行使購股權。於2013年8月13日(即期權要約之最後截止日期)，期權要約已就52,088,266份購股權獲接納。於期權要約獲接納後，相關購股權連同附帶之所有權利已被註銷及放棄，而所有尚未行使的購股權亦已自動失效。

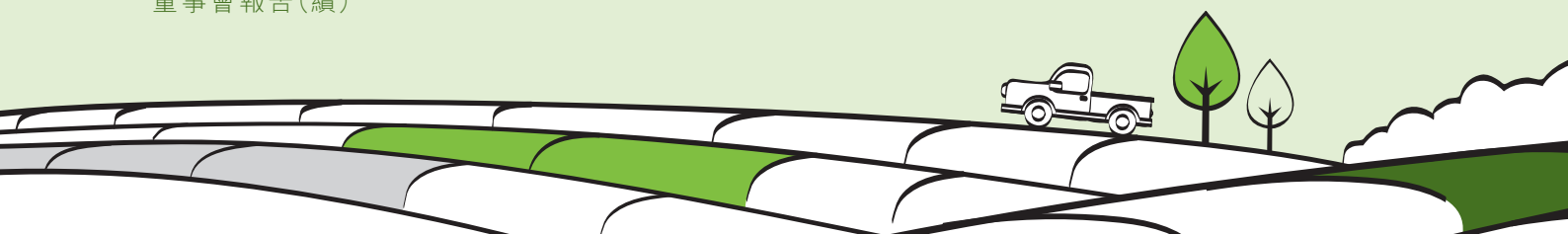
於2017年1月1日至2017年6月30日，本公司概無授出任何購股權，亦概無任何本公司授出的尚未行使購股權。

外幣風險

本集團面對的外幣風險主要來自以外幣(即與營運相關交易之功能貨幣以外的貨幣)計價之銀行存款、其他應收款及銀行貸款。引致該項風險之貨幣主要為港元，美元及新西蘭元。

已抵押資產

於2017年6月30日，本集團已抵押之銀行存款、其他流動資產及非流動資產合共約為人民幣2,337.9百萬元(2016年12月31日：人民幣803.1百萬元)。



LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2017, the liquidity of the Group was comprised of cash and cash equivalents, pledged deposits to be released within one year, long-term bank deposits and other financial assets amounted to RMB3,168.9 million in aggregate (31 December 2016: RMB3,302.9 million), representing a decrease of 4.08%. The decrease was mainly due to a net cash outflow of RMB119.1 million from operating activities.

OPERATING ACTIVITIES

For the six months ended 30 June 2017, the Group's net cash outflows from operating activities amounted to RMB119.1 million (six months ended 30 June 2016: net outflows of RMB107.5 million). Net cash outflow from operating activities increased from that of the same period of 2016, which was mainly due to capital being occupied as a result of the increase in the value of work in progress stocked up.

INVESTING ACTIVITIES

For the six months ended 30 June 2017, the net cash outflow used in investing activities amounted to RMB13.5 million (six months ended 30 June 2016: net outflows of RMB353.0 million), mainly arising from the payment for acquisition of a subsidiary in the same period of 2016 and the maturity of wealth management products.

FINANCING ACTIVITIES

For the six months ended 30 June 2017, the net cash outflows generated from financing activities amounted to RMB20.8 million (six months ended 30 June 2016: net outflows of RMB107.4 million). The decrease in net cash outflows from financing activities as compared to the same period of 2016 was mainly attributable to the increase in proceeds from bank loans and the decrease in dividend payment.

LOANS AND BORROWINGS

As at 30 June 2017, the Group's bank loans amounted to RMB1,115.8 million (31 December 2016: RMB1,143.1 million), which was repayable on demand.

流動資金及資本資源

於2017年6月30日，本集團的流動資金包括現金及現金等價物、於一年內解除的有抵押銀行存款、長期銀行存款及其他金融資產合計人民幣3,168.9百萬元(2016年12月31日：人民幣3,302.9百萬元)，下降4.08%。下降的原因主要是由於經營活動現金淨流出人民幣119.1百萬元所致。

經營活動

截至2017年6月30日止六個月內，本集團的經營活動現金淨流出額為人民幣119.1百萬元(截至2016年6月30日止六個月：淨流出額人民幣107.5百萬元)。經營活動現金淨流出額較2016年同期增加主要由於半成品備貨額增加佔用資金所致。

投資活動

截至2017年6月30日止六個月內，投資活動所用現金淨流出額為人民幣13.5百萬元(截至2016年6月30日止六個月：淨流出額人民幣353.0百萬元)，主要是2016年同期收購附屬公司所支付款項以及到期收回理財投資所導致。

融資活動

截至2017年6月30日止六個月內，融資活動所得現金淨流出額為人民幣20.8百萬元(截至2016年6月30日止六個月：淨流出額人民幣107.4百萬元)。融資活動現金淨流出額較2016年同期減少的主要原因是貸款所得款項增加以及支付股息減少所致。

貸款及借款

於2017年6月30日，本集團的銀行貸款為人民幣1,115.8百萬元(2016年12月31日：人民幣1,143.1百萬元)，須按要求償還。



As at 30 June 2017, the total equity of the Group amounted to RMB5,620.2 million (31 December 2016: RMB5,701.6 million), debt to assets ratio (total bank loans at period end divided by total assets) was 14.1% (31 December 2016: 14.3%).

The capital structure of the Group is reviewed by the Board annually, including the dividend policy and share repurchase activities of the Group.

CORPORATE GOVERNANCE

The Group is dedicated to ensuring high standards of corporate governance with an emphasis on the building up of a diligent and dedicated Board, a sound internal control system, with a view to enhancing its transparency and accountability to shareholders. The Board acknowledges that good corporate governance practices and procedures are beneficial to the Group and its shareholders.

During the period from 1 January 2017 to 30 June 2017, the Company has adopted and complied with all code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

BOARD OF DIRECTORS

For the six months ended 30 June 2017, the Board's composition had undergone the following changes:

- (1) Mr. Huang Xiaojun resigned as a non-executive Director with effect from 5 June 2017; and
- (2) Ms. Lam Pik Po, Katty was appointed as a non-executive Director with effect from 5 June 2017.

於2017年6月30日，本集團的總權益為人民幣5,620.2百萬元（2016年12月31日：人民幣5,701.6百萬元），而資產負債比率（銀行貸款期末總額除以總資產）則為14.1%（2016年12月31日：14.3%）。

由董事會每年審閱本集團資本結構，包括本集團股息政策及股份回購活動。

企業管治

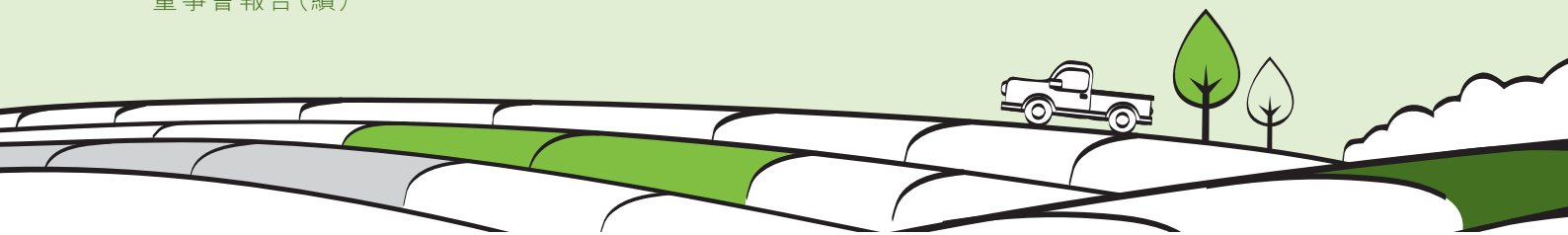
本集團致力確保企業管治達致高水平，著重組建勤勉盡職的董事會和健全的內部監控制度，以提高透明度及對股東之問責性。董事會知悉，良好企業管治常規及程序對本集團及其股東有利。

於2017年1月1日至2017年6月30日期間內，本公司已採納並已遵守上市規則附錄十四所載的企業管治守則的所有守則條文。

董事會

截至2017年6月30日止六個月內，董事會組成有以下變更：

- (1) 黃曉軍先生自2017年6月5日起辭任非執行董事；及
- (2) 林碧寶女士自2017年6月5日起獲委任為非執行董事。



As at 30 June 2017, the Board was comprised of four non-executive Directors, two executive Directors, and three independent non-executive Directors. The non-executive Directors were Mr. Jeffrey, Minfang Lu (Chairman), Mr. Qin Peng, Mr. Zhang Ping and Ms. Lam Pik Po, Katty; the executive Directors were Mr. Chopin Zhang and Mr. Hua Li; and the independent non-executive Directors were Mr. Mok Wai Bun Ben, Mr. Cheng Shoutai and Mr. Lee Kong Wai Conway.

於2017年6月30日，董事會由四位非執行董事、兩位執行董事及三位獨立非執行董事組成。非執行董事為盧敏放先生(主席)、秦鵬先生、張平先生及林碧寶女士；執行董事為張平(Chopin Zhang)先生及華力先生；及獨立非執行董事為莫衛斌先生、程守太先生及李港衛先生。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 3.10A of the Listing Rules, independent non-executive Directors shall represent at least one-third of the board. During the period from 1 January 2017 to 30 June 2017, the Board of the Company comprises nine members, three of whom are independent non-executive Directors. Therefore, Rule 3.10A has been duly complied with by the Company during the said period.

獨立非執行董事

根據上市規則第3.10A條，獨立非執行董事應最少佔董事會成員的三分之一。於2017年1月1日至2017年6月30日期間，本公司董事會由九名成員組成，其中三名為獨立非執行董事。因此，本公司於上述期間已妥為遵守第3.10A條。

DISCLOSURE OF INFORMATION OF DIRECTORS UNDER RULES 13.51(2) AND 13.51(B)(1) OF THE LISTING RULES

Save as disclosed in the announcement of the Company dated 1 June 2017, there are no changes in the directors' biographical details since the date of the 2016 annual report of the Company, which are required to be disclosed pursuant to Rules 13.51(2) and 13.51(B)(1) of the Listing Rules.

根據上市規則第13.51(2)及13.51(B)(1)條披露董事資料

除本公司日期為2017年6月1日之公告所披露者外，自本公司2016年年報刊發日期以來，概無根據上市規則第13.51(2)及13.51(B)(1)條須予披露的各董事履歷詳情變動。



DIRECTORS' ATTENDANCE RECORDS

For the six months ended 30 June 2017, 2 board meetings were held by the Company. The attendance records of each Director at the board meetings are set out below:

Name of Director 董事姓名

Attendance 出席次數

Mr. Jeffrey, Minfang Lu (<i>Chairman</i>)	盧敏放先生(主席)	2
Mr. Qin Peng	秦鵬先生	2
Mr. Zhang Ping	張平先生	2
Ms. Lam Pik Po, Katty ⁽¹⁾	林碧寶女士 ⁽¹⁾	0
Mr. Chopin Zhang	張平(Chopin Zhang)先生	2
Mr. Hua Li	華力先生	2
Mr. Mok Wai Bun Ben	莫衛斌先生	2
Mr. Cheng Shoutai	程守太先生	1
Mr. Lee Kong Wai Conway	李港衛先生	2
Mr. Huang Xiaojun ⁽²⁾	黃曉軍先生 ⁽²⁾	2

Notes:

- (1) Ms. Lam Pik Po, Katty was appointed as a non-executive Director with effect from 5 June 2017.
- (2) Mr. Huang Xiaojun resigned as a non-executive Director with effect from 5 June 2017.

董事出席記錄

截至2017年6月30日止六個月內，本公司舉行了2次董事會會議。每名董事於董事會會議的出席記錄載列如下：

附註：

- (1) 林碧寶女士自2017年6月5日起獲委任為非執行董事。
- (2) 黃曉軍先生自2017年6月5日起辭任非執行董事。

SECURITIES TRANSACTIONS OF DIRECTORS

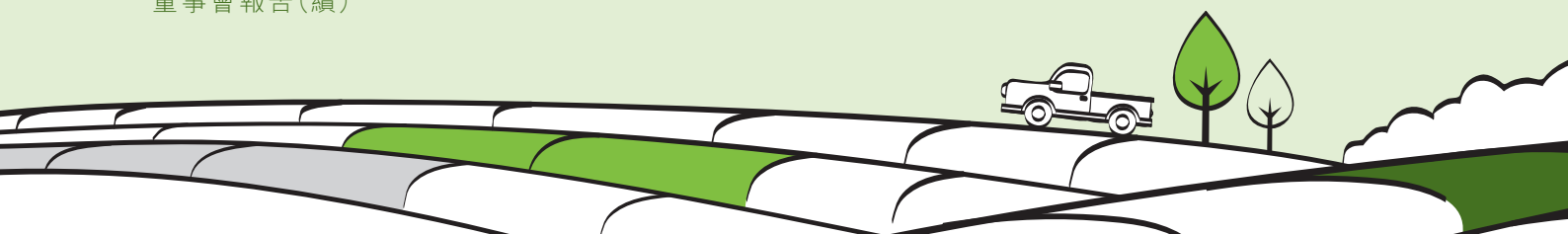
The Board has adopted the Model Code as the Company's code of conduct and rules governing dealings by all Directors in the securities of the Company.

The Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2017.

董事的證券交易

董事會已採納標準守則，作為規管本公司全體董事進行本公司證券交易的行為守則及規則。

經本公司作出特定查詢後，董事確認，彼等於截至2017年6月30日止六個月內已遵守標準守則所載之規定準則。



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 six months ended 30 June 2017.

COMPANY SECRETARY

Mr. Li Yuejin and Ms. Ho Siu Pik are the joint company secretaries of the Company following the appointment of Mr. Li Yuejin as a joint company secretary on 11 October 2016. Following the resignation of Mr. Li Yuejin as the joint company secretary of the Company on 6 July 2017, Ms. Ho Siu Pik became the sole company secretary of the Company. Ms. Ho is a director of the Corporate Services Department of Tricor Services Limited and is not an employee of the Company. During the interim period prior to the appointment of a new joint company secretary, Ms. Ho Siu Pik will contact the management of the Company and report to the chairman of the Board and/or the chief executive officer of the Company through Mr. Eric Fang of Investment Management Division of the Company when necessary in accordance with the code provisions set out in the Corporate Governance Code in Appendix 14 of the Listing Rules.

AUDIT COMMITTEE

As at 29 August 2017, the Audit Committee consists of two independent non-executive Directors, namely Mr. Lee Kong Wai Conway (Chairman), Mr. Mok Wai Bun Ben and one non-executive Director, namely Mr. Zhang Ping (including one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise).

購買、出售或贖回本公司上市證券

截至2017年6月30日止六個月，本公司或其任何附屬公司概無購買、贖回或出售本公司的任何上市證券。

公司秘書

自李躍進先生於2016年10月11日獲委任為聯席公司秘書後，李躍進先生與何小碧女士為本公司之聯席公司秘書。自李躍進先生於2017年7月6日辭任聯席公司秘書後，何小碧女士成為本公司唯一公司秘書。何女士為卓佳專業商務有限公司的企業服務部董事，並非本公司僱員。在新聯席公司秘書獲委任前的過渡期間，何小碧女士將在有需要時根據上市規則附錄十四企業管治守則所載的守則條文透過本公司投資管理部方紹東先生與本公司管理層聯繫，並報告董事會主席及/或本公司行政總裁。

審核委員會

於2017年8月29日，審核委員會包括兩名獨立非執行董事(即李港衛先生(主席)及莫衛斌先生)及一名非執行董事(即張平先生)(包括一名具備適當專業資格或會計或相關財務管理專業知識的獨立非執行董事)。



The audit committee has reviewed together with the management, the accounting principles and policies adopted by the Group and the Group's unaudited interim results for the six months ended 30 June 2017, and was of the opinion that the preparation of such interim results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

In addition, the independent auditors of the Company, Ernst & Young, have reviewed unaudited interim results for the six months ended 30 June 2017 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

OTHERS

According to paragraph 40 of Appendix 16 to the Listing Rules headed "Disclosure of Financial Information", save as disclosed herein, the Company confirms that the Company's current information in relation to those matters set out in paragraph 32 of Appendix 16 has not been changed significantly from the information disclosed in the Company's 2016 Annual Report.

On behalf of the Board
Jeffrey, Minfang Lu
Chairman

Hong Kong, 29 August 2017

審核委員會連同管理層已審閱本集團所採納之會計原則及政策及本集團截至2017年6月30日止六個月之未經審核中期業績，認為有關中期業績乃遵照適用會計準則及規定編製並已作出充足披露。

此外，本公司獨立核數師安永會計師事務所已根據香港會計師公會頒佈的《香港審閱聘用協定準則》第2410號「由實體的獨立核數師執行的中期財務資料審閱」審閱截至2017年6月30日止六個月之未經審核中期業績。

其他

根據上市規則附錄十六《財務資料的披露》之第四十段，除了在本報告已作披露者外，本公司確認有關附錄十六第三十二段所列事宜的現有公司資料與本公司2016年年報所披露的資料並無重大變動。

代表董事會
主席
盧敏放

香港，2017年8月29日

Independent Review Report

獨立審閱報告



Ernst & Young
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To the shareholders of
Yashili International Holdings Ltd

(Incorporated in the Cayman Islands with limited liability)

致雅士利國際控股有限公司股東

(於開曼群島註冊成立的有限責任公司)

INTRODUCTION

We have reviewed the interim financial information set out on pages 46 to 92, which comprises the condensed consolidated statement of financial position of Yashili International Holdings Ltd (the "Company") and its subsidiaries (the "Group") as at 30 June 2017 and the related condensed consolidated statement of profit or loss, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

我們已審閱刊於第46頁至第92頁的雅士利國際控股有限公司(「貴公司」)及其子公司(「貴集團」)中期財務資料,包括於2017年6月30日的簡明合併財務狀況表以及截至該日止六個月期間的相關簡明合併損益表、簡明合併全面收益表、簡明合併權益變動表、簡明合併現金流量表以及解釋附註。《香港聯合交易所有限公司證券上市規則》規定,中期財務資料報告的編製必須符合其相關條文及國際會計準則理事會頒布的《國際會計準則》第34號—「中期財務報告」(「《國際會計準則》第34號」)的規定。貴公司董事須負責根據《國際會計準則》第34號編製及呈列本中期財務資料。我們的責任是根據我們審閱工作的結果,對本中期財務資料作出審閱結論。根據委聘條款,我們的報告僅向董事會作出。除此之外,不作其他用途。我們概不就本報告的內容,對任何其他人士負責或承擔任何責任。



SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

29 August 2017

審閱範圍

我們是按照香港會計師公會頒佈的《香港審閱聘用協定準則》第2410號—「由實體的獨立核數師執行的中期財務資料審閱」的規定進行審閱。中期財務資料的審閱主要包括向負責財務會計事宜的人士作出詢問，並採取分析性和其他審閱程式。審閱的範圍遠較根據《香港核數準則》進行的審核範圍為小，故我們不能保證我們知悉一切可能於審核中識別的重大事宜。因此，我們不發表審核意見。

結論

根據我們的審閱，我們並未察覺任何事宜致使我們相信隨附中期財務資料在一切重大方面並未按照《國際會計準則》第34號編製。

安永會計師事務所
執業會計師
香港

2017年8月29日

Unaudited Interim Condensed Consolidated Statement of Profit or Loss

未經審核中期簡明合併損益表



		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年	2016 二零一六年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註		
Revenue	收入	4	1,146,511
Cost of sales	銷售成本	6	(566,042)
Gross profit	毛利	447,591	580,469
Other income and gains	其他收入及收益	4	39,414
Selling and distribution expenses	銷售及經銷開支		(493,429)
Administrative expenses	行政開支		(159,886)
Other expenses	其他開支	5	(50,075)
Loss from operations	經營虧損	(214,139)	(83,507)
Finance income	財務收入	6	77,032
Finance costs	財務成本	7	(6,188)
Net finance income	淨財務收入		70,844
Loss before tax	除稅前虧損	6	(12,663)
Income tax credit	所得稅抵減	8	27,736
(Loss)/profit for the period	本期(虧損)/溢利	(121,938)	15,073
Attributable to:	以下各方應佔：		
Owners of the parent	母公司擁有人	9	15,073
			RMB cents 人民幣分
(Loss)/earnings per share attributable to ordinary equity holders of the parent	母公司普通股擁有人應佔每股(虧損)/盈利		
Basic and diluted	基本及攤薄	9	0.3

Unaudited Interim Condensed Consolidated Statement of Comprehensive Income

未經審核中期簡明合併全面收益表



Unaudited
未經審核
For the six months ended 30 June
截至6月30日止6個月

2017	2016
二零一七年	二零一六年
RMB'000	RMB'000
人民幣千元	人民幣千元

(Loss)/profit for the period	本期(虧損)/溢利	[121,938]	15,073
Other comprehensive income	其他全面收益		
Exchange differences on translation of financial statements of overseas subsidiaries	海外子公司外幣報表折算差額	40,508	65,897
Other comprehensive income for the period	本期其他全面收益	40,508	65,897
Total comprehensive (loss)/income for the period	本期全面(損失)/收益總額	[81,430]	80,970
Attributable to:	以下各方應佔:		
Owners of the parent	母公司擁有人	[81,430]	80,970

Unaudited Interim Condensed Consolidated Statement of Financial Position

未經審核中期簡明合併財務狀況表



			Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	1,758,391	1,788,658
Construction in progress	在建工程	12	52,895	38,812
Investment properties	投資物業	13	30,629	67,486
Land use rights	土地使用權		88,928	93,734
Intangible assets	無形資產		297,289	297,801
Goodwill	商譽	14	991,236	991,236
Deferred tax assets	遞延稅項資產		249,872	202,950
Long-term bank deposits	長期銀行存款	19	—	379,927
Prepayments, deposits and other receivables	預付款項、押金及其他應收款項	17	4,116	5,496
Total non-current assets	非流動資產總額		3,473,356	3,866,100
CURRENT ASSETS	流動資產			
Inventories	存貨	15	678,576	619,876
Trade and bills receivables	貿易應收款及票據	16	161,956	161,391
Prepayments, deposits and other receivables	預付款項、押金及其他應收款項	17	227,938	191,230
Other financial assets	其他金融資產	18	413,706	476,994
Pledged deposits	受限制銀行存款	19	833,030	803,123
Cash and bank balances	現金及銀行結餘	19	1,922,190	1,642,818
Assets of a disposal group classified as held for sale	分類為持有待售的處置組資產		4,237,396	3,895,432
		26	203,891	204,459
Total current assets	流動資產總額		4,441,287	4,099,891
CURRENT LIABILITIES	流動負債			
Trade payables	貿易應付款	20	337,479	237,621
Other payables and accruals	其他應付款及應計費用	21	821,294	862,233
Interest-bearing bank loans	計息銀行借款	22	1,115,761	1,143,091
Tax payable	應付所得稅		3,192	5,602
Liabilities directly associated with assets classified as held for sale	與分類為持有待售資產直接相關的負債		2,277,726	2,248,547
		26	4,345	4,988
Total current liabilities	流動負債總額		2,282,071	2,253,535
NET CURRENT ASSETS	流動資產淨值		2,159,216	1,846,356
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		5,632,572	5,712,456

Unaudited Interim Condensed Consolidated Statement of Financial Position (Continued)
未經審核中期簡明合併財務狀況表(續)



			Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Deferred income	遞延收益		2,787	3,329
Deferred tax liabilities	遞延所得稅負債		9,601	7,513
Total non-current liabilities	非流動負債總額		12,388	10,842
NET ASSETS	資產淨額		5,620,184	5,701,614
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	23	399,352	399,352
Reserves	儲備	24	5,220,832	5,302,262
TOTAL EQUITY	權益總額		5,620,184	5,701,614

Director
董事
Mr. Chopin Zhang
張平(Chopin Zhang)先生

Director
董事
Mr. Hua Li
華力先生

Unaudited Interim Condensed Consolidated Statement of Changes in Equity

未經審核中期簡明合併權益變動表



		Share capital	Share premium	Capital redemption reserve	PRC statutory reserves	Other capital reserve	Translation reserve	Merger reserve	Contributed surplus	Retained earnings	Total
		股本	股份溢價	回購儲備	法定儲備	資本儲備	匯兌儲備	合併儲備	實繳盈餘	保留盈利	總計
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		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	人民幣千元	人民幣千元
For the six months ended 30 June 2017 (unaudited)	截至2017年6月30日止6個月(未經審核)										
As at 1 January 2017	於2017年1月1日	399,352	3,845,616	818	182,021	(44,615)	57,067	(850,504)	1,367,204	744,655	5,701,614
Loss for the period	本期虧損	—	—	—	—	—	—	—	—	(121,938)	(121,938)
Exchange differences on translation of financial statements of overseas subsidiaries	海外子公司外幣報表折算差額	—	—	—	—	—	40,508	—	—	—	40,508
Total comprehensive (loss)/income for the period	全面(損失)/收益總額	—	—	—	—	—	40,508	—	—	(121,938)	(81,430)
As at 30 June 2017	於2017年6月30日	399,352	3,845,616	818	182,021	(44,615)	97,575	(850,504)	1,367,204	622,717	5,620,184
For the six months ended 30 June 2016 (unaudited)	截至2016年6月30日止6個月(未經審核)										
As at 1 January 2016	於2016年1月1日	399,352	3,881,093	818	182,021	(44,615)	(19,600)	(850,504)	1,367,204	1,064,873	5,980,642
Profit for the period	本期溢利	—	—	—	—	—	—	—	—	15,073	15,073
Exchange differences on translation of financial statements of overseas subsidiaries	海外子公司外幣報表折算差額	—	—	—	—	—	65,897	—	—	—	65,897
Total comprehensive income for the period	全面收益總額	—	—	—	—	—	65,897	—	—	15,073	80,970
Dividend approved in respect of the previous year	前期股利分配	10	(35,477)	—	—	—	—	—	—	—	(35,477)
As at 30 June 2016	於2016年6月30日	399,352	3,845,616	818	182,021	(44,615)	46,297	(850,504)	1,367,204	1,079,946	6,026,135

Unaudited Interim Condensed Consolidated Statement of Cash Flows

未經審核中期簡明合併現金流量表



Unaudited
未經審核
For the six months ended 30 June
截至6月30日止6個月

			2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量			
Profit before tax	稅前利潤		(159,680)	(12,663)
Adjustments for:	調整項目：			
Depreciation and amortisation	折舊及攤銷	6	86,208	87,997
Net (gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備的(收益)/虧損淨額	4, 5	(2,881)	2,366
Provision for impairment of items of property, plant and equipment	物業、廠房及設備的減值	5	1,814	—
Write-back of impairment of trade and other receivables	貿易及其他應收款的減值轉回	5	(191)	(120)
Provision for inventories	存貨減值損失	5	39,110	21,806
Interest income	利息收入	6	(58,195)	(57,352)
Interest expense	利息開支	7	10,366	6,188
Foreign exchange difference, net	匯兌損益淨額		(12,155)	(12,355)
Loss on disposal of a subsidiary	處置子公司的投資損失	5	11,698	—
Gain on other financial assets	其他金融資產收益	6	(6,630)	(19,680)
			(90,536)	16,187
Increase in inventories	存貨的增加		(100,932)	(48,282)
Decrease/(increase) in trade and bills receivables	貿易應收款及票據的減少/(增加)		219	(14,692)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、押金及其他應收款項減少/(增加)		9,842	(22,929)
(Increase)/decrease in pledged deposits related to letters of credit	作為信用證保證金的受限制銀行存款(增加)/減少		(25,885)	80,972
Increase/(decrease) in trade payables, other payables and accruals	貿易應付賬款、其他應付款項和應計費用增加/(減少)		94,547	(69,851)
(Decrease)/increase in deferred income	遞延收益(減少)/增加		(542)	5,482
Cash used in operating activities	經營活動所得現金		(113,287)	(53,113)
Income tax paid	已付所得稅		(5,836)	(54,394)
Net cash flows used in operating activities	經營活動流出現金淨額		(119,123)	(107,507)

Unaudited Interim Condensed Consolidated Statement of Cash Flows (Continued)
未經審核中期簡明合併現金流量表(續)



		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年	2016 二零一六年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註		
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Interest and gain on investments received	已收利息	11,516	62,576
Proceeds/(losses) from disposal of items of property, plant and equipment	出售物業、廠房及設備所得/(損失)款項	6,048	(954)
Proceeds from sales of other financial assets	出售其他金融資產所得款項	1,319,025	2,086,507
Receipts of bank deposits with original maturity of more than three months	贖回原到期日為三個月以上的定期存款	69,863	1,172,300
Proceeds from disposal of a subsidiary	出售子公司所收到的款項	4,747	—
Payment of bank 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	(116,936)	(1,001,713)
Acquisition of property, plant and equipment and investment property	購買物業、廠房、設備及投資性房地產	(4,915)	(5,014)
Payment of construction in progress	在建工程項目的付款	(46,612)	(44,498)
Acquisition of intangible assets	購買無形資產	(524)	(2,029)
Acquisition of other financial assets	購買其他金融資產	(1,255,737)	(1,632,502)
Payment for acquisition of a subsidiary	收購子公司所支付的款項	—	(987,624)
Net cash flows used in investing activities	投資活動所用現金淨額	(13,525)	(352,951)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Proceeds from bank loans	貸款所得款項	757,801	699,964
Receipts of pledged deposits at maturity in relation to bank loans	與銀行借款相關的到期抵押存款收款	34,289	510,356
Payment of pledged deposits in relation to bank loans	與銀行借款相關的抵押存款的付款	(38,311)	(615,578)
Repayments of interest-bearing bank loans	償還計息貸款	(764,364)	(661,695)
Interest paid	已付利息	(10,196)	(4,929)
Dividends paid	已付股息	—	(35,477)
Net cash flows used in financing activities	融資活動所得現金淨額	(20,781)	(107,359)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(153,429)	(567,817)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	581,491	1,307,556
Effect of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	5,802	7,464
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	433,864	747,203

Notes to Unaudited Interim Condensed Consolidated Financial Statements

未經審核中期簡明合併財務報表附註



1 CORPORATE INFORMATION

Yashili International Holdings Ltd. (the “Company”) was incorporated in the Cayman Islands on 3 June 2010 as an exempted company with limited liability under the Companies Law, Chapter 22, (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Group is primarily engaged in the manufacture and sale of dairy and nourishment products.

In the opinion of the directors, the holding company and the ultimate holding company of the Company are China Mengniu International Company Limited (“Mengniu International”) and China Mengniu Dairy Company Limited (“China Mengniu”), respectively.

2 BASIS OF PREPARATION AND CHANGES IN THE GROUP’S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the IASB) and the disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2016.

1 公司資料

雅士利國際控股有限公司(「本公司」)於2010年6月3日根據開曼群島公司法第22章(1961年第三號法例，經合併及修訂)在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本集團主要從事製造及銷售乳製品及營養品。

董事認為，本公司控股股東及最終控股股東分別為中國蒙牛國際有限公司(「蒙牛國際」)及中國蒙牛乳業有限公司(「中國蒙牛」)。

2 編製基礎及本集團會計政策變動

2.1 編製基礎

截至2017年6月30日止6個月的未經審核中期簡明合併財務報表是按照國際會計準則理事會頒佈的國際會計準則第34號*中期財務報告*及香港聯合交易所有限公司證券上市規則之披露規定編製。

本未經審核中期簡明合併財務報表並未載有年度財務報表所需的全部資訊和披露，故應與本集團截至2016年12月31日止年度的財務報表一併閱覽。



2 BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES

(Continued)

2.2 New standards and amendments adopted by the Group

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the Group's annual financial statements for the year ended 31 December 2016, except for the adoption of new standards effective as of 1 January 2017.

The nature and the effect of those new Standards are disclosed below. Although these amendments apply for the first time in 2017, they do not have a material impact on the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group. The nature and the impact of each amendment is described below:

Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). On initial application of the amendments, entities are not required to provide comparative information for preceding periods. The Group is not required to provide additional disclosures in its condensed interim consolidated financial statements, but will disclose additional information in its annual consolidated financial statements for the year ending 31 December 2017.

2 編製基礎及本集團會計政策變動(續)

2.2 本集團已採納的新準則和修訂

除因採納以下截至2017年1月1日生效的新頒布及經修訂的國際財務報告準則外，編製本中期簡明合併財務報表所採納的會計政策，與編製本集團截至2016年12月31日止年度的財務報表所採納者保持一致。集團沒有提前採納或修訂已發佈但尚未生效的其他標準。

這些變化性質及影響披露如下：雖然2017年首次應用以下修訂，但是沒有實質性影響年度合併財務報表組或中期簡明合併財務報表。每個修訂的性質和影響或修改描述如下：

國際會計準則第7號之修訂： 「現金流量表之披露動議」

該等修訂要求企業披露其融資活動引起的負債的變動，無論該等變動是由現金流還是非現金流活動（譬如匯兌損益）引起的。於初步實行該等修訂時，企業無需提供前期比較信息。本集團無需在中期簡要合併財務報告中提供額外信息，但將在2017年12月31日止年度合併財務報告中予以披露。



2 BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES

(Continued)

2.2 New standards and amendments adopted by the Group (Continued)

Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

The Group applied the amendments retrospectively. However, their application has no effect on the Group's financial position and performance as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

2 編製基礎及本集團會計政策變動(續)

2.2 本集團已採納的新準則和修訂(續)

國際會計準則第12號之修訂：「所得稅：未實現虧損之遞延所得稅資產之確認」

該等修訂釐清，當對可抵扣暫時性予以抵扣時，企業需考慮稅法是否限制該等應納稅所得的來源。此外，該等修訂對於企業如何確定未來應納稅所得額提供了指引，並闡釋了應納稅所得額可能包含某些資產其高於賬面價值的部分。

該等修訂需追隨應用。但初步應用該等修訂時，最早可比期間期初權益的變動可能確認在期初留存收益(或權益的其他合適科目)，而沒有在期初留存收益和其他權益科目間進行分配。企業若實行該等簡化方法需進行相關披露。

本集團追溯應用了該等修訂。但因本集團無該等修訂範圍內的可抵扣暫時性差異或相關資產，該等修訂的應用對本集團的財務狀況及其表現沒有影響。



2 BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES

(Continued)

2.2 New standards and amendments adopted by the Group (Continued)

Annual Improvements Cycle — 2014–2016
Amendments to IFRS 12 *Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12*

The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

The Group has adopted the amendments retrospectively. As the disclosure requirements in IFRS 12 do not specifically apply to the interim condensed consolidated financial statements, the Group did not provide these disclosures for its interest in Scient (China) Baby Nourishment Co., Ltd. ("Scient (China)"), a wholly owned subsidiary that was classified as held for sale as at 30 June 2017. The Group will disclose the required information in its annual consolidated financial statements for the year ending 31 December 2017.

3 OPERATING SEGMENT INFORMATION

Since the acquisition of Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu") and Dumex Baby Food Co., Ltd. ("Dumex China") in 2015 and 2016, respectively, and the operation of Yashili New Zealand Dairy Co., Ltd. ("Yashili New Zealand") at the end of 2015, the Group underwent various group reorganisation, including the purchase, production and sales functions.

2 編製基礎及本集團會計政策變動(續)

2.2 本集團已採納的新準則和修訂(續)

2014–2016週期的年度改進
國際財務報告準則第12號
「披露其他實體中的權益之修訂：釐清國際財務報告準則第12號披露要求中的披露範圍」

該等修訂釐清了國際財務報告準則第12號應用於除B10–B16段中包含的項目，企業被劃分為(或包含在處置組中被劃分為)持有待售的子公司、聯營或合營企業(或聯營或合營企業中一定比例的權益)。

本集團追溯應用了該等修訂。因國際財務報告準則第12號未特別應用於中期簡要財務報告，本集團的全資子公司施恩(中國)嬰幼兒營養品有限公司(「施恩(中國)」)在2017年6月30日被劃分為持有待售資產，而本集團並未披露相關權益資訊。本集團將於2017年12月31日止的年度合併財務報告中披露該等資訊。

3 經營分部資料

自從2015年收購內蒙古歐世蒙牛乳製品有限責任公司(「歐世蒙牛」)、2016年收購多美滋嬰幼兒食品有限公司(「多美滋中國」)，以及2015年底雅士利新西蘭乳業有限公司(「新西蘭乳業」)的運營，本集團經歷了數次集團重組，包括採購、生產及銷售功能。



3 OPERATING SEGMENT INFORMATION (Continued)

From the second half of 2016, the Group is reorganised into business units based on their products and services and has three reportable operating segments as follows:

- (a) Production and sale of infant milk formula products — this segment includes the development, manufacture and sale of infant milk formula products in the PRC and overseas.
- (b) Production and sale of nutrition products — this segment includes the development, manufacture and sale of milk powder for adults and teenagers, soymilk powder, rice flour and cereal products in the PRC and overseas.
- (c) Other operations mainly include the sale of surplus raw materials and the production and the sale of base-powder, the results of these operations are included in the “others” column.

The change was made to improve the way in which the business units can be managed. Comparative figures of the operating segment information have been adjusted retrospectively.

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

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.

3 經營分部資料(續)

自2016年下半年，本集團根據產品和服務對經營分部進行重新分類，共有下列三個可報告經營分部：

- (a) 生產及銷售嬰幼兒配方奶粉產品 — 該分部包括在中國及海外開發、製造及銷售嬰幼兒配方奶粉產品。
- (b) 生產及銷售營養品 — 該分部包括在中國及海外開發、製造及銷售成人及青少年奶粉、豆奶粉、米粉及麥片產品。
- (c) 其他業務主要包括銷售盈餘原材料及生產及出售基粉。該等業務的業績載於「其他」一欄。

經營分部的改變是為了優化業務單元的管理。經營分部資料的比較數字已經過追溯調整。

為便於在分部之間評估分部表現及分配資源，高級行政管理團隊會根據「可呈報分部溢利」的計量（即「收入減去銷售成本和銷售及經銷開支」）來評估經營分部的表現。本集團不會把其他收入及收益、財務成本淨額、部份銷售及經銷開支以外的開支分配至分部中，原因是高級行政管理人員並不會使用上述資料分配資源至經營分部或評估其表現。由於本集團不會定期向高級行政管理人員匯報分部資產及負債，因此，此等簡明合併財務報表內並無呈列可呈報分部資產及負債的資料。

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。



3 OPERATING SEGMENT INFORMATION (Continued)

3 經營分部資料(續)

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

		Infant milk formula products 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元	Nutrition products 營養品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue:	分部收入:				
Sales to external customers	銷售予外部客戶	673,884	246,650	46,160	966,694
Intersegment sales	分部間銷售	3,948	4,748	—	8,696
		677,832	251,398	46,160	975,390
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment sales	抵銷分部間銷售	(3,948)	(4,748)	—	(8,696)
Total revenue	總收入				966,694
Segment results	分部業績	(11,750)	(32,458)	2,469	(41,739)
<i>Reconciliation:</i>	<i>對賬:</i>				
Finance income	財務收入				64,825
Finance costs	財務成本				(10,366)
Other income and gains	其他收入及收益				52,152
Unallocated other expenses	未分配的其他支出				(224,552)
Loss before tax	除稅前虧損				(159,680)



3 OPERATING SEGMENT INFORMATION (Continued)

3 經營分部資料(續)

For the six months ended 30 June 2016 (Unaudited)
截至2016年6月30日止6個月(未經審核)

		Infant milk formula products 嬰幼兒配方 奶粉產品 RMB'000 人民幣千元 Restated 經重述	Nutrition products 營養品 RMB'000 人民幣千元 Restated 經重述	Others 其他 RMB'000 人民幣千元 Restated 經重述	Total 合計 RMB'000 人民幣千元 Restated 經重述
Segment revenue:	分部收入：				
Sales to external customers	銷售予外部客戶	825,210	312,204	9,097	1,146,511
Intersegment sales	分部間銷售	16,327	7,844	—	24,171
		841,537	320,048	9,097	1,170,682
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment sales	抵銷分部間銷售	(16,327)	(7,844)	—	(24,171)
Total revenue	總收入				1,146,511
Segment results	分部業績	65,888	31,972	(1,012)	96,848
<i>Reconciliation:</i>	<i>對賬：</i>				
Finance income	財務收入				77,032
Finance costs	財務成本				(6,188)
Other income and gains	其他收入及收益				39,414
Unallocated other expenses	未分配的其他支出				(219,769)
Loss before tax	除稅前虧損				(12,663)



4 REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

4 收入、其他收入及收益

本集團的收入、其他收入及收益的分析如下：

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Notes 附註		
Revenue	收入		
Sales of goods	(a)	966,694	1,146,511
Other income and gains	其他收入及收益		
Government grants related to	政府補助		
— expenses incurred	— 對已產生支出的補償	30	555
— assets	— 對購買資產的補償	542	542
Income related to	其他收入		
— fines	— 罰款收入	100	735
— consigned processing operation	— 委託加工收入	32,503	22,591
Foreign exchange gains	匯兌收益	10,200	11,546
Gain on disposal of items of property, plant and equipment	固定資產處置收益	2,881	—
Others	其他	5,896	3,445
		52,152	39,414

Notes:

- (a) Revenue represented the net invoiced value of goods sold, after allowance for returns (if any) and trade discounts.
- (b) Income related to fines mainly represented amounts received from distributors for cross territorial sales that breached the terms of distribution agreements during the period.
- (c) This mainly represented consigned processing income and cost of sales from processing raw milk powder for Inner Mongolia Mengniu (Group) Dairy Company Limited, a fellow subsidiary of the Company.

附註：

- (a) 營業額，是指向客戶銷售貨品的開票淨額，已經扣除任何銷售退回(如有)及銷售折扣。
- (b) 罰款收入主要指於本期就違反經銷協議條款的跨區銷售而從經銷商客戶沒收的款項。
- (c) 委託加工收入及成本是指受內蒙古蒙牛乳業(集團)股份有限公司(本公司的同系附屬公司)委託加工乳粉的收入及銷售成本。



5 OTHER EXPENSES

5 其他開支

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Notes 附註		
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備損失	—	2,366
Loss on disposal of inventories	存貨報廢損失	14,522	2,058
Provision for impairment of inventories	存貨跌價準備	39,110	21,806
Provision for impairment of items of property, plant and equipment	固定資產跌價	11	1,814
Write-back of impairment of trade and other receivables	貿易應收款及其他應收款的減值轉回	(191)	(120)
Bank charges	銀行手續費	3,042	186
Donations	捐贈支出	581	1,175
Costs for consigned processing operation	委託加工成本	4 (c)	36,565
Loss on disposal of a subsidiary	處置一個子公司的損失	11,698	—
Others	其他	2,102	3,004
		109,243	50,075



6 LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

6 除稅前虧損

本集團的稅前虧損乃經扣除/(增加)下列各項後計算所得：

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Notes 附註		
Cost of goods sold	貨品銷售成本	519,103	566,042
Depreciation of items of property, plant and equipment*	物業、廠房及設備折舊*	79,248	81,917
Depreciation of investment properties	投資物業折舊	1,293	2,474
Amortisation of prepaid land lease payments*	預付土地租賃款項攤銷*	2,260	767
Amortisation of other non-current assets*	其他非流動資產攤銷*	2,107	1,477
Amortisation of intangible assets*	無形資產攤銷*	1,300	1,362
Total depreciation and amortisation	折舊及攤銷總額	86,208	87,997
Minimum lease payments under operating leases of buildings	房屋的經營租賃最低租金	9,613	5,166
Employee benefit expense* (excluding directors' and chief executive's remuneration):	僱員福利費*(不包括董事及主要行政人員的酬金):		
Wages, salaries and allowances	工資、薪金及津貼	226,681	192,213
Termination benefits	辭退福利	26,778	1,414
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(定額供款計劃)	18,517	16,042
		271,976	209,669
Interest income	利息收入	(58,195)	(57,352)
Gain on other financial assets	其他金融資產收益	(6,630)	(19,680)
Total finance income	財務收入總額	(64,825)	(77,032)

* Part of these costs and expenses were included in "Cost of goods sold" as disclosed above.

* 部分的該等成本和費用已包含在上述披露的「貨品銷售成本」中。



7 FINANCE COSTS

An analysis of finance costs is as follows:

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款的利息	10,366	6,188

7 財務成本

財務成本分析如下：

8 INCOME TAX CREDIT

The major components of income tax credit in the unaudited interim condensed consolidated statement of profit or loss are:

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax	即期稅項		
Provision for the period	期間撥備	1,155	15,471
Adjustments recognised in the period for current tax of prior years	本期內確認以往年度的稅收調整	4,794	1,697
Deferred tax	遞延稅項	(43,691)	(44,904)
Total income credit	所得稅抵減總額	(37,742)	(27,736)

8 所得稅抵減

未經審核中期簡明合併損益表內所得稅抵減的主要成分為：



8 INCOME TAX CREDIT (Continued)

Pursuant to the Corporate Income Tax Law of the PRC passed by the Tenth National People's Congress on 16 March 2007 (the "Income Tax Law"), the statutory income tax rate of the Group's subsidiaries located in Mainland of PRC is 25%, except for Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu") which is subject to a preferential tax rate of 15%, in accordance with "The notice of tax policies relating to the implementation of Western China Development Strategy".

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The provision for Hong Kong profits tax for the six months ended 30 June 2017 is calculated at 16.5% (six months ended 30 June 2016: 16.5%) of the assessable profit for the period.

Pursuant to the rules and regulations of New Zealand, the Group's subsidiary located in New Zealand is subject to income tax at a rate of 28% during the six months ended 30 June 2017 (six months ended 30 June 2016: 28%).

9 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The basic (loss)/earnings per share amount for the period is calculated by dividing the (loss)/profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

The parent has no dilutive potential shares during the period.

8 所得稅抵減(續)

根據第十屆全國人民代表大會於2007年3月16日通過的《中華人民共和國企業所得稅法》(「所得稅法」)，本集團位於中國大陸的附屬公司的法定所得稅稅率為25%。根據「關於深入實施西部大開發戰略有關稅收政策問題的通知」，內蒙古歐世蒙牛乳製品有限責任公司(「歐世蒙牛」)享有15%的優惠稅率。

根據開曼群島及英屬處女群島(「英屬處女群島」)的規定及法規，本集團無須在開曼群島及英屬處女群島繳納任何所得稅。

本集團截至2017年6月30日止六個月期間香港利得稅撥備是以本期間的應課稅溢利，按照16.5%(截至2016年6月30日止六個月期間：16.5%)的稅率計提。

根據新西蘭的法律法規，本集團位於新西蘭的子公司截至2017年6月30日止六個月期間按照28%的所得稅率計繳所得稅(截至2016年6月30日止六個月期間：28%)。

9 母公司普通股擁有人應佔每股(虧損)/盈利

本期的每股基本(虧損)/盈利乃根據期內母公司普通股擁有人應佔(虧損)/利潤除以期內已發行普通股的加權平均數計算。

母公司期內無潛在攤薄股份。



9 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

The calculations of basic and diluted earnings/(loss) per share are based on:

9 母公司普通股擁有人應佔每股(虧損)/盈利(續)

每股基本及攤薄盈利/(虧損)的計算基於如下：

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(Loss)/earnings: (Loss)/profit attributable to ordinary equity holders of the parent, used in the (loss)/earnings per share calculations	(虧損)/盈利： 用於計算每股基本(虧損)/盈利的母公司普通權益持有人應佔(損失)/利潤	(121,938)	15,073
		Number of shares 股份數量	
		(in thousand) (千股)	(in thousand) (千股)
Shares: Weighted average number of ordinary shares for the purpose of the basic (loss)/earnings per share calculations	股份： 計算每股基本(虧損)/盈利所用的普通股加權平均數	4,745,560	4,745,560

10 DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2017 (for the six months ended 30 June 2016: Nil).

During the six months ended 30 June 2017, the Company did not declare and pay dividend to the shareholders of the Company (six months ended 30 June 2016: the Company declared and paid a final dividend of approximately RMB0.75 cents per share as an appropriation of share premium for the year ended 31 December 2015 to the shareholders of the Company).

10 股息

董事不建議派發截至2017年6月30日止六個月的中期股息(截至2016年6月30日止六個月：無)。

截至2017年6月30日止六個月，本公司未向本公司股東宣派及派付股息。(截至2016年6月30日止六個月：截至2015年12月31日止年度利用股本溢價向本公司股東宣派及派付期末股息每股約人民幣0.75分)。



11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

		Notes 附註	Unaudited 未經審核 2017 二零一七年 RMB'000 人民幣千元	Unaudited 未經審核 2016 二零一六年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值		1,788,658	1,714,570
Additions	增加		4,915	7,898
Transfer from assets of a disposal group classified as held for sale	轉撥自持有待售的處置組資產		302	—
Transfer from construction in progress	轉撥自在建工程	12	6,342	35,716
Transfer to construction in progress	轉撥至在建工程	12	—	(7,298)
Transfer from investment properties	轉撥自投資物業	13	35,564	8,492
Transfer to investment properties	轉撥至投資物業	13	—	(18,654)
Disposals	處置		(1,952)	(6,358)
Acquisition of a subsidiary	收購一家子公司		—	68,290
Disposal of a subsidiary	處置一家子公司	25	(25,289)	—
Depreciation charge for the period	本期折舊費用	6	(79,248)	(81,917)
Impairment	本期減值	5	(1,814)	—
Exchange realignment	匯率調整		30,913	73,382
Carrying amount at 30 June	於6月30日的賬面值		1,758,391	1,794,121



12 CONSTRUCTION IN PROGRESS

12 在建工程

		Notes 附註	Unaudited 未經審核 2017 二零一七年 RMB'000 人民幣千元	Unaudited 未經審核 2016 二零一六年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值		38,812	33,151
Additions	增加		20,912	24,700
Acquisition of a subsidiary	收購一家子公司		—	7,473
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	11	—	7,298
Transfer from assets of a disposal group classified as held for sale	轉撥自持有待售的處置 組資產		634	—
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	11	(6,342)	(35,716)
Transfer to intangible assets	轉撥至無形資產		(471)	—
Disposal	處置		(640)	(1,990)
Disposal of a subsidiary	處置一家子公司	25	(41)	—
Exchange realignment	匯率調整		31	216
Carrying amount at 30 June	於6月30日的賬面值		52,895	35,132

None of the interest expense was capitalised to construction in progress for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

於截至2017年6月30日止六個月期間，無被資本化為在建工程的利息費用(截至2016年6月30日止六個月期間：無)。



13 INVESTMENT PROPERTIES

13 投資物業

		Notes 附註	Unaudited 未經審核 2017 二零一七年 RMB'000 人民幣千元	Unaudited 未經審核 2016 二零一六年 RMB'000 人民幣千元
Cost:	成本：			
At 1 January	於1月1日		75,032	24,076
Purchase	購買		—	2,636
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	11	(36,683)	(10,042)
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	11	—	21,224
Disposal	處置		—	(236)
At 30 June	於6月30日		38,349	37,658
Accumulated depreciation:	累計折舊：			
At 1 January	於1月1日		(7,546)	(3,998)
Charge for the period	本期內折舊	6	(1,293)	(2,474)
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	11	1,119	1,550
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	11	—	(2,570)
Disposal	處置		—	206
At 30 June	於6月30日		(7,720)	(7,286)
Carrying amount at 30 June	於6月30日的賬面價值		30,629	30,372



14. GOODWILL

14. 商譽

		Unaudited 未經審核 2017 二零一七年 RMB'000 人民幣千元	Unaudited 未經審核 2016 二零一六年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日賬面值	991,236	272,760
Acquisition of a subsidiary	收購一家子公司	—	718,476
Carrying amount at 30 June	於6月30日的賬面價值	991,236	991,236

As at 31 May 2016, Yashili International Group Ltd. ("Yashili (Guangdong)"), a subsidiary of the Group, acquired a 100% equity interest in Dumex Baby Food Co., Ltd. ("Dumex China"). The business acquisition gave rise to goodwill of RMB718,476,000.

於2016年5月31日，雅士利國際集團有限公司(「雅士利(廣東)」)，本集團的一家子公司，收購多美滋嬰幼兒營養品有限公司(「多美滋中國」)100%股權。此項業務收購帶來價值人民幣718,476,000元之商譽。

In 2015, Yashili (Guangdong), acquired a 100% equity interest in Oushi Mengniu, a subsidiary of China Mengniu Dairy Company Limited ("China Mengniu"). The acquisition gave rise to goodwill amounting to approximately RMB272,760,000, which was originally recorded by China Mengniu, the ultimate holding company of the Company. The acquisition was accounted for as business combination under common control as Oushi Mengniu was under the control of China Mengniu both before and after the acquisition.

於2015年，雅士利(廣東)收購歐世蒙牛的100%股權(中國蒙牛乳業有限公司(「中國蒙牛」)的一家子公司)。本次收購產生了人民幣約272,760,000元的商譽。該商譽原為本公司之最終母公司中國蒙牛賬面記錄的商譽。本次收購為同一控制下企業合併，因為歐世蒙牛在本次收購前後均受中國蒙牛控制。



15 INVENTORIES

15 存貨

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Raw materials	原材料	178,042	208,030
Finished goods	成品	255,307	232,761
Work in progress	半成品	252,642	180,259
Packing materials	包裝材料	33,781	29,297
Low value consumables	低價消耗品	920	893
		720,692	651,240
Provisions	跌價準備	(42,116)	(31,364)
		678,576	619,876

16 TRADE AND BILLS RECEIVABLES

16 貿易應收款及票據

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Trade and bills receivables	貿易應收款及票據	162,571	162,138
Provision for impairment	撥備	(615)	(747)
		161,956	161,391



16 TRADE AND BILLS RECEIVABLES (Continued) 16 貿易應收款及票據(續)

The Group normally allows a credit limit and credit term to its customers which is adjustable in certain circumstances. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and bills receivables are non-interest-bearing.

An aged analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of provision, was as follows:

本集團通常給予客戶特定信貸額度和信貸期限，並可在特定情況下調整。鑒於上文所述及本集團的貿易應收款及票據與大量不同類別的客戶有關，故並無重大信貸集中風險。貿易應收款及票據並無附帶利息。

於報告期末，經扣除撥備的貿易應收款及票據按發票日期的賬齡分析如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Within 3 months	三個月以內	94,666	117,057
3 to 6 months	三至六個月	14,147	38,521
More than 6 months	六個月以上	53,143	5,813
		161,956	161,391

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 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.

As at 30 June 2017, all the assets of Yashili New Zealand including trade receivable of RMB29,478,986 were collateralized for a bank loan of RMB97,825,000 by a general security agreement.

到期未付但並無減值之貿易應收款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交易記錄。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，皆因信貸質量並無重大的變化而結餘被認為依然可以全數收回。

截止2017年6月30日，新西蘭乳業的全部資產包括價值人民幣29,478,986元的貿易應收款處於一般保證協議下，以獲取數額約為人民幣97,825,000元的銀行貸款。



16 TRADE AND BILLS RECEIVABLES (Continued) 16 貿易應收款及票據(續)

The amounts due from related parties of the Group included in the trade receivables are as follows:

列入貿易應收款的應收本集團關聯方款項如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Subsidiaries of the ultimate holding company	最終控股股東的子公司	38,090	9,953
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	18,987	—
		57,077	9,953

The above amounts are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the major customers of the Group.

上述款項為無抵押、免息及須按給予本集團主要客戶的類似信貸期限償還。



17 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

17 預付款項、押金及其他應收款項

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Interest receivable	應收利息	64,105	10,796
Other receivables arising from promotion services	應收市場推廣費用	63,755	91,999
Value-added tax recoverable	待抵扣增值稅	34,477	35,098
Prepayments for purchase of raw materials	購買原材料的預付款	21,570	10,886
Prepayments for purchase of advertising services	預付廣告開支	—	2,802
Others	其他	48,147	45,145
		232,054	196,726
Less: Non-current prepayments	減：長期待攤費用	4,116	5,496
		227,938	191,230

The amounts due from related parties included in prepayments, deposits and other receivables are as follows:

列入預付款、押金及其他應收款項的應收關聯方款項如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Subsidiaries of the ultimate holding company	最終控股股東的子公司	3,677	3,600
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	66,858	70,296
		70,535	73,896

The above amounts are unsecured, non-interest-bearing and have no fixed terms of repayment.

上述結餘均為無抵押及免息，沒有固定還款日期。



18 OTHER FINANCIAL ASSETS

18 其他金融資產

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Commercial bank wealth investment products (i)	商業銀行理財產品(i)	413,706	476,994

(i) As at 30 June 2017, the Group's commercial bank wealth investment products were mainly financial products purchased from banks with good credit rating and were stated at fair value, with expected annual interest rates ranging from 3.10% to 4.65% (31 December 2016: 3.1% to 4.0%). The investment products were acquired with original maturity of one month to one year and were not allowed to be withdrawn prior to the maturity date without the banks' consent.

(i) 於2017年6月30日，本集團的商業銀行理財產品主要為從良好的信貸評級的銀行購買並按公允價值列賬的金融產品，預期的年利率為3.1%至4.65%（2016年12月31日：3.1%至4.0%）。這些投資為一個月到一年到期且到期前沒有銀行的同意不得撤回。



19 CASH AND BANK BALANCES AND LONG-TERM BANK DEPOSITS AND PLEDGED DEPOSITS

19 現金及銀行結餘和長期銀行存款和保證金存款

		Note 附註	Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物		433,864	581,491
Pledged deposits with banks	受限制銀行存款		833,030	803,123
Time deposits with maturity of more than 3 months	到期日為三個月以上的定期存款		1,488,326	1,441,254
			2,755,220	2,825,868
Less: Pledged deposits with banks	減：受限制銀行存款	(a)	833,030	803,123
Less: Long-term bank deposits	減：長期銀行存款		—	379,927
Cash and bank balances	現金及銀行結餘		1,922,190	1,642,818

Note:

(a) As at 30 June 2017, other than certain bank loans secured by time deposits amounting to RMB802,927,000 (31 December 2016: RMB798,905,000), a deposit of RMB30,103,000 was secured for documentary credit (31 December 2016: RMB4,218,000 was pledged for letters of credit).

附註：

(a) 於2017年6月30日，除了一些銀行貸款是通過定期存款人民幣802,927,000元(2016年12月31日：人民幣798,905,000元)進行抵押，尚有人民幣30,103,000元存款為開具信用證進行抵押(2016年12月31日：人民幣4,218,000元被作為開具信用證的保證金)。



20 TRADE PAYABLES

An aged analysis of the Group's trade payables, based on the invoice date, as at the reporting date is as follows:

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Within 3 months	三個月以內	283,324	222,504
3 to 6 months	三個月至六個月	26,474	12,356
More than 6 months	六個月以上	27,681	2,761
		337,479	237,621

The amounts due to related parties included in trade payables are as follows:

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Subsidiaries of the ultimate holding company	最終控股股東的子公司	33,603	2,997
The subsidiaries of a substantial shareholder of the ultimate holding company	最終控股公司的主要股東的 聯屬公司	11,216	9,758
A subsidiary of a substantial shareholder	對本集團有重大影響的投資方的 附屬公司	229	—
		45,048	12,755

Trade payables, including amounts due to related parties, are non-interest-bearing and are normally settled within one month to three months.

20 貿易應付款

於報告日期，本集團根據發票日期的貿易應付款的賬齡分析如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Within 3 months	三個月以內	283,324	222,504
3 to 6 months	三個月至六個月	26,474	12,356
More than 6 months	六個月以上	27,681	2,761
		337,479	237,621

列入貿易應付款的應付關聯方的款項如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Subsidiaries of the ultimate holding company	最終控股股東的子公司	33,603	2,997
The subsidiaries of a substantial shareholder of the ultimate holding company	最終控股公司的主要股東的 聯屬公司	11,216	9,758
A subsidiary of a substantial shareholder	對本集團有重大影響的投資方的 附屬公司	229	—
		45,048	12,755

貿易應付款，包括應付關聯方的賬款，為不計息且一般於一至三個月內結算。



21 OTHER PAYABLES AND ACCRUALS

21 其他應付款及應計費用

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Advances from customers	客戶預付款	76,432	135,383
Accrued payroll	應計薪金	126,126	129,581
Termination benefits payables	應付離職補償	—	53,595
Interest payables	應付利息	409	239
Other tax payables	其他應付稅項	21,606	15,783
Guarantee deposits from customers	客戶保證金	66,311	66,513
Accrued expenses	預提費用	470,538	363,052
Construction cost payables	工程款	23,024	48,724
Others	其他	36,848	49,363
		821,294	862,233

The above amounts, including those due to related parties, are unsecured, non-interest-bearing and have no fixed terms of repayment.

上述款項，包括這些應付關聯方的賬款，為無抵押、免息及無固定還款期。

The amounts due to related parties included in other payables and accruals are as follows:

列入其他應付款項和應計費用的應付關聯方的款項如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Subsidiary of the ultimate holding company	最終控股公司的子公司	113	414
A substantial shareholder of subsidiaries of the ultimate holding company	最終控股公司的主要股東的聯屬公司	40	—
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	498	—
		651	414



22 INTEREST-BEARING BANK LOANS

22 計息銀行借款

		Unaudited 未經審核 As at 30 June 2017 於2017年6月30日			Audited 經審核 As at 31 December 2016 於2016年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元
Notes 附註							
Current	即期						
Short-term bank loans:	短期銀行貸款：						
– Pledged loans	– 質押借款	(a) LIBOR+0.9/ HIBOR+0.9/ EURIBOR*+0.9	2017	717,936	LIBOR+0.9/ HIBOR+0.9	2017	743,091
– Guaranteed loans	– 擔保借款	(b) 1.47	2017	200,000	1.47 to 3.915	2017	300,000
– Pledged and guaranteed loans	– 質押借款 及擔保 借款	(c) BKBM**+0.85	2017	97,825	–	–	–
– Credit loans	– 信用借款	3.915	2017	100,000	3.915	2017	100,000
				1,115,761			1,143,091
					Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元	
Bank loans denominated in	銀行貸款						
– USD	– 以美元計值				20,355		673,767
– RMB	– 以人民幣計值				300,000		400,000
– HKD	– 以港幣計值				694,184		69,324
– EUR	– 以歐元計值				14,682		–
– NZD	– 以紐幣計值				86,540		–
					1,115,761		1,143,091

Notes:

(a) As at 30 June 2017, certain bank loans with an aggregate amount of approximately RMB717,936,000 (31 December 2016: RMB743,091,000) were secured by bank balances amounting to RMB802,927,000 (31 December 2016: RMB798,905,000).

附註：

(a) 於2017年6月30日，總數額約為人民幣717,936,000元(2016年12月31日：人民幣743,091,000元)的銀行貸款以人民幣802,927,000元(2016年12月31日：人民幣798,905,000元)的存款進行抵押。



22 INTEREST-BEARING BANK LOANS (Continued)

22 計息銀行借款(續)

- (b) As at 30 June 2017, a bank loan amounting to RMB200,000,000 (31 December 2016: RMB200,000,000) was guaranteed by Yashili (Guangdong). As at 30 June 2017, no bank loan (31 December 2016: RMB100,000,000) was guaranteed by Shanxi Yashili Dairy Co., Ltd.
- (c) As at 30 June 2017, a bank loan of RMB97,825,000 (31 December 2016: Nil) was guaranteed by Yashili (Guangdong) and was also secured over all the assets of Yashili New Zealand by a general security agreement. As at 30 June 2017, the carrying amount of the total assets of Yashili New Zealand was RMB1,543,215,000.
- * EURIBOR: The Euro Interbank Offered Rate (Euribor) is a daily reference rate, published by the European Money Markets Institute for Eurozone banks.
- ** BKBM: The New Zealand Bank Bill Benchmark Rate (BKBM) is a base rate in New Zealand.

- (b) 於2017年6月30日，數額為人民幣200,000,000元(2016年12月31日：人民幣200,000,000元)的銀行貸款由雅士利(廣東)擔保。於2017年6月30日，無銀行貸款(2016年12月31日：人民幣100,000,000元)由山西雅士利乳業有限公司擔保。
- (c) 於2017年6月30日，數額約為人民幣97,825,000元(2016年12月31日：零)的銀行貸款由雅士利(廣東)進行擔保，同時新西蘭乳業截至2017年6月30日價值約為人民幣1,543,216,000元的全部資產處於一般保證協議下，以獲取該借款。
- * EURIBOR：歐元銀行間利率為歐洲貨幣市場署發佈的每日參考匯率。
- ** BKBM：新西蘭銀行票據基準利率為新西蘭的基礎參考匯率。



23 SHARE CAPITAL

23 股本

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Authorised:	已註冊：		
10,000,000,000 ordinary shares of HK\$0.1 each	10,000,000,000股每股面值 0.1港元的普通股	861,600	861,600
		Number of ordinary shares 普通股數目 (in thousand) (千股)	Nominal value 面值 RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：		
At 1 January 2017 (Audited)	於2017年1月1日(經審核)	4,745,560	399,352
As 30 June 2017 (Unaudited)	於2017年6月30日(未經審核)	4,745,560	399,352
At 1 January 2016 (Audited)	於2016年1月1日(經審核)	4,745,560	399,352
As 30 June 2016 (Unaudited)	於2016年6月30日(未經審核)	4,745,560	399,352

24 RESERVES

24 儲備

The amounts of the Group's reserves and the movements therein for the six months ended 30 June 2017 and 2016 are presented in the unaudited interim condensed consolidated statement of changes in equity on page 50 of these unaudited interim condensed consolidated financial statements.

本集團分別截至2017年6月30日及2016年6月30日止六個月期間的儲備金額及其變動呈列於本未經審核中期簡明合併財務報表第50頁未經審核中期簡明合併權益變動表。



25 DISPOSAL OF A SUBSIDIARY

Disposal of Yashili (Heilongjiang)

In June 2017, the Group disposed of a 100% equity interest in Heilongjiang Yashili Dairy Co., Ltd ("Yashili (Heilongjiang)") to an independent third party.

The net assets of Yashili (Heilongjiang) as at the date of disposal were as follows:

25 處置子公司

處置雅士利(黑龍江)

於2017年6月，本集團將持有的黑龍江雅士利乳業有限公司(以下簡稱「雅士利(黑龍江)」)的100%權益轉讓給了獨立第三方。

於處置日，雅士利(黑龍江)之淨資產如下：

		Notes 附註	RMB'000 人民幣千元
Net assets disposed of:	處置的淨資產賬面價值：		
Property, plant and equipment	物業、廠房及設備	11	25,289
Construction in progress	在建工程	12	41
Intangible assets	無形資產		2,506
Inventories	存貨		588
Prepayments, deposits and other receivables	預付款項、押金及其他應收款項		60
Trade payables	貿易應付款		(635)
Accruals and other payables	應計費用及其他應付款		(11,445)
Tax payable	應付所得稅		41
			16,445
Loss on disposal of a subsidiary	處置子公司損失	5	(11,698)
			4,747
Satisfied by:	收到的對價：		
Cash	現金		4,747



25 DISPOSAL OF A SUBSIDIARY (Continued)

Disposal of Yashili (Heilongjiang) (Continued)

An analysis of the cash flows in respect of the disposal of Yashili (Heilongjiang) for the current period is as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	4,747
Cash and bank balances disposed of	處置現金及銀行存款	—
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	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	4,747

25 處置子公司(續)

處置雅士利(黑龍江)(續)

於本期間，有關處置雅士利(黑龍江)事項之現金流量分析如下：

26 ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE

In December 2015, the Company decided to dispose of Scient (China). As at 30 June 2017, the negotiation with potential buyers was still in progress and the subsidiary was classified as a disposal group held for sale.

26 分類為持有待售的處置組資產及與分類為持有待售資產直接相關的負債

於2015年12月，本公司決定出售子公司施恩(中國)。於2017年6月30日，為出售這家子公司，本公司仍與潛在買家的談判正在進行。這家子公司被劃分至持有待售資產組。



26 ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

26 分類為持有待售的處置資產及與直接相關的負債(續)

The major classes of assets and liabilities of the subsidiary classified as held for sale as at 30 June 2017 are as follows:

於2017年6月30日，該子公司持有待售資產及負債如下：

		Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Assets:	資產：		
Property, plant and equipment	物業、廠房及設備	124,346	127,166
Land use rights	土地使用權	27,687	27,687
Intangible assets	無形資產	645	645
Trade receivables	貿易應收款	21	39
Prepayments, deposits and other receivables	預付款項、押金及其他應收款	3,096	3,068
Cash and short term deposits	現金及銀行結餘	180	1,080
Inventories	存貨	2,473	—
Investment properties	投資物業	45,443	44,774
Assets classified as held for sale	分類為持有待售的處置資產	203,891	204,459
Liabilities:	負債：		
Trade payables	貿易應付款	(118)	(201)
Other payables and accruals	其他應付款及應計費用	(4,227)	(4,787)
Liabilities directly associated with assets classified as held for sale	分類為持有待售資產直接相關的負債	(4,345)	(4,988)
Net assets directly associated with the disposal group	與處置組直接相關的淨資產	199,546	199,471



27 CAPITAL COMMITMENTS

The Group had the following outstanding capital commitments in respect of the purchase and construction of items of property, plant and equipment as at the end of the reporting period:

27 資本承擔

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：

		Unaudited 未經審核	Audited 經審核
		30 June 2017 二零一七年 六月三十日	31 December 2016 二零一六年 十二月三十一日
		RMB'000 人民幣千元	RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但未撥備：		
Land and buildings	房屋及建築物	2,797	19
Plant and machinery	機械設備	21,428	36,276
		24,225	36,295



28 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 related parties.

28 關聯方交易

(a) 除於本財務報表其他段落披露的交易及結餘外，本集團與其關聯人士進行下列重大交易。

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Transactions with subsidiaries of the ultimate holding company	與最終控股公司的子公司的關聯方交易		
Sale of raw materials	銷售原料	35	—
Sale of milk powder products	銷售奶粉產品	534	2,537
Purchase of milk powder products	購買奶粉產品	11,573	57,701
Purchase of base powder	採購基粉	27,378	50,534
Purchase of raw materials	購買原料	5,621	748
Purchase of complimentary products	購買搭贈商品	1,213	—
Income from consigned processing	委託加工奶粉產品	32,503	22,591
Income from rental of property and plant	出租物業及廠房	—	12
Interest income from cash pool	資金池利息收入	—	21
Purchase of shared services	服務費	655	—
Interest expense on entrusted loan	委託貸款的利息支出	—	131



28 RELATED PARTY TRANSACTIONS (Continued) 28 關聯方交易(續)

(a) (Continued)

(a) (續)

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Transactions with a substantial shareholder of subsidiaries of the ultimate holding company	與最終控股公司的主要股東的聯屬公司的關聯方交易		
Purchase of packing materials	購買包裝材料	16,194	5,486
Purchase of raw materials	購買原料	3,041	1,700
Purchase of products	購買產品	358	—
Transactions with a substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司		
Sale of raw materials	銷售原料	—	—
Sale of base powder	銷售基粉	25,858	6,171
Service income	服務費收入	2,553	—
Service expense	服務費支出	424	—

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

本公司董事認為，以上關連方交易乃按一般商業條款進行，並在日常業務過程中進行。



28 RELATED PARTY TRANSACTIONS (Continued) 28 關聯方交易 (續)

(b) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in notes 16, 17, 20 and 21 to these unaudited interim condensed consolidated financial statements.

(c) Compensation of key management personnel of the Group

(b) 與關聯方的未償還結餘

有關與關聯方的未償還結餘詳情載於本未經審核中期簡明合併財務報表附註16、17、20及21。

(c) 本集團主要管理人員的酬金

		Unaudited 未經審核	
		For the six months ended 30 June 截至6月30日止6個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Directors' fees	董事袍金	330	300
Salaries and allowances	薪金及津貼	1,209	2,190
Retirement benefit contributions	退休福利供款	45	56

The key management compensation represented the remuneration paid or payable to the directors and senior executives of the Company.

主要管理人員的報酬指已付或須付予本公司董事和高級行政人員的酬金。



29 FINANCIAL INSTRUMENTS

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

29 按類別劃分的金融工具

於報告期末，各類金融工具的賬面值如下：

		Unaudited 未經審核 As at 30 June 2017 於2017年6月30日		
		Financial assets at fair value through profit or loss 以公允價值 變動計損益 計量的金融資產 RMB'000 人民幣千元	Financial assets at amortised cost 以攤餘 成本計量的 金融資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial assets	金融資產			
Trade and bills receivables	貿易應收款及票據	—	161,956	161,956
Deposits and other receivables	押金及其他應收款項	—	143,564	143,564
Other current financial assets	其他金融資產	362,869	50,837	413,706
Pledged deposits	受限制銀行存款	—	833,030	833,030
Cash and bank balances	現金及銀行結餘	—	1,922,190	1,922,190
		362,869	3,111,577	3,474,446

		Unaudited 未經審核 As at 30 June 2017 於2017年6月30日		
		Financial liabilities at fair value through profit or loss 以公允價值 變動計損益 計量的金融資產 RMB'000 人民幣千元	Financial liabilities at amortised cost 以攤餘 成本計量的 金融資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial liabilities	金融負債			
Trade payables	貿易應付款	—	337,479	337,479
Other payables and accruals	其他應付款及應計費用	—	597,130	597,130
Short-term interest-bearing bank loans	短期計息銀行借款	—	1,115,761	1,115,761
		—	2,050,370	2,050,370



29 FINANCIAL INSTRUMENTS (Continued)

29 按類別劃分的金融工具 (續)

		Audited 經審核 As at 31 December 2016 於2016年12月31日		
		Financial assets at fair value through profit or loss 以公允價值 變動計損益 計量的金融資產 RMB'000 人民幣千元	Financial assets at amortised cost 以攤餘 成本計量的 金融資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial assets	金融資產			
Trade and bills receivables	貿易應收款及票據	—	161,391	161,391
Prepayments, deposits and other receivables	預付款項、押金及其他 應收款項	—	114,932	114,932
Other current financial assets	其他金融資產	426,884	50,110	476,994
Pledged deposits	受限制銀行存款	—	803,123	803,123
Long-term bank deposits	長期銀行存款	—	379,927	379,927
Cash and bank balances	現金及銀行結餘	—	1,642,818	1,642,818
		426,884	3,152,301	3,579,185

		Audited 經審核 As at 31 December 2016 於2016年12月31日		
		Financial liabilities at fair value through profit or loss 以公允價值 變動計損益 計量的金融資產 RMB'000 人民幣千元	Financial liabilities at amortised cost 以攤餘 成本計量的 金融資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial liabilities	金融負債			
Trade payables	貿易應付款	—	237,621	237,621
Other payables and accruals	其他應付款及應計費用	—	253,496	253,496
Short-term interest-bearing bank loans	短期計息銀行借款	—	1,143,091	1,143,091
		—	1,634,208	1,634,208



30 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

		Unaudited 未經審核 30 June 2017 2017年6月30日		Audited 經審核 31 December 2016 2016年12月31日	
		Carrying amount 賬面價值 RMB'000 人民幣千元	Fair value 公允價值 RMB'000 人民幣千元	Carrying amount 賬面價值 RMB'000 人民幣千元	Fair value 公允價值 RMB'000 人民幣千元
Financial assets	金融資產				
Long-term bank deposits	長期銀行存款	—	—	379,927	389,524

Management has assessed that the fair values of cash and cash equivalents, the current portion of pledged deposits, trade and bills receivables, other current financial assets, trade payables, financial assets included in prepayments and deposits, interest receivable, and other receivables, financial liabilities included in accruals and customers' deposits, interest payables and other payables and accruals, short-term bank loans approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the management. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the management. The valuation process and results are discussed with the management twice a year for interim and annual financial reporting.

30 金融工具之公允值及公允值層級

本集團的金融工具的賬面值及公允價值，不包括近似於公允價值的賬面值，詳情如下：

管理部門已評估現金和現金等價物、計入流動資產部分的抵押存款、貿易應收款及應收票據、其他金融資產、貿易應付款項、計入預付款及按金、應收利息及其他應收款項的金融資產、計入預提費用及客戶訂金、應付利息及其他應付款項的金融負債、短期計息銀行借款的公允價值與其賬面價值相同，由於這些金融工具的大部分將在短期內到期。

本集團由財務經理負責的財務團隊負責確定金融工具公允價值計量的政策和程序。財務團隊直接向管理層報告。在每個報告日，公司財務團隊分析金融工具價值的變動並確定應用於估值的主要輸入值。該估值由管理層審核與批准。為了中期和年度財務報告，估值過程和結果與管理層每年討論兩次。



30 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the financial assets 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 the non-current portion of pledged deposits and long-term bank deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets for which fair values are disclosed:

		As at 30 June 2017 於2017年 6月30日 Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三等級) RMB'000 人民幣千元	As at 31 December 2016 於2016年 12月31日 Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三等級) RMB'000 人民幣千元
Long-term bank deposits	長期銀行存款	—	389,524

During the six months ended 30 June 2017, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (six months ended 30 June 2016: Nil).

30 金融工具之公允值及公允值層級(續)

金融資產的公允價值以該工具自願交易方(強迫或清盤出售除外)當前交易下之可交易金額入賬。下列方法及假設乃用以估計公允價值：

計入非流動資產的抵押存款、長期銀行存款的公允價值乃採用類似條款、信貸風險及餘下到期日的工具現時可獲的利率折現預期未來現金流量的方式計算。

公允值層級

本集團採用以下層次以說明金融工具的公允值計量：

按公允值計量的資產：

Fair value measurement using 公允值計量的應用

	As at 30 June 2017 於2017年 6月30日 Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三等級) RMB'000 人民幣千元	As at 31 December 2016 於2016年 12月31日 Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三等級) RMB'000 人民幣千元
Long-term bank deposits	—	389,524

於截至2017年6月30日止6個月期間，金融資產並無第一等級與第二等級之間的公允價值轉移，且無自第三等級的轉入或轉出(截至2016年6月30日止6個月：無)。



31 EVENTS AFTER THE REPORTING PERIOD

As at the approval date of the unaudited interim condensed consolidated financial statements, the Group had no significant events after the reporting period which need to be disclosed.

32 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

33 APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 29 August 2017.

31 報告期後事項

於本未經審核中期簡明合併財務報表批准日，本集團無重大報告期後事項需披露。

32 比較數字

若干比較數字乃經重新編排，以符合本期之呈報形式。

33 批准未經審核中期簡明合併財務報表

本未經審核簡明合併中期財務報表於2017年8月29日經董事會批准並授權刊發。

雅士利[®]

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