



# China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司\*

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

Stock Code 股份代號: 1117



连续七年荣获世界食品品质评鉴大会

— 金奖 —



**2020**  
INTERIM REPORT  
中期報告

\* For identification purpose only 僅供識別



*“Farming diligently only for purity,  
genuineness, freshness and vitality”*

*「默默耕耘，只為純、真、鮮、活」*

## CORPORATE PROFILE

### 公司簡介

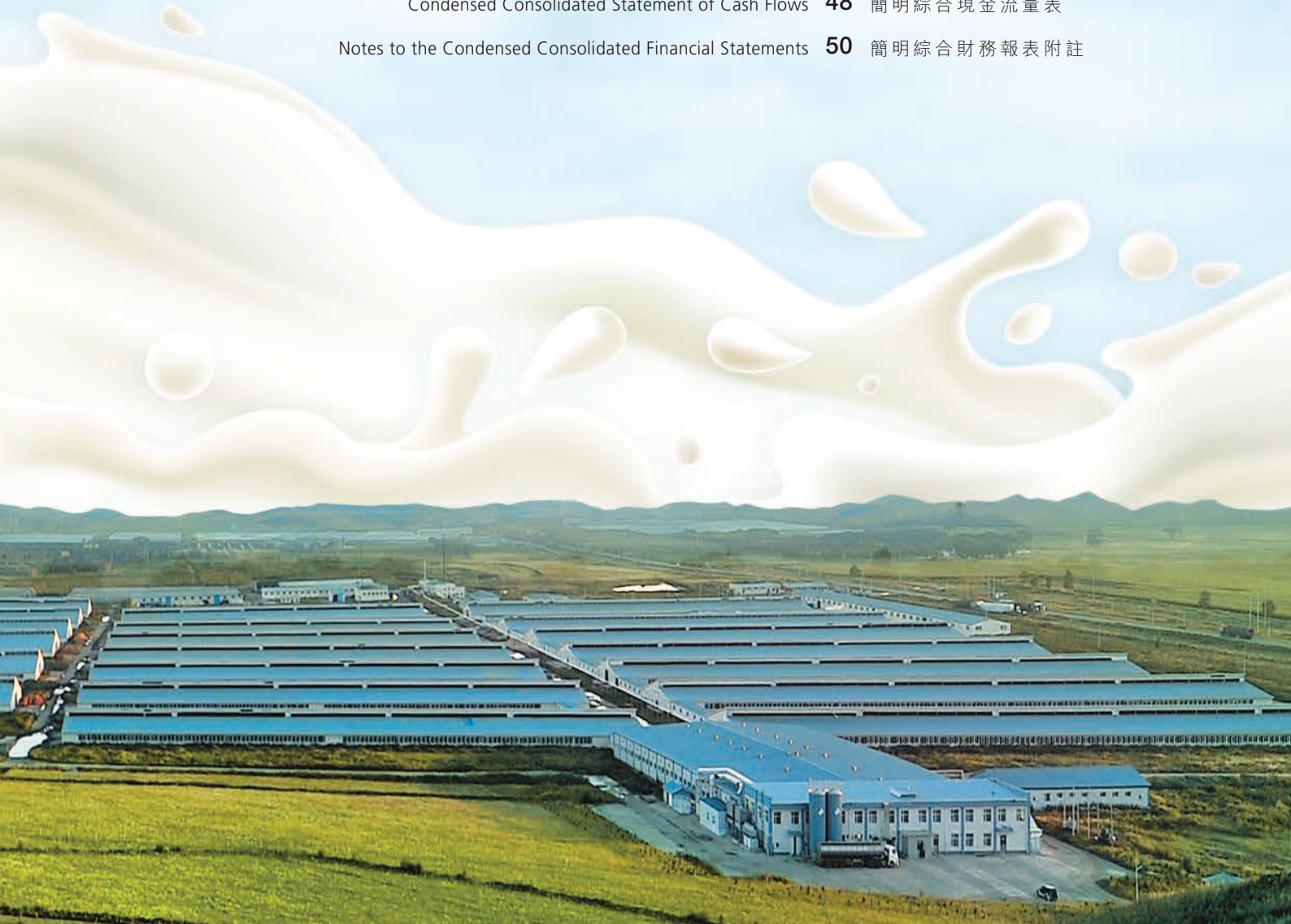
China Modern Dairy Holdings Limited (the “Company” or “Modern Dairy” together with its subsidiaries, the “Group”) is currently the largest dairy farming operator and fresh raw milk producer in the People’s Republic of China (the “PRC”) in terms of its herd size and milk yield. Modern Dairy operates 26 dairy farms in the PRC with dairy cows over 235 thousand heads and annual milk yield around 1.5 million tons. The Company initiated the production model of “Zero-distance Integration of Forage Grass Planting, Cows Breeding and Milk Processing within Two Hours”, which is the first and the only enterprise at present in the PRC that applies integrated production model with SGS certification. Modern Dairy’s products have been awarded the Gold Prize of Monde Selection which is generally regarded as the “Nobel Prize” in the food industry, for the past seven consecutive years.

中國現代牧業控股有限公司(「本公司」或「現代牧業」)連同其附屬公司(「本集團」)，按牛群數量及原奶供應量，現為中華人民共和國(「中國」)最大的乳牛畜牧營運商及最大的原料奶生產商。現代牧業於中國經營26個乳牛牧場，擁有超過23.5萬頭乳牛及每年產奶量近150萬噸。本集團首創「種養加一體化、零距離2小時」的生產模式，是中國首家、也是目前唯一一家一體化生產模式並通過SGS認證的企業。現代牧業的產品於過去七年連續在素有食品業「諾貝爾獎」之稱的世界食品品質評鑒大會中獲得金獎。



## CONTENTS 目錄

Corporate Information	2	公司資料
Highlights	4	摘要
Farm Map	7	牧場位置圖
Products of the Group and Associates	8	集團及聯營公司產品
Management Discussion and Analysis	10	管理層討論及分析
Report of the Directors	33	董事會報告
Report on Review of Condensed Consolidated Financial Statements	42	簡明綜合財務報表審閱報告
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	44	簡明綜合損益及其他全面收益表
Condensed Consolidated Statement of Financial Position	45	簡明綜合財務狀況表
Condensed Consolidated Statement of Changes in Equity	47	簡明綜合權益變動表
Condensed Consolidated Statement of Cash Flows	48	簡明綜合現金流量表
Notes to the Condensed Consolidated Financial Statements	50	簡明綜合財務報表附註





# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Ms. GAO Lina (*Vice Chairman and Chief Executive Officer*)  
Mr. Han Chulin (*Chief Operation Officer*),  
resigned on 1 April 2020  
Mr. SUN Yugang (*Executive Vice President*),  
appointed on 1 April 2020

#### Non-Executive Directors

Mr. LU Minfang (*Chairman of the Board*)  
Mr. ZHANG Ping  
Mr. ZHAO Jiejun  
Ms. GAN Lu (appointed on 1 April 2020)

#### Independent Non-Executive Directors

Mr. LI Shengli  
Mr. LEE Kong Wai, Conway  
Mr. KANG Yan (resigned on 1 April 2020)  
Mr. WOLHARDT Julian Juul  
(re-designated from Non-executive Director on 1 April 2020)

#### AUDIT COMMITTEE

Mr. LEE Kong Wai, Conway (*Chairman*)  
Mr. WOLHARDT Julian Juul  
Mr. ZHANG Ping (appointed on 1 April 2020)  
Mr. KANG Yan (resigned on 1 April 2020)

#### REMUNERATION COMMITTEE

Mr. LI Shengli (*Chairman*)  
Mr. ZHANG Ping  
Mr. WOLHARDT Julian Juul  
(appointed on 1 April 2020)  
Mr. KANG Yan (resigned on 1 April 2020)

#### NOMINATION COMMITTEE

Mr. LU Minfang (*Chairman*)  
Mr. LEE Kong Wai, Conway  
Mr. WOLHARDT Julian Juul  
(appointed on 1 April 2020)  
Mr. KANG Yan (resigned on 1 April 2020)

#### STRATEGY AND DEVELOPMENT COMMITTEE

Ms. GAO Lina (*Chairman*)  
Mr. LI Shengli  
Mr. ZHAO Jiejun  
Ms. GAN Lu (appointed on 1 April 2020)  
Mr. WOLHARDT Julian Juul (ceased to be a member on 1 April 2020)

#### AUTHORISED REPRESENTATIVES

Ms. GAO Lina  
Mr. LI Kwok Fat

#### COMPANY SECRETARY

Mr. LI Kwok Fat (*CPA, ACIS, ACS*)

### 董事會

#### 執行董事

高麗娜女士 (*副主席兼總裁*)  
韓春林先生 (*營運總經理*)，  
於2020年4月1日辭任  
孫玉剛先生 (*常務副總裁*)，  
於2020年4月1日獲委任

#### 非執行董事

盧敏放先生 (*董事會主席*)  
張平先生  
趙傑軍先生  
甘璐女士 (於2020年4月1日獲委任)

#### 獨立非執行董事

李勝利先生  
李港衛先生  
康龔先生 (於2020年4月1日辭任)  
WOLHARDT Julian Juul先生  
(於2020年4月1日由非執行董事調任)

#### 審核委員會

李港衛先生 (*主席*)  
WOLHARDT Julian Juul先生  
張平先生 (於2020年4月1日獲委任)  
康龔先生 (於2020年4月1日辭任)

#### 薪酬委員會

李勝利先生 (*主席*)  
張平先生  
WOLHARDT Julian Juul先生  
(於2020年4月1日獲委任)  
康龔先生 (於2020年4月1日辭任)

#### 提名委員會

盧敏放先生 (*主席*)  
李港衛先生  
WOLHARDT Julian Juul先生  
(於2020年4月1日獲委任)  
康龔先生 (於2020年4月1日辭任)

#### 戰略及發展委員會

高麗娜女士 (*主席*)  
李勝利先生  
趙傑軍先生  
甘璐女士 (於2020年4月1日獲委任)  
WOLHARDT Julian Juul先生 (於2020年4月1日  
不再擔任成員)

#### 授權代表

高麗娜女士  
李國發先生

#### 公司秘書

李國發先生 (*CPA, ACIS, ACS*)



### **HEADQUARTERS**

Economic and Technological Development Zone  
Maanshan City, Anhui Province  
PRC

### **REGISTERED OFFICE**

Maples Corporate Services Limited  
PO Box 309  
Ugland House  
Grand Cayman, KY1-1104, Cayman Islands

### **HONG KONG OFFICE**

Room A, 32nd Floor, COFCO Tower  
262 Gloucester Road, Causeway Bay, Hong Kong

### **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Maples Finance Limited  
PO Box 1093  
Queensgate House  
Grand Cayman, KY1-1102  
Cayman Islands

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
Rooms 1712-1716, 17/F, Hopewell Centre  
183 Queen's Road East, Wanchai, Hong Kong

### **LEGAL ADVISORS**

#### **As to Hong Kong Law**

Cleary Gottlieb Steen & Hamilton (Hong Kong)

#### **As to PRC Law**

Commerce & Finance Law Offices

#### **As to Cayman Islands Law**

Maples and Calder

### **AUDITOR**

Deloitte Touche Tohmatsu

### **PRINCIPAL BANKERS**

China Construction Bank Maanshan Branch  
Agricultural Development Bank of China  
China Minsheng Bank  
China Construction Bank (Asia)  
Rabobank Hong Kong  
Westpac Banking Corporation

### **STOCK CODE**

The Stock Exchange of Hong Kong Limited: 1117

### **WEBSITE AND CONTACT**

<http://www.moderndairyir.com>  
Enquiry: (+852) 2850-6252

### **總辦事處**

中國  
安徽省馬鞍山市  
經濟技術開發區

### **註冊辦事處**

Maples Corporate Services Limited  
PO Box 309  
Ugland House  
Grand Cayman, KY1-1104, Cayman Islands

### **香港辦事處**

香港銅鑼灣告士打道262號  
中糧大廈32樓A室

### **股份過戶登記總處**

Maples Finance Limited  
PO Box 1093  
Queensgate House  
Grand Cayman, KY1-1102  
Cayman Islands

### **香港股份過戶登記分處**

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

### **法律顧問**

#### **香港法律**

佳利(香港)律師事務所

#### **中國法律**

通商律師事務所

#### **開曼群島法律**

Maples and Calder

### **核數師**

德勤•關黃陳方會計師行

### **主要銀行**

中國建設銀行馬鞍山分行  
中國農業發展銀行  
中國民生銀行  
中國建設銀行(亞洲)  
荷蘭合作銀行香港分行  
西太平洋銀行

### **股份代號**

香港聯合交易所有限公司：1117

### **網址及聯絡**

<http://www.moderndairyir.com>  
諮詢：(+852) 2850-6252



# HIGHLIGHTS

## 摘要

### FOR THE SIX MONTHS ENDED 30 JUNE

截至6月30日止六個月

(All amounts in Renminbi (“RMB”) million unless otherwise stated)	(除特別列明外，所有金額以人民幣(「人民幣」)百萬元列示)	2020 2020年 (unaudited) (未經審核)	2019 2019年 (unaudited) (未經審核)	Change 變動
Revenue	收入	2,827.8	2,570.1	+10.0%
Gross profit before raw milk fair value adjustments	原料奶公平值調整前的毛利	1,052.0	898.1	+17.1%
Cash EBITDA (Note 1)	現金EBITDA(附註1)	986.9	865.4	+14.0%
Profit attributable to owners of the Company	本公司持有人應佔溢利	220.7	124.9	+76.7%
Net operating cash inflow	經營現金淨流入	1,055.2	855.6	+23.3%
Free cash flow (Note 2)	自由現金流(附註2)	631.8	351.1	+79.9%
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	3.47	2.05	+69.3%
Net asset value per share (RMB) (Note 3)	每股資產淨值(人民幣元) (附註3)	1.14	1.07	+6.5%
Annualized milk yield of milkable cow (tons/head)	成乳牛年化產量(噸/頭)	11.2	10.6	+5.7%
Period milk yield (tons ‘0,000)	期內產奶量(萬噸)	75	68	+10.3%
Herd scale (heads)	畜群規模(頭)	235,877	226,861	+4.0%

- Strong Growth in Financial Performance:** For the six months ended 30 June 2020, the total revenue of the Group reached RMB2,828 million, representing a year-on-year (“yoy”) increase of 10%. Cash EBITDA recorded RMB987 million, a yoy increase of 14%. The profit attributable to owners of the Company reached RMB221 million, a yoy increase of 77%. Excluding the one-off gains in the two corresponding periods, the profit increased substantially by 492% compared to the same period in 2019;
- 財務業績強勁增長：**截至2020年6月30日止六個月，本集團的總收入達人民幣28.28億元，同比增長10%。現金EBITDA錄得人民幣9.87億元，同比增長14%。本公司擁有人應佔溢利錄得人民幣2.21億元，同比提升77%。撇除兩個相應期間的一次性收益，溢利較2019年同期大幅增長492%；
- Significant Increase in Free Cash Flow:** The cash flow position of the Group was strong, with free cash flow increased significantly to RMB632 million, representing a yoy growth of 80%;
- 自由現金流大幅增長：**本集團現金流狀況表現強勁，自由現金流大幅增至人民幣6.32億元，同比增長80%；



- **Unit Yield of Milkable Cows Reaching Another Peak:** The major operating indicators of the Group have all exceeded targets. The annualized unit yield of milkable cows for the Reporting Period reached 11.2 tons (2019:10.6 tons), representing a yoy growth of 6% and reaching another peak. The total milk production during the Reporting Period hit 750 thousand tons (2019: 680 thousand tons), representing a yoy growth of 10%. As at 30 June 2020, the Company owned 235,877 head of dairy cows and achieved a yoy increase of 4% or 9,000 head of dairy cows, in line with the Group's overall herd expansion strategies;
- **Significant Decrease in Debt Scale:** The Company has implemented the strategy of reducing debts in an orderly manner and has achieved remarkable results. The debt-to-asset ratio dropped from nearly 60% at the end of 2018 to 51% as of 30 June 2020;
- **Branded Milk Won Gold Awards for Seven Consecutive Times:** Modern Dairy's pure milk was awarded the Gold Prize of Monde Selection for the seventh consecutive year; the brand of Modern Dairy has been shortlisted as the "Strategic Partner of China's Aerospace Industry", symbolizing that our premium quality branded milk was widely recognized by all sectors of the society.
- **成乳牛單產再創新高：**本集團的主要營運指標均超越目標。於匯報期間成乳牛年化產量達11.2噸(2019年：10.6噸)，同比增長6%，再創新高；匯報期間的總產奶量達75萬噸(2019年：68萬噸)，同比增長10%。於2020年6月30日，本公司擁有235,877頭奶牛，同比增長4%，即9,000多頭奶牛，符合本集團的整體擴群策略；
- **債務規模大幅下降：**本公司執行有序降債的策略，已取得明顯成效。資產負債率從2018年年底的接近60%下降至2020年6月30日的51%；
- **品牌奶七次蟬聯金獎：**現代牧業純牛奶連續七年獲世界食品質量評鑒大會金獎；現代牧業品牌成為「中國航天事業戰略合作夥伴」，標誌著公司的高質量品牌奶充分獲得社會各界的廣泛肯定。

#### Notes:

1. Cash EBITDA is defined as earnings before finance costs and tax having added back: i) depreciation for property, plant and equipment and right-of-use assets charged to profit or loss; ii) other gains and losses, net; iii) impairment losses under the expected credit loss model, net of reversal; and iv) loss arising from changes in fair value less costs to sell of dairy cows.
2. Free cash flow is defined as net cash from operating activities having added net cash used in investing activities.
3. Equity attributable to owners of the Company at the period end divided by the number of ordinary shares in issue at the end of the reporting periods, defined as the six months ended 30 June 2020 and the six months ended 30 June 2019.

#### 附註：

1. 現金EBITDA定義為在加回以下項目後的融資成本及稅項前盈利：i)物業、廠房及設備以及使用權資產折舊致使的損益；ii)其他收益及虧損淨額；iii)預期信貸虧損模型下減值虧損及扣除撥回；及iv)乳牛公平值變動減乳牛銷售成本產生的虧損。
2. 自由現金流定義為經營活動所得現金淨額加投資活動所用現金淨額。
3. 期末本公司擁有人應佔權益除以匯報期間末(定義為截至2020年6月30日止六個月和截至2019年6月30日止六個月)已發行普通股股數。



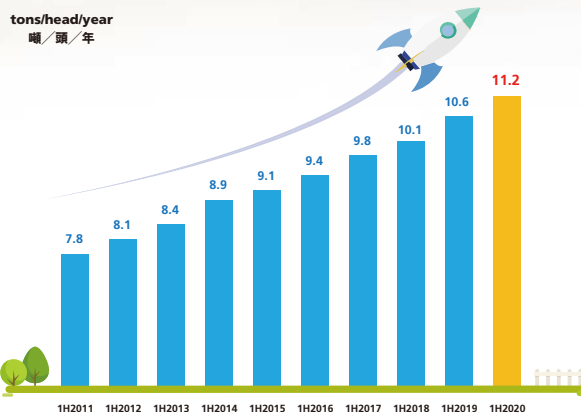
# HIGHLIGHTS

## 摘要

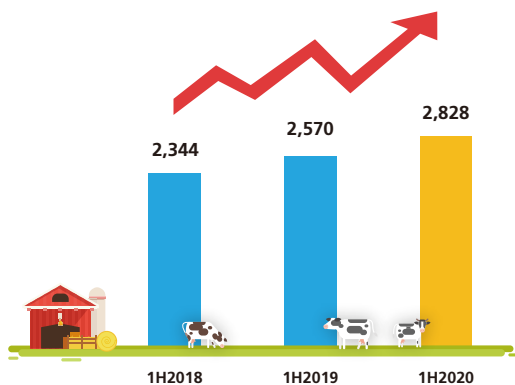
Raw Milk Production (tons\*0,000)  
原奶產量 (萬噸)



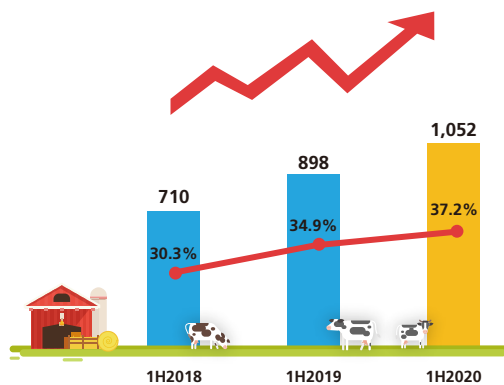
Annualized Milk Yield (per milkable cow)  
年化單產 (每頭成乳牛)



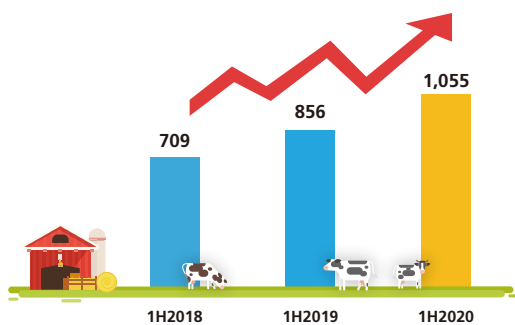
Sales of Raw Milk (RMB'million)  
原奶銷售額 (人民幣百萬元)



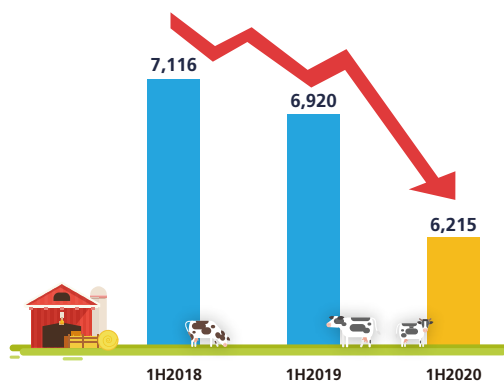
Gross Profits (RMB'million) and Margin (%)  
毛利 (人民幣百萬元) 及毛利率 (%)



Net Operating Cash Inflow (RMB'million)  
經營所得現金淨額 (人民幣百萬元)

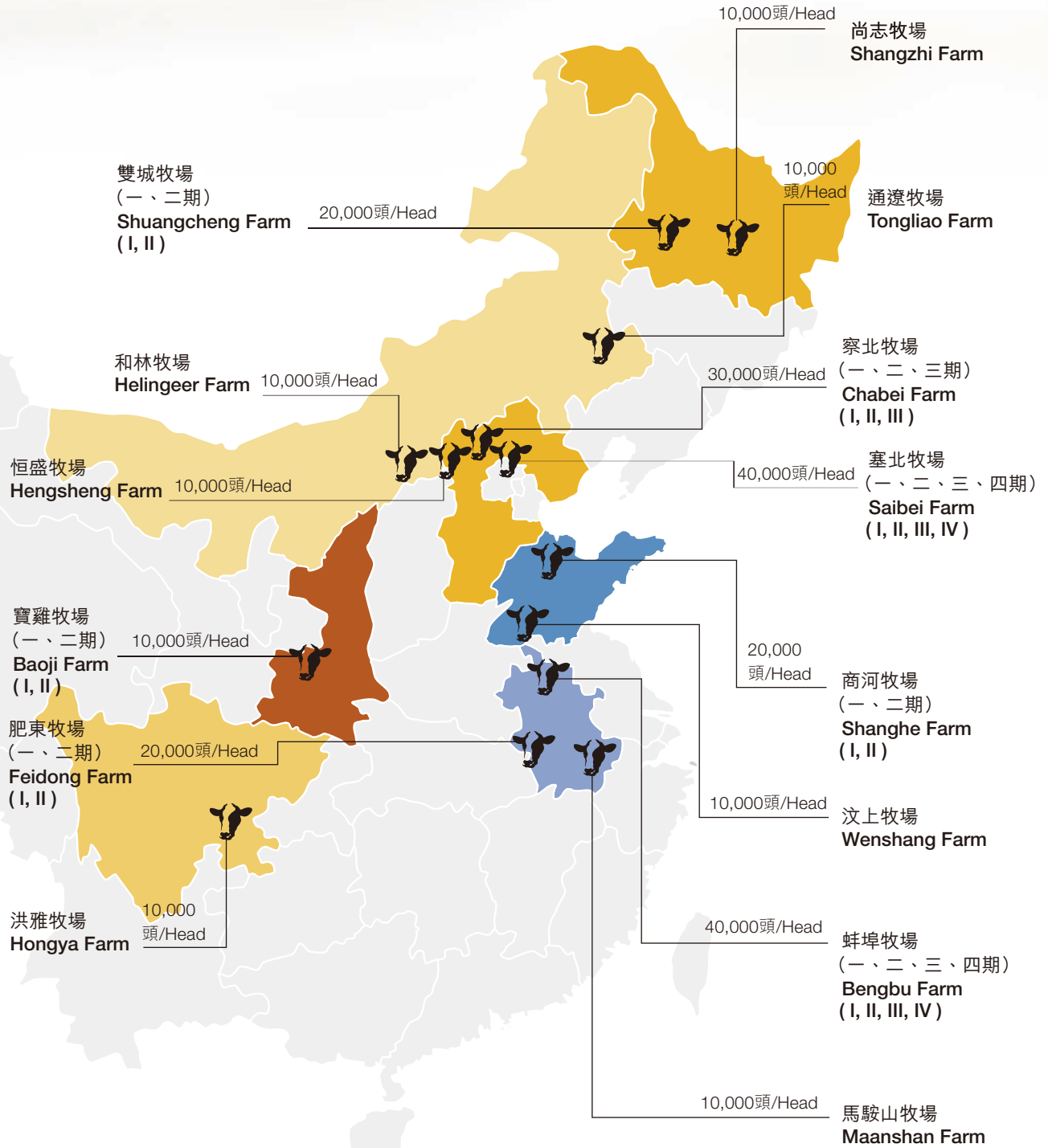


Interest-bearing Loan (RMB'million)  
有息負債規模 (人民幣百萬元)



# FARM MAP

## 牧場位置圖



Approximate number of dairy cows (Head)  
乳牛約數量(頭)





## FRESH RAW MILK 生鮮原料奶

We operate a total of 26 dairy farms with 235,877 dairy cows in total across seven provinces in mainland China. Each milkable cow on average can produce 11.2 tons of fresh pasture milk each year.

我們在中國內地七個省區合共營運26個牧場，飼養共235,877頭乳牛，每頭成乳牛平均年產出達11.2噸生鮮牧場奶。



## PURE MILK WITH GOLD AWARD 金獎純牛奶

The pure milk is awarded gold prize at Monde Selection for seven consecutive years, produced by self-owned farms with high-quality milk sources.

自家牧場，優質奶源，連續七年榮獲世界食品品質評鑒大會金獎的純牛奶。





## PRODUCTS OF THE GROUP AND ASSOCIATES 集團及聯營公司產品

### HIGH CALCIUM MILK

#### 高鈣牛奶

High in calcium from good dairy farms, Modern Dairy High Calcium Milk contain 125mg of calcium per 100ml. Vitamin D is specially added to facilitate calcium absorption. The milk is nutritious, pure and rich in taste.

高鈣源自好牧場，現代牧業高鈣奶每100ml含鈣125mg，特別加入維生素D，促進鈣的吸收，營養豐富，純正香濃。



### WALNUT MILK

#### 核桃奶

Made of finely-selected walnuts and fresh quality raw milk, the color walnut milk leave the consumers a rich aftertaste.

選頂級核桃仁，配以優質原奶，推出的花色核桃牛奶，讓消費者一嚐再回味。





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

#### Industry Overview

In the first half of 2020, despite facing the severe challenges imposed by the outbreak of the coronavirus disease 2019 (COVID-19) (the “Pandemic Outbreak”) and the complex and ever-changing international geopolitics, the People’s Republic of China (the “PRC”) has forged ahead by overcoming the Pandemic Outbreak, with the resumption of work and production basically completed by mid-2020 and social activities returning to normal state. According to the statistics released by the National Bureau of Statistics, the gross domestic product (“GDP”) in the first half of the year fell slightly by 1.6% year-on-year (“yoy”). In terms of quarters, the first quarter fell by 6.8% yoy, while the second quarter increased by 3.2% yoy. In the first half of the year, national economy recovered after the recession. Economic growth turned from negative to positive with the main indicators witnessing a restorative growth in the second quarter. The economic operation recovered steadily, the basic livelihood was firmly protected and the overall social development stabilized with the generally positive market expectation.

In terms of dairy industry, due to the Pandemic Outbreak, the concept of healthy consumption is gradually becoming more prominent among the general public. With the steady progress of resumption of work and production, the milk consumption in the PRC has exhibited a growth momentum, driving the milk prices to bottom out. Although tariffs for alfalfa, an important imported feed for dairy farming, was not imposed even under the Sino-US trade war, domestic feed prices, such as corn and soybean meal, have shown an upward trend yoy. As such, despite facing the complex and volatile domestic and international economic environment, the sales of major dairy companies recovered to more than 90%. Statistics from the National Bureau of Statistics showed that the production volume of raw milk recorded a 7.9% increase yoy. Against the background of strengthened healthy consumption mindsets, higher consumption levels, and expansion of the domestic demand cycle, it is foreseeable that the quality expectation and demand for dairy products will improve simultaneously.

Over the recent years, the dairy industry has been devoted to low temperature production and providing high-end products. Large-scale farms have become a main source of production for current commodity raw milk in the PRC. With the increasing threshold of domestic large-scale farming industry, the traditional backyard farming and small- and medium-sized dairy farming have lost their competitive edges. In the future, the increasing demand for raw milk will be met by the increase in production of large-scale farms, and the linkage between upstream and downstream dairy enterprises will be further strengthened.

#### 業務回顧

#### 行業概覽

2020年上半年，雖然在面對新冠疫情爆發（「疫情爆發」）的嚴峻考驗以及複雜多變的國際地緣政治下，我國砥礪前行，攻克了疫情，於2020年中已經基本完成復工復產，社會基本回復正常，據國家統計局公佈數據，上半年國內生產總值（「GDP」）同比僅輕微下降1.6%。分季度看，一季度同比下降6.8%，二季度增長3.2%。上半年我國經濟先降後升，二季度經濟增長由負轉正，主要指標恢復性增長，經濟運行穩步復蘇，基本民生保障有力，市場預期總體向好，社會發展大局穩定。

乳業行業方面，受疫情爆發影響，人們的健康消費觀念日漸增強，隨着復工復產穩步推進，中國的牛奶消費量呈現增長態勢，帶動奶價觸底回升，雖然奶牛養殖的重要進口飼料苜蓿草並未因為貿易戰會增加關稅，但國內飼料價格，如玉米和豆粕均同比呈上漲趨勢。因此，儘管面對複雜多變的國內外經濟環境，主要乳品企業銷售恢復到九成以上，國家統計局數據顯示生鮮乳產量同比增長了7.9%。在日漸健康消費觀念增強、消費水平提高、擴大內需循環的背景下，可以預見對於乳製品的質量要求、需求空間的同時提升。

近年來，奶業一直朝着生產低溫化及高端化產品的方向發展，規模化牧場已成為當前我國商品生鮮乳生產的主體。隨着國內大型養殖業門檻不斷提高，傳統散養及中小型規模牧場的模式不再具備競爭優勢。未來原奶增量需求將主要依靠規模化牧場增群增產來解決，上下游乳企聯動進一步加強。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Business Review

For the six months ended 30 June 2020 (the “Reporting Period”), the Group was mainly engaged in dairy farming operations (producing and selling quality raw milk for customers who process it into dairy products) and developing its self-branded liquid milk products through associates jointly established with China Mengniu Dairy Company Limited (“Mengniu”). The Group is committed to concentrating its resources on the upstream dairy farming business, targeting clients’ demand for high-quality raw milk, providing raw milk for diversified and high-quality products.

During the Reporting Period, the Group has strived for excellence and achieved profit before tax of approximately RMB226.6 million (2019: RMB133.9 million), representing a growth of 69.2% yoy and net free cash inflow of RMB631.8 million (2019: RMB351.1 million), representing a growth of 79.9% yoy, by increasing unit production, reducing costs, increasing operational efficiency and conducting appropriate herd expansion.

### Operational Performance

For the Reporting Period, the performance of the major operating targets of the Group exceeded our expectation. The external average selling price (“ASP”) of raw milk stood at RMB3.87/kg (2019: RMB3.85/kg), representing a growth of 0.5% yoy. During the Reporting Period, the annualized milk yield per head of milkable cow (“AMY”) increased by 5.7% yoy to 11.2 tons (2019: 10.6 tons). With the uplift of raw milk production and the increase in the number of milkable cows, the total milk production during the Reporting Period hit 750 thousand tons (2019: 680 thousand tons), representing a growth of 10.3% yoy. The Group has achieved sales of raw milk up to RMB2,827.8 million (2019: RMB2,570.1 million), representing a yoy growth of 10.0%. Benefiting from an increase in AMY and total milk production and effective cost control, the gross profit (before raw milk fair value adjustments) of the dairy farming business stood at RMB1,052.0 million (2019: RMB898.1 million) with a gross profit margin of 37.2% (2019: 34.9%) during the Reporting Period.

### 業務回顧

截至2020年6月30日止六個月(「匯報期間」)，本集團主要從事奶牛養殖業務(生產和銷售優質原料奶，客戶加工成乳製品)及通過與中國蒙牛乳業有限公司(「蒙牛」)組建的聯營公司發展自有品牌液態奶產品。本集團致力集中資源專注上游奶牛養殖業務，針對客戶對優質原奶的需求，向多元化及高品質產品提供原奶。

本集團銳意進取，通過提升單產、降本增效並適度擴群，於本匯報期間錄得稅前盈利約人民幣226.6百萬元(2019年：人民幣133.9百萬元)，同比增加69.2%。自由現金流淨流入人民幣631.8百萬元(2019年：人民幣351.1百萬元)，同比增加79.9%。

### 經營表現

於本匯報期間，本集團的主要營運目標表現均優於預期。原料奶外部平均銷售單價(「平均售價」)為人民幣3.87元/公斤(2019年：人民幣3.85元/公斤)，同比增長0.5%。於本匯報期間，每頭成乳牛的年化產奶量(「單產」)同比增加5.7%至11.2噸(2019年：10.6噸)。隨著原料奶產量及成乳牛規模增加，於匯報期間內總產奶量達75萬噸(2019年：68萬噸)，同比上升10.3%。原料奶銷售額高達人民幣2,827.8百萬元(2019年：人民幣2,570.1百萬元)，同比上升10.0%。得益於單產的提升與總產奶量增長及有效的成本控制，於匯報期間內乳牛養殖業務的毛利(於原料奶公平值調整前)達人民幣1,052.0百萬元(2019年：人民幣898.1百萬元)，毛利率為37.2%(2019年：34.9%)。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

During the Reporting Period, the Group successfully kept the unit cost (excluding depreciation of property, plant and equipment) of raw milk at RMB2.27/kg (2019: RMB2.31/kg), representing a yoy decrease of 1.7%. This was achieved by continuous boosting of the health of cows, optimization in the formula of feed mix, increase in the usage of silage, enhancement in the absorbance conversion rate of dairy cows and the usage of the unified procurement platforms and other measures. Out of which, the direct feed cost decreased to RMB1.75/kg during the Reporting Period from RMB1.78/kg for the same period of last year, representing a decrease of 1.7% yoy.

#### Minimal Impact from COVID-19

During the Pandemic Outbreak, the Group stringently adopted various response measures to prevent the possible impact of the Pandemic Outbreak. Since the Pandemic Outbreak, except for a mild impact inflicted on transportation and logistics during the early stage thereof, the overall operation of the Group's farms has remained normal and production and sales volume of raw milk have been stable, and neither of the Group's cows nor employees have been substantially affected. During the Reporting Period, the Company's management adjusted operation strategies in time and allocated resources flexibly when facing external uncertainties. While increasing AMY, reducing operating costs, improving efficiency and conducting appropriate herd expansion, we were able to enhance the quality of our raw milk. The Group will continue to adhere to the fundamental principles of safe and quality production, provide each of its dairy cows with the best living environment, use the most natural scientific breeding methods and feeding techniques to allow our dairy cows to produce the highest quality pasture milk, and give back to consumers.

本集團持續通過提升牛隻健康、優化飼料配方結構、提高青貯飼料使用量、提高奶牛吸收轉化率及借助統一採購平台等措施，於匯報期間內成功將公斤奶成本(不包括物業、廠房及設備折舊)控制在人民幣2.27元/公斤(2019年：人民幣2.31元/公斤)，同比下降1.7%。其中直接飼料成本由去年同期的人民幣1.78元/公斤下降至匯報期間內人民幣1.75元/公斤，同比降幅達1.7%。

#### 疫情爆發影響輕微

於疫情爆發期間，本集團嚴格採取了各項應對措施以防止疫情爆發可能帶來的影響。疫情爆發以來，除了運輸及物流在初期受到輕微影響外，本集團旗下牧場整體維持營運正常，原料奶生產及銷售穩定，本集團牛隻與員工均未有受到實質性影響。於匯報期間內，本公司管理層在面對外圍不確定因素適時調整營運策略，靈活調配資源，通過提升單產、降低成本增效，並適度擴群，提高我們牧場原奶的品質。本集團將繼續往開來貫徹恪守安全品質生產的大原則，為其每頭乳牛提供最好的生活環境，以最天然的科學養殖方法及餵飼工藝，讓乳牛生產最優質的牧場奶，回饋消費者。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### DAIRY FARMS

Leveraging on the world's first model of "integration of forage planting, cow breeding and milk processing", Modern Dairy is currently the largest leading dairy farming company and the largest producer of raw fresh milk in the PRC in terms of the herd scale and volume of annual production. As a nationwide farm, we are endowed with unique geographical advantages that our farms are mostly located at regions with fine climate and ample supply of feed, and are adjacent to processing plants of dairy products to ensure that the routing from milking to processing could be completed in the shortest time.

The Group has renovated the cowshed equipment and improved the ventilation system; adjusted the feeding formula and increased the frequency of feeding, enhanced the dryness level of the bedding materials through drying technique and improved the bedding comfortability; increased the frequency of sink cleaning to ensure healthy drinking water with the aim of continuously improving and enhancing the comfortability for milkable cows so as to raise the milk production.

Each farm is equipped with modern cowshed equipment, logistics systems, environmental protection facilities, 24/7 monitoring system, and with veterinarians stationed in farms to make sure that each cow is habitating in a comfortable environment, producing high quality and healthy raw milk.

### 牧場概況

依託全球首創的「牧草種植、奶牛養殖、牛奶加工一體化」模式，就畜群規模和年產量來說，現代牧業是目前中國內地最大的龍頭乳牛畜牧公司及最大的生鮮原料奶生產商。作為全國性牧場，我們具備得天獨厚的地理優勢。牧場多處於優良氣候及具備充足飼料供應的區域，臨近乳品加工廠，確保原奶從擠奶到加工於最短時間內完成。

本集團對牛舍設備進行了改造，改善通風環境；調整飼餵配方、增加推料頻次；利用烘乾技術提高臥床墊料的乾爽標準，提高臥床舒適度；提高水槽清洗頻次，保證牛隻飲水健康，不斷提升和改善成乳牛的舒適度提升產奶量。

每個牧場均具備現代化的牛舍設備，物流系統，環保設施，設全天候監控系統，駐場獸醫。務求讓每頭牛都能有舒適的生活環境、生產優質健康的原奶。

蚌埠牧場  
▼ Bengbu Farm



小牛  
Calve ▼



牛舍內部  
▶ Barn





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Herd Scale

### 畜群規模

		As at 於	
		30 June 2020 2020年 6月30日 Heads 頭	30 June 2019 2019年 6月30日 Heads 頭
Dairy cows	乳牛		
Milkable cows	奶牛	134,533	131,658
Heifers and calves	小乳牛及小牛	101,344	95,203
Total	總計	235,877	226,861

The Group currently operates a total of 26 dairy farms (each with a herd size close to or over 10,000 dairy cows) across seven provinces in the PRC. The breeds of milkable cows are Holstein dairy cows or their offspring, with good physical health and high milk yield. The Group adheres to the strategy of appropriate herd expansion. On the basis of not increasing the major ranch facilities of existing farms, the Group increases the size of the herd by maximising the utilization rate of existing ranch. Besides, we continue to improve the genetics of dairy cows so as to increase the proportion of the core herd and achieve a steady growth in production.

本集團現時在中國內地七個省區營運26個萬頭級牧場，奶牛的品種為荷斯坦牛或其後代，其體質健康，產奶量高。本集團採立適當的擴群策略，在不增加現有牧場重大設施的基礎上，通過提升現有牧場利用率以增加牛群規模。另外，我們不斷通過改良乳牛的基因以提高核心牛群佔比，實現產量的穩步增長。

During the Reporting Period, our herd size grew orderly yoy by approximately 4.0% to 235,877 head of dairy cows (2019: 226,861 heads), in line with the Group's overall herd expansion strategies.

於匯報期間內，畜群規模適度有序增長達至235,877頭(2019年：226,861頭)，同比增長約4.0%，符合本集團的整體擴群策略。

### Milk Yield

### 產奶量

Milk yield of milkable cow is affected by a number of factors, such as the number of the cow's lactation, breed, comfort level, health condition, genetics and feed mix. Under an effective herd management, we recorded AMY of 11.2 tons per milkable cow during the Reporting Period (2019: 10.6 tons), representing a growth of 5.7% yoy. The total milk yield grew by 10.3% yoy to 750 thousand tons (2019: 680 thousand tons).

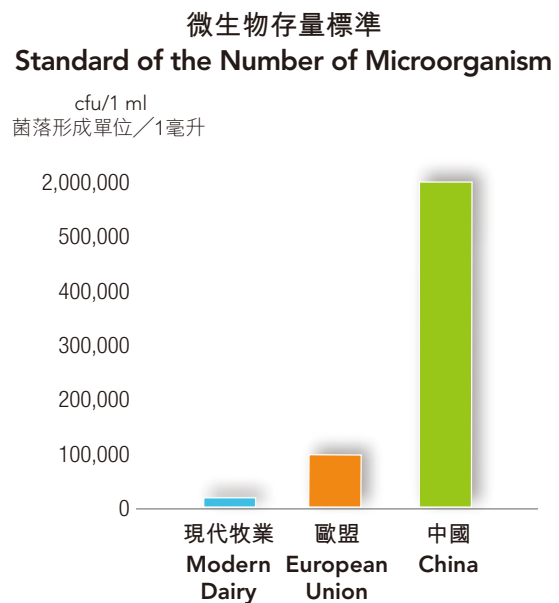
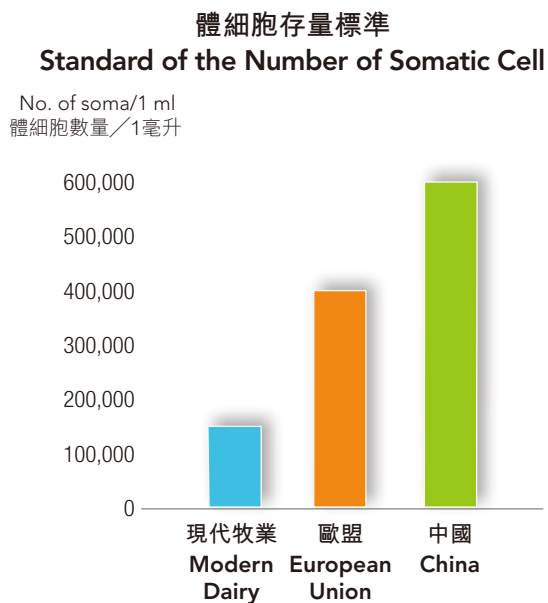
奶牛的產奶量受多項因素所影響，其中包括奶牛的泌乳胎次、品種、生活舒適程度、健康情況、基因及飼料結構等。在有效的畜群管理下，匯報期間內我們錄得每頭成乳牛的單產達11.2噸(2019年：10.6噸)，同比增加5.7%，產奶量達75萬噸(2019年：68萬噸)，同比增加10.3%。

### Quality of Raw Milk

Modern Dairy ensured the quality management and control were scientifically controllable and adhered to the principle of high starting point, high positioning and high standard, keeping consumers to be informed with quantitative data of milk. We produced our own dairy products using our own raw milk. Every procedure in the production of raw milk e.g. milking, refrigeration and transportation was completed with monitoring measures and the strictest standard in the world adopted, the quality of raw milk was therefore guaranteed.

### 原奶質量

現代牧業確保質量管理科學可控，堅持高起點、高定位、高標準，讓牛奶品質以量化的數據與消費者溝通。我們完全利用自產原奶生產自有品牌牛奶產品，所有原奶從擠奶、製冷及運輸、生產過程各個環節都在監控措施下完成，並以全球最嚴格的標準確保原奶質量。



The standard of the number of somatic cell per 1 milliliter (ml) of raw milk is no more than 600 thousand cells according to the PRC relevant guidelines, 400 thousand cells per 1 ml in the European Union, and less than 150 thousand cells per 1 ml in Modern Dairy. The standard of Modern Dairy is stringent than those of the PRC and European Union.

原料奶中的體細胞數量標準目前在中國相關指導要求是每1毫升不多於60萬個，在歐盟是每1毫升不多於40萬個，現代牧業的標準是每1毫升少於15萬個，比國家和歐盟標準還要嚴謹。

With respect to the number of microorganism, the standard of the European Union is no more than 100 thousand colony-forming unit (cfu) per 1 ml of raw milk, and that of the PRC is no more than 2 million cfu per 1 ml, and that of Modern Dairy is less than 10 thousand cfu per 1 ml of raw milk.

微生物數量方面，歐盟的標準是每1毫升原料奶不能高於10萬個菌落形成單位(cfu)，我國的要求不能高於200萬個cfu，現代牧業的要求是每1毫升原料奶少於1萬個cfu。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Environmental Protection and Epidemic Prevention

The Group strictly complies with relevant laws and regulations for epidemic prevention management, conducts health rating management for dairy cows, cautiously monitors the environment of farms, refines the management of entry and exit of farms, provides epidemic prevention and protection in production area, and establishes quarantine and health check plans for dairy cows and adopts rigorous epidemic prevention measures in our farms, so as to ensure the health of each dairy cow.

Based on resource recycling and implementation of high-standard environmental protection policies, the Group has built a green recycling industrial chain of “forage planting – cow breeding – fertilizer treatment – biogas power generation – fertilizer back to the field”. Each farm is equipped with large-scale biogas power generation facilities and comprehensive utilization facilities for biogas fertilizer, which absorbs, digests and indiscriminately treats the manure. The Group expects, through the cooperation with CITIC Environment Investment Group Co., Ltd. (“CITIC Environment”), it could further enhance its industrial efficiency and expand the scale of green production for sustainable development.

On 31 December 2019, Modern Farming (Group) Co., Ltd. (“Modern Farming”, a subsidiary of the Company), entered into two share transfer agreements with Jiangyin Dairy Energy Environment Technology Co., Ltd (the “JV Company”) in relation to the disposal of Modern Energy (Wuhe) Co., Ltd.\* (現代能源(五河)有限公司) and Modern Energy (Hefei) Co., Ltd.\* (現代能源(合肥)有限公司), both of which were then indirectly non wholly-owned subsidiaries of the Company holding energy assets of Bengbu and Feidong farms, at an aggregate consideration of RMB148,124,000. The JV Company is held as to 30% by Modern Farming and 70% by the group company of CITIC Environment. The disposal was completed in January 2020.

The Company plans to discuss further cooperation with CITIC Environment to expand and optimize the Company’s green recycling industry and improve the efficiency of related energy assets.

### 環境保護與疫控

本集團嚴格遵守相關法律法規的要求進行防疫管理，對奶牛進行健康評級管理，嚴控牧場環境，細化牧場出入管理、生產區防疫防護管理，為奶牛制定檢疫和健康檢查計劃，對我們的牧場實施嚴格的防疫措施，保障每頭奶牛的健康。

本集團立足資源循環利用原則，奉行高標準的環保政策，構建一條「飼草種植 – 奶牛養殖 – 糞污處理 – 沼氣發電 – 糞肥還田」的綠色循環產業鏈。每個牧場都配建了大型沼氣發電設施和沼肥綜合利用設施，將糞污吸收、消化並進行無害化處理。本集團期望通過與中信環境投資集團有限公司(「中信環境」)的合作，進一步提升產業效能，擴大綠色可持續生產規模。

於2019年12月31日，現代牧業(集團)有限公司(「現代牧業(集團)」，本公司的附屬公司)與江陰牧能環境科技有限公司(「合資公司」)就出售持有蚌埠及肥東兩個牧場的能源資產的現代能源(五河)有限公司及現代能源(合肥)有限公司(當時均為本公司間接非全資附屬公司)訂立兩份股權轉讓協議，對價合共為人民幣148,124,000元。合資公司由現代牧業(集團)與中信環境的系內公司分別持有30%和70%權益。有關出售已於2020年1月完成。

本公司計劃與中信環境探討進一步合作以擴大及優化本公司綠色循環產業，提高相關能源資產效益。

### ASSOCIATE FACTORIES

Benefiting from the reform in marketing models, the branded milk business through the operation of downstream associate factories with Mengniu continued to record profits. Leveraging on Mengniu's mature market strategy and channel advantages, the "Modern Farming" branded milk was relaunched on the market with the positioning of "15 years of persistence in exclusively producing pasture milk". Despite the effect of the Pandemic Outbreak in the first quarter, all sales personnel of the branded milk business had resumed to work by the end of March 2020. During the Reporting Period, the revenue from the associate factories increased by 10% yoy to RMB422 million. The Company recorded a share of profits of RMB12.33 million (2019: RMB12.28 million) from the associate factories. The Pandemic Outbreak has prompted consumers' willingness in choosing more secured and better-quality milk for daily consumption. Relying on Mengniu's successful marketing strategy, rebranding of "Modern Farming", and adopting differentiated market strategies, it focuses on the blue ocean market in domestic third- and fourth-tier cities. The associate factories are expected to keep contributing to the Group's financial performance.

### 聯營工廠

受惠於營銷模式的革新，本集團與蒙牛合資的下游品牌奶聯營工廠持續錄得盈利。借力蒙牛成熟的市場策略及渠道優勢，「現代牧業」品牌奶以「15年堅持只做牧場奶」的定位重新推出市場。第一季度雖然受到疫情爆發的影響，但到了2020年3月底，品牌奶業務的全體銷售人員已經復工。匯報期間，聯營工廠的收入同比增加10%，至人民幣422百萬元，本公司佔聯營工廠溢利達人民幣12.33百萬元(2019年：人民幣12.28百萬元)。疫情爆發促使消費者更願意選取更加有保障的、品質更好的牛奶進行日常的消費。依托蒙牛成功的營銷策略、重塑「現代牧業」品牌，採用差異化市場策略，主攻國內三、四線城市的藍海市場。預期聯營工廠會持續為本集團帶來財務貢獻。



◀ 2小時生產線  
2-hour Production Line



▶ 產品測檢  
Product Testing



# MANAGEMENT DISCUSSION AND ANALYSIS

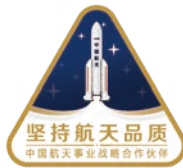
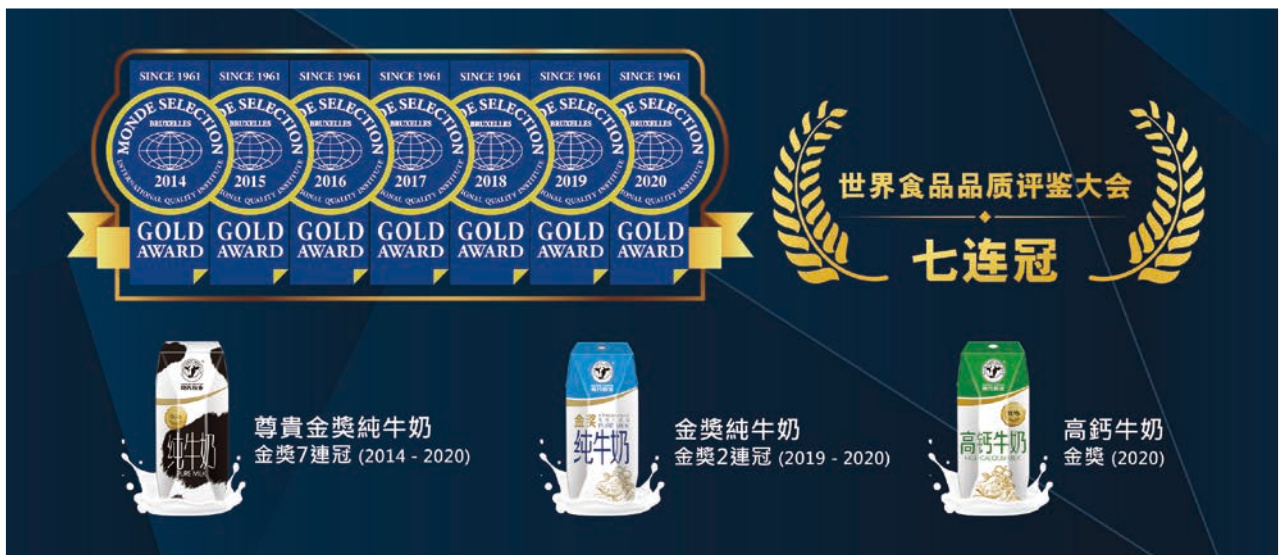
## 管理層討論及分析

### AWARDS AND RECOGNITIONS

- The Company is the first and only company in China that passed the “Quality Milk Project” for both its pasteurized milk and UHT milk. During the Reporting Period, the pure milk of the Group was awarded the Gold Prize for the seventh time in consecutive years in the Monde Selection 2020. Another product of the Group, the high-calcium milk, has won the gold award for the first time. In the first half of 2020, the sales of high-calcium milk increased by 119% yoy.

### 獎項和認可

- 本公司是國內首家也是唯一一家巴氏殺菌奶和UHT滅菌奶同時通過國家「優質乳工程」驗收的企業，於本匯報期間，本集團的純牛奶獲2020年世界食品品質評鑒大會(Monde Selection)金獎，連續七次蟬聯該獎項。本集團的另一款高鈣牛奶首次參評即獲金獎。2020年上半年高鈣奶的終端銷售額同比高速增長119%。



- The brand of Modern Dairy has been shortlisted as the “Strategic Partner of China’s Aerospace Industry”, symbolizing that our premium quality branded milk is widely recognized by all sectors of the society.
- 現代牧業品牌成為「中國航天事業戰略合作夥伴」，標誌著公司的高質量品牌奶充分獲得社會各界的廣泛肯定。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL OVERVIEW

#### Total Revenue

The Company focuses on upstream business, through the operation of 26 dairy farms in the PRC, to produce and sell fresh raw milk to customers for processing into various types of dairy products.

During the Reporting Period, the Group recorded total revenue of RMB2,827.8 million (2019: RMB2,570.1 million), representing an increase of approximately 10.0% yoy.

### 財務概況

#### 總收入

本公司專注於上游業務，通過在中國運營26個奶牛場生產原奶和銷售原奶予客戶用於加工成乳製品。

於本匯報期間本集團錄得總收入人民幣2,827.8百萬元(2019年：人民幣2,570.1百萬元)，同比上升約10.0%。

#### Six months ended 30 June 截至6月30日止六個月

		2020 2020年			2019 2019年		
		Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/kg 人民幣元/ 公斤	Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/kg 人民幣元/ 公斤
Dairy Farming Business	奶牛養殖業務						
Sales of raw milk	原奶銷售	2,827,752	730,026	3.87	2,570,133	667,651	3.85

The increase in revenue was primarily due to the increase in volume of sales of raw milk and ASP of raw milk. ASP of raw milk grew by 0.5% yoy to RMB3.87/kg during the Reporting Period (2019: RMB3.85/kg).

收入增加主要是由於原奶銷售量和原奶平均售價的增加。原料奶平均售價於本匯報期間為人民幣3.87元/公斤(2019年：人民幣3.85元/公斤)，同比增長0.5%。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### COST OF SALES BEFORE RAW MILK FAIR VALUE ADJUSTMENT

The Group's cost of sales before raw milk fair value adjustment primarily consisted of dairy farming cost for the Reporting Period as shown below:

#### Dairy Farming Business

Direct materials	直接材料
Labor cost	勞工成本
Utilities	公用事業費用
Depreciation of property, plant and equipment	物業、廠房及設備折舊
Other costs of farms	畜牧場其他開支
Subtotal of cost of sales before raw milk fair value adjustments of dairy farming business	原料奶公平值調整前的 奶牛養殖業務銷售 成本小計

Direct materials (mainly forage) cost for the Reporting Period amounted to RMB1,320 million (2019: RMB1,225 million), representing an increase of 7.8% yoy, mainly due to the rise in the number of milkable cows.

By regulating the formula of the feed, we effectively managed to control the forage costs, and have increased the cow management efficiency per capital and the energy consumption were strictly under control. During the Reporting Period, the cost (excluding depreciation of property, plant and equipment) of milk sold by the Group in kilograms amounted to RMB2.27/kg (2019: RMB2.31/kg), representing a drop of 1.7% yoy.

#### Gross Profit and Profitability

Gross profit of dairy farming business before raw milk fair value adjustments amounted to RMB1,052.0 million during the Reporting Period (2019: RMB898.1 million), representing a significant increase of 17.1% yoy, which was mainly due to the increase in unit production output and total milk production and effective cost control.

Gross profit margin of dairy farming business before raw milk fair value adjustments stood at 37.2% during the Reporting Period (2019: 34.9%), representing an increase of 2.3 percentage points yoy.

### 原料奶公平值調整前的銷售成本

於本匯報期間，本集團的原料奶公平值調整前的銷售成本主要包括奶牛養殖成本，明細如下：

#### 奶牛養殖業務

#### Six months ended 30 June 截至6月30日止六個月

2020 2020年		2019 2019年	
RMB'000 人民幣千元	% 百分比	RMB'000 人民幣千元	% 百分比
1,320,256	74.3	1,224,853	73.3
148,094	8.3	136,072	8.1
51,169	2.9	46,204	2.8
118,552	6.7	128,811	7.7
137,664	7.8	136,078	8.1
1,775,735	100	1,672,018	100

於本匯報期間，直接材料(主要為飼草料)成本為人民幣13.20億元(2019年：人民幣12.25億元)，同比增长7.8%，主要是由於成乳牛群數量增長。

本公司通過調節飼料配方，有效地控制飼草料成本以及提高人均養牛效率，嚴格控制能源消耗等支出。於本匯報期間，本集團售出的公斤奶成本(除物業、廠房及設備折舊外)為人民幣2.27元/公斤(2019年：人民幣2.31元/公斤)，同比下降1.7%。

#### 毛利及盈利能力

乳牛養殖業務的原料奶公平值調整前毛利於本匯報期間為人民幣1,052.0百萬元(2019年：人民幣898.1百萬元)，同比顯著增加17.1%，主要得益於單產提升和總產量增長，及成本有效控制。

乳牛養殖業務的原料奶公平值調整前毛利率於本匯報期間為37.2%(2019年：34.9%)，同比增加2.3個百分點。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Losses Arising from Changes in the Dairy Cow Fair Value Less Cost of Sales of Dairy Cows

As at 30 June 2020, the biological assets of the Group were valued at RMB7,356.7 million (as at 31 December 2019: RMB7,459.4 million) by an independent qualified professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited. Losses arising from changes in the dairy cow fair value less cost of sales of dairy cows were RMB448.7 million (2019: RMB430.5 million) for the Reporting Period, approximately the same as last year.

### Gains Arising from Initial Recognition at Fair Value Less Cost of Sales at the Point of Raw Milk Harvest

During the Reporting Period, gains arising from initial recognition at fair value less cost of sales at the point of raw milk harvest increased by 17.6% yoy to RMB960.4 million (2019: RMB816.6 million), mainly due to the increase in ASP of raw milk as well as an increase in unit production output.

International Financial Reporting Standards (IFRS) requires that raw milk harvested should be initially measured at fair value less cost of sales, and the difference between the fair value less cost of sales and the actual costs incurred should be charged to profit or loss.

### OTHER INCOME

During the Reporting Period, other income amounted to RMB41.2 million (2019: RMB21.5 million). Other income mainly consisted of government grants and interest income. Government grants mainly consisted of subsidies for agricultural projects and subsidies for the operations of the Group.

### OPERATING EXPENSES

Selling and distribution costs	銷售及分銷開支
Administrative expenses	行政開支
Total operating expenses	經營開支總額

### 乳牛公平值變動減乳牛出售成本產生的虧損

於2020年6月30日，本集團的生物資產獲獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司評估為人民幣7,356.7百萬元（於2019年12月31日：人民幣7,459.4百萬元）。於本匯報期間，乳牛公平值變動減乳牛出售成本產生的虧損為人民幣448.7百萬元（2019年：人民幣430.5百萬元），同比相若。

### 於原料奶收穫時按公平值減銷售成本初始確認產生的收益

於本匯報期間，於原料奶收穫時按公平值減銷售成本初始確認產生的收益為人民幣960.4百萬元（2019年：人民幣816.6百萬元），同比增幅為17.6%，主要由於原奶平均售價上漲及單產提升所致。

國際財務報告準則要求按公平值減銷售成本初始計量已收穫的原料奶，而公平值減銷售成本與所產生的實際成本之間的差異計入損益內。

### 其他收入

於本匯報期間，其他收入為人民幣41.2百萬元（2019年：人民幣21.5百萬元），其他收入主要包括政府補貼及利息收入，政府補助主要包括對農業項目的補貼及對本集團營運提供補助。

### 經營開支

#### Six months ended 30 June 截至6月30日止六個月

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
98,175	82,985
144,885	138,279
243,060	221,264



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

During the Reporting Period, the overall operating expenses of the Group amounted to approximately RMB243.1 million (2019: RMB221.3 million). The analysis is as follows:

- Selling and Distribution Costs**

The analysis of the selling and distribution costs is set forth below:

Transportation costs and others	運輸費及其他
Business tax and surcharge	稅金及附加
Total selling and distribution costs	銷售及分銷開支總額

Selling and distribution costs mainly consisted of, among other things, transportation costs for sales of raw milk and daily expenses.

During the Reporting Period, the Group recorded selling and distribution costs of RMB98.2 million (2019: RMB83.0 million), representing an increase of 18.3% yoy. This was mainly due to the increase in the sales volume of raw milk.

- Administrative Expenses**

During the Reporting Period, the administrative expenses were RMB144.9 million, which increased by RMB6.6 million as compared to the corresponding period of last year in the amount of RMB138.3 million, representing an increase of 4.8%.

Administrative expenses mainly consisted of, among other things, remuneration of management (including equity-based restricted share award expenses) and depreciation of office buildings, staff quarters and facilities.

於本匯報期間，本集團的整體經營開支約為人民幣243.1百萬元(2019年：人民幣221.3百萬元)。分析如下：

- 銷售及分銷開支**

銷售及分銷開支分析如下：

**Six months ended 30 June**  
**截至6月30日止六個月**

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
96,580	81,551
1,595	1,434
<b>98,175</b>	<b>82,985</b>

銷售及分銷開支主要包括原奶銷售的運輸費用和日常開支等。

於本匯報期間，本集團錄得銷售及分銷開支為人民幣98.2百萬元(2019年：83.0百萬元)，同比增加18.3%，主要是由於原料奶銷量的增長。

- 行政開支**

於本匯報期間，本集團錄得行政開支為人民幣144.9百萬元，與上年同期人民幣138.3百萬元比較，增加人民幣6.6百萬元，增幅達4.8%。

行政開支主要包括管理人員薪酬(含以股權結算的限制性股票獎勵開支)及辦公樓、職工宿舍與設施折舊等。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### IMPAIRMENT LOSSES, NET OF REVERSAL

### 減值虧損扣除撥回

Six months ended 30 June

截至6月30日止六個月

Impairment losses/(reversed) recognised on the following items:

就下列各項確認的減值虧損/(撥回)：

Trade receivables  
Other receivables

貿易應收款項  
其他應收款

2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
(100)	(108,642)
90	621
(10)	(108,021)

### OTHER GAINS AND LOSSES, NET

### 其他收益及虧損淨額

During the Reporting Period, the Group recorded a net gain arising from other gains and losses of RMB40.4 million (2019: net loss of RMB26.7 million). Other gains and losses mainly consisted of net amount of foreign exchange loss, impairment loss on goodwill and gains arising on disposal of subsidiaries.

本集團於本匯報期間錄得其他收益及虧損所產生的淨收益為人民幣40.4百萬元(2019年：淨虧損人民幣26.7百萬元)，其他收益及虧損主要包括外匯虧損淨額、商譽減值虧損及出售附屬公司的收益。

The breakdown of other gains and losses is as follow:

其他收益及虧損明細如下：

Six months ended 30 June

截至6月30日止六個月

Other gains and losses, net:

其他收益及虧損淨額：

Net foreign exchange loss  
Loss on disposal of property, plant and equipment, net  
Impairment loss on goodwill  
Gain on disposal of subsidiaries  
Fair value gain on derivative financial instruments:  
Foreign currency forward contracts  
Foreign currency option contracts  
Fair value gain on structured deposits  
Gain on derecognition of financial liabilities

外匯虧損淨額  
出售物業、廠房及設備虧損淨額  
商譽減值虧損  
出售附屬公司的收益  
衍生金融工具的公平值收益：  
外匯遠期合約  
外匯期權合約  
結構性存款的公平值收益  
取消確認金融負債的收益

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
51,078	27,128
3,953	7,948
22,750	–
(72,280)	–
(18,414)	(1,732)
(27,364)	(5,942)
(74)	–
–	(687)
(40,351)	26,715



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCE COSTS

During the Reporting Period, finance costs decreased to RMB214.8 million (2019: RMB224.4 million), RMB9.6 million less than same period last year or a drop of 4.3%. The decrease in finance costs was mainly due to the finely-tuned debt structure, the decrease of interest-bearing liabilities, and the resulting effects of the decreasing interest rate during the Reporting Period.

### PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

During the Reporting Period, the earnings attributable to owners of the Company amounted to RMB220.7 million (2019: RMB124.9 million), representing an increase of 76.7% yoy. Adhering to the Group's strategies of cost-reduction and efficiency enhancement, the Group has implemented the principle of "increasing, reducing, replacing and stopping" in terms of technology, equipment, procurement and silage usage, which resulted in significant improvement in the overall operating indicators of the Group.

Basic earnings per share was approximately RMB3.47 cents (2019: basic earnings per share of RMB2.05 cents) for the Reporting Period.

### LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, the Group's net cash inflow generated from operating activities amounted to RMB1,055.2 million (2019: RMB855.6 million), representing an increase of 23.3% yoy.

The Group's total equity as at 30 June 2020 was RMB7,440.0 million (as at 31 December 2019: RMB7,207.7 million). As at 30 June 2020, the Group's net gearing ratio (calculated on the basis of the amount of total borrowings less cash and deposit assets as a percentage of the total equity) was 66.4% (as at 31 December 2019: 77.0%).

As at 30 June 2020, the Group's available and unutilized credit facilities amounted to approximately RMB6,688.2 million (31 December 2019: RMB3,753.4 million). In the opinion of the Group's management, the Group is able to repay the relevant amount in full as the financial obligations fall due for the next twelve months.

### 財務開支

於本匯報期間，財務開支為人民幣214.8百萬元（2019年：人民幣224.4百萬元），較上年同期減少人民幣9.6百萬元或4.3%。有關下降主要由於匯報期間債務結構調整，有息負債降低，融資利率下降共同作用的結果。

### 本公司持有人應佔期內溢利

於本匯報期間，本公司持有人應佔溢利為人民幣220.7百萬元，（2019年：人民幣124.9百萬元），同比增加76.7%。本集團採取降本增效戰略部署，從技術、設備、採購、青貯使用量等各個方面，深入貫徹「增、減、替、停」的成本控制原則，成功使本集團在整體營運指標上取得明顯提升。

於本匯報期間，每股基本盈利的約人民幣3.47分（2019年：每股基本盈利人民幣2.05分）。

### 流動資金及財務資源

於本匯報期間，本集團的經營活動所產生的現金流量淨流入為人民幣1,055.2百萬元（2019年：人民幣855.6百萬元），同比增加23.3%。

本集團於2020年6月30日的總權益為人民幣7,440.0百萬元（於2019年12月31日：人民幣7,207.7百萬元）。於2020年6月30日，本集團的淨槓桿比率（按總借款減現金及存款類資產佔總權益百分比）為66.4%（於2019年12月31日：77.0%）。

於2020年6月30日，本集團的可動用而未動用信貸融資額度約人民幣6,688.2百萬元（2019年12月31日：人民幣3,753.4百萬元）。本集團的管理層認為，於未來十二個月本集團將能夠於財務責任到期應付時悉數償還有關款項。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Interest-bearing Borrowings

As at 30 June 2020, the total interest-bearing debt was RMB6,215.0 million.

### 有息借款

於2020年6月30日，有息負債總額為人民幣6,215.0百萬元。

#### Borrowings

Bank borrowings  
Other borrowings

#### 借款

銀行借款  
其他借款

#### Carrying value repayable:

Within one year  
Between one and two years  
Between two and five years

#### 應償還賬面值：

一年以內  
一至兩年內  
兩至五年內

		As at 於	
		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
		6,214,969	5,538,474
		-	1,051,413
		<b>6,214,969</b>	<b>6,589,887</b>
		<b>4,305,806</b>	<b>4,874,056</b>
		<b>1,509,700</b>	<b>1,525,831</b>
		<b>399,463</b>	<b>190,000</b>
		<b>6,214,969</b>	<b>6,589,887</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Bank Borrowings

The annual interest rate of the bank borrowings for the six months ended 30 June 2020 varied from 0.66% to 5.00% (for the six months ended 30 June 2019: 0.45% to 5.00%).

The table below sets forth our short-term and long-term bank borrowings for the dates indicated below:

### 銀行借款

截至2020年6月30日止六個月內，銀行借款的年利率變幅為0.66%至5.00%（截至2019年6月30日止六個月：0.45%至5.00%）。

下表列載我們於下列所示日期的短期及長期銀行借款：

		As at 於	
		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Type of borrowings</b>	<b>借款類別</b>		
Unsecured borrowings	無抵押借款	5,910,520	5,320,114
Secured borrowings	有抵押借款	304,449	218,360
		<b>6,214,969</b>	<b>5,538,474</b>
<b>Carrying amount repayable:</b>	<b>應償還賬面值：</b>		
Within one year	一年以內	4,305,806	3,822,643
Between one and two years	一至兩年內	1,509,700	1,525,831
Between two and five years	兩至五年內	399,463	190,000
		<b>6,214,969</b>	<b>5,538,474</b>

As at 30 June 2020, bank borrowings are denominated in the following currencies:

於2020年6月30日，銀行借款以下列貨幣計值：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)		31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)	
US\$	美元	1,793,629		2,083,136	
HK\$	港元	1,114,710		1,095,831	
RMB	人民幣	3,306,630		2,359,507	
		<b>6,214,969</b>		<b>5,538,474</b>	



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The bank borrowings comprise:

銀行借款包括：

Fixed-rate borrowings  
Variable-rate borrowings

定息借款  
浮息借款

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
2,457,315	1,449,411
3,757,654	4,089,063
6,214,969	5,538,474

The annual interest rate of the bank borrowings during the current period ranged from 0.66% to 5.00% (six months ended 30 June 2019: 0.45% to 5.00%).

於本期間，銀行借款的年利率介乎0.66%至5.00% (截至2019年6月30日止六個月：0.45%至5.00%)。

### Other Borrowings

### 其他借款

Details are as follows:

明細如下：

Carrying amounts payable:

應償賬面金額：

Within one year  
– Borrowing from a financial institution  
– Borrowings from Mengniu Group

一年內  
– 金融機構借款  
– 蒙牛集團借款

As at 於	
30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
–	50,083
–	1,001,330
–	1,051,413

The other borrowings were repaid before 30 June 2020.

已於2020年6月30日前清償其他借款。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### GROUP STRUCTURE AND CAPITAL STRUCTURE

Save for as disclosed in this report, during the Reporting Period, there was no material change in the structure of the Group.

As at 30 June 2020, the number of issued ordinary shares of the Company was 6,407,635,115 shares.

### CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 30 June 2020, biological assets with carrying value of RMB819.2 million (as at 31 December 2019: RMB838.7 million) were pledged to secure the Group's borrowings.

The Group did not have any significant contingent liabilities as at 30 June 2020.

### CAPITAL COMMITMENTS

As at 30 June 2020, the Group had capital commitments of RMB19.9 million related to acquisition of property, plant and equipment (as at 31 December 2019: RMB21.5 million).

### MATERIAL ACQUISITIONS AND DISPOSALS

For the Reporting Period, the Company has completed the disposal of total equity of Modern Energy (Wuhe) Co., Ltd. (現代能源(五河)有限公司) and Modern Energy (Hefei) Co., Ltd., (現代能源(合肥)有限公司) both of which were then indirectly non wholly-owned subsidiaries of the Company, to JV Company. Except for the disposal mentioned above, the Company had no other material acquisitions or disposal of subsidiaries or associates.

### SIGNIFICANT INVESTMENTS

For the Reporting Period, the Group had no significant investments.

### 本集團架構及資本架構

除本報告披露者外，於本匯報期間，本集團架構並無發生任何重大變動。

於2020年6月30日，本公司的已發行普通股為6,407,635,115股股份。

### 或然負債及資產抵押

於2020年6月30日，生物資產的賬面值人民幣819.2百萬元(於2019年12月31日：人民幣838.7百萬元)已抵押作本集團借款的擔保。

於2020年6月30日，本集團並無任何重大或然負債。

### 資本承諾

於2020年6月30日，本集團有關收購物業、廠房及設備的資本承諾為人民幣19.9百萬元(於2019年12月31日：人民幣21.5百萬元)。

### 重大收購及出售

於本匯報期間，本公司完成向合資公司出售現代能源(五河)有限公司及現代能源(合肥)有限公司(當時均為本公司間接非全資附屬公司)全部股權。除此之外，本公司無任何其他重大收購或出售附屬公司或聯營公司。

### 重大投資

於本匯報期間，本集團並無重大投資。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group, from time to time, explores investment opportunities that would benefit the shareholders of the Company as a whole. Saved as disclosed in this report, the Group does not have any concrete plans for material investments and capital assets.

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as otherwise disclosed in this report, our Directors have confirmed that, as of 30 June 2020, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

### EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in this report, no other material events occurred after the end of the Reporting Period and up to the date of this report.

### FINANCIAL MANAGEMENT POLICIES

The Group will continue to closely monitor its financial risks so as to safeguard the interests of the shareholders of the Company. The Group applies its cash flows generated from operation and bank loans to meet its operational and investment needs.

Except for the bank borrowings that are denominated in currencies other than Renminbi, the Group’s management considers that the Group has limited foreign currency exposure in respect of its operations since its operations are mainly conducted in mainland China. Sales and purchases are mainly denominated in Renminbi and the foreign currency risks associated with refined feeds and farm facilities are not material. In view of the foreign currency exchange and interest rate risk related to its borrowings, the Group cautiously uses derivative contracts to hedge against its exposure to foreign currency and interest rate risks. The management strictly complies with relevant hedging policy, reviews and assesses relevant risks from time to time, and takes necessary measures when appropriate.

### 重大投資或資本計劃

本集團不時探索有利於本公司股東整體利益的投資機會。除本報告其他部分所披露者外，本集團並無任何重大投資及資本資產的具體計劃。

### 基於上市規則的持續披露責任

除本報告另有披露外，我們董事確認截至2020年6月30日，本公司未有基於香港聯合交易所有限公司證券上市規則（「上市規則」）第13.13至第13.19條需要披露的事項。

### 匯報期後事項

除本報告其他部分所披露者外，於匯報期間末及截至本報告日期，概無發生其他重大事項。

### 財務管理政策

本集團將持續嚴密控制財務風險以保障本公司股東權益。本集團利用經營所得現金流量及銀行貸款以應付其經營及投資需要。

除了非人民幣的外幣銀行貸款外，本集團的管理層認為，本集團面對與其營運有關的外匯風險有限，因為我們的業務主要於中國內地經營。買賣主要以人民幣計值，而與精飼料及畜牧設施有關的外匯風險並不重大。考慮到存有與借款有關的外匯及利率風險，本集團現時謹慎地採用衍生工具合約作對沖用途。管理層嚴緊依照有關對沖政策，不時審議及評估相關風險及適時作出必要對策。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

The Group had 4,643 employees (as at 31 December 2019: 5,053 employees) in mainland China and Hong Kong as at 30 June 2020. Total staff costs (including staff compensation capitalised to immature dairy cows) for the Reporting Period were approximately RMB274.0 million (2019: RMB233.1 million).

The Group values recruiting, training and retaining quality personnel. We recruit talented employees from local universities, vocational schools and other technical schools, and we provide these employees with various pre-employment and on-the-job training. The Group also offers remuneration such as share award schemes and employee partnership program, at competitive rates with the aim of retaining quality personnel and grow with the Company.

### SOCIAL RESPONSIBILITY

The Group has been proactively fulfilling its social responsibility and adheres to the principle of safety and quality come first, proactively develops and implements modern scientific breeding and feeding know-how. The Group puts great effort to strike a balance between business growth and social responsibility, so as to convey the Group's care and blessing to all stakeholders.

The Group is committed to improving the quality of its products by providing consumers with a commitment to provide healthy, safe, nutritious and high-quality dairy products. Meanwhile, adhering to the principle of production in terms of energy conservation and environmental protection.

### 人力資源及僱員薪酬

於2020年6月30日，本集團於中國內地及香港擁有4,643名僱員(於2019年12月31日：5,053名僱員)。於本匯報期間，總員工成本(含資本化至未成熟奶牛的職工薪酬)約為人民幣274.0百萬元(2019年：人民幣233.1百萬元)。

本集團注重招募、培訓及挽留優質人員。我們從本地大學、職業學校及其他技術學校招募人才，並向我們的僱員提供各種職前及在職培訓。本集團亦提供具競爭力的薪酬，其中包括股份獎勵計劃及員工合伙人計劃以挽留優質人員與公司共同發展。

### 社會責任

本集團積極履行社會責任，秉持安全質量為先的原則，積極開發及實施現代化的科學養殖及餵飼技術。努力在發展業務與社會責任之間取得平衡，讓廣大持份者感受到本集團傳遞的關愛和幸福。

本集團踐行為消費者提供健康安全、營養豐富、品質優異乳品的承諾，致力提升產品質量，同時秉承實現節能環保的生產原則。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group actively promotes the economic development of farms in the surrounding areas and increases the income of local residents. The Group actively implements the precise poverty alleviation policy, responds to the call of poverty alleviation, and is devoted to poverty alleviation within the industry and society. Firstly, the contract of silage planting was signed with local farmers in farm areas to reduce the impact of natural disasters on crop harvest. At the same time, to solve the local employment problem, the Group's farms provide multiple jobs throughout the country, effectively alleviating the pressure of surplus rural labor force and increasing the income of local farmers. The Group also undertakes social responsibility and promotes local economic development through measures such as making direct donation of materials, money and paying visits to nursing homes.

The Group's social responsibility efforts have widely spread from dairy cow breeding, accountable quality, green development to employee development and social care. The Group has always adhered to the concept of "people-oriented", and taken the responsibility of promoting sustainable development of the dairy industry, giving back to the nature and serving the society.

本集團積極帶動牧場所在週邊經濟發展，增加當地居民收入。本集團積極落實精準扶貧政策，響應扶貧號召，做好行業扶貧，社會扶貧。首先，主動與牧場所在地農戶簽訂青貯種植合同，減少自然災害對百姓農作物收穫的影響。同時解決當地人員就業問題，本集團的牧場在全國各地提供多個崗位，有效緩解農村剩餘勞動力壓力，增加當地農民收入。本集團也以直接捐贈物資、捐贈金錢、探訪養老院等多種方式，承擔社會責任，促進當地經濟發展。

本集團的社會責任之路，從乳牛培育、責任品質、綠色發展再到員工成長及至社會關懷，本集團一貫秉承「以人為本」的理念，擔當起推動奶業可持續發展、回饋自然、服務社會的責任。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PROSPECTS

In the past two years, the central government supported and fostered the development of local dairy industry by successively introducing a number of policies to strengthen dairy industry support. In February 2020, the No. 1 Central Document stressed the need to ensure the effective supply of important agricultural products, support the production of dairy, poultry, cattle and sheep, and guide the optimization of meat consumption structure.

Currently, raw milk market is short in supply and it is expected that the shortage of raw milk will continue and the prices of which will be rising steadily. With the withdrawal of small- and medium-sized dairy farms from the market, the cyclicality of the dairy farming industry has weakened, and raw milk will be mainly provided by large-scale dairy farms in the future. The industry entry barriers of large-scale farming are high, and the Company could benefit from the industry cycle and take the advantages of being an industry leader.

2020 is the anniversary when the Company celebrates its 15th year of establishment and 10th year of listing. Since the beginning of the year, the Pandemic Outbreak has ravaged the world and has had a severe impact on society and the economy. Every industry and business is facing huge challenges. Against this backdrop, Modern Dairy actively responds to and focuses on upstream business. The Company's herd size grows healthily and steadily, the unit production and total production continuously exceeded expectations, while the production cost is properly controlled. Under the condition that milk prices remain stable, the advantages of scale and internal increase benefits are further highlighted. The Company continues to increase the unit yield of dairy cows, reduce costs, and improve operational efficiency. Facing the market, we leverage on the cyclical trends of the dairy market and grasp development opportunities. The focus of the Group's operation strategy in the next three to five years will be on appropriately increasing the size of the herd, maintaining a reasonable herd portfolio, increasing yields, and achieving steady growth in output. The Company will continue to strengthen the synergistic integration of upstream and downstream business, build a full chain of raw milk production, enhance the market competitiveness as the domestic top brand of raw milk production, create greater value for shareholders, be a role model as the industry leader and serve consumers with raw milk with richest nutritional value and make unremitting contributions to the upgrading and transformation of China's dairy industry.

### 展望

過去兩年，中央政府支持奶業發展，扶植本土奶業，相繼出台多項政策加強奶業扶持。2020年2月，中央一號文件強調保障重要農產品有效供給，支持奶業、禽類、牛羊等生產，引導優化肉類消費結構。

目前原奶市場供不應求，預計原奶緊缺情況將持續，奶價平穩向上。隨著中小型牧場的退出，奶牛養殖行業的週期性減弱，未來原奶將主要由規模牧場生產提供，而規模養殖的行業壁壘高，門檻高，本公司將更能得益行業週期向上的紅利，發揮行業龍頭的優勢。

2020年，公司成立的第15年、上市的第10年。年初至今，疫情爆發肆虐全球，對社會、經濟產生劇烈衝擊，各行各業均面臨著巨大挑戰，在此環境背景下，現代牧業積極應對、專注上游業務，牛群健康穩定增長、單產及總產連續突破預期、成本控制得宜。在奶價維持穩定的條件下，規模優勢與內增效益進一步突顯。本公司不斷提升奶牛單產、降低成本，提高運營效率；面向市場，依托奶業市場週期趨勢，把握發展機遇。集團在未來三至五年經營策略將圍繞適度增加牛群規模、保持合理牛群結構、提升單產、實現產量穩定增長。本公司將繼續加強上下游的協同整合，打造原奶生產全鏈條佈局，增強國內原奶生產第一品牌的市場競爭力，為股東創造更大的價值，發揮行業龍頭的榜樣，為消費者提供最富營養價值的原奶，為中國奶業升級轉型做出不懈的貢獻。



# REPORT OF THE DIRECTORS

## 董事會報告

The board of directors (the “Directors” or the “Board”) of China Modern Dairy Holdings Ltd. (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 2020 (the “Reporting Period”).

### INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (2019: Nil).

### DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2020, the interests and short positions of the Directors and the chief executives of the Company and their respective associates in the ordinary share of HK\$0.1 each in the share capital of the Company (“Shares”), underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares or underlying Shares 股份或 相關股份數目	Approximate percentage of shareholding interest <sup>(4)</sup> 股權概約百分比 <sup>(4)</sup>
Ms. GAO Lina <sup>(1)</sup> 高麗娜女士 <sup>(1)</sup>	Interest in controlled corporation 受控制法團權益	221,581,733 <sup>(1)</sup>	3.46%
	Beneficial owner 實益持有人	40,411,058 <sup>(2)</sup>	0.63%
Mr. SUN Yugang 孫玉剛先生	Beneficial owner 實益持有人	1,073,663 <sup>(3)</sup>	0.02%

Notes:

(1) Ms. Gao holds approximately 49.12% of the interests in Jinmu Holdings Co Ltd. (“Jinmu”). Ms. Gao is deemed to be interested in the 221,581,733 Shares held by Jinmu under the SFO.

中國現代牧業控股有限公司(「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2020年6月30日止六個月(「匯報期間」)的未經審核簡明綜合財務報表。

### 中期股息

董事會已議決不就本匯報期間宣派任何中期股息(2019年：無)。

### 董事及主要行政人員於股份、相關股份及債券的權益及淡倉

於2020年6月30日，董事及本公司主要行政人員及彼等各自的聯繫人於本公司股本中每股面值0.1港元的普通股股份(「股份」)、本公司或其相聯法團(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部的相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉如下：

附註：

(1) 高女士擁有Jinmu Holdings Co Ltd.(「Jinmu」)約49.12%權益。根據證券及期貨條例，高女士被視為於Jinmu所持221,581,733股股份中擁有權益。

## REPORT OF THE DIRECTORS 董事會報告

- (2) This represents legal and beneficial interest of 11,134,142 Shares in the Company, and 29,276,916 share options in underlying shares of the pre-IPO management options (the "Management Options") granted by the Company.
- (2) 這指本公司合法及實益權益11,134,142股股份及本公司所授出首次公開發售前管理層購股權(「管理層購股權」)的相關股份中29,276,916份購股權。
- (3) These represent legal and beneficial interest of 1,073,663 Shares, details of which are set out in the sections "Share Award Scheme" below. Mr. Sun Yugang was appointed as an executive director of the Company on 1 April 2020.
- (3) 這指合法及實益權益1,073,663股股份，有關詳情載於下文「股份獎勵計劃」各節。孫玉剛先生於2020年4月1日獲委任為本公司執行董事。
- (4) Based on 6,407,635,115 Shares in issue as at 30 June 2020.
- (4) 基於2020年6月30日已發行的6,407,635,115股股份。

### INTEREST IN ASSOCIATED CORPORATION

### 於相聯法團的權益

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Number of shares in associated corporation 於相聯法團的 股份數目	Approximate percentage of shareholdings interest <sup>(2)</sup> 股權概約百分比 <sup>(2)</sup>
Mr. Lu Minfang <sup>(1)</sup> 盧敏放先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	11,522,520	0.29%
Mr. Zhang Ping <sup>(1)</sup> 張平先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	2,039,002	0.05%
Mr. Zhao Jiejun <sup>(1)</sup> 趙傑軍先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	3,325,805	0.08%

#### Notes:

- (1) Mr. Lu Minfang, Mr. Zhang Ping and Mr. Zhao Jiejun are non-executive Directors of the Company. Mr. Lu Minfang is an executive director and chief executive officer of China Mengniu Dairy Company Limited ("Mengniu"). Mr. ZHANG Ping is a chief financial officer of Mengniu. Mr. Zhao Jiejun is the assistant vice president of Mengniu and the general manager of the milk sources department of Mengniu. As at the date of this report, Mengniu holds 58.15% of the issued share capital of the Company.
- (2) Based on 3,938,589,900 shares of Mengniu in issue as at 30 June 2020.

#### 附註：

- (1) 盧敏放先生、張平先生及趙傑軍先生均為本公司的非執行董事。盧敏放先生為中國蒙牛乳業有限公司(「蒙牛」)的執行董事兼總裁。張平先生為蒙牛的首席財務官。趙傑軍先生為蒙牛的副總裁兼蒙牛奶源部總經理。於本報告日期，蒙牛持有本公司已發行股本58.15%。
- (2) 基於2020年6月30日中國蒙牛乳業有限公司已發行的3,938,589,900股股份。

Saved as disclosed above, as at 30 June 2020, none of the Directors and the chief executives of the Company and their respective associates had any interests and short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2020年6月30日，董事及本公司主要行政人員及彼等各自的聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的任何權益及淡倉，或根據標準守則須知會本公司及聯交所的任何權益及淡倉。

**SUBSTANTIAL SHAREHOLDERS' INTERESTS**

**主要股東權益**

As at 30 June 2020, the interests or short positions of substantial shareholders, other than the Directors or the chief executives of the Company and their respective associates, in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be maintained under Section 336 of the SFO were as follows:

於2020年6月30日，主要股東(董事或本公司主要行政人員及彼等各自的聯繫人除外)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、相關股份及債券中擁有根據證券及期貨條例第336條須登記於登記冊的權益或淡倉如下：

Name of substantial shareholders 主要股東名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares 普通股數目	Percentage of the Company's issued Share Capital <sup>(3)</sup> 佔本公司已發行股本百分比 <sup>(3)</sup>
China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	Beneficial interest 實益權益	1,317,903,000 (L) <sup>(1)</sup>	20.57%
	Interest in controlled corporation (through Future Discovery Limited) 受控制法團權益(透過Future Discovery Limited)	2,407,866,412 (L) <sup>(2)</sup>	37.58%
Central Huijin Investment Ltd. 中央匯金投資有限責任公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	613,877,227 (L) 613,877,227 (S)	9.58% 9.58%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益(透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%
Bank of China Limited 中國銀行股份有限公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	613,877,227 (L) 613,877,227 (S)	9.58% 9.58%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益(透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%
BOC International Holdings Limited 中銀國際控股有限公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	613,877,227 (L) 613,877,227 (S)	9.58% 9.58%



# REPORT OF THE DIRECTORS

## 董事會報告

Name of substantial shareholders 主要股東名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares 普通股數目	Percentage of the Company's issued Share Capital <sup>(3)</sup> 佔本公司已發行股本百分比 <sup>(3)</sup>
BOCI Financial Products Limited 中銀國際金融產品有限公司	Beneficial interest 實益權益	613,877,227 (L) 613,877,227 (S)	9.58% 9.58%
New Hope Dairy Co., Ltd. 新希望乳業股份有限公司	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	594,925,763 (L)	9.28%
New Century Ltd.	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	594,925,763 (L)	9.28%
Liu Chang	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	594,925,763 (L)	9.28%

### Notes:

- (1) Among which up to 613,877,227 shares of the Company have been lent to BOCI Financial Products Limited pursuant to a securities lending agreement dated 17 June 2020 entered into between Mengniu as lender and BOCI Financial Products Limited as borrower.
- (2) Future Discovery Limited is the subsidiary of Mengniu.
- (3) Based on 6,470,635,115 Shares in issue as at 30 June 2020.
- (4) (S) Indicates a short position.
- (5) (L) Indicates a long position.

Save as disclosed above, the Company had not been notified of any other interests or short positions in the shares or underlying shares representing 5% or more of the issued share capital of the Company or as recorded in the register required to be maintained under Section 336 of the SFO as at 30 June 2020.

### 附註：

- (1) 其中最多613,877,227股本公司股份已根據由蒙牛(作為貸款人)與中銀國際金融產品有限公司(作為借款人)所訂立日期為2020年6月17日的借股協議借予中銀國際金融產品有限公司。
- (2) Future Discovery Limited為蒙牛的附屬公司。
- (3) 基於2020年6月30日已發行的6,407,635,115股股份。
- (4) (S)指淡倉。
- (5) (L)指好倉。

除上文所披露者外，於2020年6月30日，本公司並不知悉於佔本公司已發行股本5%或以上的股份或相關股份中擁有或根據證券及期貨條例第336條須登記於存置的登記冊內的任何其他權益或淡倉。

## PRE-IPO MANAGEMENT OPTIONS

The Company, on 31 October 2010, before the initial public offer of the Company, granted management options (“Management Options”) to Ms. GAO Lina and Mr. HAN Chunlin. The following Management Options were outstanding as at 30 June 2020:

## 首次公開發售前管理層購股權

本公司於2010年10月31日即本公司首次公開發售前向高麗娜女士及韓春林先生授出管理層購股權（「管理層購股權」）。以下為於2020年6月30日尚未行使的管理層購股權：

		Number of underlying shares of the Company which may be issued pursuant to the Management Options 根據管理層購股權可能發行的本公司相關股份數目				
Name of grantee 承授人姓名	Date of grant 授出日期	As at	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	As at
		1 January 2020 於2020年 1月1日				30 June 2020 於2020年 6月30日
Ms. GAO Lina 高麗娜女士	31 October 2010 2010年10月31日	29,276,916	-	-	-	29,276,916
Mr. HAN Chunlin 韓春林先生	31 October 2010 2010年10月31日	21,653,916	-	-	-	21,653,916
		50,930,832	-	-	-	50,930,832

Mr. HAN Chunlin resigned as an executive Director on 1 April 2020.

韓春林先生於2020年4月1日辭任執行董事。

## SHARE AWARD SCHEMES

The Company operates a restricted share award scheme which was adopted by the Company on 9 September 2016 (the “Share Award Scheme I”). As the total contributed amount of the Share Award Scheme I has reached its limit in 2017, thus, on 26 March 2018 the Company adopted a new share award scheme (the “Share Award Scheme II”) which shall remain effective for ten years. The goal of the share award schemes are to motivate the employees to maximize the value of and share the results with the Company in order to achieve sustainable development of the Group.

## 股份獎勵計劃

本公司運作其於2016年9月9日採納的限制性股份獎勵計劃（「股份獎勵計劃I」），由於股份獎勵計劃I的供款總額已於2017年達到上限，因此本公司於2018年3月26日採納另一新股份獎勵計劃（「股份獎勵計劃II」），股份獎勵計劃II將維持十年有效。股份獎勵計劃旨在激勵僱員為本公司創造最大價值及與本公司僱員分享成果，以令本集團實現可持續發展。

# REPORT OF THE DIRECTORS

## 董事會報告

During the Reporting Period the number of shares of the Company granted to selected participants was 40,000,000, of which 5,420,000 shares were granted to the Directors, details of which are as follows:

於匯報期間，已授予獲選參與者的本公司股份數目為40,000,000股，其中5,420,000股股份授予董事，詳情載列如下：

Name of Director	董事姓名	Unvested as at 1 January 2020	Granted during the period	Vested during the period	Forfeited during the period	Unvested as at 30 June 2020
		於2020年1月1日尚未歸屬				於2020年6月30日尚未歸屬
Ms. GAO Lina	高麗娜女士	-	3,500,000	1,800,000	-	1,700,000
Mr. SUN Yugang	孫玉剛先生	-	1,087,000	167,000	-	920,000
Mr. HAN Chunlin	韓春林先生	-	1,920,000	1,000,000	-	920,000
		-	6,507,000	2,967,000	-	3,540,000

Mr. Sun Yugang was appointed as an executive Director of the Company and Mr. Han Chunlin resigned as an executive Director of the Company with both effective on 1 April 2020.

孫玉剛先生獲委任為本公司執行董事，韓春林先生辭任本公司執行董事，均自2020年4月1日起生效。

### FOREIGN CURRENCY RISK

The Group's businesses are principally located in Mainland China and substantially all transactions are conducted in RMB, except for the payment for offshore professional services and purchases of imported machinery and equipment from overseas.

The fluctuation of the exchange rates of RMB against foreign currencies could affect the Group's results of operations. However, in the opinion of the Directors, the foreign currency risk exposure is under management's control.

### 外幣風險

本集團的業務主要位於中國內地，除離岸專業服務及購置境外進口機械設備的付款外，所有交易均以人民幣進行。

人民幣兌外幣匯率之波動可能會影響本集團的經營績效。然而，董事認為，外幣匯兌風險是在管理層掌控之內。

### CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report ("CG Code") as set out in Appendix 14 to the Listing Rules. The Company has, throughout the six months ended 30 June 2020 complied with the code provisions set out in the CG Code, except for the deviations from code provision A.6.7 which is explained below.

Code provision A.6.7 of the CG Code provides, among other things, that non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders of the Company. Two non-executive Directors were not able to attend the annual general meeting of the Company held on 6 June 2020 due to other business engagements.

### 企業管治

本公司已採納上市規則附錄14所載的企業管治守則及企業管治報告(「企業管治守則」)的守則條文。截至2020年6月30日止六個月，本公司一直遵守載於企業管治守則的守則條文，惟偏離守則條文第A.6.7條(於下文解釋)除外。

企業管治守則的守則條文第A.6.7條規定(其中包括)，非執行董事應出席股東大會，對本公司股東的意見有公正的瞭解。兩名非執行董事由於其他公務而無法出席本公司於2020年6月6日舉行的股東週年大會。



Save as disclosed above, the Board has reviewed the Company's corporate governance practices and is satisfied that the Company has been in compliance with all applicable code provisions of the CG Code.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed under the sections headed "Pre-IPO Management Options", "Share Award Scheme" and "Interest in Associate Corporation" above, during the Reporting Period, the Company or any of its subsidiaries was not a party to any arrangements whose objects are, or one of whose objects is, to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

Save for those disclosed above, during the six months ended June 30, 2020, none of the Directors (including their spouses and children under the age of 18) held any interests in or was granted any right to subscribe for the securities of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

### BOARD OF DIRECTORS

As at the date of this interim report, the Board comprises two executive Directors, namely Ms. GAO Lina (Vice Chairman and Chief Executive Officer) and Mr. SUN Yugang (Executive Vice President), four non-executive Directors, namely, Mr. LU Minfang (Chairman of the Board), Mr. ZHANG Ping, ZHAO Jiejun and Ms. GAN Lu, and three independent non-executive Directors, namely Mr. LI Shengli, Mr. LEE Kong Wai Conway and Mr. WOLHARDT Julian Juul.

### SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the Company's code of conduct regarding securities transactions by the Directors. Following specific enquiries by the Company, all the Directors confirmed that they have complied with the required standards set out in the Model Code throughout the Reporting Period.

除上文所披露者外，董事會已檢討本公司之企業管治常規並確信本公司已遵守企業管治守則之所有適用守則條文。

### 董事收購股份或債券的權利

除上文「首次公開發售前管理層購股權」、「股份獎勵計劃」，及「於相聯法團的權益」各節所披露者外，於匯報期間內，本公司或其任何附屬公司並無參與任何其目的或目的之一旨在使董事可透過購入本公司或任何其他法人團體的股份或債權證而獲利的安排。

除上述所披露者外，於截至2020年6月30日止六個月內，概無任何董事(包括其配偶及未滿18歲的子女)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的證券中擁有任何權益或獲授任何可認購該等證券的權利，或曾行使任何有關權利。

### 董事會

於本中期報告日期，董事會由兩名執行董事高麗娜女士(副主席兼總裁)及孫玉剛先生(常務副總裁)、四名非執行董事盧敏放先生(董事會主席)、張平先生、趙傑軍先生及甘璐女士以及三名獨立非執行董事李勝利先生、李港衛先生及WOLHARDT Julian Juul先生組成。

### 董事進行的證券交易

本公司已採納上市規則附錄10所載的標準守則作為本公司董事進行證券交易的行為守則。於本公司作出特定查詢後，全體董事確認，於匯報期間，彼等一直遵守標準守則所載的規定標準。

# REPORT OF THE DIRECTORS

## 董事會報告

### 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, except that the trustee of the share award scheme of the Company adopted on 26 March 2018, pursuant to the rules of this scheme, purchased on the open market a total of 20,000,000 shares of the Company at a consideration of approximately HK\$17,255,000 (equivalent to RMB15,763,000) for the six months ended 30 June 2020.

The Group retained a total number of 5,510,525 vesting shares as a consideration of approximately HK\$4,519,000 (equivalent to RMB4,129,000) for paying the individual income tax on behalf of those selected participants under the share award schemes of the Company.

### UPDATE ON INFORMATION OF DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Mr. Lee Kong Wai, Conway, the Company's independent non-executive Director has ceased to be the director of Tibet Water Resources Limited (stock code 1115.HK) on 28 February 2020. Save as disclosed above, there was no changes in the information of Directors since the date of the 2019 annual report of the Company and the announcement of the Company dated 30 March 2020 in relation to, among others, the resignation, appointment and re-designation of Director, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

There is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### REVIEW OF INTERIM RESULTS

The condensed interim financial statements have been reviewed by the Group's auditor, Deloitte Touche Tohmatsu, 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, and the Audit Committee.

### 購買、出售或贖回本公司之上市證券

截至2020年6月30日止六個月，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券，惟本公司於2018年3月26日採納的股份獎勵計劃受託人根據計劃的規則於公開市場購買合共20,000,000股本公司股份，代價約為17,255,000港元(相當於人民幣15,763,000元)。

本集團保留合共5,510,525股歸屬股份，作為代表本公司股份獎勵計劃項下該等選定參與者支付個人所得稅的代價約4,519,000港元(相當於人民幣4,129,000元)。

### 根據上市規則第13.51B(1)條作出的董事資料更新

本公司獨立非執行董事李港衛先生於2020年2月28日辭退西藏水資源有限公司(股份代號1115.HK)獨立非執行董事一職。除上文所披露者外，自本公司2019年年報日期以及本公司於2020年3月30日就董事辭任、委任及調任等事宜發佈的公告後，董事的資料概無任何變更，所以根據上市規則第13.51B(1)條並無須予披露事項。

概無其他資料須根據上市規則第13.51B(1)條予以披露。

### 審閱中期業績

簡明中期財務報表已經本集團核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料的審閱」與審核委員會進行審閱。

## AUDIT COMMITTEE

The Audit Committee currently comprises two independent non-executive Directors, namely Mr. LEE Kong Wai, Conway (Chairman) and Mr. WOLHARDT Julian Juul and one non-executive Director, Mr. ZHANG Ping. The Audit Committee has reviewed with the Company's management and the external auditors, the accounting principles and practices adopted by the Company and discussed auditing, risk management system, internal control procedures and financial reporting matters, including the review of the Group's interim financial statements.

## INVESTOR RELATIONS

The Company adopts a proactive policy in promoting investor relations and communications. Regular meetings are held with institutional investors and financial analysts to ensure two-way communications on the Company's performance and development. Investors are welcomed to send their enquiries to our investor relation at [info@moderndairyir.com](mailto:info@moderndairyir.com) or browse the Company's website (<http://www.moderndairyir.com>) for latest update information of the Group.

## 審核委員會

審核委員會現時由兩名獨立非執行董事，即李港衛先生(主席)及WOLHARDT Julian Juul先生及一名非執行董事張平先生組成。審核委員會已與本公司管理層及外部核數師審閱本公司採納的會計原則及慣例，並討論審計、風險管理制度、內部監控程序及財務呈報事宜，包括審閱本集團的中期財務報表。

## 投資者關係

本公司採取積極政策促進投資者關係與溝通。本公司定期與機構投資者及金融分析師舉行會議，以確保就本公司表現及發展維持雙向溝通。本公司歡迎投資者致函[info@moderndairyir.com](mailto:info@moderndairyir.com)詢問我們的投資者關係或瀏覽本公司網站(<http://www.moderndairyir.com>)瞭解本集團的最新更新資料。

On behalf of the Board  
**China Modern Dairy Holdings Ltd.**  
**Ms. GAO Lina**  
*Vice Chairman, Chief Executive Officer and  
Executive Director*

代表董事會  
中國現代牧業控股有限公司  
副主席、總裁兼  
執行董事  
高麗娜女士

Hong Kong, 24 August 2020

香港，2020年8月24日



# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告

# Deloitte.

# 德勤

TO THE BOARD OF DIRECTORS OF  
CHINA MODERN DAIRY HOLDINGS LTD.  
(Incorporated in the Cayman Islands with limited liability)

致中國現代牧業控股有限公司董事會  
(於開曼群島註冊成立的有限公司)

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of China Modern Dairy Holdings Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 44 to 96, which comprise the condensed consolidated statement of financial position as of 30 June 2020 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain 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 these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements 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.

### 緒言

我們已審閱第44頁至第96頁所載中國現代牧業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的簡明綜合財務報表，當中包括截至2020年6月30日的簡明綜合財務狀況表，以及截至該日止六個月的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表及若干附註解釋。香港聯合交易所有限公司證券上市規則規定編製中期財務資料報告須符合當中的相關條文及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」(「國際會計準則第34號」)。貴公司董事須負責根據國際會計準則第34號編製及呈列此等簡明綜合財務報表。我們的責任是根據審閱結果對此等簡明綜合財務報表作出結論，並根據我們的協定委聘條款僅向作為法人的閣下匯報結論，而不作其他用途。我們不會就本報告內容向任何其他人士負上或承擔任何責任。

### 審閱範圍

我們已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「實體獨立核數師對中期財務資料進行審閱」進行審閱工作。審閱此等簡明綜合財務報表包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱範圍遠小於根據香港核數準則進行的審核範圍，故我們無法保證，我們會知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

### 結論

根據我們的審閱結果，我們並無發現任何事項，致使我們相信簡明綜合財務報表在各重大方面未有根據國際會計準則第34號編製。

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

24 August 2020

德勤•關黃陳方會計師行

執業會計師

香港

2020年8月24日

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020

截至2020年6月30日止六個月

Six months ended 30 June  
截至6月30日止六個月

		NOTES 附註	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
Revenue	收入	4	2,827,752	2,570,133
Cost of sales before raw milk fair value adjustments	原料奶公平值調整前的銷售成本	6	(1,775,735)	(1,672,018)
Raw milk fair value adjustments included in cost of sales	計入銷售成本的原料奶公平值調整	6	(960,393)	(816,632)
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減乳牛銷售成本產生的虧損	6	(448,749)	(430,471)
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	於原料奶收獲時按公平值減銷售成本初始確認產生的收益		960,393	816,632
Other income	其他收入	5	41,182	21,547
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下減值虧損，扣除撥回	16	10	108,021
Selling and distribution costs	銷售及分銷開支		(98,175)	(82,985)
Administrative expenses	行政開支		(144,885)	(138,279)
Share of profits of associates	應佔聯營公司溢利		12,727	12,284
Other gains and losses, net	其他收益及虧損淨額	6	40,351	(26,715)
Other expenses	其他開支		(13,089)	(3,264)
Profit before finance costs and tax	除融資成本及稅項前溢利	6	441,389	358,253
Finance costs	融資成本	7	(214,798)	(224,375)
Profit before tax	除稅前溢利		226,591	133,878
Income tax expense	所得稅開支	8	(276)	(197)
Profit for the period	期內溢利		226,315	133,681
<b>Other comprehensive income:</b>	<b>其他全面收入：</b>			
<b>Item that will not be reclassified to profit or loss:</b>	<b>不會重新分類為損益的項目：</b>			
Fair value gain on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收入（「按公平值計入其他全面收入」）的權益工具投資公平值收益		3,935	131
Other comprehensive income for the period, net of income tax	期內其他全面收入，扣除所得稅		3,935	131
Total comprehensive income for the period	期內全面收入總額		230,250	133,812
Profit for the period attributable to:	以下各方應佔期內溢利：			
Owners of the Company	本公司擁有人		220,736	124,859
Non-controlling interests	非控股權益		5,579	8,822
			226,315	133,681
Total comprehensive income for the period attributable to:	以下各方應佔期內全面收入總額：			
Owners of the Company	本公司擁有人		224,599	124,988
Non-controlling interests	非控股權益		5,651	8,824
			230,250	133,812
Earnings per share (RMB)	每股盈利(人民幣)	10		
Basic	基本		3.47 cents 分	2.05 cents 分
Diluted	攤薄		3.46 cents 分	2.05 cents 分



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

At 30 June 2020  
於2020年6月30日

			30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
	NOTES 附註			
<b>NON-CURRENT ASSETS</b>		<b>非流動資產</b>		
Property, plant and equipment		物業、廠房及設備	3,283,526	3,455,068
Right-of-use assets		使用權資產	312,278	320,161
Goodwill	11	商譽	1,348,516	1,371,266
Interests in associates	12	於聯營公司的權益	271,017	215,392
Equity instruments at FVTOCI		按公平值計入其他全面收入的 權益工具	7,894	3,959
Biological assets	13	生物資產	7,356,686	7,459,359
Derivative financial instruments	17	衍生金融工具	45,187	–
Non-pledged bank deposits		未質押銀行存款	140,000	–
			<b>12,765,104</b>	<b>12,825,205</b>
<b>CURRENT ASSETS</b>		<b>流動資產</b>		
Inventories		存貨	673,823	1,078,491
Trade and other receivables and advanced payments	14	應收貿易賬款及其他應收款項 以及預付款項	633,235	618,288
Structured bank deposits	15	結構性銀行存款	50,074	–
Derivative financial instruments	17	衍生金融工具	14,240	89,543
Pledged bank balances and non-pledged bank deposits		已質押銀行結餘及未質押銀行 存款	96,234	147,775
Bank balances and cash		銀行結餘及現金	990,495	893,441
			<b>2,458,101</b>	<b>2,827,538</b>
Assets of a disposal group classified as held for sale		分類為持作出售的出售組別資產	–	71,450
			<b>2,458,101</b>	<b>2,898,988</b>
<b>CURRENT LIABILITIES</b>		<b>流動負債</b>		
Trade and other payables	18	應付貿易賬款及其他應付款項	1,118,595	1,521,688
Tax payable		應課稅項	216	233
Bank borrowings – due within one year	19	銀行借款 – 一年內到期	4,305,806	3,822,643
Other borrowings	20	其他借款	–	1,051,413
Lease liabilities		租賃負債	13,068	23,238
Derivative financial instruments	17	衍生金融工具	36,746	15,274
Contract liabilities		合約負債	202	189
			<b>5,474,633</b>	<b>6,434,678</b>
Liabilities of a disposal group classified as held for sale		分類為持作出售的出售組別負債	–	2,196
			<b>5,474,633</b>	<b>6,436,874</b>
<b>NET CURRENT LIABILITIES</b>		<b>流動負債淨額</b>	<b>(3,016,532)</b>	<b>(3,537,886)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>總資產減流動負債</b>	<b>9,748,572</b>	<b>9,287,319</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

At 30 June 2020  
於2020年6月30日

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
	NOTES 附註		
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	551,007	551,007
Share premium and reserves	股份溢價及儲備	6,757,343	6,530,510
Equity attributable to owners of the Company	本公司擁有人應佔權益	7,308,350	7,081,517
Non-controlling interests	非控股權益	131,686	126,184
<b>TOTAL EQUITY</b>	<b>總權益</b>	<b>7,440,036</b>	<b>7,207,701</b>
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Bank borrowings – due after one year	銀行借款 – 一年後到期	1,909,163	1,715,831
Lease liabilities	租賃負債	207,790	206,109
Derivative financial instruments	衍生金融工具	38,626	–
Deferred income	遞延收入	152,957	157,678
		<b>2,308,536</b>	<b>2,079,618</b>
		<b>9,748,572</b>	<b>9,287,319</b>

The consolidated financial statements on pages 44 to 96 were approved and authorised for issue by the board of directors on 24 August 2020 and are signed on its behalf by:

載於第44至96頁的綜合財務報表於2020年8月24日經董事會批准及授權刊發並代表簽署：

**LU Minfang**  
盧敏放  
Director  
董事

**GAO Lina**  
高麗娜  
Director  
董事

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the six months ended 30 June 2020

截至2020年6月30日止六個月

Attributable to owners of the Company  
本公司擁有人應佔

		Share capital	Share premium	Other reserve	Share options reserve	Share award reserve	Shares held under the Share Award Schemes	FVTOCI reserve	Retained earnings	Sub-total	Non-controlling interests	Total
		股本	股份溢價	其他儲備	購股權儲備	股份獎勵儲備	所持有的股份獎勵計劃項下	按公平值計入其他	保留盈利	小計	非控股權益	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019 (audited)	於2019年1月1日(經審核)	526,058	4,641,066	979,953	5,286	23,163	(85,720)	(23,118)	357,568	6,424,256	108,447	6,532,703
Profit for the period	期內溢利	-	-	-	-	-	-	-	124,859	124,859	8,822	133,681
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	-	-	129	-	129	2	131
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	-	129	124,859	124,988	8,824	133,812
Share purchase for the Share Award Schemes (Note 21(b))	就股份獎勵計劃的股份購買(附註21(b))	-	-	-	-	-	(19,668)	-	-	(19,668)	-	(19,668)
Recognition of equity-settled share-based payment (Note 21(b))	確認按股權結算以股份支付的付款(附註21(b))	-	-	-	-	24,635	-	-	-	24,635	-	24,635
Reversal due to vesting of award shares (Note 21(b))	因獎勵股份歸屬而撥回(附註21(b))	-	-	-	-	(43,806)	59,835	-	(16,029)	-	-	-
At 30 June 2019 (unaudited)	於2019年6月30日(未經審核)	526,058	4,641,066	979,953	5,286	3,992	(45,553)	(22,989)	466,398	6,554,211	117,271	6,671,482
At 1 January 2020 (audited)	於2020年1月1日(經審核)	551,007	4,945,381	970,829	5,286	4,910	(57,012)	(21,693)	682,809	7,081,517	126,184	7,207,701
Profit for the period	期內溢利	-	-	-	-	-	-	-	220,736	220,736	5,579	226,315
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	-	-	3,863	-	3,863	72	3,935
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	-	3,863	220,736	224,599	5,651	230,250
Share purchase for the Share Award Schemes (Note 21(b))	就股份獎勵計劃的股份購買(附註21(b))	-	-	-	-	-	(19,892)	-	-	(19,892)	-	(19,892)
Recognition of equity-settled share-based payment (Note 21(b))	確認按股權結算以股份支付的付款(附註21(b))	-	-	-	-	21,977	-	-	-	21,977	-	21,977
Reversal due to vesting of award shares (Note 21(b))	因獎勵股份歸屬而撥回(附註21(b))	-	-	-	-	(24,227)	29,560	-	(5,333)	-	-	-
Equity transactions related to interest free loans	有關免息貸款的股權交易	-	-	149	-	-	-	-	-	149	(149)	-
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	551,007	4,945,381	970,978	5,286	2,660	(47,344)	(17,830)	898,212	7,308,350	131,686	7,440,036



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

For the six months ended 30 June 2020

截至2020年6月30日止六個月

Six months ended 30 June

截至6月30日止六個月

		NOTES 附註	2020	2019
			2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金淨額</b>		<b>1,055,209</b>	<b>855,571</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用現金淨額</b>			
Purchases of property, plant and equipment	購入物業、廠房及設備		(78,015)	(146,598)
Payments for right-of-use assets	使用權資產付款		–	(95)
Investment in an associate	聯營公司投資	12	(42,898)	–
Additions in biological assets	生物資產增置		(560,860)	(582,398)
Placement of structured bank deposits	存入結構性銀行存款		(50,000)	–
Placement of pledged bank balances	存入已質押銀行結餘		(23,747)	(71,673)
Withdrawal of pledged bank balances	提取已質押銀行結餘		29,695	14,189
Placement of non-pledged bank deposits with original maturity of more than three months	存入原到期日超過三個月的無抵押銀行存款		(162,060)	–
Withdrawal of non-pledged bank deposits with original maturity of more than three months	提取原到期日超過三個月的無抵押銀行存款		67,653	–
Proceeds from disposal of dairy cows	出售乳牛所得款項		298,940	260,498
Interest received	已收取利息		7,214	5,668
Government grants received	已獲取政府補貼		596	7,900
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		4,342	8,061
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	22	85,716	–
			<b>(423,424)</b>	<b>(504,448)</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動所用現金淨額</b>			
Interest paid	已付利息		(138,088)	(210,841)
New borrowings raised	新籌得借款		2,459,100	2,682,181
Repayment of borrowings	借款償還款項		(1,772,996)	(1,425,020)
Repayment of medium-term notes	中期票據償還款項		–	(600,000)
Repayment of corporate bonds	公司債券償還款項		–	(1,050,000)
Payment of transaction cost for bank borrowings	支付銀行借款的交易成本		–	(23,752)
Proceeds from other borrowings	其他借款所得款項		–	1,345,250
Repayment of other borrowings	其他借款償還款項		(1,050,000)	(1,145,250)
Repayment of leases liabilities	租賃負債償還款項		(13,618)	(13,474)
Payment for repurchase of ordinary shares	購回普通股的付款		(19,892)	(8,946)
			<b>(535,494)</b>	<b>(449,852)</b>

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### Six months ended 30 June

截至6月30日止六個月

		2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	現金及現金等價物增加(減少)淨額	96,291	(98,729)
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	簡明綜合財務狀況表所示現金及 現金等價物	893,441	703,039
Cash and cash equivalents attributable to the disposal group classified as held for sale	分類為持作出售的出售組別應佔 現金及現金等價物	763	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	期初現金及現金等價物	894,204	703,039
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD, represented by bank balances and cash</b>	期末現金及現金等價物， 以銀行結餘及現金呈列	990,495	604,310

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 1. GENERAL

China Modern Dairy Holdings Ltd. (the “Company”) is a limited liability company and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 26 November 2010. The registered office of the Company is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located in Economic and Technological Development Zone, Maanshan City, Anhui Province, the People’s Republic of China (the “PRC”).

As at 30 June 2020, China Mengniu Dairy Co., Ltd. (“Mengniu”) and its wholly-owned subsidiary together owned 58.15% of the issued share capital of the Company.

The principal activity of the Company is investment holding and its subsidiaries are mainly engaged in production and sales of milk. The Company and its subsidiaries are hereinafter collectively referred to as the “Group”.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), the currency of the primary economic environment in which the principal subsidiaries of the Group operate (the “functional currency”).

### 1A. SIGNIFICANT EVENTS IN THE CURRENT INTERIM PERIOD

The outbreak of COVID-19 and the subsequent quarantine measures as well as the travel restrictions imposed by many countries have had negative impacts to the global economy, business environment and directly and indirectly affect the operations of the Group. The Group has managed to maintain the normal level of production and sales volume amid the outbreak of the COVID-19. During the current period, the Group had donated liquid milk of RMB10,000,000 to areas infected by COVID-19 which was purchased from Mengniu.

### 1. 一般資料

中國現代牧業控股有限公司(「本公司」)為一間有限公司，其股份已自2010年11月26日起在香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處位於Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands。本公司主要營業地點則位於中華人民共和國(「中國」)安徽省馬鞍山市經濟技術開發區。

於2020年6月30日，中國蒙牛乳業有限公司(「蒙牛」)及其全資附屬公司共同擁有本公司已發行股本的58.15%。

本公司的主要業務為投資控股，而其附屬公司則主要從事生產及銷售牛奶。本公司及其附屬公司於下文統稱「本集團」。

簡明綜合財務報表以人民幣(「人民幣」)列值，該貨幣用於本集團主要附屬公司營運所在的主要經濟環境(「功能貨幣」)。

### 1A. 本中期期間的重大事項

新冠疫情的爆發及隨後的隔離措施以及許多國家實施的旅行限制對全球經濟、營商環境造成了負面影響，並直接和間接影響了本集團的運營。於新冠疫情爆發期間，本集團致力將產量及銷量維持在正常水平。於本期間，本集團向蒙牛採購並將人民幣10,000,000元的液態奶捐贈予新冠疫情地區。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 2. BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In preparation of the condensed consolidated financial statements for the six months ended 30 June 2020, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity of the Group in light of the fact that the Group’s current liabilities exceeded its total current assets by RMB3,016,532,000. Having considered the expected net cash inflows from the Group’s operations for the next twelve months and the available credit facilities of approximately RMB6,688,190,000 which remains unutilised as at 30 June 2020, the Directors are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due for the foreseeable future. The abovementioned credit facilities included an amount of RMB1,300,000,000 from Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”), a subsidiary of Mengniu (Note 24(d)), and the remaining facilities are from licensed banks. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

The condensed consolidated financial statements of the Group have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

### 2. 簡明綜合財務報表的編製基準

在編製截至2020年6月30日止六個月的簡明綜合財務報表時，鑒於本集團的流動負債超出其流動資產總值人民幣3,016,532,000元，本公司董事（「董事」）已審慎考慮本集團的未來流動資金狀況。經考慮本集團的營運於未來十二個月產生的預期現金流入淨額以及於2020年6月30日的可供動用信貸融資約人民幣6,688,190,000元並未動用，董事信納，於可見將來，本集團將能夠於財務責任到期應付時悉數償還有關款項。上述信貸融資包括來自蒙牛的附屬公司內蒙古蒙牛乳業（集團）股份有限公司（「內蒙古蒙牛」）的人民幣1,300,000,000元（附註24(d)），剩餘融資來自持牌銀行。因此，簡明綜合財務報表根據持續經營基準編製。

本集團的簡明綜合財務報表乃根據國際會計準則理事會（「國際會計準則理事會」）頒佈的國際會計準則第34號中期財務報告，以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六的適用披露規定編製。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for: (i) the biological assets, which are measured at fair value less costs to sell; (ii) derivative financial instruments, which are measured at fair value; (iii) structured bank deposits, which are measured at fair value; and (iv) equity instruments at FVTOCI, which are measured at fair value at the end of each reporting period.

Other than changes in accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”) and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2019.

#### Application of amendments to IFRSs

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in IFRS Standards and the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IAS 1 and IAS 8	<i>Definition of Material</i>
Amendments to IFRS 3	<i>Definition of a Business</i>
Amendments to IFRS 9, IAS 39 and IFRS 7	<i>Interest Rate Benchmark Reform</i>

### 3. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟：(i)按公平值減銷售成本計量的生物資產；(ii)按公平值計量的衍生金融工具；(iii)按公平值計量的結構性銀行存款；及(iv)按公平值計入其他全面收入的權益工具按各報告期末的公平值計量除外。

除因應用國際財務報告準則(「國際財務報告準則」)的修訂及應用與本集團相關之若干會計政策而導致的會計政策變動外，截至2020年6月30日止六個月簡明綜合財務報表所應用的會計政策及計算方法與本集團截至2019年12月31日止年度的年度財務報表所列示者一致。

#### 應用國際財務報告準則的修訂

於本中期期間，本集團已首次應用國際財務報告準則概念框架指引的修訂以及以下由國際會計準則理事會頒佈並於2020年1月1日或之後開始的年度期間強制生效的國際財務報告準則的修訂，以編製本集團的簡明綜合財務報表：

國際會計準則第1號及國際會計準則第8號的修訂	重大的定義
國際財務報告準則第3號的修訂	業務的定義
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂	利率基準改革

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Application of amendments to IFRSs (Continued)

The application of the Amendments to References to the Conceptual Framework in IFRS Standards and the amendments to IFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

#### Accounting policies newly applied by the Group

##### Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of IFRS 9 *Financial Instruments* are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortised cost or fair value as appropriate.

### 3A. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3. 主要會計政策(續)

#### 應用國際財務報告準則的修訂(續)

於本期間應用國際財務報告準則概念框架指引的修訂以及國際財務報告準則的修訂並無對本集團於當前及過往期間的財務狀況及表現及/或於此等簡明綜合財務報表內所載的披露構成重大影響。

#### 本集團新應用的會計政策

##### 嵌入式衍生工具

嵌入於包含屬於國際財務報告準則第9號金融工具規範的金融資產的混合合同中的衍生工具不應分拆。整個混合合同應整體按攤銷成本或按公平值(如適用)分類和後續計量。

### 3A. 估計不確定性的主要來源

於應用本集團的會計政策時，董事須就資產及負債不易由其他來源得出的賬面值作出判斷、估計及假設。估計及有關假設乃基於過往經驗和被視為屬相關的其他因素作出。實際結果可能與該等估計有所不同。

估計及相關假設會持續進行檢討。倘對會計估計的修訂僅影響對估計作出修訂的期間，則於修訂有關估計的期間內確認，或倘修訂對當前及未來期間均有影響，則於修訂期間及未來期間確認。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 3A. KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Except for the key sources of estimation uncertainty disclosed in Note 5 of the Group's consolidated financial statements for the year ended 31 December 2019, new key sources of estimation uncertainty for current period are arisen from disposal of subsidiaries as disclosed in Note 22.

After the completion of the disposal, the Group has taken certain obligations. For the two commitments relating to the supply of manure feed and valid land use right, the Group estimate the value is immaterial. For the buy back clause, the fair value is determined by using the Binomial-Tree Model with key inputs including the discount rate and expected volatility. Further details are given in Note 22.

### 4. REVENUE

#### Disaggregation of revenue

Types of goods	商品類型
Raw milk	原料奶
Timing of revenue recognition	收入確認時間
A point in time	時間點

#### Geographic information

Since all revenue from external customers is derived from the customers located in Mainland China and all of the non-current assets are located in Mainland China and the Group is managed on a nationwide basis because of the similarity of the type or class of the customers and the similarity of the regulatory environment in the whole region, no geographic information is presented.

### 3A. 估計不確定性的主要來源(續)

除於本集團截至2019年12月31日止年度綜合財務報表附註5披露的估計不確定性的主要來源外，本期新增一項估計不確定性的主要來源，即為附註22中披露的出售附屬公司。

在附屬公司股權出售完成後，本集團承擔了一定的義務。對於與提供糞污和有效土地使用權有關的兩項承諾，本集團經評估認為其價值並不重大。對於回購條款，其公允值通過二叉樹模型釐定，涉及關鍵輸入參數包括折現率和預期波動率。更多詳情請參見附註22。

### 4. 收入

#### 收入細分

#### Six months ended 30 June

截至6月30日止六個月

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
2,827,752	2,570,133
2,827,752	2,570,133

#### 地域資料

由於所有來自外部客戶的收入乃源自中國內地的客戶且所有非流動資產均位於中國內地，而本集團因整個地區客戶類型或類別的相似性及監管環境的相似性而按全國基準進行管理，因此並無呈列地域資料。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 5. OTHER INCOME

### 5. 其他收入

Bank interest income	銀行利息收入
Government grants related to	就以下各項授出的政府補貼
– Assets (Note i)	– 資產(附註i)
– Income (Note ii)	– 收入(附註ii)
Others	其他

#### Six months ended 30 June

截至6月30日止六個月

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
7,747	5,294
10,727	9,414
18,897	3,088
29,624	12,502
3,811	3,751
41,182	21,547

#### Notes:

- These government grants are in relation to the construction and acquisition of property, plant and equipment and are included in the condensed consolidated statement of financial position as deferred income and credited to the profit or loss on a straight-line basis over the useful lives of the related assets.
- These government grants are unconditional government subsidies received by the Group from relevant government bodies for the purpose of giving immediate financial support to the Group's operation.

#### 附註：

- 該等政府補貼與建造和購置物業、廠房及設備有關，且於簡明綜合財務狀況表內列作遞延收入，並於有關資產的可使用年期內按直線法計入損益。
- 該等政府補貼為本集團從有關政府部門收取的無條件政府補貼，旨在為本集團的營運提供即時財政支持。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 6. PROFIT BEFORE FINANCE COSTS AND TAX

Profit before finance costs and tax is arrived at after charging (crediting):

### 6. 除融資成本及稅項前溢利

除融資成本及稅項前溢利乃扣除(計入)下列各項後計算得出：

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cost of sales before raw milk fair value adjustments:	原料奶公平值調整前的銷售成本：		
Breeding costs to produce raw milk	生產原料奶的養殖成本	1,775,735	1,672,018
Raw milk fair value adjustments included in cost of sales	計入銷售成本的原料奶公平值調整	960,393	816,632
		<b>2,736,128</b>	<b>2,488,650</b>
Other gains and losses, net:	其他收益及虧損淨額：		
Net foreign exchange loss	外匯虧損淨額	51,078	27,128
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額	3,953	7,948
Impairment loss on goodwill	商譽減值虧損	22,750	-
Gain on disposal of subsidiaries	出售附屬公司的收益	(72,280)	-
Fair value gain on derivative financial instruments:	衍生金融工具的公平值收益：		
Foreign currency forward contracts	外匯遠期合約	(18,414)	(1,732)
Foreign currency option contracts	外匯期權合約	(27,364)	(5,942)
Fair value gain on structured deposits	結構性存款的公平值收益	(74)	-
Gain on derecognition of financial liabilities	取消確認金融負債的收益	-	(687)
		<b>(40,351)</b>	<b>26,715</b>
Depreciation of property, plant and equipment	物業、廠房及設備折舊	228,498	259,395
Depreciation of right-of-use assets	使用權資產折舊	8,434	7,891
Less: capitalised in biological assets	減：生物資產資本化金額	(99,800)	(109,299)
Depreciation charged to profit or loss	扣除自損益的折舊	137,132	157,987
Equity-settled share award expense (Note 21(b))	以股權結算的股份獎勵開支(附註21(b))	21,977	24,635
Other employee benefits costs	其他僱員福利開支	274,024	233,092
Less: capitalised in biological assets	減：生物資產資本化金額	(65,416)	(59,580)
Employee benefits charged to profit or loss	扣除自損益的僱員福利	230,585	198,147



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 7. FINANCE COSTS

### 7. 融資成本

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest expenses on:	利息開支：		
Bank borrowings	銀行借款	137,539	126,947
Medium-term notes	中期票據	—	6,620
Corporate bonds	公司債券	—	14,645
Other borrowings from Mengniu (Note 24(d))	來自蒙牛的其他借款(附註24(d))	6,818	27,022
Other borrowings from financial institutions	來自金融機構的其他借款	403	1,059
Lease liabilities	租賃負債	5,475	5,223
Amount due to Mengniu	應付蒙牛款項	—	4,354
Total borrowing cost	借款成本總額	150,235	185,870
Fair value loss on interest rate swaps	利率掉期公平值虧損	64,563	38,505
		214,798	224,375

### 8. INCOME TAX EXPENSE

### 8. 所得稅開支

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current tax:	即期稅項：		
PRC enterprise income tax	中國企業所得稅	276	197

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 8. INCOME TAX EXPENSE (Continued)

The tax charge represents income tax in the PRC which is calculated at the prevailing tax rate on the taxable income of the subsidiaries established in the PRC.

The PRC subsidiaries are subject to the PRC Enterprise Income Tax (the "EIT Law") at 25% for both periods. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. According to the prevailing tax rules and regulation of the PRC, the Group is exempted from enterprise income tax for taxable profit from the operation of agricultural business in the PRC.

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from Hong Kong.

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of the accumulated profits of the PRC subsidiaries amounting to RMB2,198,922,000 (31 December 2019: RMB1,863,415,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 9. DIVIDENDS

No interim dividends (six months ended 30 June 2019: nil) were paid, declared or proposed for current period.

### 8. 所得稅開支(續)

稅項開支指按於中國成立的附屬公司的應課稅收入的現行稅率計算的中國所得稅。

中國附屬公司須就該兩個期間按25%的稅率繳納中國企業所得稅(「企業所得稅法」)。其他司法權區產生的稅項乃根據有關司法權區現行稅率計算。根據中國現行稅務規則及法規，本集團於中國經營農業業務產生的應課稅溢利獲豁免繳納企業所得稅。

並無就香港稅項作出撥備，原因為本集團於香港並無產生收入亦無源自香港之收入。

根據中國企業所得稅法，於中國內地成立的外資企業向外商投資者宣派股息須繳納10%的預扣稅。該規定自2008年1月1日起生效，並適用於2007年12月31日後的盈利。倘中國與外商投資者所在司法權區訂立了稅項條約，則可調低預扣稅稅率。本集團的適用比率為5%或10%。並未就中國附屬公司累計溢利人民幣2,198,922,000元(2019年12月31日：人民幣1,863,415,000元)於簡明綜合財務報表就遞延稅項作出撥備，乃由於本集團能夠控制撥回暫時差額的時間及該等暫時差額於可見將來可能不會獲撥回。

### 9. 股息

本期間並無派付、宣派或擬派任何中期股息(截至2019年6月30日止六個月：無)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

<b>Profit</b>	<b>溢利</b>
Profit for the purposes of basic and diluted earnings per share	用於計算每股基本及攤薄盈利的溢利

<b>Number of shares</b>	<b>股份數目</b>
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數
Effect of dilutive potential ordinary shares:	攤薄潛在普通股的影响：
Share options	購股權
Share awards	股份獎勵

The number of shares adopted in the calculation of the basic earnings per share has been arrived at after eliminating the unvested shares of the Company held under the Company's share award scheme.

### 10. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

#### Six months ended 30 June

截至6月30日止六個月

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
220,736	124,859

#### Six months ended 30 June

截至6月30日止六個月

2020	2019
2020年	2019年
(unaudited)	(unaudited)
(未經審核)	(未經審核)
6,363,900,590	6,086,773,027
3,568,516	9,775,985
8,778,377	5,325,000
6,376,247,483	6,101,874,012

計算每股基本盈利所採納的股份數目於抵銷本公司股份獎勵計劃項下持有的本公司未歸屬股份後得出。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 11. GOODWILL

### 11. 商譽

#### Cost

At 1 January 2020 (audited)

At 30 June 2020 (unaudited)

#### Impairment

At 1 January 2020 (audited)

Impairment loss recognised in the period

At 30 June 2020 (unaudited)

#### Carrying values

At 1 January 2020 (audited)

At 30 June 2020 (unaudited)

#### 成本

於2020年1月1日(經審核)

於2020年6月30日(未經審核)

#### 減值

於2020年1月1日(經審核)

期內已確認減值虧損

於2020年6月30日(未經審核)

#### 賬面值

於2020年1月1日(經審核)

於2020年6月30日(未經審核)

RMB'000  
人民幣千元

1,535,886

1,535,886

(164,620)

(22,750)

(187,370)

1,371,266

1,348,516

For the purpose of impairment testing, goodwill has been allocated to two individual cash-generating units ("CGUs"). The carrying amounts of goodwill (net of accumulated impairment losses) allocated to Modern Farming CGU (defined below) are RMB310,426,000 (31 December 2019: RMB310,426,000) and the carrying amounts of goodwill (net of accumulated impairment losses) allocated to ADH CGU (defined below) are RMB1,038,090,000 (31 December 2019: RMB1,060,840,000).

The Group's goodwill of RMB310,426,000 arose from acquisition of Modern Farming in 2009 (the "2009 Goodwill"). Accordingly, for the purpose of impairment testing, the 2009 Goodwill has been allocated to the dairy farming business of Modern Farming and its subsidiaries at the point of acquisition, being the group of CGUs engaged in dairy farming operations (the "Modern Farming CGU") and represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The Group's goodwill of RMB1,225,460,000 arose from acquisition of the Asia Dairy Holdings and Asia Dairy Holdings II (the "ADH Companies") in 2015 (the "2015 Goodwill"). For the purpose of impairment testing, the 2015 Goodwill has been allocated to the ADH Companies, being the group of CGUs engaged in dairy farming operations (the "ADH CGU") and represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

During the current period, there is an indication that ADH CGU may be impaired due to increase of the feed costs and the decrease of selling price.

進行減值測試時，商譽歸入兩個個別現金產生單位(「現金產生單位」)。歸入現代牧業(集團)現金產生單位(定義見下文)的商譽賬面值(扣除累計減值虧損)為人民幣310,426,000元(2019年12月31日：人民幣310,426,000元)及歸入ADH現金產生單位(定義見下文)的商譽賬面值(扣除累計減值虧損)為人民幣1,038,090,000元(2019年12月31日：人民幣1,060,840,000元)。

本集團的商譽金額為人民幣310,426,000元，因於2009年收購現代牧業(集團)而產生(「2009年商譽」)。因此，進行減值測試時，2009年商譽已歸入現代牧業(集團)及其於收購時為經營奶牛養殖業務的現金產生單位組別的附屬公司(「現代牧業(集團)現金產生單位」)的奶牛養殖業務，並為本集團內就內部管理目的監控商譽的最低水平。

本集團的商譽金額為人民幣1,225,460,000元，因於2015年收購Asia Dairy Holdings及Asia Dairy Holdings II(「該等ADH公司」)而產生(「2015年商譽」)。進行減值測試時，2015年商譽已歸入該等ADH公司，其為經營奶牛養殖業務的現金產生單位組別(「ADH現金產生單位」)，並為本集團內就內部管理目的監控商譽的最低水平。

於本期間，由於飼養成本增加及售價減少，ADH現金產生單位出現可能減值的跡象。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 11. GOODWILL (Continued)

The recoverable amount of the ADH CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets of five years approved by the management and a pre-tax discount rate of 12.3%. Cash flows beyond the budgeted period are extrapolated using a 2.5% growth rate. Other key assumptions for the value in use calculation included the estimated future market price of raw milk, the estimated average daily milk yield at each lactation cycle and estimated feed costs per kg of raw milk. Such assumptions are based on the unit's past performance and management's expectations for the market development.

An impairment loss of RMB22,750,000 was recognised during the current period (six months ended 30 June 2019: nil), being the excess of the carrying amount of the ADH CGU over the recoverable amount of RMB2,550,212,000 determined based on the above value in use calculation.

### 12. INTERESTS IN ASSOCIATES

Cost of investments in associates	於聯營公司的投資成本
Share of post-acquisition profits and other Comprehensive income	分佔收購後溢利及其他全面收入

### 11. 商譽(續)

ADH現金產生單位的可收回金額按照使用價值計算釐定，並以經管理層批准的五年財務預算為依據，採用現金流量預測作出，稅前貼現率為12.3%。預算期限以外的現金流量使用2.5%的增長率推算。計算使用價值的其他主要假設包括估計未來原料奶市價、各哺乳期的估計平均每日產奶量及每千克原料奶估計飼養成本。該等假設乃基於該單位的以往表現及管理層對市場發展的預期。

於本期間已確認減值虧損人民幣22,750,000元（截至2019年6月30日止六個月：無），即ADH現金產生單位賬面值超出根據上述使用價值計算而釐定的可回收金額人民幣2,550,212,000元。

### 12. 於聯營公司的權益

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
198,938	156,040
72,079	59,352
271,017	215,392

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 12. INTERESTS IN ASSOCIATES (Continued)

Details of the Group's interest in associates are as follows:

### 12. 於聯營公司的權益(續)

本集團於聯營公司的權益詳情如下：

Name of company 公司名稱	Place of establishment 成立地點	Proportion of ownership interest 擁有權比例		Voting rights 投票權		Principal activities 主要業務
		30 June 2020 2020年6月30日 %	31 December 2019 2019年12月31日 %	30 June 2020 2020年6月30日 %	31 December 2019 2019年12月31日 %	
Modern Farming (Feidong) Co., Ltd. 現代牧業(肥東)有限公司	PRC 中國	49.09	49.09	49.00	49.00	Liquid milk producing 生產液態奶
Modern Farming (Bengbu) Co., Ltd. 現代牧業(蚌埠)有限公司	PRC 中國	49.09	49.09	49.00	49.00	Liquid milk producing 生產液態奶
Jiangyin Dairy Energy 江陰牧能	PRC 中國	29.45	29.45	30.00	30.00	Energy producing 能源生產

On 23 August 2019, Modern Farming (Group) Co., Ltd. ("Modern Farming") and Jiangsu Agriculture Environment Energy Technology Co., Ltd., an entity designated by CITIC Environment Investment Group Co., Ltd., entered into an agreement in relation to the formation of Jiangyin Dairy Energy Environment Technology Co., Ltd. ("Jiangyin Dairy Energy"), pursuant to which Modern Farming holds 30% equity interest of Jiangyin Dairy Energy. During the current period, Modern Farming has contributed cash of RMB42,898,000 as capital in Jiangyin Dairy Energy. Jiangyin Dairy Energy acquired the entire equity interests in Modern Energy (Wuhe) Co., Ltd. ("Wuhe Energy") and Modern Energy (Hefei) Co., Ltd. ("Hefei Energy"), then wholly-owned subsidiaries of Modern Farming, in January 2020. More details of the transaction are set out in Note 22.

於2019年8月23日，現代牧業(集團)有限公司(「現代牧業(集團)」)與中信環境投資集團有限公司指定的實體江蘇農環能源科技有限公司就成立江陰牧能環境科技有限公司(「江陰牧能」)訂立協議，據此，現代牧業(集團)持有江陰牧能30%股權。於本期間，現代牧業(集團)注資現金人民幣42,898,000元，作為江陰牧能的本金。江陰牧能於2020年1月收購現代能源(五河)有限公司(「五河能源」)及現代能源(合肥)有限公司(「合肥能源」)的全部股權(均為現代牧業(集團)當時的全資附屬公司)。交易的進一步詳情載於附註22。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 13. BIOLOGICAL ASSETS

The fair value less costs to sell of dairy cows at the end of the reporting period is set out below:

Milkable cows	奶牛
Heifers and calves	小母牛及小牛
Total dairy cows	乳牛總計

The Group has engaged Jones Lang LaSalle Corporate Appraisal And Advisory Limited, an independent firm of professional valuer, to assist it in assessing the fair values of the Group's dairy cows. The valuation techniques used in the determination of fair values as well as the key inputs used in the valuation models are disclosed in Note 25.

### 13. 生物資產

於報告期末的乳牛公平值減銷售成本載列如下：

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
5,326,986	5,543,159
2,029,700	1,916,200
<b>7,356,686</b>	<b>7,459,359</b>

本集團已委聘仲量聯行企業評估及諮詢有限公司(獨立專業估值公司)協助其評估本集團乳牛的公平值。釐定公平值所用估值技術及估值模型所用主要輸入數據披露於附註25。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 14. TRADE AND OTHER RECEIVABLES AND ADVANCED PAYMENTS

Trade receivables	應收貿易賬款
Less: allowance for credit losses	減：信貸虧損撥備
Advanced payments for feeds and materials	飼料及材料墊款
Input value added tax recoverable	可收回進項增值稅
Receivables from disposal of property, plant and equipment	出售物業、廠房及設備的應收款項
Receivables from disposal of subsidiaries (Note 22)	出售附屬公司的應收款項 (附註22)
Others	其他

The Group normally allows a credit period of 30 days to its customers.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates at the end of the reporting period:

Trade receivables	應收貿易賬款
- within 30 days	- 30天以內

### 14. 應收貿易賬款及其他應收款項以及 預付款項

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
508,635	550,205
(8,535)	(8,635)
500,100	541,570
64,673	64,819
2,546	2,591
999	4,015
55,674	-
9,243	5,293
633,235	618,288

本集團通常給予其客戶30天的信貸期。

於報告期末按發票日期(與報告期末有關收益確認日期相若)呈列的應收貿易賬款(扣除信貸虧損撥備)的賬齡分析如下：

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
500,100	541,570

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 15. STRUCTURED BANK DEPOSITS

Structured bank deposits

結構性銀行存款

The balances represented short-term deposits placed within reputable banks in the PRC with variable interest rate determined by reference to foreign currency exchange rate movement. These deposits are stated at FVTPL.

### 15. 結構性銀行存款

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
50,074	-

結餘指存放於中國信譽良好銀行的短期存款，可變利率乃參考外幣匯率變動釐定。該等存款按公平值計入損益列賬。

### 16. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS MODEL

Impairment loss (reversed) recognised in respect of

Trade receivables

Other receivables

就以下款項確認的減值虧損(撥回)

應收貿易賬款

其他應收款項

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2019.

### 16. 根據預期信貸虧損模式的金融資產減值評估

Six months ended 30 June

截至6月30日止六個月

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
(100)	(108,642)
90	621
(10)	(108,021)

截至2020年6月30日止六個月的簡明綜合財務報表中所用的釐定輸入數據以及假設及估計方法的基準與本集團截至2019年12月31日止年度的年度財務報表所列示者相同。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 17. DERIVATIVE FINANCIAL INSTRUMENTS

### 17. 衍生金融工具

		Assets 資產		Liabilities 負債	
		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Interest rate swaps (Note i)	利率掉期(附註i)	–	4,325	(75,372)	(15,134)
Foreign currency forward contracts (Note ii)	外匯遠期合約(附註ii)	8,198	53,505	–	(140)
Foreign currency option contracts (Note ii)	外匯期權合約(附註ii)	51,229	31,713	–	–
		59,427	89,543	(75,372)	(15,274)
Analysed as:	分析為：				
Current	流動	14,240	89,543	(36,746)	(15,274)
Non-current	非流動	45,187	–	(38,626)	–
		59,427	89,543	(75,372)	(15,274)

Notes:

i. Key terms of the interest rate swaps are as follows:

#### Nominal amount 名義金額

At 30 June 2020

於2020年6月30日

United States Dollars ("US\$")542,300,000

542,300,000美元(「美元」)

Hong Kong Dollars ("HK\$")1,500,000,000

1,500,000,000港元(「港元」)

At 31 December 2019

於2019年12月31日

US\$300,000,000

300,000,000美元

HK\$1,500,000,000

1,500,000,000港元

The Group entered into several interest rate swap contracts with certain banks to hedge the risk of interest rate fluctuation arising from certain bank loans at floating interest rate. The fair value changes of the swaps were presented as a deduction of finance costs.

附註：

i. 利率掉期主要條款如下：

#### Swaps 掉期

From LIBOR to 0.66%–1.90%

自倫敦銀行同業拆息至0.66%至1.90%

From HIBOR to 2.59%–2.62%

自香港銀行同業拆息至2.59%至2.62%

From LIBOR to 1.53%–1.54%

自倫敦銀行同業拆息至1.53%至1.54%

From HIBOR to 2.59%–2.62%

自香港銀行同業拆息至2.59%至2.62%

本集團與若干銀行訂立若干利率掉期合約，以對沖若干按浮動利率的銀行貸款產生的利率波動風險。掉期的公平值變動呈列為扣除融資成本。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 17. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

### 17. 衍生金融工具(續)

Notes: (Continued)

附註：(續)

- ii. Key items of the foreign currency forward contracts and the foreign currency option contracts are as follows:

- ii. 外匯遠期合約及外匯期權合約主要項目如下：

Nominal amount 名義金額	Forward exchange rates 遠期匯率
At 30 June 2020 於2020年6月30日 HK\$1,230,390,000 1,230,390,000港元 RMB372,899,000 人民幣372,899,000元	US\$0.1274 to US\$0.1280: HK\$1 0.1274美元至0.1280美元兌1港元 US\$0.1403: RMB1 0.1403美元兌人民幣1元
At 31 December 2019 於2019年12月31日 US\$187,700,000 187,700,000 美元 HK\$1,230,390,000 1,230,390,000 港元	RMB6.4800 to RMB7.0000: US\$1 人民幣6.4800元至人民幣7.0000元兌1美元 US\$0.1274 to US\$0.1280: HK\$1 0.1274美元至0.1280美元兌1港元

Nominal amount 名義金額	Type 類型	Position 好倉/淡倉	Prices 價格
At 30 June 2020 於2020年6月30日 US\$217,000,000* 217,000,000美元*	Call 認購 Put 認沽 Call 認購	Long 好倉 Short 淡倉 Short 淡倉	RMB6.7000 to RMB6.8900: US\$1 人民幣6.7000元至人民幣6.8900元兌1美元 RMB6.7000 to RMB6.8900: US\$1 人民幣6.7000元至人民幣6.8900元兌1美元 RMB7.1000 to RMB7.3000: US\$1 人民幣7.1000元至人民幣7.3000元兌1美元
At 31 December 2019 於2019年12月31日 US\$217,000,000* 217,000,000美元*	Call 認購 Put 認沽 Call 認購 Call 認購 Put 認沽	Long 好倉 Short 淡倉 Short 淡倉 Long 好倉 Short 淡倉	RMB6.7000 to RMB6.8900: US\$1 人民幣6.7000元至人民幣6.8900元兌1美元 RMB6.7000 to RMB6.8900: US\$1 人民幣6.7000元至人民幣6.8900元兌1美元 RMB7.1000 to RMB7.3000: US\$1 人民幣7.1000元至人民幣7.3000元兌1美元 RMB6.8820: US\$1 人民幣6.8820元兌1美元 RMB6.8800: US\$1 人民幣6.8800元兌1美元
US\$26,300,000* 26,300,000美元*	Call 認購 Put 認沽	Long 好倉 Short 淡倉	RMB7.1000 to RMB7.3000: US\$1 人民幣7.1000元至人民幣7.3000元兌1美元 RMB5.8000: US\$1 人民幣5.8000元兌1美元
US\$26,000,000 26,000,000 美元	Call 認購	Long 好倉	RMB5.8000: US\$1 人民幣5.8000元兌1美元

\* These are currency call/put option portfolios.

\* 該等為貨幣認購/認沽期權組合。

The Group entered into several foreign currency forward contracts and foreign currency option contracts with certain banks to hedge the currency risk arising from certain of its bank loans denominated in US\$ and HK\$. The fair value changes of the foreign currency forward contracts and the foreign currency option contracts were recognised in other gains and losses.

本集團與若干銀行訂立若干外匯遠期合約及外匯期權合約，以對沖若干以美元及港元計值的銀行貸款產生的貨幣風險。外匯遠期合約及外匯期權合約的公平值變動於其他收益及虧損中確認。

- iii. The valuation techniques used in determination of fair values of the interest rate swaps, foreign currency forwards and foreign currency options are disclosed in Note 25.

- iii. 釐定利率掉期、外匯遠期及外匯期權公平值所使用的估值技術均披露於附註25。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 18. TRADE AND OTHER PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date and the analysis used by the Group's management to monitor the Group's financial position.

### 18. 應付貿易賬款及其他應付款項

以下為按賬齡劃分的應付貿易賬款分析，按發票日期呈列，且該分析被本集團管理層用作監督本集團的財務狀況。

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Trade payables	應付貿易賬款		
– within 60 days	– 60天以內	496,287	905,457
– beyond 60 days but within 120 days	– 超過60天但於120天以內	182,836	213,925
– beyond 120 days but within 360 days	– 超過120天但於360天以內	41,455	18,536
– beyond 360 days but within 720 days	– 超過360天但於720天以內	18,291	16,747
Bills payable (Note)	應付票據(附註)	–	2,841
		<b>738,869</b>	<b>1,157,506</b>
Payable for acquisition of property, plant and equipment	購買物業、廠房及設備應付款項	126,269	140,350
Accrued staff costs	應計員工成本	129,868	113,503
Advance payments from disposal of dairy cows and others	就出售乳牛及其他的預收款項	18,934	27,067
Others	其他	104,655	83,262
		<b>1,118,595</b>	<b>1,521,688</b>

Note: Bills payable are mature within twelve months from the respective issuance dates.

附註：應付票據於各自發行日期起計十二個月內到期。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 19. BANK BORROWINGS

During the current period, the Group obtained new bank borrowings amounting to RMB2,459,100,000 (six months ended 30 June 2019: RMB2,682,181,000) and repaid RMB1,772,996,000 (six months ended 30 June 2019: RMB1,425,020,000).

As at 30 June 2020, bank borrowings are denominated in the following currencies:

US\$	美元
HK\$	港元
RMB	人民幣

The bank borrowings comprise:

Fixed-rate borrowings	定息借款
Variable-rate borrowings	浮息借款

The annual interest rate of the bank borrowings during the current period ranged from 0.66% to 5.00% (six months ended 30 June 2019: 0.45% to 5.00%).

### 19. 銀行借款

於本期間，本集團獲得新增銀行借款人民幣2,459,100,000元(截至2019年6月30日止六個月：人民幣2,682,181,000元)，並已償還人民幣1,772,996,000元(截至2019年6月30日止六個月：人民幣1,425,020,000元)。

於2020年6月30日，銀行借款以下列貨幣計值：

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
1,793,629	2,083,136
1,114,710	1,095,831
3,306,630	2,359,507
<b>6,214,969</b>	<b>5,538,474</b>

銀行借款包括：

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
2,457,315	1,449,411
3,757,654	4,089,063
<b>6,214,969</b>	<b>5,538,474</b>

於本期間，銀行借款的年利率介乎0.66%至5.00%(截至2019年6月30日止六個月：0.45%至5.00%)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 20. OTHER BORROWINGS

Other borrowings were repaid in full during the current period.

### 20. 其他借款

其他借款已於本期間悉數償還。

### 21. SHARE-BASED PAYMENTS

#### (a) Modern Farming Option Scheme

On 31 October 2010, the Company granted to two directors and one top management of Modern Farming a total of 87,412,507 share options of the Company for nil consideration and each with an exercise price of HK\$0.86 (RMB0.74) per share (the "Management Options") which will expire on 29 October 2020. The following table discloses movements of the Management Options during the current period:

### 21. 以股份支付的付款

#### (a) 現代牧業(集團)購股權計劃

於2010年10月31日，本公司以零代價向現代牧業(集團)兩名董事及一名最高管理層授出合共87,412,507份本公司購股權，每份購股權行使價為每股0.86港元(人民幣0.74元)(「管理層購股權」)，將於2020年10月29日到期。下表披露管理層購股權於本期間的變動：

Category	類別
Management Options	管理層購股權

Outstanding as at 1 January 2020	Exercised during the period	Outstanding and exercisable as at 30 June 2020
於2020年 1月1日 尚未行使	期內行使	於2020年 6月30日 尚未行使 及可行使
50,930,832	–	50,930,832

Category	類別
Management Options	管理層購股權

Outstanding as at 1 January 2019	Exercised during the period	Outstanding and exercisable as at 30 June 2019
於2019年 1月1日 尚未行使	期內行使	於2019年 6月30日 尚未行使 及可行使
50,930,832	–	50,930,832



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme

##### (i) Share Award Scheme I

On 9 September 2016 (the "Adoption Date I"), the Company adopted a share award scheme (the "Share Award Scheme I") to motivate and award the contribution of certain members of management and eligible employees of the Group. Subject to any early termination as may be determined by the Board, the Share Award Scheme I is valid and effective for a period of 5 years commencing on the Adoption Date I. The shares to be awarded under the Share Award Scheme I will be acquired by the Company through Dairy Fortune Limited ("Dairy Fortune") which is 100% owned by Dairy Fortune (PTC) Limited (the "Trustee") from the open market by cash contributed by the Group under the directions of the Company and will be held in trust for the relevant selected participants until such shares are vested. The maximum number of Shares which may be purchased by the Dairy Fortune is 55,000,000 Shares. The total contributed amount shall be not more than HK\$70,000,000. During the year ended 31 December 2016, based on the Company's instructions, the Dairy Fortune purchased a total of 35,519,000 ordinary shares of the Company on open market at a total consideration of approximately HK\$68,966,000 (equivalent to RMB61,424,000). During the year ended 31 December 2017, the Dairy Fortune purchased another 450,000 ordinary shares from the open market at a total consideration of approximately HK\$803,000 (equivalent to RMB713,000) and the number of ordinary shares purchased by Dairy Fortune increased to 35,969,000 shares (the "Award Shares I").

Based on the trust arrangements among the Company, the sole shareholder of the Trustee and the Trustee, the Company is able to control the Trustee and its subsidiary, Dairy Fortune, pursuant to IFRS 10 Consolidated Financial Statements. Therefore, the Group accounts for the Trustee and Dairy Fortune as consolidated structured entities. The ordinary shares of the Company held by Dairy Fortune are accounted for as a debit to the Group's reserve and are presented under the account of "Shares held under the Share Award Schemes" in the condensed consolidated financial statements.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃

##### (i) 股份獎勵計劃I

於2016年9月9日(「採納日期I」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃I」)以激勵及獎勵本集團若干管理層成員及合資格僱員的貢獻。除董事會可能釐定的任何提早終止外，股份獎勵計劃I有效期五年，自採納日期I起生效。根據股份獎勵計劃I將獎勵的股份由本公司透過Dairy Fortune (PTC) Limited(「受託人」) 100%擁有的Dairy Fortune Limited(「Dairy Fortune」)按照本公司指示以本集團注資的現金從公開市場上收購，並將以信託方式為相關選定參與者持有，直至將有關股份歸屬。Dairy Fortune可購入的股份數目上限為55,000,000股股份。總注資金額不超過70,000,000港元。截至2016年12月31日止年度，按照本公司指示，Dairy Fortune已從公開市場上收購合計35,519,000股本公司普通股，總代價約為68,966,000港元(相當於人民幣61,424,000元)。截至2017年12月31日止年度，Dairy Fortune從公開市場上收購另外450,000股普通股，總代價約為803,000港元(相當於人民幣713,000元)，而Dairy Fortune購買的普通股數目增加至35,969,000股(「獎勵股份I」)。

根據本公司、受託人的唯一股東及受託人之間的信託安排，本公司根據國際財務報告準則第10號綜合財務報表能夠控制受託人及其附屬公司Dairy Fortune。因此，本集團將受託人及Dairy Fortune入賬列為綜合架構實體。Dairy Fortune所持本公司普通股入賬列為本集團儲備借記，並列示於簡明綜合財務報表的「根據股份獎勵計劃持有的股份」項下。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (i) Share Award Scheme I (Continued)

On 21 April 2017 (the “Grant Date I”), a total number of 35,969,000 Award Shares I (“Share Award I”) were granted to the selected participants. Out of the total shares granted, 6,637,000 Award Shares I were granted to certain members of management (the “Award Shares A”), which would vest in the third anniversary of the Grant Date I provided that certain performance and service conditions are met. The remaining Award Shares I of 29,332,000 were granted to the certain members of management and the eligible employees (the “Award Shares B”), which would vest in the second anniversary of the Grant Date I provided they are still employed by the Group.

The following table discloses movements of the Award Shares A and Award Shares B during the reporting period:

Category	類別	Outstanding	Forfeited		Outstanding
		as at 1 January 2020 於2020年 1月1日 尚未行使	due to resignation during the period 期內 因辭任沒收	Vested during the period 期內 歸屬	as at 30 June 2020 於2020年 6月30日 尚未行使
Award Shares A	獎勵股份A	5,325,000	–	(5,325,000)	–
Award Shares B	獎勵股份B	–	–	–	–
		5,325,000	–	(5,325,000)	–

Category	類別	Outstanding	Forfeited		Outstanding
		as at 1 January 2019 於2019年 1月1日 尚未行使	due to resignation during the period 期內 因辭任沒收	Vested during the period 期內 歸屬	as at 30 June 2019 於2019年 6月30日 尚未行使
Award Shares A	獎勵股份A	5,325,000	–	–	5,325,000
Award Shares B	獎勵股份B	22,423,000	(1,412,000)	(21,011,000)	–
		27,748,000	(1,412,000)	(21,011,000)	5,325,000

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (i) 股份獎勵計劃I(續)

於2017年4月21日(「授出日期I」)，合共35,969,000股獎勵股份I(「獎勵股份I」)授予選定參與者。於所有授出股份中，6,637,000股獎勵股份I(「獎勵股份A」)授予若干管理層成員，於授出日期I的第三個週年歸屬，惟須符合若干表現及服務條件。餘下29,332,000股獎勵股份I(「獎勵股份B」)則授予若干管理層成員及合資格僱員，於授出日期I的第二個週年歸屬，惟彼等須仍受僱於本集團。

下表披露獎勵股份A及獎勵股份B於報告期間的變動：

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (i) Share Award Scheme I (Continued)

The fair values of Award Shares A and Award Shares B determined at the date of grant using Black-Scholes Model were HK\$7,731,000 (equivalent to RMB6,844,000) and HK\$36,265,000 (equivalent to RMB32,102,000) respectively.

The Group recognised a share award expense of RMB559,000 in respect of the Share Award I during the current period (for the six months ended 30 June 2019: RMB3,892,000). A total number of 5,325,000 shares of Award Shares A (for the six months ended 30 June 2019: 21,011,000 shares of Award Shares B) were vested to certain members of management and the eligible employees during the current period, and the difference of RMB3,731,000 (for the six months ended 30 June 2019: RMB13,234,000) between the RMB5,468,000 (for the six months ended 30 June 2019: RMB23,063,000) share award reserve and RMB9,199,000 (for the six months ended 30 June 2019: RMB36,297,000) shares held under the Share Award scheme I for the shares vested was recognised to retained earnings.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (i) 股份獎勵計劃I(續)

獎勵股份A及獎勵股份B於授出日期使用布萊克 - 舒爾茨模式釐定的公平值分別為7,731,000港元(相當於人民幣6,844,000元)及36,265,000港元(相當於人民幣32,102,000元)。

於本期間，本集團就股份獎勵I確認股份獎勵開支為人民幣559,000元(截至2019年6月30日止六個月：人民幣3,892,000元)。獎勵股份A合共5,325,000股(截至2019年6月30日止六個月：21,011,000股獎勵股份B)於本期間歸屬於若干管理層成員及合資格僱員，股份獎勵儲備人民幣5,468,000元(截至2019年6月30日止六個月：人民幣23,063,000元)與就所歸屬股份根據股份獎勵計劃I持有的人民幣9,199,000元(截至2019年6月30日止六個月：人民幣36,297,000元)股份之間的差額人民幣3,731,000元(截至2019年6月30日止六個月：人民幣13,234,000元)於保留盈利確認。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (ii) Share Award Scheme II

On 26 March 2018 (the “Adoption Date II”), the Company adopted a share award scheme (the “Share Award Scheme II”) to motivate and award the contribution of certain members of management and eligible employees of the Group. Subject to any early termination as may be determined by the Board, the Share Award Scheme II is valid and effective for a period of 10 years commencing on the Adoption Date II. The shares to be awarded under the Share Award Scheme II will be acquired by the Company through Dairy Fortune from the open market by cash contributed by the Group under the directions of the Company and will be held in trust for the relevant selected participants until such shares are vested. The maximum number of shares which may be purchased by the Trustee is set at no more than 1% of the number of issued ordinary shares of the Company at the preceding annual general meeting. As at 31 December 2019, based on the Company’s instructions, the Dairy Fortune purchased a total of 39,962,000 ordinary shares of the Company on open market at a total consideration of approximately HK\$51,759,000 (equivalent to RMB43,988,000).

During the current period, the Dairy Fortune purchased another 20,000,000 ordinary shares from the open market at a total consideration of approximately HK\$17,255,000 (equivalent to RMB15,763,000) and the number of ordinary shares purchased by Dairy Fortune under Share Award Scheme II increased to 59,962,000 shares (the “Award Shares II”).

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (ii) 股份獎勵計劃II

於2018年3月26日(「採納日期II」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃II」)，以激勵及獎勵本集團若干管理層成員及合資格僱員的貢獻。除董事會可能釐定的任何提早終止外，股份獎勵計劃II有效期十年，自採納日期II起生效。根據股份獎勵計劃II將獎勵的股份將由本公司透過Dairy Fortune按照本公司指示以本集團注資的現金從公開市場上收購，並將以信託方式為相關選定參與者持有，直至將有關股份歸屬。受託人可購入的股份數目上限設定為不得超過本公司於上一屆股東週年大會上已發行普通股數目的1%。於2019年12月31日，按照本公司指示，Dairy Fortune已從公開市場上收購合計39,962,000股本公司普通股，總代價約為51,759,000港元(相當於人民幣43,988,000元)。

於本期間，Dairy Fortune從公開市場上收購額外20,000,000股普通股，總代價約為17,255,000港元(相當於人民幣15,763,000元)，Dairy Fortune根據股份獎勵計劃II購買的普通股數目增加至59,962,000股(「獎勵股份II」)。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-i) Share Award II-i

On 29 March 2019, a total number of 19,962,000 Award Shares II (“Share Award II-i”) were granted to the selected participants. Out of the total shares granted, 9,981,000 Award Shares II vested on 21 April 2019 unconditionally (the “Award Shares C”). The remaining Award Shares II of 9,981,000 were vested on 21 April 2019 with one year lock-up period beginning from the vesting date (the “Award Shares D”).

The following table discloses movements of the Award Shares C and Award Shares D during the period ended 30 June 2019:

Category	類別	Outstanding	Granted	Vested	Outstanding
		as at 1 January 2019 於2019年 1月1日 尚未行使			during the period 期內授出
Award Shares C	獎勵股份C	-	9,981,000	(9,981,000)	-
Award Shares D	獎勵股份D	-	9,981,000	(9,981,000)	-
		-	19,962,000	(19,962,000)	-

The fair values of Award Shares C and Award Shares D determined at the date of grant using Asian Option Model were HK\$12,484,000 (equivalent to RMB10,709,000) and HK\$11,698,000 (equivalent to RMB10,034,000), respectively.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-i) 獎勵股份II-i

於2019年3月29日，合共19,962,000股獎勵股份II(「獎勵股份II-i」)授予選定參與者。於所有授出股份中，9,981,000股獎勵股份II於2019年4月21日無條件歸屬(「獎勵股份C」)。餘下獎勵股份II,9,981,000股於2019年4月21日歸屬，自歸屬日期起一年禁售期(「獎勵股份D」)。

下表披露獎勵股份C及獎勵股份D截至2019年6月30日止期間的變動：

獎勵股份C及獎勵股份D於授出日期使用亞洲式期權模式釐定的公平值分別為12,484,000港元(相當於人民幣10,709,000元)及11,698,000港元(相當於人民幣10,034,000元)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-i) Share Award II-i (Continued)

The following assumptions were used to calculate the fair values of the Award Shares C and Award Shares D:

Grant date share price
授出日期的股價
Strike Price
行使價
Risk-free interest rate
無風險利率
Remaining restrict period
剩餘限期
Expected volatility
預期波幅
Dividend yield
股息收益
Option value
購股權價值

Expected volatility was determined by using the historical volatility of the Company's share price.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-i) 獎勵股份II-i(續)

採用以下假設計算獎勵股份C及獎勵股份D的公平值：

	Award Shares C	Award Shares D
	獎勵股份C	獎勵股份D
Grant date share price	HK\$1.30	HK\$1.30
授出日期的股價	1.30港元	1.30港元
Strike Price	HK\$1.30	HK\$1.30
行使價	1.30港元	1.30港元
Risk-free interest rate	1.38%	1.44%
無風險利率		
Remaining restrict period	0.06	1.06
剩餘限期		
Expected volatility	65.87%	43.20%
預期波幅		
Dividend yield	0.00%	0.00%
股息收益		
Option value	HK\$0.05	HK\$0.13
購股權價值	0.05港元	0.13港元

預期波幅乃使用本公司股價的歷史波幅釐定。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-i) Share Award II-i (Continued)

The variables and assumptions used in computing the fair values of the share options are based on the best estimates of the Directors. Changes in variables and assumptions may result in changes in the fair value of the Award Shares C and Award Shares D.

The Group recognised a share award expense of RMB20,743,000 in respect of the Share Award II-i during the period ended 30 June 2019. All of the Award Shares C and Award Shares D were vested to selected participants during the period ended 30 June 2019, and the difference amount of RMB2,795,000 between the RMB20,743,000 share award reserve and RMB23,538,000 shares held under the Share Award scheme II for the shares vested was recognised in retained earnings.

###### (II-ii) Share Award II-ii

On 8 January 2020, a total number of 20,000,000 Award Shares II ("Share Award II-ii") were granted to the selected participants. If certain performance and service conditions are met, out of the total shares granted, 10,000,000 Award Shares II vested on 21 April 2020 (the "Award Shares E"). The remaining Award Shares II of 10,000,000 were vested on 21 April 2020 with one year lock-up period beginning from the vesting date (the "Award Shares F").

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-i) 獎勵股份II-i(續)

用於計算購股權公平值的變量及假設是按董事的最佳估計為基準。變量及假設的變動可能會導致獎勵股份C及獎勵股份D公平值出現變動。

截至2019年6月30日止期間，本集團就股份獎勵II-i確認股份獎勵開支為人民幣20,743,000元。截至2019年6月30日止期間，所有獎勵股份C及獎勵股份D歸屬於選定參與者，股份獎勵儲備人民幣20,743,000元與就所歸屬股份根據股份獎勵計劃II持有的人民幣23,538,000元股份之間的差額金額人民幣2,795,000元於保留盈利確認。

###### (II-ii) 股份獎勵II-ii

於2020年1月8日，合共20,000,000股獎勵股份II(「股份獎勵II-ii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，10,000,000股獎勵股份II於2020年4月21日歸屬(「獎勵股份E」)。餘下獎勵股份II 10,000,000股於2020年4月21日歸屬，自歸屬日期起一年禁售期(「獎勵股份F」)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-ii) Share Award II-ii (Continued)

The following table discloses movements of the Award Shares E and Award Shares F during the reporting period:

Category	類別	Outstanding	Granted	Forfeited	Vested	Outstanding
		as at 1 January 2020 於2020年 1月1日 尚未行使	during the period 期內授出	during the period 期內沒收	during the period 期內歸屬	as at 30 June 2020 於2020年 6月30日 尚未行使
Award Shares E	獎勵股份E	-	10,000,000	(40,599)	(9,959,401)	-
Award Shares F	獎勵股份F	-	10,000,000	(40,599)	(9,959,401)	-
		-	20,000,000	(81,198)	(19,918,802)	-

The fair values of Award Shares E and Award Shares F determined at the date of grant using Asian Option Model were HK\$10,993,000 (equivalent to RMB9,821,000) and HK\$10,089,000 (equivalent to RMB9,013,000), respectively.

下表披露獎勵股份E及獎勵股份F於報告期間的變動：

獎勵股份E及獎勵股份F於授出日期使用亞洲式期權模式釐定的公平值分別為10,993,000港元(相當於人民幣9,821,000元)及10,089,000港元(相當於人民幣9,013,000元)。

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-ii) 股份獎勵II-ii(續)



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-ii) Share Award II-ii (Continued)

The following assumptions were used to calculate the fair values of the Award Shares E and Award Shares F:

Grant date share price  
授出日期的股價  
Strike Price  
行使價  
Risk-free interest rate  
無風險利率  
Remaining restrict period  
剩餘限期  
Expected volatility  
預期波幅  
Dividend yield  
股息收益  
Option value  
購股權價值

Expected volatility was determined by using the historical volatility of the Company's share price.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-ii) 股份獎勵II-ii(續)

採用以下假設計算獎勵股份E及獎勵股份F的公平值：

	Award Shares E 獎勵股份E	Award Shares F 獎勵股份F
Grant date share price 授出日期的股價	HK\$1.14 1.14港元	HK\$1.14 1.14港元
Strike Price 行使價	HK\$1.14 1.14港元	HK\$1.14 1.14港元
Risk-free interest rate 無風險利率	2.03%	1.77%
Remaining restrict period 剩餘限期	0.28	1.28
Expected volatility 預期波幅	30.26%	46.51%
Dividend yield 股息收益	0.00%	0.00%
Option value 購股權價值	HK\$0.04 0.04港元	HK\$0.13 0.13港元

預期波幅乃使用本公司股價的歷史波幅釐定。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-ii) Share Award II-ii (Continued)

The variables and assumptions used in computing the fair values of the share options are based on the best estimates of the Directors. Changes in variables and assumptions may result in changes in the fair value of the Award Shares E and Award Shares F.

The Group recognised a share award expense of RMB18,759,000 in respect of the Share Award II-ii during the current period. A total number of 19,918,802 shares of Award Shares E and Award Shares F was vested to selected participants during the current period, and the difference amount of RMB1,602,000 between the RMB18,759,000 share award reserve and RMB20,361,000 shares held under the Share Award scheme II for the shares vested was recognised in retained earnings.

###### (II-iii) Share Award II-iii

On 27 March 2020, a total number of 20,000,000 Award Shares II ("Share Award II-iii") were granted to the selected participants. If certain performance and service conditions are met, out of the total shares granted, 10,000,000 Award Shares II will be vested on 21 April 2021 (the "Award Shares G"). The remaining Award Shares II of 10,000,000 will be vested on 21 April 2021 with one year lock-up period beginning from the vesting date (the "Award Shares H").

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-ii) 股份獎勵II-ii(續)

用於計算購股權公平值的變量及假設是按董事的最佳估計為基準。變量及假設的變動可能會導致獎勵股份E及獎勵股份F公平值出現變動。

於本期間，本集團就股份獎勵II-ii確認股份獎勵開支為人民幣18,759,000元。於本期間，合共19,918,802股獎勵股份E及獎勵股份F歸屬於選定參與者，股份獎勵儲備人民幣18,759,000元與就所歸屬股份根據股份獎勵計劃II持有的人民幣20,361,000元股份之間的差額金額人民幣1,602,000元於保留盈利確認。

###### (II-iii) 股份獎勵II-iii

於2020年3月27日，合共20,000,000股獎勵股份II(「股份獎勵II-iii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，10,000,000股獎勵股份II將於2021年4月21日歸屬(「獎勵股份G」)。餘下獎勵股份II10,000,000股將於2021年4月21日歸屬，自歸屬日期起一年禁售期(「獎勵股份H」)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

##### (II-iii) Share Award II-iii (Continued)

The following table discloses movements of the Award Shares G and Award Shares H during the reporting period:

Category	類別	Outstanding	Granted	Forfeited	Outstanding
		as at 1 January 2020 於2020年 1月1日 尚未行使	during the period 年內授出	during the period 年內沒收	as at 30 June 2020 於2020年 6月30日 尚未行使
Award Shares G	獎勵股份G	-	10,000,000	(280,000)	9,720,000
Award Shares H	獎勵股份H	-	10,000,000	(280,000)	9,720,000
		-	20,000,000	(560,000)	19,440,000

The fair values of Award Shares G and Award Shares H determined at the date of grant using Asian Option Model were HK\$6,010,000 (equivalent to RMB5,459,000) and HK\$5,813,000 (equivalent to RMB5,281,000), respectively.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

##### (II-iii) 股份獎勵II-iii(續)

下表披露獎勵股份G及獎勵股份H於報告期間的變動：

獎勵股份G及獎勵股份H於授出日期使用亞洲式期權模式釐定的公平值分別為6,010,000港元(相當於人民幣5,459,000元)及5,813,000港元(相當於人民幣5,281,000元)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

##### (II) Share Award Scheme II (Continued)

###### (II-iii) Share Award II-iii (Continued)

The following assumptions were used to calculate the fair values of the Award Shares G and Award Shares H:

Grant date share price	授出日期的股價
Strike Price	行使價
Risk-free interest rate	無風險利率
Remaining restrict period	剩餘限期
Expected volatility	預期波幅
Dividend yield	股息收益
Option value	購股權價值

Expected volatility was determined by using the historical volatility of the Company's share price.

The variables and assumptions used in computing the fair values of the share options are based on the best estimates of the Directors. Changes in variables and assumptions may result in changes in the fair value of the Award Shares G and Award Shares H.

The Group recognised a share award expense of RMB2,659,000 in respect of the Share Award II-iii during the current period.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵計劃II(續)

###### (II-iii) 股份獎勵II-iii(續)

採用以下假設計算獎勵股份G及獎勵股份H的公平值：

	Award Shares G 獎勵股份G	Award Shares H 獎勵股份H
Grant date share price	HK\$0.68	HK\$0.68
授出日期的股價	0.68港元	0.68港元
Strike Price	HK\$0.68	HK\$0.68
行使價	0.68港元	0.68港元
Risk-free interest rate	0.62%	0.63%
無風險利率		
Remaining restrict period	1.07	2.07
剩餘限期		
Expected volatility	49.34%	44.66%
預期波幅		
Dividend yield	0.00%	0.00%
股息收益		
Option value	HK\$0.08	HK\$0.10
購股權價值	0.08港元	0.10港元

預期波幅乃使用本公司股價的歷史波幅釐定。

用於計算購股權公平值的變量及假設是按董事的最佳估計為基準。變量及假設的變動可能會導致獎勵股份G及獎勵股份H公平值出現變動。

於本期間，本集團就股份獎勵II-iii確認股份獎勵開支為人民幣2,659,000元。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 21. SHARE-BASED PAYMENTS (Continued)

#### (b) Share Award Scheme (Continued)

The Group retained a total number of 5,510,525 vesting shares (for the six months ended 30 June 2019: 10,592,774) as a consideration of approximately HK\$4,519,000 (equivalent to RMB4,129,000) (for the six months ended 30 June 2019: HK\$12,499,000 (equivalent to RMB10,722,000)) for paying the individual income tax on behalf of those selected participants under Share Award Scheme I and II.

As described above, the ordinary shares of the Company held by Dairy Fortune are accounted for as a debit to the Group's reserve and are presented under the account of "Shares held under the Share Award Schemes" in the condensed consolidated financial statements.

### 22. DISPOSAL OF SUBSIDIARIES

On 31 December 2019, Modern Farming entered into two share transfer agreements (the "Transfer Agreements") with Jiangyin Dairy Energy, pursuant to which Modern Farming agreed to sell, and Jiangyin Dairy Energy agreed to acquire, the entire equity interests in Wuhe Energy and Hefei Energy (Wuhe Energy and Hefei Energy are collectively referred to as the "Two Energy Companies"), then wholly-owned subsidiaries of Modern Farming, at an aggregate cash consideration of RMB148,124,000. The above transaction constituted a discloseable transaction of the Company under the Listing Rules and has been published in the Company's announcement dated 31 December 2019. The disposal was completed in January 2020.

### 21. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

本集團根據股份獎勵計劃I及II代該等選定參與者支付個人所得稅時，保留合共5,510,525股歸屬股份(截至2019年6月30日止六個月：10,592,774股)作為代價約4,519,000港元(相當於人民幣4,129,000元)(截至2019年6月30日止六個月：12,499,000港元(相當於人民幣10,722,000元))。

如上文所述，Dairy Fortune所持本公司普通股入賬列為本集團儲備借記，並列示於簡明綜合財務報表「根據股份獎勵計劃持有的股份」項下。

### 22. 出售附屬公司

於2019年12月31日，現代牧業(集團)與江陰牧能訂立兩份股權轉讓協議(「轉讓協議」)，據此，現代牧業(集團)同意出售，而江陰牧能同意收購現代牧業(集團)於五河能源及合肥能源(五河能源及合肥能源統稱「兩間能源公司」，均為現代牧業(集團)當時的附屬公司)的全部股權，現金代價合共為人民幣148,124,000元。根據上市規則，上述交易構成本公司的一項須予披露交易，並已於2019年12月31日的本公司公告內刊發。出售事項已於2020年1月完成。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 22. DISPOSAL OF SUBSIDIARIES (Continued)

According to the Transfer Agreements, Modern Farming has taken the following obligations after the completion of the disposal: (i) 20 years following the date of completion of the disposal, Modern Farming or its subsidiaries will continuously supply manure feed to the Two Energy Companies free of charge and an annual minimum of total solid (“TS”) content will be maintained in the manure feed (“Commitment I”); (ii) Modern Farming will ensure the Two Energy Companies have a valid land use right which will be used for the operation of the Two Energy Companies in compliance with the relevant law until 31 December 2039 (“Commitment II”); (iii) If any of the following (a) and (b) occurs, (a) within 18 years following the date of completion of the disposal, the TS content of the feed falls below 80% of the annual minimum pursuant to Commitment I above; (b) Modern Farming fails to ensure the Commitment II, Jiangyin Dairy Energy has the right to require Modern Farming to buy back all the equity interest in the Two Energy Companies (the “Option”). The price will be 130% of the sum of the consideration under the Transfer Agreements and any subsequent capital investment in respect of the Two Energy Companies (in a maximum of RMB43,600,000 in respect of Wuhe Energy and RMB27,210,000 in respect of Hefei Energy).

The management considered the liabilities of Modern Farming arising from its obligations in respect of Commitment I and Commitment II are insignificant. As to the Option, the Group engaged an independent valuer, Asia-Pacific Consulting and Appraisal Limited, to assist it in assessing the fair value, which is determined using the Binomial-Tree Model. Based on the valuation performed, the management considered the amount is not material and accordingly has not been recognised in the financial statements.

### 22. 出售附屬公司(續)

根據轉讓協議，現代牧業(集團)於出售事項完成後已承擔下列義務：(i)於出售事項完成之日起20年內，現代牧業(集團)或其附屬公司將持續免費向兩間能源公司提供進料牛糞，且進料牛糞中每年必須保持最低總固體(「TS」)含量(「承諾I」)；(ii)現代牧業(集團)將確保兩間能源公司直至2039年12月31日擁有有效的合法土地使用權用於兩間能源公司的運營(「承諾II」)；(iii)倘發生下列(a)及(b)任何情況，(a)出售事項完成之日起18年內進料保底TS量低於上文承諾I的年度最低含量的80%；(b)現代牧業(集團)未能履行承諾II，江陰牧能有權要求現代牧業(集團)購回兩間能源公司之所有股權(「出售權」)。價格為轉讓協議項下之代價及有關兩間能源公司任何隨後投入之資金(五河能源以人民幣43,600,000元為限及合肥能源以人民幣27,210,000元為限)總和之130%。

管理層認為現代牧業(集團)因其對承諾I及承諾II承擔的義務而產生的負債微乎其微。關於出售權，本集團聘請獨立估值師亞太評估諮詢有限公司協助評估公平值，公平值乃使用二叉樹模型釐定。根據所進行的估值，管理層認為有關金額並不重大，因此並無於財務報表內確認。

31 January 2020

2020年1月31日

RMB'000

人民幣千元

#### Analysis of assets and liabilities over which control was lost:

Property, plant and equipment  
Inventories  
Trade and other receivables and advanced payments  
Cash and bank balances  
Trade and other payables  
Tax payable  
Net assets disposed of

#### 失去控制權的資產及負債分析：

物業、廠房及設備	69,798
存貨	93
應收貿易賬款及其他應收款項以及預付款項	6,017
現金及銀行結餘	6,734
應付貿易賬款及其他應付款項	(6,699)
應課稅項	(99)
出售的資產淨值	75,844

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 22. DISPOSAL OF SUBSIDIARIES (Continued)

### 22. 出售附屬公司(續)

#### Gain on disposal of subsidiaries:

Consideration received  
Receivables from Jiangyin Dairy Energy  
Net assets disposed of  
Gain on disposal

#### 出售附屬公司的收益：

已收代價  
來自江陰牧能的應收款項  
出售的資產淨值  
出售收益

#### Net cash inflow arising on disposal:

Cash consideration  
Less: bank balances and cash disposed of

#### 出售事項產生的現金流入淨額：

現金代價  
減：已出售的銀行結餘及現金

RMB'000 人民幣千元
92,450
55,674
(75,844)
72,280
92,450
(6,734)
85,716

### 23. CAPITAL COMMITMENTS

### 23. 資本承擔

Capital expenditure contracted but not provided for, in respect of acquisition of property, plant and equipment

就收購物業、廠房及設備已訂約但未計提撥備的資本開支

30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
19,944	21,474

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 24. RELATED PARTY TRANSACTIONS

### 24. 關聯方交易

(a) Names and relationship with related parties are as follows:

(a) 以下為關聯方名稱及與關聯方的關係：

Mengniu	A shareholder who directly and indirectly held 58.15% of the Company's issued share capital
蒙牛	直接及間接持有本公司已發行股本58.15%的股東
Jiangyin Dairy Energy	An associate of the Group
江陰牧能	本集團之聯營公司

(b) Other than as disclosed elsewhere in the financial statements, At the end of the reporting period, the Group had the following balances with related parties:

(b) 除財務報表其他部分所披露者外，於報告期末，本集團與關聯方有下列結餘：

#### Amounts due from

#### 應收款項

	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
<b>Mengniu Group</b>		
Trade receivables – raw milk Within 30 days based on invoice date	蒙牛集團 應收貿易賬款 – 原料奶 按發票日計30天以內	397,860
Other receivables	其他應收款項	446,239
	–	243

#### Amounts due to

#### 應付款項

	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
<b>Jiangyin Dairy Energy</b>		
Trade payables	江陰牧能 應付貿易賬款	1,876
		–



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 24. RELATED PARTY TRANSACTIONS (Continued)

- (c) Other than as disclosed elsewhere in the financial statements, during the current period, the Group entered into the following transactions with related parties:

Mengniu Group	蒙牛集團
Sales of raw milk	銷售原料奶
Others	其他
Purchases of liquid milk (Note)	採購液態奶(附註)

Jiangyin Dairy Energy	江陰牧能
Purchases of power and utilities	採購能源及公用設施

The sales prices were based on mutually agreed terms.

Note: During the current period, The Group purchased liquid milk of RMB10,000,000 from Mengniu Group for donation purpose.

### 24. 關聯方交易(續)

- (c) 除財務報表其他部分所披露者外，於本期間，本集團與關聯方訂立以下交易：

#### Six months ended 30 June

截至6月30日止六個月

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
2,295,850	2,195,806
–	1,768
10,000	–

#### Six months ended 30 June

截至6月30日止六個月

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
5,866	–

銷售價格是基於共同協定條款。

附註：於本期間，本集團向蒙牛集團採購液態奶人民幣10,000,000元以用於捐贈。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 24. RELATED PARTY TRANSACTIONS (Continued)

#### (d) Other borrowings

During the current period, the Group entered into the following transactions with related parties:

Category	類別
Mengniu Entrusted Loan (Note i)	蒙牛委託貸款(附註i)

Category	類別
Mengniu Entrusted Loan (Note i)	蒙牛委託貸款(附註i)
Mengniu Advance (Note ii)	蒙牛墊款(附註ii)

Notes:

- In May 2017, the Group entered into two entrusted loan agreements with Mengniu Group and Agricultural Bank of China ("ABC"), pursuant to which, Mengniu Group agreed to offer borrowing facilities to the Group through ABC. The borrowing facilities of RMB1,000,000,000 will mature in March 2023 and RMB300,000,000 will mature in December 2021. The outstanding borrowings have been repaid during the current period. The Group recognised interest expense of RMB6,818,000 for the six months ended 30 June 2020 (for the six months ended 30 June 2019: RMB24,151,000).
- During the six months ended 30 June 2019, the Group entered into several advance payment agreements with Mengniu Group, pursuant to which, Mengniu Group agreed to pay in advance RMB150,000,000 to the Group and the advance payment is limited to be used in the Group's dairy cow raising business (the "Mengniu Advance"), which bear interest at a fixed rate of 4.800% per annum and had been settled during the year 2019. The Group recognised interest expense of RMB2,871,000 for the six months ended 30 June 2019.

### 24. 關聯方交易(續)

#### (d) 其他借款

於本期間，本集團與關聯方訂立以下交易：

As at 1 January 2020 於2020年 1月1日 RMB'000 人民幣千元	Raised during the period 期內籌集 RMB'000 人民幣千元	Repayment during the period 期內償還 RMB'000 人民幣千元	As at 30 June 2020 於2020年 6月30日 RMB'000 人民幣千元
1,001,330	6,818	(1,008,148)	-

As at 1 January 2019 於2019年 1月1日 RMB'000 人民幣千元	Raised during the period 期內籌集 RMB'000 人民幣千元	Repayment during the period 期內償還 RMB'000 人民幣千元	As at 30 June 2019 於2019年 6月30日 RMB'000 人民幣千元
1,001,111	1,159,151	(1,159,134)	1,001,128
-	152,871	(1,277)	151,594
1,001,111	1,312,022	(1,160,411)	1,152,722

附註：

- 於2017年5月，本集團與蒙牛集團及中國農業銀行(「中國農業銀行」)訂立兩份委託貸款協議，據此，蒙牛集團同意透過中國農業銀行向本集團提供借款融資。該等借款融資人民幣1,000,000,000元將於2023年3月到期以及人民幣300,000,000元將於2021年12月到期。未償還借款已於本期間償還。截至2020年6月30日止六個月，本集團確認利息開支人民幣6,818,000元(截至2019年6月30日止六個月：人民幣24,151,000元)。
- 於截至2019年6月30日止六個月，本集團與蒙牛集團訂立若干預付款項協議，據此，蒙牛集團同意向本集團預付人民幣150,000,000元，預付款項僅限於用作本集團奶牛飼養業務(「蒙牛預付款項」)，按4.800%的固定年利率計息且已於2019年結算。截至2019年6月30日止六個月，本集團確認利息開支人民幣2,871,000元。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 24. RELATED PARTY TRANSACTIONS (Continued)

#### (e) Compensation of key management personnel

The emoluments of key management during the reporting period were as follows:

Salaries and other benefits	薪金及其他福利
Recognition of equity-settled share award payments	確認按股權結算的股份獎勵計劃付款
Retirement benefits scheme contributions	退休福利計劃供款

### 24. 關聯方交易(續)

#### (e) 主要管理人員的薪酬

以下是主要管理人員於報告期間的酬金：

#### Six months ended 30 June 截至六月三十日止六個月

2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
5,882	5,070
11,413	11,613
402	358
17,697	17,041

### 25. FAIR VALUE MEASUREMENTS

#### Fair value of the Group's biological assets, financial assets and financial liabilities that are measured at fair value or fair value less cost to sell on a recurring basis

The Group's biological assets are measured at fair value less costs to sell, and some financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

### 25. 公平值計量

按經常性基準以公平值或公平值減銷售成本計量的本集團生物資產、金融資產及金融負債的公平值

本集團的生物資產按公平值減銷售成本計量，部分金融資產及金融負債於各匯報期間末按公平值計量。下表提供有關根據公平值計量的輸入數據的可觀察程度如何釐定該等資產及負債的公平值(特別是所使用的估值方法及輸入數據)，及劃分公平值計量的公平值級別水平(第一至三級)的資料。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

#### Fair value hierarchy

Assets/(liabilities)	資產/(負債)
Biological assets	生物資產
Derivative financial instruments	衍生金融工具
– Interest rate swaps	– 利率掉期
– Foreign currency forward contracts	– 外幣遠期合約
– Foreign currency option contracts	– 外幣期權合約
– Interest rate swaps	– 利率掉期
– Foreign currency forward contracts	– 外幣遠期合約
Structured bank deposits	結構性銀行存款
Equity instruments at FVTOCI	按公平值計入其他全面 收入的權益工具
– Unquoted equity investments	– 未報價權益投資

### 25. 公平值計量(續)

#### 公平值級別

Fair value as at 30 June 2020 於2020年 6月30日 的公平值 RMB'000 人民幣千元 (unaudited) (未經審核)	Fair value as at 31 December 2019 於2019年 12月31日 的公平值 RMB'000 人民幣千元 (audited) (經審核)	Fair value hierarchy  公平值級別
7,356,686	7,459,359	level 3 第三級
–	4,325	level 2 第二級
8,198	53,505	level 2 第二級
51,229	31,713	level 2 第二級
(75,372)	(15,134)	level 2 第二級
–	(140)	level 2 第二級
50,074	–	level 2 第二級
7,894	3,959	level 3 第三級



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

### 25. 公平值計量(續)

#### Valuation techniques used in fair value measurements

The following table shows the valuation techniques used in measuring Level 2 and 3 fair values, as well as the significant unobservable inputs used in the valuation models as at 30 June 2020:

#### 公平值計量使用的估值方法

下表列示計量第二級及第三級公平值時所用的估值方法，以及截至2020年6月30日估值模型所用的重大不可觀察輸入數據：

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公平值計量之間的相互關係
類型	估值方法	重大不可觀察輸入數據	
Foreign currency forwards	Discounted cash flow Future cash flow are estimated based on forward exchange rates (from observable forward exchange rates at the end of reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
外幣遠期	貼現現金流量 未來現金流量乃根據遠期匯率(來自報告期末的可觀察遠期匯率)及合約遠期匯率估計，按反映多名對手方的信貸風險的利率貼現。	不適用	不適用
Foreign currency options	Garman-Kohlhagen model	N/A	N/A
外幣期權	Garman-Kohlhagen模型	不適用	不適用
Interest rate swaps	Discounted cash flow Future cash flow are estimated based on forward interest rates (from observable interest rate at the end of reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
利率掉期	貼現現金流量 未來現金流量乃根據遠期利率(來自報告期末的可觀察利率)及合約利率估計，按反映多名對手方的信貸風險的利率貼現。	不適用	不適用

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

### 25. 公平值計量(續)

#### Valuation techniques used in fair value measurements (Continued)

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公平值計量之間的相互關係
類型	估值方法	重大不可觀察輸入數據	
Structured bank deposits	Discounted cash flows Future cash flows are estimated based on forward exchange rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
結構性銀行存款	貼現現金流量 未來現金流量乃根據遠期匯率估計，按反映多名對手方的信貸風險的利率貼現。	不適用	不適用
Unquoted equity investments	Market approach	Fair value is estimated based on value of comparable listed companies and discounted for lack of liquidity.	An increase in the discounted for lack of liquidity would result in a smaller percentage decrease in the fair value measurement of the unquoted equity investments.
未報價權益投資	市場法	公平值乃按可資比較上市公司的價值作出估計及就流動性不足貼現。	流動性不足貼現增加可導致未報價權益投資公平值計量的比例減少。
Heifers and calves	The fair value of 14 months old heifers is determined by reference to the local market selling price.	Average local market selling prices of the heifers of 14 months old were estimated at RMB21,100 per head at 30 June 2020 (31 December 2019: RMB21,100).	An increase in the estimated local market selling price used would result in a smaller percentage increase in the fair value measurement of the heifers and calves, and vice versa.
小母牛及小牛	14個月的小母牛公平值乃參考當地市場售價釐定。	於2020年6月30日，14個月的小母牛的平均當地市場售價估計為每頭人民幣21,100元(2019年12月31日：人民幣21,100元)。	所用的估計當地市場售價增加將導致小母牛及小牛公平值計量的較小比例增加，反之亦然。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

### 25. 公平值計量(續)

#### Valuation techniques used in fair value measurements (Continued)

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
	<p>The fair values of heifers and calves at age-group less than 14 months are determined by subtracting the estimated feeding costs required to raise the cows from their respective age at the end of each reporting period to 14 months plus the margins that would normally be required by a raiser. Conversely, the fair values of heifers at age group older than 14 months are determined by adding the estimated feeding costs required to raise the heifers from 14 months old to their respective age at the end of each reporting period plus the margins that would normally be required by a raiser.</p> <p>在小於14個月的年歲組別的小母牛及小牛的公平值乃經減去將牛隻由其各自於各報告期末的歲數培育至14個月所須的估計飼養成本，加培育商一般所須利潤而釐定。相反地，在大於14個月的年歲組別的小母牛的公平值乃經加上將小母牛由14個月培育至其各自於各報告期末的歲數所須的估計飼養成本，加培育商一般所須利潤而釐定。</p>	<p>Estimated average feeding costs per head plus margin that would normally be required by a raiser for heifers and calves younger than 14 months old are RMB16,144 at 30 June 2020 (31 December 2019: RMB16,203); average estimated feeding costs per head plus margin that would normally be required by a raiser for heifers older than 14 months old are RMB16,353 at 30 June 2020 (31 December 2019: RMB16,417).</p> <p>於2020年6月30日，就小於14個月的小母牛及小牛而言，每頭牛估計平均飼養成本加培育商一般所須利潤為人民幣16,144元(2019年12月31日：人民幣16,203元)；於2020年6月30日，就大於14個月的小母牛而言，每頭牛平均估計飼養成本加培育商一般所須利潤為人民幣16,353元(2019年12月31日：人民幣16,417元)。</p>	<p>An increase in the estimated feeding costs plus the margin that would normally be required by a raiser used would result in a much smaller percentage increase/decrease in the fair value measurement of the heifers and calves older/younger than 14 months old, and vice versa.</p> <p>所用的估計飼養成本加培育商一般所須利潤增加將導致大於/小於14個月的小母牛及小牛公平值計量的極小比例增加/減少，反之亦然。</p>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

### 25. 公平值計量(續)

#### Valuation techniques used in fair value measurements (Continued)

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公平值計量之間的相互關係
類型	估值方法	重大不可觀察輸入數據	
Milkable cows	The fair values of milkable cows are determined by using the multi-period excess earnings method, which is based on the discounted future cash flows to be generated by such milkable cows.	The estimated feed costs per kg of raw milk used in the valuation process are RMB1.75 for the six months ended 30 June 2020 (for the year ended 2019: RMB1.77), based on the historical average feed costs per kg of raw milk after taking into consideration of inflation.	An increase in the estimated feed costs per kg of raw milk used would result in a smaller percentage decrease in the fair value measurement of the milkable cows, and vice versa.
奶牛	奶牛公平值透過使用多期超額收益法(基於將由有關奶牛產生的貼現未來現金流量)釐定。	截至2020年6月30日止六個月，估值過程中使用的每公斤原料奶估計飼養成本為人民幣1.75元(截至2019年：人民幣1.77元)，乃基於每公斤原料奶的歷史平均飼養成本並計及通貨膨脹釐定。	所用的每公斤原料奶估計飼養成本增加可導致奶牛公平值計量的較小比例下降，反之亦然。
		A milkable cow could have as many as six lactation cycles. Estimated average daily milk yield at each lactation cycle is ranged from 27.9kg to 30.1 kg for the six months ended 30 June 2020 (for the year ended 2019: 27.9kg to 30.1 kg), depending on the number of the lactation cycles and the individual physical condition.	An increase in the estimated daily milk yield per head used would result in a smaller percentage increase in the fair value measurement of the milkable cows, and vice versa.
		奶牛有六個哺乳期。截至2020年6月30日止六個月，各哺乳期的估計平均每日產奶量介乎27.9公斤至30.1公斤(截至2019年：27.9公斤至30.1公斤)，視哺乳期數目以及個別身體狀況而定。	所用的估計每頭牛每日產奶量增加可導致奶牛公平值計量的較小比例提高，反之亦然。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

### 25. 公平值計量(續)

#### Valuation techniques used in fair value measurements (Continued)

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公平值計量之間的相互關係
類型	估值方法	重大不可觀察輸入數據	
		<p>Estimated local future market price for raw milk is RMB3.87 per kg at 30 June 2020 (31 December 2019: RMB4.04 per kg).</p> <p>於2020年6月30日，估計當地未來原料奶市價為每公斤人民幣3.87元(2019年12月31日：每公斤人民幣4.04元)。</p>	<p>An increase in the estimated average selling price of raw milk used would result in a much higher percentage increase in the fair value measurement of the milkable cows, and vice versa.</p> <p>所用的原料奶估計平均售價增加可導致奶牛公平值計量的極大比例增加，反之亦然。</p>
		<p>Discount rate for estimated future cash flow used is 12.3% at 30 June 2020 (31 December 2019: 12.30%).</p> <p>於2020年6月30日，所用估計未來現金流量的貼現率為12.3%(2019年12月31日：12.30%)。</p>	<p>An increase in the estimated discount rate used would result in a slightly smaller percentage decrease in the fair value measurement of the milkable cows, and vice versa.</p> <p>所用的估計貼現率增加可導致奶牛公平值計量的較小比例下降，反之亦然。</p>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2020

截至2020年6月30日止六個月

### 25. FAIR VALUE MEASUREMENTS (Continued)

#### Reconciliation of Level 3 fair value measurements of biological assets and equity instruments at FVTOCI

Balance at 1 January 2020 (audited)	於2020年1月1日的結餘(經審核)
Total gains in OCI	於其他全面收入的收益總額
Feeding cost	飼養成本
Decrease due to disposal	因出售引致的減少
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減銷售成本產生的虧損
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)

#### Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with general accepted pricing model based on discounted cash flow analysis.

### 25. 公平值計量(續)

#### 生物資產第三級公平值計量與按公平值計入其他全面收入的權益投資的對賬

Equity instruments at FVTOCI 按公平值計入其他全面收入的權益工具 RMB'000 人民幣千元	Heifers, calves and milkable cows 小母牛、小牛及奶牛 RMB'000 人民幣千元
3,959	7,459,359
3,935	-
-	652,708
-	(306,632)
-	(448,749)
7,894	7,356,686

#### 並非按經常基準以公平值計量的金融資產及金融負債的公平值

董事認為簡明綜合財務報表內按攤銷成本計量的金融資產及金融負債的賬面值與其公平值相若。有關公平值乃根據普遍接受的定價模式並基於貼現現金流量分析釐定。





MODERN FARMING  
现代牧业

China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1117



Purity  
純



Genuineness  
真



Freshness  
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