



蒙牛[®]

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

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

Stock Code 股份代號：2319

ANNUAL REPORT 2020 年報

營養你的要強 Nurture Your Greatness



谷愛凌



梅西



浓纯营养
航天品质

* For identification purpose only 僅供識別

CORPORATE PROFILE

公司簡介

China Mengniu Dairy Company Limited (the “Company”; stock code: 2319) and its subsidiaries (collectively the “Group” or “Mengniu”) mainly manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with **MENGIU** as its core brand. Mengniu’s diversified products include liquid milk, ice cream, milk formula and other products such as cheese. In 2020, Mengniu moved up to the eighth place on the “Global Dairy Top 20” list published by Rabobank. By the end of December 2020, the Group’s annual production capacity of dairy products reached 9.90 million tons. In March 2014, Mengniu became a Hang Seng Index constituent, making it the first blue chip Chinese dairy product enterprise. In August 2020, Mengniu was included as a constituent of the Hang Seng Corporate Sustainability Index and the Hang Seng ESG50 Index.

中國蒙牛乳業有限公司(「本公司」; 股份代號: 2319)及其子公司(統稱「本集團」或「蒙牛」)主要於中國生產及銷售優質乳製品。憑藉其主要品牌**蒙牛**，蒙牛已成為中國領先的乳製品生產商之一。蒙牛提供多元化的產品，包括液態奶、冰淇淋、奶粉及其他產品例如奶酪等。於二零二零年，蒙牛在荷蘭合作銀行的「全球乳業20強」排行榜中躍升至第八位。截至二零二零年十二月底，本集團乳製品的年生產能力達990萬噸。二零一四年三月，蒙牛獲納入恒生指數成份股，成為首家中國乳製品企業藍籌股。二零二零年八月，蒙牛獲納入香港恒生可持續發展企業指數及恒生ESG50指數成份股。



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HIGHLIGHTS

摘要

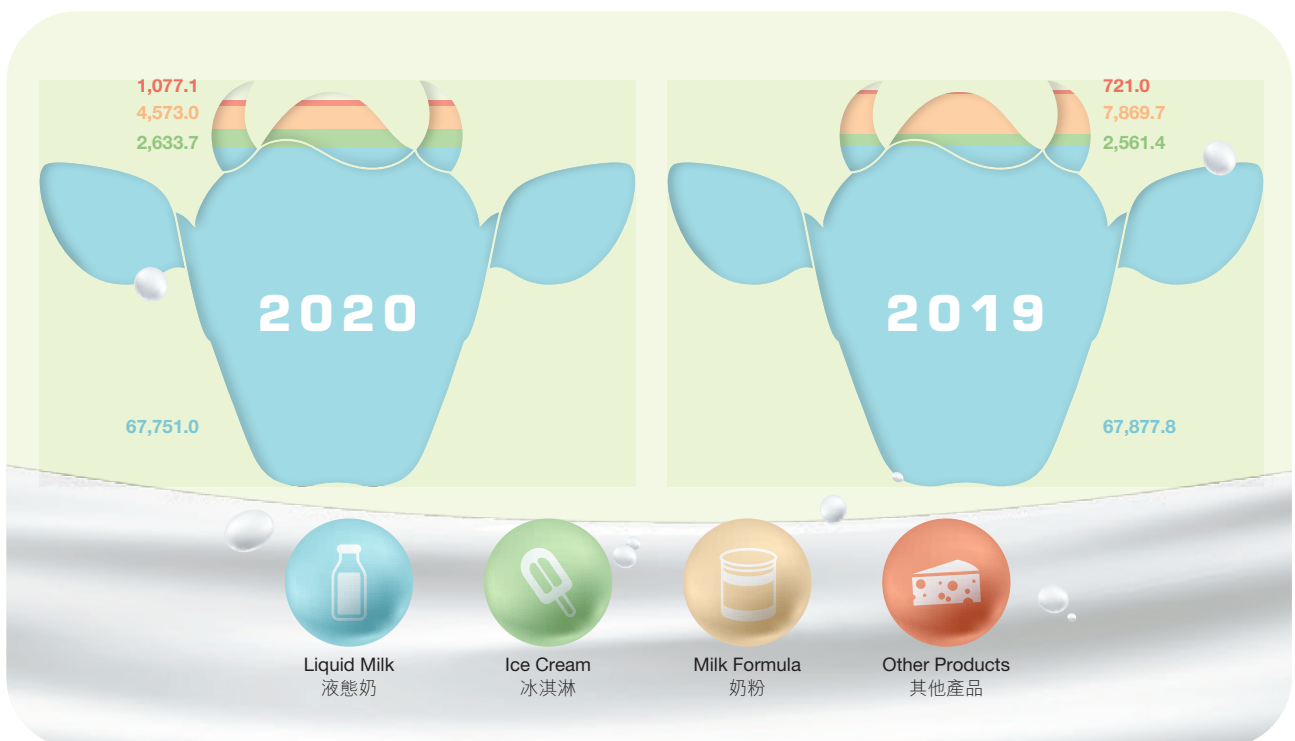
For the Year Ended 31 December	截至十二月三十一日止年度	2020 二零二零年 RMB Million 人民幣百萬元	2019 二零一九年 RMB Million 人民幣百萬元
Revenue	收入	76,035	79,030
Gross Profit	毛利	28,629	29,679
Profit Attributable to Owners of the Company	本公司擁有人應佔利潤	3,525	4,105
Net cash flows from operating activities	經營業務產生的淨現金流量	5,348	6,307
Earnings per Share (RMB)	每股盈利(人民幣元)		
— Basic	— 基本	0.897	1.049
— Diluted	— 攤薄	0.892	1.046

- During the year, the Group had successfully overcome the challenges the COVID-19 Epidemic (the “Epidemic”) brought. By grasping market opportunities as the Epidemic eased, it was able to drive high quality growth of its business. For the year ended 31 December 2020, the revenue of the Group amounted to RMB76,034.8 million (2019: RMB79,029.9 million), representing a year-on-year decrease of 3.8%. Excluding the revenue of Shijiazhuang Junlebao Dairy Co., Ltd. (“Junlebao”), which was disposed of in 2019, and of Bellamy’s Australia Limited (“Bellamy’s”), which was acquired in 2019, the revenue of Comparable Businesses (the “Comparable Businesses” in this report excludes Junlebao and Bellamy’s) of the Group for the year amounted to RMB75,003.1 million (2019: RMB67,817.3 million), representing a year-on-year increase of 10.6%.
- Profit attributable to owners of the Company amounted to RMB3,525.0 million (2019: RMB4,105.4 million), representing a year-on-year decrease of 14.1%. The decline in profit was mainly due to the additional costs incurred resulting from the following actions taken in the first quarter of 2020: (i) the Group had incurred additional expenses on epidemic prevention to safeguard the health and safety of its employees, and to ensure the resumption of work and production; (ii) the Group had incurred additional marketing and sales expenses to reduce inventories in its distribution channels in order to accelerate the resumption of normal sales, and (iii) the Group had actively fulfilled its corporate social responsibilities and had made cash and dairy product donations to more than 10,000 hospitals and relevant epidemic control organizations.
- 年內，本集團高效應對2019冠狀病毒肺炎（「新冠肺炎」）疫情（「疫情」）挑戰、把握疫情後市場機會，推動業務持續高質量發展。截至二零二零年十二月三十一日止年度，本集團收入為人民幣760.348億元（二零一九年：人民幣790.299億元），較去年同期減少3.8%。如不包括二零一九年處置的石家莊君樂寶乳業有限公司（「君樂寶」）及二零一九年收購的Bellamy’s Australia Limited（「貝拉米」）的業務收入，本集團的可比業務（本報告提到的「可比業務」均不包括君樂寶及貝拉米）收入為人民幣750.031億元（二零一九年：人民幣678.173億元），同比增長10.6%。
- 本公司擁有人應佔利潤為人民幣35.250億元（二零一九年：人民幣41.054億元），較去年同期減少14.1%。上述利潤下降主要是因為本集團在二零二零年第一季度的以下舉措導致了額外成本的增加：(i)本集團為保證員工健康安全、正常復工復產而投入了額外疫情防控費用；(ii)本集團為盡快降低渠道庫存、加速恢復正常的銷售節奏而投入了額外營銷費用；及(iii)本集團積極承擔社會責任，向全國一萬餘所醫院等抗擊疫情相關機構捐贈現金及乳製品。

- Despite facing dire challenges of the Epidemic, Mengniu managed to resume operation and production quickly, and actively developed new retail channels, including e-commerce platforms, O2O home delivery service, community group purchase and WeChat social groups, to speed up integration of on- and off-line sales networks. As such, the Group's business started to see a strong rebound in the second quarter of 2020.
- To maintain the healthy and sustainable development of its industrial chain, Mengniu accepted from ranchers all fresh raw milk that passed quality checks during the Epidemic and strengthened cooperation with upstream and downstream business partners. The Group also donated money and products to frontline healthcare and medical personnel helping the fight against the Epidemic. Dairy products were sent to major healthcare institutions in Wuhan and across China. As a result, the good reputation of Mengniu brand improved notably.
- During the year, Mengniu moved up two places to the eighth place on the "Global Dairy Top 20" list. In addition, it was selected as a constituent stock in the Hang Seng Corporate Sustainability Index ("HSSUS"). It is the only Chinese food producer in the HSSUS.
- 面對疫情帶來的嚴峻挑戰，蒙牛迅速推動復工復產，同時積極拓展電商平台、O2O到家業務、社區團購、微信社群等新零售渠道，加速發展線上線下一體化營銷，業務在二零二零年第二季開始便實現強勁復甦。
- 為維護產業鏈健康及可持續發展，蒙牛在疫情期間堅決不拒收一滴合格生鮮乳，強化與上下游合作夥伴的業務協作，並在疫情期間積極捐獻款物支持防疫一線，向武漢市和全國重要醫療機構提供乳品供應，蒙牛品牌美譽度獲得極大提升。
- 年內，蒙牛在「全球乳業20強」排行榜中躍升兩級至第八，並入選恒生可持續發展企業指數(HSSUS)成份股，成為唯一入選的國內食品企業。

REVENUE BY PRODUCT MIX (FOR THE YEAR ENDED 31 DECEMBER)

RMB Million



按產品劃分之收入

(截至十二月三十一日止年度)

人民幣百萬元

MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮

THE GROUP AND ITS MANAGEMENT

- Included in the “Global Dairy Top 20” list published by Rabobank for the twelfth consecutive year and moved up two places to rank eighth among global dairy companies
- Selected as a constituent stock of the Hang Seng Corporate Sustainability Index (“HSSUS”) and the Hang Seng ESG 50 Index
- Mr. Lu Minfang, our Chief Executive Officer, was appointed as a member of the Executive Committee of Consumer Products of World Economic Forum in Davos, being the first Chinese member of the forum since its establishment. Mr. Lu also served as the honorary vice president of China Charity Federation and was awarded “Responsible Person of the Year” by China News Service and The China News Weekly

MENGNUI’S BRANDS

- Ranked 31st among “Top 100 Most Valuable Chinese Brands” selected by BrandZ™
- Ranked among Brand Finance Global 500 for the second consecutive year
- Ranked first runner-up of “Most Chosen Fast Moving Consumer Goods Brands in China” again by Kantar Worldpanel’s consumer research
- On the China Brand Power Index (C-BPI) list published by the Ministry of Industry and Information Technology of the PRC, Mengniu’s chilled yogurt held the championship in China’s yogurt industry brand power for the tenth consecutive year, while Yoyi C was honored as champion of brand power in the probiotics drinks industry for the fourth consecutive year. In addition, Mengniu was honored as champion among ice-cream brands for the third consecutive year and as champion among cheese stick brands
- In the 2020 NetEase New Force Dairy Industry Summit, Mengniu was honored as the “Most Influential Brand of the Year”

本集團及管理層

- 連續第十二年入選荷蘭合作銀行的「全球乳業20強」榜單，並躍升兩位至全球第八位
- 入選恒生可持續發展企業指數 (HSSUS) 及恒生ESG50指數成份股
- 總裁盧敏放先生躋身達沃斯世界經濟論壇的消費品執委會正式成員，成為該組織歷史上首位中國籍委員。此外，盧先生並榮任中華慈善總會名譽副會長，以及獲中國新聞社及中國新聞週刊頒發「年度責任人物」榮譽

蒙牛品牌

- 於BrandZ™「最具價值中國品牌100強」排行榜排名第31位
- 連續第二年躋身Brand Finance全球品牌價值500強
- 繼續名列凱度消費者指數發佈的「中國消費者選擇最多的國內快速消費品品牌」第二名
- 在中國工業和信息化部的中國品牌力指數 (C-BPI) 中，蒙牛低溫酸奶連續十年蟬聯中國酸奶行業品牌力榜首，優益C連續四年榮獲中國乳酸菌飲料行業品牌力第一名，此外，蒙牛於冰淇淋／雪糕品牌排行榜中，連續三年位列第一，並在奶酪棒／條品牌排行榜位列第一名
- 榮獲2020網易新能量乳製品行業峰會「年度最具影響力品牌」

MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮

MENGNUI'S PRODUCTS

- *Milk Deluxe* won the gold product award conferred by BIOFACH China for the eighth consecutive year
- In the 2020 NetEase New Force Dairy Industry Summit, *Milk Deluxe* was honored as “Excellent Product of the Year”
- *Reeborne*, a brand of Yashili, was awarded “Innovative Infant Dairy Product of the Year” by the Economic Observer

SOCIAL RESPONSIBILITY

- Ranked first in terms of Dairy Corporate Social Responsibility Development Index by the Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences
- Won the 11th “China Charity Award” by the Ministry of Civil Affairs
- Won the “China Benefit Corporation Award” in the 2020 Corporate Social Responsibility Selection organized by Tencent News

蒙牛產品

- 特侖蘇連續8年奪得BIOFACH國際有機產品博覽會產品金獎
- 特侖蘇在2020網易新能量乳製品行業峰會上榮獲「年度超級單品」
- 雅士利旗下的瑞哺恩品牌榮獲經濟觀察報頒發的「年度創新嬰幼兒乳品」獎。

社會責任

- 獲中國社會科學院責任研究中心之社科院乳品企業社會責任發展指數第一名
- 獲得民政部評選的第十一屆「中華慈善獎」
- 獲頒2020年騰訊新聞企業社會責任評選的「年度中國益公司」獎



MAJOR AWARDS AND ACHIEVEMENTS 主要獎項及殊榮

- The “1-3-6” Program was awarded “Special Contribution for Poverty Alleviation” of the year by The Paper
- Mengniu’s poverty alleviation project was selected as “50 Best Corporate Targeted Poverty Alleviation Programs — Integrated Program” and “50 Best Corporate Targeted Poverty Alleviation Programs — Individual Program” by the State Council Leading Group Office of Poverty Alleviation
- 「1-3-6」工程榮獲澎湃新聞頒發的年度「脫貧攻堅特別貢獻獎」
- 蒙牛扶貧案例入選國務院扶貧辦社會扶貧司「企業精準扶貧綜合案例50佳」和「企業精準扶貧專項案例50佳」名單



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CEO'S STATEMENT

總裁致辭

Mr. Jeffrey, Minfang LU

盧敏放先生

Chief Executive Officer

總裁



CEO'S STATEMENT
總裁致辭

2020 was a very unusual year with the outbreak of the Covid-19 Epidemic (the “Epidemic”) sweeping across the world and to date many countries are still struggling to cope. However, in China, under the leadership of the central government and with cooperation from the general public, efforts to prevent and control the Epidemic have been successful. And, for Mengniu, working in concert with its employees and business partners, it was able to maintain quality and rapid development during the year.

Four years ago, Mengniu began its organization restructuring and brand building with resolution, deployed its milk sources with foresight and promoted its internationalization strategy steadfastly. These initiatives have sent the Group onto a quality development track. During the year, Mengniu moved up to the eighth place on the “Global Dairy Top 20” list published by Rabobank. In addition, it was selected as a constituent stock of the Hang Seng Corporate Sustainability Index (“HSSUS”), recognized by the capital market as one of the top 30 best-performing enterprises in terms of sustainability. Mengniu is the only food producer in China selected as a constituent of the HSSUS.

二零二零年是極不平凡的一年，突發而來的一場疫情席捲全球，至今仍在許多國家肆虐。但是，在中央政府的領導及全體社會的共同努力下，國內疫情防控取得了重大的成果。在全體蒙牛人及合作夥伴們的齊心協力下，蒙牛業務繼續高質量高速發展。

早於四年前，蒙牛已開始大刀闊斧地進行架構調整，極具魄力地開展品牌建設，前瞻性地開展奶源佈局，堅定地推進國際化戰略，令本集團踏上高質量發展的軌道。年內，蒙牛在荷蘭合作銀行的「全球乳業20強」排行榜中躍升至第八位。同時，蒙牛更入選恒生可持續發展企業指數(HSSUS)成份股，躋身港股可持續發展表現排名前30，被資本市場認可為港股可持續發展表現最為卓越的企業之一，是目前國內食品行業內唯一入選企業。



CEO'S STATEMENT

總裁致辭

During the year, the dairy industry recovered the fastest among all consumption sectors and Mengniu led the recovery among all dairy players. Its business started a V-shaped rebound in the second quarter, followed by a growth in the second half of the year which was faster and better than before the Epidemic hit. Market share of its high-end room temperature products continued to increase, claiming the top spot in the industry. Fresh milk business maintained rapid growth of 100% as compared with the previous year. Despite the overall adverse market conditions, sales of cheese increased, in particular, retail sales revenue and net profits recorded triple-digit growth, exceeding expectation. The profit margin of ice cream business also improved significantly thanks to the continuous upgrade of product mix and stronger effort on developing sales channels.

To warrant the trust of consumers in China, Mengniu actively shouldered its social responsibility in fighting the Epidemic. Internally, Mengniu promptly activated its contingency plan and established a team to coordinate Epidemic prevention work of business units around the world and procure and produce essential preventive supplies, including face masks. The Group was able to resume operation and production quickly, with employees' health and product safety well in mind, to minimize the impacts of the Epidemic on its business. Externally, Mengniu donated money and products to frontline personnel fighting against the Epidemic and also made a donation and set up an emergency resources center in Wuhan. Moreover, Mengniu accepted all fresh raw milk that passed quality check and offered financial assistance to partnering ranches, helping upstream operators to get through the difficult times.

年內，乳業在所有消費品行業中恢復得最快，而蒙牛在所有乳品企業中，復蘇尤為出色。蒙牛的業務從第二季度便開始V型反彈，下半年的發展速度及質量都超過疫情前的水平。常溫高端品牌市場份額持續提升，居行業的第一位。鮮奶業務保持高速增長，同比增長達100%，奶酪的品類更是逆勢增長，其中零售奶酪表現尤為突出，收入和淨利潤均實現三位數增長，業績超預算完成。在持續升級產品結構和強化銷售渠道建設的努力下，冰淇淋業務的利潤率也有明顯提升。

作為一家深受中國消費者信賴的企業，蒙牛在疫情當中也積極承擔了社會責任，對內，蒙牛及時啟動應急機制，成立抗疫領導小組，統一部署全球各單位推進疫情防控工作，迅速採購和生產包括口罩在內的必要防護用品，在保障員工安全、產品安全的前提下，快速復工復產，將疫情對業務運作的影響減至最低。對外，蒙牛向抗疫一線捐贈現金和產品，並在武漢捐建了應急物資中心。此外，蒙牛在疫情期間沒有拒收一滴合格生鮮乳，同時還為蒙牛的合作牧場提供資金支持，幫助產業鏈上游渡過難關。

CEO'S STATEMENT 總裁致辭

The outstanding performance of Mengniu owed much to its firm execution of the following six major strategies:

蒙牛的卓越表現，實有賴於堅定執行六大戰略：

- Brand upgrade. The significant nutritional support given by Mengniu to personnel in healthcare institutions, doctors and nurses fighting against the Epidemic on the frontline had boosted the brand power of Mengniu. In addition, due to the success of marketing and product packaging that target young consumers, the brand power of Mengniu has improved among young people.

第一是品牌升級。由於蒙牛在疫情期間為抗疫一線的醫療機構和醫護人員作出了大量的營養支持，促進了蒙牛品牌力的上升，同時，蒙牛的產品營銷年輕化及包裝年輕化計劃亦空前成功，進一步提升蒙牛在年輕人群當中的品牌力。
- Channel execution. Mengniu furthered its route-to-market (“RTM”) strategy, including strengthening distribution and market penetration for liquid milk. Distributors were empowered to participate in sales channel management for higher efficiency. The distribution model of “Penetration into Towns and Villages” was adopted in a number of provinces, with the help of digital technology and the Internet. The channel network welcomed more than 100,000 new sales points in towns and villages during the year and the model was promoted across the country. As for new retail sales channels, in addition to enhancing cooperation with major e-commerce operators, including Alibaba and JD.com, Mengniu also developed its businesses through O2O home delivery services, platforms for fresh food purchase and community group purchase. During the Epidemic, Mengniu sold its products via more than 100,000 WeChat social groups to bolster business growth.

第二是渠道精耕。蒙牛進一步推進渠道精耕策略，包括強化鋪市，進一步提升液態奶的鋪市率，賦能經銷商，提升渠道精細化管理。另外，全面鎮村通的模式已經在多省實施，以數字化互聯網的形式進行全新鎮村覆蓋模式，年內增加了十餘萬個新的農村銷售網點，並將此模式在全國推廣。在新零售的渠道中，除了持續推進和阿里巴巴、京東等主流電商的深度合作外，蒙牛積極展開電商到家業務、生鮮買菜平台、社區團購等，在疫情期間建立了超過10萬個微信社群，推動業務增長。



CEO'S STATEMENT**總裁致辭**

3. Optimization of milk sources. During the year, Mengniu stepped up its efforts in exploring milk sources in China and overseas. Furthermore, Mengniu has become the largest shareholder of China Shengmu Organic Milk Limited, the largest organic milk producer in China. Two associated companies of Mengniu, namely China Modern Dairy Holdings Ltd. and Inner Mongolia Fuyuan International Industrial (Group) Co., Ltd., have also improved operational efficiency to meet the raw milk demand of Mengniu.
4. Efficiency enhancement. Mengniu adopted the consumer-centric Design to Value ("DTV") product design principle, enabling it to introduce products that perfectly match the demands of consumers. Efforts were also made to streamline product ranges to bring out the true value of products and reduce production costs, all conducive to the healthy and sustainable development of Mengniu.
5. Digitalization. Mengniu has put in place a digitalization strategy task force to coordinate digital transformation across the Group. We aim to gradually build up a data-driven business system, thus enabling efficient and prompt decision-making regarding the Group's operations.
6. Integration of acquired business. The operation and corporate governance of Bellamy's, the acquisition of which was completed in December 2019, were fully integrated with those of Mengniu. As a major member of the international business division of Mengniu, Bellamy's has been with great strength expanding its organic product mix, the sales network in Australia, cross border e-commerce platform and offline sales channels in China. The business integration has allowed Mengniu to provide organic infant food and formula milk products that are of high quality, with well-balanced nutrients and tasty.
3. 第三是完善奶源佈局。蒙牛在年內加強了國內外奶源的佈局。另外，蒙牛已成為中國最大的有機奶生產的牧業公司 — 中國聖牧有機奶業有限公司的第一大股東，而蒙牛另外兩間聯營公司 — 中國現代牧業控股有限公司及內蒙古富源國際實業(集團)有限公司也在全面提升效率，滿足蒙牛對原奶的需求。
4. 第四是提升效能。蒙牛提出DTV(「Design to Value」)理念，即以消費者為核心驅動產品設計，讓產品設計更加貼近消費者，同時簡化產品的複雜程度，使產品能夠體現真正的價值，以及節約產品成本，推動蒙牛更健康及可持續的發展。
5. 第五是企業數字化轉型。蒙牛已成立數字化戰略項目組，推動全集團的數字化轉型，逐步構建數據驅動業務的信息體系化建設，賦能全集團進行高效、敏捷的業務決策。
6. 第六是整合已收購的業務。蒙牛自從於二零一九年十二月完成收購貝拉米後，已把貝拉米的運營與公司治理等各方面進行全面的整合，貝拉米作為蒙牛國際事業部非常重要的一員，大力擴展有機產品矩陣，拓展澳洲境內和跨境電商渠道，以及中國的線下渠道，為寶寶提供優質、營養均衡、美味的有機嬰兒食品和配方奶粉。

CEO'S STATEMENT
總裁致辭

Today, the consumption pattern, industry structure and marketing models in the milk industry have been changing continuously. Against such backdrop, Mengniu also took its corporate culture to the next level with the mission of “Every drop of nutrition makes every life thrive” and the vision of “From the grasslands across the world, Mengniu products nourish and are loved by over 2 billion consumers around the world”. To deliver its mission and realize its vision, Mengniu has drawn up a five-year plan to develop into a Mengniu beloved by consumers, a digitalized Mengniu, an internationalized Mengniu, a Mengniu with strong culture gene, and a Mengniu with strong sense of responsibility. The fight against the Epidemic has ignited the sense of mission and passion for life and work of the near 40,000 Mengniu employees worldwide. In the next five years, the goal of Mengniu is “To Create a New Mengniu by 2025”. The Group intends to follow paths that are more rewarding and sustainable to realize its long-term strategic goal, and to grow faster and reach further by 2025.

Jeffrey, Minfang LU
Chief Executive Officer

Hong Kong, 24 March 2021

今天，消費者在發生變化，行業格局在發生變化，營銷模式也在發生變化，在新的時代背景下，蒙牛於二零二零年升級企業文化體系，以「點滴營養，綻放每個生命」為使命，以「草原牛、世界牛，全球至愛，營養20億消費者」為願景。為積極踐行使命，早日實現願景，蒙牛已制定五年規劃，目標使本集團成為消費者至愛的、數智化的、國際化的、文化基因強大的，更具責任感的蒙牛。在與疫情的戰鬥中，全球接近四萬名蒙牛人的使命感、對生命的熱愛與對事業的激情已經被充分點燃。未來五年，蒙牛將以「二零二五年，再創一個新蒙牛！」為奮鬥目標，務求於二零二五年，通過一個更有價值、更可持續的途徑來實現長期戰略目標，在未來的路上走得更快，走得更遠。

盧敏放
總裁

香港，二零二一年三月二十四日



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INDUSTRY REVIEW

In early 2020, the dairy industry was inevitably affected by the COVID-19 Epidemic (the “Epidemic”) temporarily. Indeed, during the first quarter, all upstream and downstream sectors of the dairy industry saw their operations affected. Following the mitigation of the Epidemic in the second quarter, production and supply within the dairy industry gradually returned to normal and market demand began to recover, in particular the demand for liquid milk. With the support and promotion from the Chinese government and authoritative organizations, consumption of dairy products increased as consumers began to have greater awareness of nutrition and health, which became a driving factor for the strong recovery and further development of the dairy industry. On 8 February, 2020, the National Health Commission of the PRC issued the “Nutrition and Dietary Advice on Prevention and Recovery from Novel Coronavirus Infected Pneumonia” and recommended that “moderate or recovering patients should consume 300g of milk and dairy products per day (yogurt can be consumed more as they provide intestinal probiotics)”. On 26 February, the National Association of Health Industry and Enterprise Management, the Chinese Nutrition Society, the Dairy Association of China and the China Dairy Industry Association jointly published the “Guidelines on Consumption of Milk and Dairy Products for Chinese People”, recommending the public to consume 300g of liquid milk or other dairy products with protein content equivalent to 300g of liquid milk to promote a healthy diet, hence boosting the demand for dairy products.

In the wake of the Epidemic, consumers have become more conscious of their health and immunity and have paid more attention to food nutrient content and food quality, resulting in higher popularity of products with low fat and sugar content as well as high lactoferrin content. More consumers have opted for dairy products to improve their health and prefer dairy products which are healthy, nutritious, rich in protein and fresh. During the year, there was strong demand for both high-end and affordable pure milk due to different consumption preferences for high-quality and value-for-money products, respectively. Demand for functional dairy products and organic milk also increased, which encouraged producers to develop innovative and high-end dairy products.

行業回顧

二零二零年初，2019新冠肺炎（「新冠肺炎」）疫情（「疫情」）無可避免地為乳業帶來了短期挑戰。於第一季度，乳業產業鏈上下游均受到疫情的衝擊。隨著疫情在第二季度開始逐步緩和，行業生產及供應的運作逐漸恢復正常，乳製品市場需求在第二季開始逐步恢復，當中以液態奶的復甦尤其明顯。在中國政府及權威機構的倡議推動下，消費者更加關注營養健康，刺激乳製品的消費增加，為奶業的強勁復甦及升級轉型帶來新動力。二零二零年二月八日，中國國家衛生健康委員會推出《新型冠狀病毒感染的肺炎防治營養膳食指導》，建議「普通型或康復期患者每天攝入300克的奶及奶製品（酸奶能提供腸道益生菌，可多選）」。二月二十六日，全國衛生產業企業管理協會、中國營養學會、中國奶業協會和中國乳製品工業協會亦共同發佈《中國居民奶及奶製品消費指導》，建議中國民眾每天攝入300克液態奶或相當於300克液態奶蛋白質含量的其他奶製品，推動民眾的健康飲食和乳製品需求增長。

疫情下，消費者對於健康和免疫力更為關注，對食品的營養品質更為講究，使低脂、低糖、含乳鐵蛋白的產品越來越受歡迎和認可，更多消費者選擇通過飲用乳製品改善身體狀況，健康、營養、蛋白質含量、新鮮成為消費者飲用牛奶的主要選購因素。年內，液態奶的消費分級趨勢明顯，高端純牛奶、經濟型純牛奶需求強勁，高品質和性價比推動消費分級。同時，消費者對功能性乳製品和有機奶的需求也在不斷增加，促進乳製品的品類創新和高端化發展。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As for channel development, after the outbreak of the Epidemic in the first half of 2020, urban families in China purchased fast-moving consumer products through O2O home delivery, which helped to offset the significant decrease in offline sales to a certain extent. Although the Epidemic was less severe in the second half of 2020, most consumers had already developed the habit of online shopping. In preparation for changes in sales channels after the Epidemic, Mengniu proactively explored new e-commerce platforms, O2O home delivery services, community sales and WeChat group sales during the year, in order to expedite integration of online and offline marketing.

As production and sales in different areas were severely affected by the Epidemic, Mengniu began the full implementation of the Group's digitalization strategy to continuously improve the flexibility of the supply chain through digitalization. Mengniu also promoted omni-channel development and the integration of online and offline channels.

On 30 December 2020, the Chinese government issued the "Action Plan for Improving Quality and Safety of Dairy Products", highlights of which included 1) promoting the use of new technology and new production processes to create new products as well as the use of fresh milk to produce dairy products; 2) strengthening the research and development of dried dairy products such as cheese and butter; 3) enhancing the control of the whole production process of dairy products, such as strengthening milk source management and increasing the proportion of self-owned and self-controlled milk sources; 4) promoting the establishment of food safety tracking systems; and 5) tightening the quality standards of dairy products and improving safety and quality indicators and amending and enhancing the "Administrative Measures on Product Formula Registration of Infant Milk Formula". The new policies will increase market entry barriers, which will be favorable to industry leaders who own a high proportion of self-controlled milk sources with high usage of fresh milk and provide high-quality standard products.

渠道發展方面，2020年上半年疫情爆發之後，中國城市家庭通過O2O到家配送服務購買快速消費品，一定程度上彌補了線下渠道客流明顯下降的挑戰，雖然疫情已在下半年有所緩和，但消費者已普遍養成網上購物的習慣。為有效應對疫情後的渠道變化，蒙牛在年內積極拓展電商平台、O2O到家業務、社區營銷、微信銷售等新渠道，加速發展線上線下一體化營銷。

此外，由於疫情嚴重影響產品生產及各地區銷售，蒙牛全面啟動數智化轉型建設，透過數字化營運不斷提高供應鏈敏捷性，應對全渠道發展的變化趨勢、推動線上線下渠道進一步融合。

此外，二零二零年十二月三十日，中國政府發佈《乳製品質量安全提升行動方案》，重點包括1)支持企業採用新技術、新工藝生產新產品，鼓勵企業使用生鮮乳生產乳製品；2)強化奶酪、黃油等乾乳製品研發；3)加強奶品生產全過程控制，例如加強奶源管理，提高自建自控奶源比例；4)推動企業建立食品安全追溯體系；5)強化乳製品質量標準制定，提升乳品安全及品質指標，以及修訂及完善《嬰幼兒配方乳粉產品配方註冊管理辦法》等。新政策將提高市場准入標準，利好奶源自控比例高、生鮮乳使用比率高、品質指標領先的行業領導者。



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BUSINESS REVIEW

Business Division Performance

Room Temperature Product Business

In 2020, benefiting from the increased awareness of health and nutrition among consumers, the room temperature product business division proactively adjusted its strategies in line with market trends resulting from the Epidemic, and realized fast growth during the year. Sales of *Milk Deluxe* and *Mengniu* pure milk increased more rapidly, while sales of *Just Yoghurt* and *Zhenguoli Fruit Milk Drink* also increased thanks to the introduction of new products. Moreover, despite that sales channels were disrupted during the early stages of the Epidemic, Mengniu continued with its route-to-market (“RTM”) strategy and accelerated marketing digitalization and channel penetration in towns and villages. Mengniu also promptly developed its new sales channels, including O2O home delivery channels, online fresh food shopping platforms and community group purchase platforms, resulting in significant increases in market share and penetration rate.

During the year, *Milk Deluxe* launched upgraded “DreamCap™” organic pure milk and pure milk containing 3.8g of protein and 125 mg of original calcium per 100ml, further reinforcing the premium position of the *Milk Deluxe* brand and stimulating its sales. *Mengniu* pure milk introduced the Nutritious and Mellow Enjoyment series in a tetra pack, which has been very well received by families and young consumers, resulting in robust sales growth. The *Just Yoghurt* brand, which innovated room temperature yogurt with real fruit pulp, introduced the new Xiaomanyao white peach and pomegranate flavored fruit yogurt products in order to meet the different demands of young consumers in respect of consumption scenario and flavor. The *Zhenguoli Fruit Milk Drink* brand has developed floral and fruity flavor light lactobacillus drinks, which are low-fat, slightly fermented and subtly sweet and sour flavored. Emphasizing the innovative combination of “flower + fruit + light lactobacillus drink”, the series has been well received by consumer groups such as urban white-collar workers and university students, and has been sold out on multiple occasions on the e-commerce platforms since its launch.

業務回顧

事業部表現

常溫業務

二零二零年，受益於消費者對於健康、營養意識的提高，常溫事業部根據疫情前後的市場變化積極調整執行策略，全年實現高速增長。其中，*特侖蘇*及蒙牛純牛奶的銷售進一步加速增長，*純甄*及*真果粒*品牌在推出新產品後亦實現逆勢增長。此外，面對疫情初期令銷售渠道受阻，蒙牛堅定執行渠道精耕策略，加速發展數字化營銷和鄉鎮市場渠道下沉，敏捷佈局O2O到家業務、生鮮買菜平台及社區團購等新興渠道，市場份額及鋪市率顯著提升。

年內，*特侖蘇*推出每100毫升3.8克蛋白質、125毫克原生高鈣的夢幻蓋有機牛奶系列及純牛奶升級版產品，鞏固了*特侖蘇*高端品牌地位，拉動其銷量增長。蒙牛純牛奶推出臻享濃牛奶利樂包產品，深受家庭及年輕群體的喜愛，銷量高速增長。*純甄*品牌首創常溫酸真實果粒型產品，推出白桃石榴小蠻腰新品，不斷滿足年輕群體對消費場景及豐富口味的需求。*真果粒*品牌開拓首款輕脂肪、輕發酵、輕酸甜的花果輕乳系列產品，主打獨特的「花+果+輕乳」的創新組合，上市以來深受都市白領、大學生等消費群體的喜愛，電商平台多次售罄。

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Regarding branding strategy, as consumers have become increasingly aware of the importance of health and immunity following the outbreak of the Epidemic and pure milk has been more widely perceived as a “necessity”, *Mengniu* pure milk has achieved significant sales volume growth during the year. By enhancing its brand position and upgrading its product mix, the operational efficiency of *Mengniu* pure milk has improved substantially. Through in-depth analysis of consumer-related big data, *Milk Deluxe* enhanced its digitalized interaction with consumers which have different demands. Brand awareness and sales volume increased following the promotion of the brand through the sponsorship of highly popular Hunan TV programs, including “Back to Field Season 4” and “Dance Smash”. During the year, *Just Yoghurt* used a new brand positioning slogan of “It’s the real thing. It’s Just Yoghurt.” and served as the title sponsor of popular programs including “Produce Camp 2020” and “The Chinese Restaurant Season 4”. The *Just Yoghurt* brand also launched crossover products with fashion brand *Moschino* for the first time, appealing to young consumers and using digital marketing to position itself as a fashionable brand. The *Zhenguoli Fruit Milk Drink* floral and fruity flavor light lactobacillus drink series was successfully launched through the title sponsorship of “Idol Producer 2” produced by iQiyi. Although sales channels were disrupted during the Epidemic, sales of *Zhenguoli Fruit Milk Drink* increased due to the introduction of premium products and efforts to connect with young consumers through popular media publicity.

As for channel strategy, following the outbreak of the Epidemic, *Mengniu*’s room temperature product business distributed its products through the in-depth cooperation between online and offline channels. In addition to further development of traditional e-commerce channels including Alibaba and JD.com, it promptly deployed its sales channels, including O2O home delivery services, fresh food shopping platforms and community group purchase platforms. The distributors of the room temperature products have all started using the “Smart Network” system, which enables online management of store channels. Highly efficient and meticulous channel management further enhanced *Mengniu*’s point of sales control and monitoring of sales expenses investment. Moreover, the “Penetration into Towns and Villages Project” has progressed to version 2.0, which focuses on “Exclusive Products, Exclusive Storekeepers, Exclusive Platforms and Exclusive Partners”. Rural markets have been further developed, such that the number of sales points and sales volume have increased through the systematic and visible management of salespersons and sales points.

品牌策略方面，疫情下消費者對於健康和免疫力的持續關注，強化了純牛奶的「必需品」屬性，使蒙牛純牛奶銷量大幅提升，通過不斷提高品牌力及升級產品組合，蒙牛純牛奶的經營效率亦大幅改善。*特侖蘇*通過對消費者大數據進行深度分析，實現了千人千面的數字化互動創新，通過贊助湖南衛視《嚮往的生活第四季》及《舞蹈風暴》等高收視節目，不斷提升品牌聲量及活躍度，助推銷量增長。年內，*純甄*品牌全新升級為「料實材真，才是純甄」的品牌定位，冠名贊助了《創造營2020》及《中餐廳第四季》等高熱度節目，首次與時裝品牌*Moschino*跨界合作推出聯名產品，通過數字化營銷實現品牌潮流化，帶動品牌的年輕化發展。*真果粒*花果輕乳系列通過冠名贊助愛奇藝《青春有你2》成功上市推廣，在銷售受阻的疫情期間，*真果粒*通過產品高端化、借勢頂級流量與年輕消費者積極溝通，實現逆勢增長。

渠道策略方面，疫情爆發後，常溫業務利用線上線下雙向深度分銷的模式，在持續發展阿里巴巴、京東等傳統電商渠道的同時，快速佈局O2O到家業務、生鮮買菜平台及社區團購等新興渠道。常溫業務的經銷商亦已全面使用「智網」系統，打通了蒙牛對門店的鏈路管理，高效、精細化的渠道管理進一步提升了蒙牛對終端的掌控力及費用投放效率。此外，「鎮村通」工程已全面升級2.0版本，圍繞「專屬產品、專屬掌櫃、專屬平台、專屬夥伴」，深挖農村市場，透過人員和網點的系統化、可視化管理，實現網點及銷量雙增長。



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Chilled Product Business

In view of the changes in consumption trends, sales channels and health awareness of consumers, Mengniu further promoted the nutritional values of chilled yogurt and chilled lactobacillus and developed new products and RTM channels. Sales of Mengniu's chilled products maintained the first in the industry for the 16th consecutive year. Although the Group's sales of chilled products still outperformed others in the industry as a whole, revenue recorded negative growth in 2020 as it was affected by the Epidemic and intensified competition.

Throughout the year, *Champion*, the only yogurt awarded State Food and Drug Administration's health food certificate, was continuously promoted to consumers, with an emphasis on the functions of its probiotic content, through various activities including a yogurt cultural festival, nutritionist recommendation and live streaming of science lectures. *Champion* has also launched the light and refresh chilled yogurt series, which contains probiotics and prebiotics to improve intestinal health. In addition, focusing on satisfying the demand for healthy, low-sugar and low-fat products from Chinese consumers, the *Yoyi C* brand has launched a low sugar and zero-fat formula product with white peach oolong and grapefruit flavors. *Yoyi C* has also successfully penetrated the youth consumer market with the help of a collaboration with the mobile game Honor of the Kings.

After the outbreak of the Epidemic, offline purchase frequency decreased significantly in line with the substantial decrease in consumer flow. In response to the shift from offline consumption channels to online, the chilled product business promptly deployed new retail channels during the year, including the O2O home delivery services, fresh food shopping platforms, community group purchases and live broadcast selling. By increasing the number of points of sale, optimizing channel structure and refining digitalized management, further penetration of the market was achieved. The chilled product business also accelerated its implementation of the "Smart Network" project in order to improve the efficiency of channel operations.

低溫業務

蒙牛抓緊消費趨勢、消費渠道及消費者認知的變化，通過持續推進低溫酸奶及低溫乳酸菌的價值營銷、產品創新及RTM渠道建設，連續16年保持低溫品類市場份額第一。受疫情及競爭加劇影響，雖然低溫業務收入表現優於行業，但仍錄得負增長。

年內，*冠益乳*作為全國唯一一款通過國家食品藥品管理局的保健食品認證的酸奶，透過舉辦酸奶文化節、營養專家背書及直播科普等活動，針對益生菌功能性持續推進消費者教育。同時，*冠益乳*推出輕盈舒暢系列低溫酸奶，產品富含益生菌及益生元，可有效促進腸道舒暢。此外，*優益C*品牌針對中國消費者對於低糖、低脂等健康產品的需求，推出控糖及0脂肪配方，上市白桃烏龍及紅西柚兩種口味，並通過與手機遊戲王者榮耀合作，滲透年輕消費者階層，實現品牌的年輕化發展。

疫情爆發後，線下消費者流量大幅減少，導致購買頻次顯著下降，面對消費渠道由線下轉線上的變化，低溫業務在年內快速佈局新零售，例如O2O到家業務、生鮮買菜平台、社區團購和線上直播等渠道，並持續通過提升網點數量、優化渠道結構及完善數字化管理等方式，不斷深化渠道下沉，另外，低溫業務亦加快推動「智網」項目的實施，以提升渠道運營效率。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Fresh Milk Business

In 2020, Mengniu's fresh milk business developed robustly. Through product innovation, stringent quality control, and extension of the supply chain and sales network, revenue doubled and market share also increased significantly.

Mengniu has focused on the promotion of *Shiny Meadow* and *Modern Meadow*, two major brands of its fresh milk business. During the year, *Shiny Meadow*, a premium brand, was promoted as a new standard of high-quality fresh milk through a new combination of media channels which strengthened communication with consumers. The market position of *Shiny Meadow* as a leading premium fresh milk product was further consolidated through the introduction of new products: organic fresh milk from the desert and Youhu A2 β -casein fresh milk. *Modern Meadow* has adopted innovative technologies to increase daily supply of T+0 milk products significantly, so as to ensure the freshness of milk. The fresh milk business division also achieved robust growth in market share through continuous consumer education on fresh milk product knowledge.

As for sales management, the fresh milk business focused on RTM development. Through a sales model comprising both distributors and direct sales, greater control over sales channels has been achieved. Mengniu also strategically cooperated with traditional e-commerce channels and O2O new retail channels. Its sales of fresh milk products ranked first on the JD.com platform in the June 18 Shopping Festival and November 11 Shopping Festival. In addition, Mengniu further developed its convenience store network for sales of fresh milk by establishing independent sales counters and stores, facilitating quality and robust growth of the fresh milk business.

鮮奶業務

二零二零年，蒙牛的鮮奶業務發展勢頭強勁，通過產品創新、嚴格質量管控、強化供應鏈佈局、拓展渠道等策略，收入實現翻倍增長，市場份額顯著提升。

鮮奶業務持續聚焦每日鮮語與現代牧場兩大品牌。年內，高端品牌每日鮮語以「高端鮮奶新標桿」為核心，通過創新的媒介組合強化消費者溝通，同時，每日鮮語推出沙漠有機鮮奶和優護A2 β -酪蛋白鮮牛奶新品，進一步鞏固其高端鮮奶第一品牌地位。現代牧場則通過技術創新，大幅提升當天生產當日上架的T+0產品的到貨比例，保證產品新鮮度。同時，鮮奶事業部不斷推進鮮奶品類的消費者教育，助力市場份額快速增長。

銷售管理方面，鮮奶業務聚焦通路精耕，通過經銷商加直營的銷售模式，進一步提升渠道掌控能力，並與傳統電商及O2O新零售渠道進行戰略合作，618及雙十一當天銷售額位列京東平台生鮮乳品銷售第一。此外，蒙牛持續發展便利店網絡，通過打造高標準、獨立的鮮奶專屬區及門店，助力鮮奶業務高質量高速增長。



天天优益C 肠活动常年轻

[1] 数据来源于第三方检测报告。

[2] 根据第三方检测数据计算所得，本产品每单位毫升的活菌数量是优益C乳酸菌饮品800毫升装产品的5倍。

[3] 产品经第三方检测报告论证脂肪含量符合宣称要求。



活菌500亿^[1]

5倍^[2]更给力

脂肪^[3] | Ca钙



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数百万精英家庭的品质之选



*指：微生物、体细胞指标优于欧盟标准

高端鲜奶 一键到家

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Milk formula business of Yashili

The milk formula business of Yashili International Holdings Limited (“Yashili”, stock code: 1230.HK), in which Mengniu holds 51% equity interest, recorded steady increase in sales, mainly due to (i) expansion of the coverage of adult milk powder and nutrition products on new functional products to shift focus to high-end products while developing market segments; (ii) optimization of product structure of infant formula products, and the satisfactory business growth after the rebranding; (iii) enhanced brand exposure and credibility through a variety of advertising and promotion efforts, which promoted online and offline sales volume growth.

In 2020, Yashili continued to develop its business of two major product lines, infant milk formula and nutritional products. In respect of infant milk formula, Yashili upgraded the formula of all existing product lines and introduced breast milk-like infant milk formula products. In view of the demand of nutritional products for enhancement of immunity during the Epidemic, Yashili introduced various high-end functional milk powder. *Reeborne*, its major infant milk formula brand, launched seven products under the breast milk-like milk formula series, covering mainstream milk formula, organic milk formula and goat milk formula. Yashili also continued to upgrade its nutritional products and introduced *Mengniu Premium Gold*, *Platinum* and *Yourui* series. Yashili also introduced additional new products, including *Topconic*, the first milk powder health product in China for immunity enhancement, *Nutriall* milk powder, fruit oatmeal, M8 children’s growth milk formula and skimmed milk powder.

During the year, Yashili continued to focused on the mother-and-baby channels for infant milk formula and the KA modern trade channels for nutritional products. Yashili also accelerated the development of e-commerce channels as well as the development of new channels and new products. Home delivery service has become part of the regular business operation during the Epidemic. Yashili also strengthened its cooperation with Alibaba, JD.com and other e-commerce platforms and further developed new retails channels, such as community group purchase and online social group purchase, to boost the steady development of its business.

雅士利奶粉業務

奶粉業務方面，蒙牛持有約51%股份的雅士利國際控股有限公司（「雅士利」；股份代號：1230.HK）銷售額實現穩步增長，主要是由於以下舉措，包括：(i)成人粉及營養品擴大新功能性產品覆蓋率，向高端化發展，同時發展細分市場；(ii)嬰配粉持續優化產品結構，品牌煥新後業務增長勢頭良好；(iii)通過多種投放方式，提升品牌曝光度及公信力，促進線上、線下銷量增長。

二零二零年，雅士利繼續發展嬰幼兒配方奶粉和健康營養品兩大類產品業務。嬰幼兒配方奶粉方面，雅士利對已上市的产品進行全線配方升級，創新開發親乳配方的嬰幼兒乳粉，並為新冠疫情下消費者對增強免疫力的需求提供解決方案，推出多款高端成人功能型奶粉。其中，核心嬰幼兒配方奶粉**瑞哺恩**在年內推出親乳奶粉系列，覆蓋主流奶粉、有機奶粉及羊奶粉品類的七個產品。雅士利的健康營養品方則不斷進行產品升級，推出蒙牛超金裝系列、鉑金裝系列及悠瑞系列成人奶粉，並上市新品類產品，包括中國首款免疫力保健品奶粉**特康力**奶粉、紐西能奶粉、水果麥片、M8兒童成長配方奶粉及脫脂奶粉等。

年內，雅士利繼續加強「嬰配奶粉聚焦母嬰渠道，營養品聚焦商超渠道，快速發展電商渠道，新渠道新產品全面發展」的渠道佈局。疫情下，雅士利的送貨到家服務已成為標準服務，雅士利並加深與阿里巴巴、京東等電商平台的合作，同時拓展社區團購、社交電商等的新零售業務，助力業務穩步發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Bellamy's Business

Bellamy's, an Australian organic infant milk formula and baby food provider, was acquired by the Group at the end of 2019 and has become a crucial member of Mengniu's international business division. *Bellamy's* has adhered to the "Pursuing Organic, Naturally Organic" brand positioning strategy and actively expanded its portfolio of high-end organic products.

During the year, capitalizing on the reputation it has established in online channels over the years, *Bellamy's* continued to expand its product lines and established offline channels in China in order to develop distribution networks in first- to third-tier cities. In March 2020, *Bellamy's* launched its Chinese-labelled organic baby rice and proactively increase its share in the high-end organic supplementary food market. In May and June, *Bellamy's* launched the first super high-end organic A2 milk powder and Mim's Gentle Milk Co™ organic A2 goat milk powder in Australia, both of which were also offered in China through cross-border e-commerce platforms. The comprehensive deployment of organic infant milk formula products within the high-end market segment has been completed since then. The Chinese-labelled *Bellamy's* organic Equi-pure infant milk formula series was also launched through offline channels in August.

貝拉米業務

本集團於二零一九年末收購的澳洲有機嬰幼兒配方奶粉及嬰兒食品廠商貝拉米，成為了蒙牛國際事業部重要的一員。貝拉米堅持「追求極致有機，天生有機」的品牌定位，大力擴展高端有機產品矩陣。

年內，憑藉在線上渠道多年積累的品牌知名度和美譽度，貝拉米品牌持續拓展產品線，並快速佈局中國線下渠道，發展國內一至三線城市的分銷網絡。二零二零年三月，貝拉米上市中文版包裝的有機米粉輔食產品，積極開拓輔食產品的高端有機產品市場；五至六月，貝拉米分別在澳洲發布首款超高端有機A2奶粉及首款攀純系列有機A2羊奶粉，並通過跨境電商平台同步在中國市場發售，完成嬰幼兒配方奶粉高端細分市場的有機全矩陣佈局；八月，貝拉米在線下渠道推出中文版包裝的菁躍有機嬰幼兒配方奶粉。

BELLAMY'S 貝拉米

澳洲領先有機嬰幼兒品牌

天生有機 釋放 1% 珍稀潛能

全新菁躍 EQUI-PURE 超高端系列 勇攀有機新高峰

NEW

菁躍 嬰兒配方奶粉 (12-36月齡) 3 淨含量 850g

1% 珍稀有機奶源 源自澳洲高品質

首次注入核苷酸 构筑免疫力

DHA+Chol 神經元組合 构筑腦動力

有機GOS/FOS 构筑腸動力

WIT 新西蘭 菁躍認證 保證純正

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Through the launch of the *Bellamy's* organic Equi-pure infant milk formula, *Bellamy's* speedily deployed offline channels in China and developed distribution networks covering first- to third-tier cities in the country. As of the end of 2020, the products were sold in nearly 3,000 offline stores in 13 provinces. During the period, the performance of cross-border e-commerce channels was outstanding and *Bellamy's* ranked fifth for infant milk formula products in terms of annual sales. The sales of infant rice also increased substantially, and the brand ranked first for sales of organic rice products on cross-border e-commerce channels.

Ice Cream Business

In 2020, the ice cream business primarily focused on rebranding and product upgrades. Products were promoted through online-offline coordination and multi-dimensional cooperation, in order to improve brand awareness and maintain a steady growth in sales.

Based on its bean-flavored ice cream products, *Green Mood* co-branded with “Jiang Ziya” IP to launch two tea-flavored ice cream products. The brand was advertised on TikTok, Xiaohongshu and other platforms to promote its youthful image. In cooperation with its ambassador Qi Wei, *Deluxe* rebranded itself as a youthful brand. By launching innovative products such as black pineapple fruit pulp milk ice cream and velvet yogurt milk ice cream, *Deluxe* established its fresh milk ice cream product positioning to target middle-class female customers. *Suibian* engaged a number of new generation celebrities to promote its brand. It also collaborated with the alcohol brand *Jiangxiaobai* and launched “ice cream for adults”, creating a diverse and trendy brand image which ultimately enhanced sales.

During the year, in addition to developing traditional channels and modern trade channels, Mengniu also developed fresh food online shopping channels such as Miss Fresh and 100.me, as well as other new retail channels such as group purchase channels, which led to the steady growth of ice cream sales.

依託菁躍有機中文版嬰配粉上市，*貝拉米*快速佈局中國線下渠道，發展國內一至三線城市的分銷網絡。截至2020年末，產品已覆蓋至13個省份的近千家門店。年內，跨境電商渠道表現亮眼，嬰配粉全年商品成交金額的整體排名升至第五，嬰幼兒米粉增長強勁，穩居跨境電商渠道有機米粉品類第一。

冰淇淋業務

二零二零年，冰淇淋業務聚焦品牌煥新與產品升級，通過線上線下聯動，多維度合作進行產品推廣，提升品牌知名度，助力銷售穩健增長。

綠色心情以豆冰品類進行產品延伸，聯名《董子牙》IP，推出兩款茶飲冰淇淋，通過抖音及小紅書等平台進行全方位媒體投放，推廣品牌年輕形象。*蒂蘭聖雪*與代言人戚薇深入合作，全面煥新品牌年輕形象，推出黑鳳梨果肉牛奶冰淇淋和雪絨乳酪牛奶冰淇淋等創新產品，打造鮮奶冰淇淋的高端定位，精準覆蓋中產女性客群。隨變啟用多位新一代當紅明星進行品牌宣傳，並與酒業品牌江小白跨界合作，推出「大人吃的冰淇淋」，打造百變、潮酷的品牌形象，助力產品銷售。

年內，蒙牛持續發展傳統渠道與現代渠道，並大力發展每日優鮮、叮咚買菜等生鮮電商、社區團購等新零售渠道，帶動冰淇淋銷售穩健增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cheese business

To capture the growth opportunities of the cheese market in China, Mengniu and Arla Foods, which is the largest dairy enterprise in Europe, co-founded 愛氏晨曦, a high-end cheese brand, and cooperated in research and development, innovation, brand promotion, channel operation and construction of factories. By actively promoting product innovation and digital marketing, deepening channel expansion, as well as enhancing traditional e-commerce channels, 愛氏晨曦 continued to raise brand awareness and sales.

During the year, the Group actively developed new products, including white sugar-free cheese desserts, brand new room temperature squid flavored cheese snacks and the first made-in-China liquid butter. 愛氏晨曦 cheese engaged the world-renowned pianist Lang Lang and his wife Gina Alice Redlinger as its global brand ambassadors to promote its new brand image. Leveraging digital and social platforms, the Group collaborated with Tmall and JD.com to further engage with consumers. The Group also actively increased its market presence in such segments as Chinese and Western catering, baking and tea beverage, and hotels and airlines, in order to further improve the penetration of its cheese products.

Quality Management

In 2020, Mengniu continued to implement its three-year quality assurance plan alongside the adoption of the quality management system 3.0. Mengniu also remained dedicated to promoting a quality-oriented culture through the production of excellent products for consumers and upholding its vision of becoming a benchmark for milk producers worldwide, providing consumers with safe and trusted products reflecting international standards.

奶酪業務

為把握中國奶酪市場的增長機遇，蒙牛與歐洲最大的乳品企業Arla Foods共同成立高端奶酪品牌愛氏晨曦，在研發創新、品牌推廣、渠道運營及工廠建設等方面協同合作。蒙牛通過積極推動產品創新及數字化營銷、深化渠道拓展，以及強化傳統電商渠道等舉措，不斷提高品牌知名度及銷售額。

年內，本集團不斷開發新產品，推出0白砂糖含量的奶酪甜點、開創性的常溫魷魚奶酪零食和全國首款國內生產的液體黃油。為提升品牌形象，愛氏晨曦奶酪聘請全球知名鋼琴家郎朗和夫人吉娜為全球代言人，推廣全新品牌形象。本集團並借助數字化和社會化平台，聯手天貓、京東與消費者深度互動，同時，本集團積極佈局中西餐飲、烘焙茶飲及酒店航線等市場，不斷提高奶酪產品的市場滲透率。

質量管理

二零二零年，本集團持續以質量三年戰略規劃為指導，推進質量管理體系3.0，升級質量文化，秉持「以消費者為核心，匠心製造完美產品，成為全球乳業質量標桿」的質量願景，為消費者提供世界品質、安全可靠的产品。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Utilizing quality sources of milk is essential for the production of high-quality products. Mengniu has established a professional range management system by introducing an advanced ranch management system from Arla Garden and safety management standards from AsureQuality of New Zealand. In addition, the Group is committed to benchmarking against international and domestic laws, regulations and standards relating to animal rearing and breeding, along with observing ISO9000 and ISO22000 management system requirements. During the year, the Group focused on the management of upstream suppliers, veterinary drugs, animal welfare and the digitalization of ranch management. The quality management systems used by ranches were effectively improved, enhancing Mengniu's cooperation with upstream ranches. In 2020, the Group's milk source bases passed all random inspections by relevant government departments for the seventh consecutive year.

In order to more strictly control the product quality of the entire industry chain, Mengniu introduced advanced production facilities, skills and technologies from around the world and adhered to the food safety standards of Danone Group and Arla, two of the world's leading producers, and further developed quality and safety management systems that are suitable for the dairy industry in China. During the year, Mengniu continued to implement the "Quality and Safety Management System 3.0" to cover the entire cycle of procurement and supply. Quality management activities pertaining to elements, systems, and standards have been improved, ultimately providing consumers with products and services of a higher quality.

優質奶源是保證高質量產品的源頭，本集團通過引入Arla Garden先進的牧場管理體系和新西蘭AsureQuality安全管理標準，對標國際、國內畜牧養殖法律法規和標準，結合ISO9000及ISO22000管理體系的要求，構建了專業化的牧場管理體系。年內，本集團重點圍繞上游供應商管理、獸藥管理、動物福利及牧場信息化建設等方面，有效提升牧場質量管控水平，不斷加強蒙牛與上游牧場的協作共贏關係。二零二零年，國家相關部門對蒙牛所轄各奶源基地進行抽檢，合格率連續七年實現100%。

為了嚴格控制全產業鏈及各環節的產品質量，蒙牛引進全球先進生產設備、工藝及技術，對標達能集團和Arla等國際領先公司的食品安全標準，不斷探索適合中國乳業的質量安全管理制度。年內，蒙牛持續落地「質量安全管理體系3.0」項目，推動採購及供應的全生命週期質量管理，不斷優化質量管理工作的要素、制度及標準，為消費者提供更高品質的產品和服務。

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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In 2020, Mengniu entered a new era of the 4Q quality management system. In order to meet the demands of consumers, the Group took a risk prevention approach to introduce the 4Q quality management system, i.e. Quality Planning, Quality Control, Quality Assurance and Quality Support, according to international standards and practices. The system has the characteristics of a 4Q quality pyramid model, adhering to the principles of “consumer first” and “quality first”, and is driven by culture, innovation and intelligentization. It encompasses all business activities within the industry chain from suppliers to consumers. The system forms the theoretical framework for the Group’s excellent operation and quality management system, which enhanced the Group’s three-tier management system, covering corporate, business divisions and production facilities, and provides guidelines for procedure standardization and quality control practices for employees.

Milk Source Management

During the Epidemic that blighted the year 2020, Mengniu strived to resume its operations and production. Five protective measures were adopted, namely “Securing Procurement, Ensuring Supply, Guaranteeing Delivery, Maintaining Sufficient Capital, and Securing Operations”, with the aim of maintaining the confidence of upstream suppliers and facilitating the stable operation of Mengniu’s ranch partners and the normal operations of Mengniu’s business. Mengniu ensured the stable pricing and timely supply of production materials to cooperating ranches by collaboration with the “Aiyangniu” platform. In addition, Mengniu worked with the government, dairy associations and logistic partners to ensure the seamless delivery of forage to and fresh milk from ranches, safeguarding the interest of dairy farmers and accelerate the recovery of the dairy industry as a whole.

During the year, Mengniu stepped up deploying milk sources in China and overseas. New ranches and milk processing facilities were set up in Inner Mongolia, Hebei, Henan, Shandong and Heilongjiang. Furthermore, Mengniu has become the largest shareholder of China Shengmu Organic Milk Limited, the largest organic milk producer in China. Two associated companies of Mengniu, namely China Modern Dairy Holdings Ltd. and Inner Mongolia Fuyuan International Industrial (Group) Co., Ltd., have also improved operational efficiency to meet the quality fresh raw milk demand of Mengniu.

二零二零年，蒙牛全面邁進4Q質量管理體系時代。本集團基於消費者需求，以風險預防管理為主要目標，融合國際標準和實踐經驗，創出由質量策劃(Quality Planning)、質量控制(Quality Control)、質量保證(Quality Assurance)、質量支持(Quality Support)組成的4Q質量管理體系，具有「一模型(4Q質量金字塔模型)、兩中心(以消費者為中心、以品質為中心)、三驅動(文化驅動、創新驅動、智能驅動)」的特色，覆蓋由供應商到消費者的全產業鏈所有業務活動，為蒙牛卓越營運和質量管理體系奠定理論基礎，為完善「集團—事業部—工廠」三級管理制度與標準化流程及員工的質量管理工作提供依據。

奶源管理

二零二零年疫情期間，蒙牛全力復工復產，推出「保收購、保供應、保運力、保資金、保運營」五大保障舉措以穩定上游供應商的信心，維護牧場夥伴的穩定經營和蒙牛業務的正常營運。蒙牛協同「愛養牛」平台為供應商合作夥伴提供物資保障，確保合作牧場生產所需物資的價格穩定與及時供應，同時協同政府、奶業協會及物流合作夥伴，保障牧場飼草料和生鮮乳的運送暢通，維護廣大奶農的利益，推動奶業快速復蘇。

年內，蒙牛加強在整個國內外奶源的佈局，包括在內蒙、河北、河南、山東、黑龍江等地建立新牧場和新的加工產業網絡。另外，蒙牛已成為中國最大的有機奶生產的牧業公司—中國聖牧有機奶業有限公司的第一大股東，同時，蒙牛也與另外兩間旗下聯營公司中國現代牧業控股有限公司及內蒙古富源國際實業(集團)有限公司也在全面提升效率，滿足蒙牛對優質生鮮乳的需求。

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Moreover, Mengniu has continued its efforts to promote the three major service platforms, namely “Digital Milk Sources and Smart Ranches”, “Dairy Cattle Research Institute” and “Aiyangniu” and make effective use of big data, 5G, block chain and other technologies to achieve efficient, refined and intelligent milk source management. During the year, Mengniu continued to carry out six measures, including financial support, technological services, scientific and standardized pricing, price determination through contracts, and talent training, with the aim of establishing an effective system to create mutual benefits between Mengniu and the ranches. With this system, ranches were able to reduce costs, enhance efficiency and optimize operational capabilities.

In order to support the development of milk source bases, the Mengniu Milk Source Technical Support Center carried out a special campaign, “Improvement of Output per Dairy Cow”, in cooperation with the National Dairy Industry and Technology System and China Agricultural University. As part of the initiatives of this campaign, an expert team has been set up while 22 evaluation panels have been established with the introduction of more than 20 industry experts from the dairy industry. These teams aim to support ranches in improving the welfare of dairy cattle and the output per dairy cow through on-site assessment, exchange of information and discussion of problems. Furthermore, Mengniu participated in the “Milk Source Base Construction Project of China Dairy Industrial Park”, which conducted groundbreaking ceremonies in Bayannur City, Tongliao City and Hohhot City. The project aims to assist Inner Mongolia in completing strategic deployment of the entire industrial chain, covering “planting, rearing and processing” along the Yellow River basin, Xiliao River basin and Nen River basin.

During the year, Mengniu stepped up disease prevention and medication management efforts at ranches to ensure that the management system of ranches remained professional and sustainable. A dairy cattle welfare system was introduced to improve cattle health, effectively reducing morbidity and mortality. Also, based on the principle of “Scientific and Fewer Use of Veterinary Drugs”, Mengniu ceased the use of veterinary drugs which have safety risks and capitalized on the “Intelligent Ranch” platform to ensure the tracing system for veterinary drugs to reach a coverage of 100%, enabling supervision of the entire process, ranging from the inventory taking and use of veterinary drugs to medicated cattle isolation and post-isolation management.

此外，蒙牛持續推進「數字奶源 智慧牧場」、「奶牛研究院」及「愛養牛」三大服務平台，善用大數據、5G、區塊鏈等技術，實現更高效、精細及智能化的奶源管理。年內，蒙牛亦持續推進六大利益聯結舉措，包括資金扶持、技術服務、科學計價、合同量價、人才培養等，以建立有效的利益聯結機制，推動牧場降本增效，提升運營能力。

為助力奶源基地的建設發展，蒙牛奶源技術支持中心通過與國家奶牛產業技術體系和中國農業大學合作，開展「單產提升」專項行動，包括組建專家團隊，引入二十多位奶牛行業專家，共同組建22支評估小隊，圍繞現場評估、交流答疑，輔助牧場提升奶牛福利及單產量。此外，蒙牛參與的「中國乳業產業園奶源基地建設項目」已分別在巴彥淖爾市、通遼市、呼和浩特市開工奠基，助力內蒙古在沿黃河流域、西遼流域、嫩江流域完成「種、養、加」全產業鏈的戰略佈局。

為構建專業化及可持續的牧場管理體系，蒙牛在年內不斷加強牧場的疫病防控和用藥管理，通過引入動物福利體系不斷提升動物健康，有效降低奶牛的發病率和死亡率。蒙牛堅持「科學使用，減少獸藥」的原則，停止使用存在安全風險的獸藥，並依託「智慧牧場」平台，實現獸藥使用追溯系統100%的覆蓋，使獸藥出入庫、獸藥使用、用藥牛的隔離及隔離後的管理可全程追溯監管。

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In 2020, with reference to advanced experiences and best practices worldwide, Mengniu issued the “Promotion and Implementation System for the Welfare of Dairy Cattle”, pursuant to which a systemic guidance template of implementation standards was provided for the entire industry chain of dairy cattle rearing and breeding. Cattle welfare was carried out under implementation, evaluation, improvement, and assessment. With the completion of 650 ranch evaluations and the organization of 30 related training sessions, production capacity of dairy cattle and brand influence were successfully enhanced.

Corporate Digital Strategy

In 2020, in view of the Epidemic, Mengniu upgraded its operations through digitalization and establishment of an information system that gradually leads to a data-driven business. The system enabled the efficient and prompt decision-making regarding the Group’s operations. Mengniu has established a digitalization strategy management committee and a digitalization strategy task force to work on four strategies, including “Consumers Going Online”, “Channels Going Online”, “Supply Chain Going Online” and “Management Going Online”, to form a digital and intelligent management model on the basis of operational platform and ecosystem. The sourcing of milk, quality management, “Smart Network”, smart supply chain and consumer management are operated under a digitalized system. Data from the core business lines are collected, integrated and managed to enable better operational decisions and efficiency.

In respect of “Consumers Going Online”, Mengniu made use of consumer insights and value chain data analysis to consolidate its quality media resources. Through analyzing consumer data and various consumption scenarios and marketing the value of its products, Mengniu provided guidance to consumers on healthy and nutritional products consumption and ensured that its sales and marketing accurately targeted potential customers and its investment in resources was highly effective.

蒙牛亦於二零二零年借鑒國際先進經驗和模範做法，發佈《牧場奶牛福利推廣實施體系》，圍繞奶牛養殖的全產業鏈條，為福利實施的實際操作方法提供系統化的指導，推進奶牛福利的執行、評估、改善和評價系統的實施，完成650個牧場評估，並組織相關培訓30場次，提升了奶牛的產能，助力品牌影響力的提升。

企業數字化戰略

二零二零年，為應對疫情，蒙牛通過數字化轉型升級，逐步構建數據驅動業務的信息化體系建設，賦能全集團進行高效、敏捷的業務決策。蒙牛成立了集團數字化戰略管理委員會和數字化戰略項目組，以聚焦「消費者、渠道、供應鏈、管理」四大在線策略，打造平台化、生態化的數智化經營模式。同時通過搭建數字奶源、質量管理、「智網」、智慧供應鏈及消費者營運管理等系統，不斷深化核心業務鏈的全方位數據採集、融合及管理，助力業務決策並提升營運效率。

「消費者在線」領域方面，蒙牛通過深入消費者洞察及價值鏈分析，積極整合優質媒體資源，以消費者數據為基礎，進行多營銷場景分析，通過不斷進行消費者洞察及產品價值營銷，引導消費者購買健康、營養的產品，實現精準的營銷推廣和高效的資源投放。

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With regard to “Channels Going Online”, Mengniu further accelerated its efforts in RTM through its “Smart Network” system. The Group has developed its own online tools, such as “Niu Niu Hui” and “Qian Niu Hua”, to facilitate the market penetration and display of products as well as the planning of routes for channel visits. The empowerment and management of channels have been further digitalized, visualized and refined. In addition, the Group has enhanced its management of products, channels and inventory. The entire channel management was improved through the optimization of its logistics, warehousing and distribution systems, and routing of transportation. The effectiveness of sales & marketing expenses and logistics expenses was also improved.

Regarding “Supply Chain Going Online”, Mengniu focused on establishing “Digital Milk Sources and Smart Ranches”. The Group proactively deployed its milk sources through the promotion of automation and digitalization of upstream ranches, so as to achieve mutual benefits with partners along the industrial chain. Based on data collected over the years, Mengniu’s quality management system is able to identify, anticipate and alert any quality issues to ensure that consumers are provided with products of the highest quality.

As for “Management Going Online”, Mengniu has further enhanced the comprehensive management of consumers, digitalization of its industrial chain and synergy within its ecosystem. The Group has continued to accelerate digitalization of its operations and empower the upstream and downstream partners along the industrial chain. Mengniu’s objective is to enhance its capability to swiftly serve and respond to the needs of consumers, provide business insights in all aspects based on data collected, as well as improve cost effectiveness, efficiency and product quality for high quality development.

「渠道在線」領域方面，蒙牛通過「智網」系統不斷深化渠道精耕，圍繞產品鋪市、陳列管理及規劃拜訪線路等方面，創新性地開發了「牛牛惠」、「牽牛花」等線上工具，開展更數字化、可視化及精細化的渠道賦能和管理。同時，蒙牛持續在商品、渠道、庫存等方面進行優化管理，通過完善物流倉儲配送體系、優化運輸路線，提升了蒙牛全渠道的營運管理能力及營銷費用和物流費用的使用效率。

「供應鏈在線」領域方面，蒙牛聚焦「數字奶源 智慧牧場」，前瞻性佈局奶源，推動上遊牧場逐步向自動化、數字化的方向發展，助力上下游實現協同共贏。經過多年歷史數據的積累，蒙牛的質量管理系統亦具備了多維度洞察、預測及預警能力，為消費者提供更高品質的產品。

「管理在線」方面，蒙牛不斷深化全域消費者營運、全鏈路數字化賦能、全生態創新協同，加速企業數字化發展，持續賦能產業鏈上下游，目標實現具備以消費者為中心的敏捷服務及回應能力、以數據為中心的全域全形式的智慧洞察能力、以及成本效益、效率、質量全面提升的高質量發展能力。



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FINANCIAL REVIEW

In 2019, the Group had made a disposal of its subsidiary, Junlebao, and thus consolidating its financial result only up to November 2019; in addition, the Group had made an acquisition of Bellamy's and has consolidated its financial result since December 2019. Moreover, there were several one-off financial impacts in 2019, which included the recognition of a pretax gain on disposal of Junlebao of RMB3,331.8 million, income tax expense for the gain on disposal of Junlebao of RMB533.3 million, and provision for impairment of goodwill and other intangible assets of RMB2,559.9 million. In 2020, because of the outbreak of the Epidemic, during the first quarter the Group had taken several actions that incurred additional cost, resulting in a decrease in profit, namely (i) additional expenses incurred for epidemic prevention and control to safeguard the health and safety of workers and to resume normal work and production; (ii) additional sales and promotion expenses incurred for the Group to reduce its channel inventories as soon as possible; and (iii) donation of cash and dairy products to actively fulfill the Group's social responsibilities. Because of the above mentioned factors, the financial performance of 2020 and 2019 might not be directly comparable. In order for shareholders and investors to better understand the financial performance of the Group in 2020, certain financial data might exclude the factors mentioned above for analysis.

Revenue

The revenue of the Group amounted to RMB76,034.8 million for the year ended 31 December 2020 (2019: RMB79,029.9 million), representing a year-on-year decrease of 3.8%.

During 2020, Bellamy's contributed RMB1,031.7 million (2019: RMB88.2 million) to the Group's revenue while in 2019, Junlebao contributed RMB11,124.4 million to the Group's revenue in that year. Excluding the business revenue of Junlebao which was disposed of in 2019, and that of Bellamy's which was acquired in December 2019, the Group's revenue from Comparable Businesses amounted to RMB75,003.1 million (2019: RMB67,817.3 million), representing an increase of 10.6%.

財務回顧

二零一九年，本集團出售了君樂寶，故只合併其業績到二零一九年十一月，同時，二零一九年集團亦收購了貝拉米，其業績自二零一九年十二月開始合併。另外，二零一九年本集團錄得出售君樂寶稅前收益人民幣33.318億元，出售君樂寶的所得稅支出人民幣5.333億元，計提商譽及其他無形資產減值人民幣25.599億元等一次性財務影響。二零二零年，因新冠疫情爆發，本集團在第一季度的以下舉措導致額外成本增加，利潤下降：(1)本集團為保證員工健康安全、正常復工復產而投入了額外疫情防控費用；(2)本集團為盡快降低渠道庫存而投入了額外營銷費用；及(3)本集團積極承擔社會責任，向社會捐贈現金及乳製品。以上因素使得二零二零年對比二零一九年的財務表現不完全可比。為了使股東及投資者更好地瞭解本集團二零二零年之財務表現，若干數據會扣除以上相關的因素而作出調整分析。

收入

截至二零二零年十二月三十一日止年度，本集團收入為人民幣760.348億元(二零一九年：人民幣790.299億元)，同比下降3.8%。

二零二零年貝拉米為集團貢獻收入為人民幣10.317億元(二零一九年：人民幣0.882億元)，而君樂寶則於二零一九年為集團貢獻收入人民幣111.244億元。如不包括二零一九年處置的君樂寶及二零一九年十二月收購的貝拉米的業務收入，本集團的可比業務收入為人民幣750.031億元(二零一九年：678.173億元)，增長10.6%。

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Gross Profit

The Group's gross profit for the year decreased to RMB28,629.3 million (2019: RMB29,678.6 million). Despite the increase in the price of raw milk as compared with the previous year, with a notably optimized product mix, the Group's gross profit margin increased slightly by 0.1 percentage point to 37.7% as compared with the previous year (2019: 37.6%).

Operating Expenses

Operating expenses of the Group for the year decreased to RMB26,617.6 million (2019: RMB28,809.7 million), representing 35.0% when expressed as a percentage of the Group's revenue (2019: 36.5%). In 2019, operating expenses included provision for impairment of goodwill and other intangible assets which amounted to RMB2,559.9 million, if excluding provision for impairment of goodwill and other intangible assets, the operating expenses represented 33.2% when expressed as a percentage of the Group's revenue. Taking this into comparison, operating expenses expressed as a percentage of the Group's revenue increased by 1.8 percentage points. The increase was mainly attributable to the measures adopted by the Group in the first quarter of 2020 that resulted in an increase in extra costs, including (i) additional expenses by the Group for epidemic prevention and control to safeguard the health and safety of workers and to resume normal work and production; (ii) additional sales and promotional expenses by the Group to reduce its channel inventories as soon as possible; and (iii) donations of cash and products to actively fulfil the Group's social responsibilities.

Selling and distribution expenses for the year amounted to RMB21,540.9 million (2019: RMB21,536.1 million), representing 28.3% when expressed as a percentage of the Group's revenue (2019: 27.3%), an increase of 1 percentage point in 2020 compared to that of 2019.

Advertising and promotion expenses for the year decreased by 20.0% to RMB6,803.1 million (2019: RMB8,499.9 million), representing a decrease to 8.9% when expressed as a percentage of the Group's revenue (2019: 10.8%).

毛利

本集團年內毛利下降至人民幣286.293億元(二零一九年:人民幣296.786億元),雖然原料鮮奶價格同比有所上升,由於產品結構顯著優化,本集團毛利率較去年同期輕微上升0.1個百分點至37.7%(二零一九年:37.6%)。

經營費用

年內,本集團經營費用下降至人民幣266.176億元(二零一九年:人民幣288.097億元),佔本集團收入比例為35.0%(二零一九年:36.5%)。二零一九年,經營費用包括商譽及其他無形資產減值人民幣25.599億元,如扣除商譽及其他無形資產減值,去年的費用佔收入比例為33.2%,以此比較,則上升1.8個百分點。上升主要由於本集團於二零二零年第一季度的以下舉措導致了額外費用的增加,包括(i)本集團為保證員工健康安全、正常復工復產而投入了額外疫情防控費用;(ii)本集團為盡快降低渠道庫存而投入了額外營銷費用;及(iii)本集團積極承擔社會責任,向社會捐贈款物。

年內銷售及經銷費用為人民幣215.409億元(二零一九年:人民幣215.361億元),佔本集團收入比例上升1個百分點至28.3%(二零一九年:27.3%)。

年內廣告及宣傳費用下降20.0%至人民幣68.031億元(二零一九年:人民幣84.999億元),佔本集團收入比例下降至8.9%(二零一九年:10.8%)。



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Administrative and other operating expenses, including impairment losses on financial and contract assets and loss on disposal of financial assets measured at amortized cost, decreased by 30.2% to RMB5,076.7 million (2019: RMB7,273.7 million), accounting for 6.7% (2019: 9.2%) of the Group's revenue. As mentioned above, if the provision for impairment of goodwill and intangible assets of RMB2,559.9 million was excluded, administrative and other operating expenses when expressed as a percentage of the Group's revenue should be 6.0% in 2019. Taking this into comparison, there was an increase of 0.7 percentage points in 2020 compared to that of 2019. The increase was mainly due to the active donation of cash and dairy products during the Epidemic.

Profit from Operating Activities and Net Profit

During the year, the Group's earnings before interest, taxes, depreciation and amortization ("EBITDA") decreased by 22.0% to RMB5,779.3 million (2019: RMB7,404.8 million) and EBITDA margin was 7.6% (2019: 9.4%). The decrease was mainly due to a gain arising from disposal of Junlebao of RMB3,331.8 million and provision for impairment of goodwill and intangible assets of RMB2,559.9 million, resulting in a net gain of RMB771.9 million recorded in 2019, and an increase in operating expenses in 2020 as mentioned above.

Profit attributable to owners of the Company decreased by 14.1% to RMB3,525.0 million (2019: RMB4,105.4 million). Basic earnings per share decreased by 14.5% to RMB0.897 (2019: RMB1.049).

Income Tax Expenses

In 2020, the Group's income tax expenses amounted to RMB653.2 million (2019: RMB1,309.5 million), representing a year-on-year decrease of 50.1%, primarily due to the income tax expenses of RMB533.3 million on gain arising from the disposal of Junlebao, a subsidiary of the Company in 2019. The effective income tax rate was 15.7% (2019: 23.4%), down by 7.7 percentage points year-on-year, mainly due to the impairment of goodwill and impairment of other intangible assets included in the previous year which were non-deductible items.

Capital Expenditure

For the year ended 31 December 2020, the Group's capital expenditure amounted to RMB6,116.2 million (2019: RMB11,532.3 million), representing a year-on-year decrease of

行政及其他經營費用，包括金融及合約資產減值損失及按攤餘成本計量金融資產的出售虧損，下降30.2%至人民幣50.767億元(二零一九年：人民幣72.737億元)，佔本集團收入比例6.7%(二零一九年：9.2%)。如前述，如扣除商譽及無形資產減值人民幣25.599億元，二零一九年該費用佔收入比例為6.0%。與此比較，則上升0.7個百分點。上升主要因為疫情期間積極捐贈現金及乳製品所致。

經營業務利潤及淨利潤

年內，本集團息稅折舊攤銷前利潤(「EBITDA」)下降22.0%至人民幣57.793億元(二零一九年：人民幣74.048億元)，EBITDA利潤率為7.6%(二零一九年：9.4%)。下降主要因為二零一九年本集團錄得出售君樂寶收益人民幣33.318億元及商譽及無形資產減值人民幣25.599億元，結合約7.719億元的淨收益，以及本年度上述經營費用增加所致。

本公司擁有人應佔利潤下降14.1%至人民幣35.250億元(二零一九年：人民幣41.054億元)。每股基本盈利下降14.5%至人民幣0.897元(二零一九年：人民幣1.049元)。

所得稅支出

本集團於二零二零年所得稅支出為人民幣6.532億元(二零一九年：人民幣13.095億元)，同比下降50.1%，主要由於二零一九年處置子公司君樂寶產生的收益需繳納人民幣5.333億元所得稅項。所得稅有效稅率為15.7%(二零一九年：23.4%)，同比下降7.7個百分點，主要由於去年產生的商譽減值及其他無形資產減值為不可抵扣稅的項目。

資本支出

截至二零二零年十二月三十一日止年度，本集團資本支出為人民幣61.162億元(二零一九年：人民幣115.323億元)，同比下降47.0%。資本支出

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47.0%. RMB4,414.3 million was spent on building new production facilities and modifying existing ones and related investments, while RMB1,701.9 million was invested in equities.

Working Capital, Financial Resources and Capital Structure

For the year ended 31 December 2020, the Group recorded net cash inflow from operating activities of RMB5,347.7 million (2019: RMB6,307.2 million), representing a decrease of 15.2% when compared with the previous year.

As at 31 December 2020, the Group's outstanding interest-bearing bank and other borrowings decreased to RMB18,944.3 million (31 December 2019: RMB23,472.8 million), of which interest-bearing bank and other borrowings repayable within one year amounted to RMB4,924.4 million (31 December 2019: RMB13,838.2 million). More than 90% of the interest-bearing bank and other borrowings were bearing interest at fixed rates.

Net borrowings (total amount of interest-bearing bank and other borrowings net of cash and bank balances) of the Group as at 31 December 2020 amounted to RMB7,547.2 million (31 December 2019: RMB16,996.6 million).

The total equity of the Group as at 31 December 2020 amounted to RMB37,247.6 million (31 December 2019: RMB33,347.3 million). The debt-to-equity ratio (total amount of interest-bearing bank and other borrowings over total equity) of the Group was 50.9% (31 December 2019: 70.4%).

Finance costs of the Group for the year were RMB572.3 million (2019: RMB644.2 million), or approximately 0.8% when expressed as a percentage of revenue (2019: 0.8%).

PRODUCTS

Leveraging its advantage in resources and globally advanced technologies, Mengniu focused on product differentiation and premiumization, which in turn drive further sales volume growth and industry leadership underpinned by superior products. During the year, Mengniu adopted a consumer-oriented production development concept of DTV (Design to Value) to introduce products that perfectly meet the demands of consumers. The Group's product lines had been streamlined to reveal the value of its products for the sustainable development of Mengniu.

用於新建和改建生產設備及相關投入達人民幣44.143億元，以及股權投資達人民幣17.019億元。

營運資金、財務資源及資本架構

截至二零二零年十二月三十一日止年度，本集團經營業務所產生的現金淨流入為人民幣53.477億元（二零一九年：人民幣63.072億元），與去年同期相比下降15.2%。

於二零二零年十二月三十一日，本集團之未償還計息銀行及其他借貸下降至人民幣189.443億元（二零一九年十二月三十一日：人民幣234.728億元），其中一年內償還的計息銀行及其他借貸為人民幣49.244億元（二零一九年十二月三十一日：人民幣138.382億元）。超過九成計息銀行及其他借貸按固定利率計算。

本集團於二零二零年十二月三十一日之淨借貸（計息銀行及其他借貸總額扣除現金及銀行存款）為人民幣75.472億元（二零一九年十二月三十一日：人民幣169.966億元）。

本集團於二零二零年十二月三十一日之總權益為人民幣372.476億元（二零一九年十二月三十一日：人民幣333.473億元）。債務權益比率（計息銀行及其他借貸總額除以總權益）為50.9%（二零一九年十二月三十一日：70.4%）。

年內，本集團的融資成本為人民幣5.723億元（二零一九年：人民幣6.442億元），佔收入比重約0.8%（二零一九年：0.8%）。

產品

蒙牛憑藉自身資源優勢以及國際領先技術，圍繞產品差異化和高端化不斷革新，以卓越的產品領先同業，推動銷量增長。年內，蒙牛提出並實踐DTV (Design to Value) 理念，即以消費者為中心驅動產品設計，讓產品設計更加接近消費者，同時簡化產品的複雜程度，使產品能夠體現真正的價值，推動蒙牛更可持續的發展。



蒙牛®



旗下 高端 奶 酪 品 牌

爱氏

给孩子一口

纯净



变形金刚-擎天柱

配料表里的

防腐剂/香精

没了*

晨曦[®]

的奶酪棒



小马宝莉-紫悦



女孩版

男孩版

*对比升级前的奶酪棒配料表

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The principal businesses of the Group are liquid milk, ice cream, milk formula and other products with their performance during the year outlined as below:

本集團主要業務分為液態奶、冰淇淋、奶粉及其他產品，年內表現如下：

Product category 產品品類	Financial performance 財務表現	Highlights 動向
Liquid Milk 液態奶	Revenue amounted to RMB67,751.0 million (2019: RMB67,877.8 million), accounting for 89.1% of Mengniu's total revenue (2019: 85.9%). 收入為人民幣677.510億元(二零一九年：人民幣678.778億元)，佔蒙牛總收入的89.1%(二零一九年：85.9%)。	

UHT Milk
UHT奶


- The *Milk Deluxe* 3.0 era began following the launch of its products in upgraded “DreamCap™” packaging in 2019. In May and June 2020, upgraded organic pure milk and pure milk of “DreamCap™” packaging containing 3.8 g of natural high quality milk protein and 125 mg of natural calcium per 100 ml have been launched. In satisfying health needs of consumers, the organic pure milk has been awarded dual certifications for organic products from China and the European Union. Such achievements further reinforced the premium position of the *Milk Deluxe* brand.
- 特倫蘇於二零一九年推出「夢幻蓋」升級包裝產品，開啟特倫蘇3.0時代。二零二零年五月至六月，夢幻蓋系列新推出每100毫升含有3.8克天然優質乳蛋白、125毫克天然高鈣的升級版特倫蘇有機純牛奶及特倫蘇純牛奶新品，其中特倫蘇有機純牛奶經過中國與歐盟有機雙認證，以滿足消費者的健康需求，進一步鞏固特倫蘇的高端品牌地位。
- Mengniu's comprehensive UHT pure milk line includes *Mengniu* pure milk, high-calcium milk, low-fat high-calcium milk and skimmed milk. In August 2020, *Mengniu's* Nutritious and Mellow Enjoyment pure milk series was introduced. The product contains 3.3 g of protein per 100 ml and has a very rich taste.
- 蒙牛UHT純牛奶包括蒙牛純牛奶、高鈣牛奶、低脂高鈣和脫脂純牛奶等產品，二零二零年八月，蒙牛品牌推出臻享濃牛奶產品，每100毫升含有3.3克蛋白質，口感更香濃。

Key Products:

- *Milk Deluxe*
- *Mengniu* pure milk
- *Student's Milk*
- *Future Star*

重點產品：

- 特倫蘇
- 蒙牛純牛奶
- 學生奶
- 未來星

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
<p>Room Temperature Yogurt 常溫酸奶</p>		<ul style="list-style-type: none"> — <i>Just Yogurt's</i> light flavor yogurt with fruit introduced a new Xiaomanyao white peach and pomegranate flavored product in April 2020. With pure raw milk, imported Danish lactobacillus and refreshing imported pomegranate juice and peach pulp, the sugar content of this product is 31% less. — <i>純甄</i>果粒輕乳酪風味酸奶於二零二零年四月推出白桃石榴果粒的小蠻腰新品，採用純正生牛乳、進口丹麥乳酸菌發酵，搭配進口清甜石榴汁及白桃果粒，白砂糖減少31%。 <p>Key Products:</p> <ul style="list-style-type: none"> — <i>Just Yogurt</i> light flavor yogurt — <i>Just Yogurt</i> light flavor yogurt with fruit <p>重點產品：</p> <ul style="list-style-type: none"> — <i>純甄</i>輕乳酪風味酸奶 — <i>純甄</i>果粒輕乳酪風味酸奶
<p>Room Temperature Milk Beverage 常溫乳飲料</p>		<ul style="list-style-type: none"> — During the year, <i>Fruit Milk Drink</i> developed the first series of floral and fruity flavor light lactobacillus drink and launched the sakura and white peach flavor as well as the rose and strawberry flavor in January 2020. The series emphasizes the innovative pairings of “flower + fruit + light lactobacillus drink” made with low-fat lactobacillus. — 年內，<i>真果粒</i>果粒牛奶飲品開拓了首款花果輕乳乳酸菌飲品系列，於一月推出櫻花白桃和玫瑰草莓兩款口味。該系列產品主打獨特的「花+果+輕乳」的創新組合，採用低脂肪乳酸菌發酵。 — <i>Fruit Milk Drink's</i> high-end colorful fruit pulp series contains various combination of fruit pulp. It introduced the new “mango + passion fruit” and “peach + raspberry” series during the year. — <i>真果粒</i>高端繽紛果粒牛奶飲品系列，主打複合果粒組合，於年內推出芒果百香果和白桃樹莓兩款新品。 <p>Key Products:</p> <ul style="list-style-type: none"> — <i>Fruit Milk Drink</i> — <i>Fruit Milk Drink</i> high-end colorful fruit pulp series — <i>Fruit Milk Drink</i> floral and fruity flavor light lactobacillus drink series <p>重點產品：</p> <ul style="list-style-type: none"> — <i>真果粒</i>牛奶飲品 — <i>真果粒</i>高端繽紛果粒牛奶飲品系列 — <i>真果粒</i>花果輕乳乳酸菌飲品系列

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
<p>Chilled Yogurt 低溫酸奶</p>  		<ul style="list-style-type: none"> — <i>Champion</i> introduced a new product series in PET bottle in May 2020. The product is produced from 100% raw milk with BB-12 probiotics and prebiotics. Besides, the “<i>Champion Yogurt Approved Health Food</i>” series which holds the blue cap is the only yogurt certified by the Chinese government as a health food in China. The product contains BB-12, a very active Bifidobacterium which can effectively regulate the bacteria population in the digestive system, from Denmark. The <i>Champion</i> zero sucrose yogurt series contains no cane sugar, no artificial sweeteners and no preservative. — 冠益乳於二零二零年五月推出全新PET瓶系列產品，100%生牛乳發酵，含BB12益生菌搭配益生元。另外，冠益乳小藍帽「健字號」系列產品作為國內唯一一款獲得國家保健食品認證的酸奶，甄選丹麥BB-12雙歧桿菌，超強活性，有效調節腸道菌群。冠益乳0蔗糖系列則主打0蔗糖、0人工甜味劑，0添加防腐劑。 — The <i>Activia</i> product series is positioned as a high-end yogurt, with the main features of being a French-style meal replacement and fruit yogurt. Danone <i>Activia Smoothie Francais</i>, the first “light meal bottled yogurt”, was introduced in late 2019. The product contains imported fruit pulp with low sucrose content of less than 0.5%, which suits the demand of consumers seeking “controlled sweetness”. — 碧悠系列產品定位高端酸奶市場，主打法式代餐及果酪特色。於二零一九年底在中國推出首款「輕食瓶」— 達能碧悠法式輕果昔，甄選進口水果果漿，產品蔗糖含量少於0.5%，滿足「控甜」人士對低糖食品的需求。 <p>Key Products:</p> <ul style="list-style-type: none"> — <i>Champion</i> — <i>Mengniu</i> Danish Cheese Flavor Yogurt — <i>Mengniu</i> China Nourishing Nuanyan Yogurt — <i>Activia</i> <p>重點產品：</p> <ul style="list-style-type: none"> — 冠益乳 — 蒙牛北歐芝士風味酸奶 — 蒙牛中華滋養暖妍酸奶 — 碧悠

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
<p>Chilled Milk Beverage 低溫乳飲料</p> 		<ul style="list-style-type: none"> Yoyi C LC-37 series launched a new low-sugar product of original flavor in April 2020. Each bottle of the product contains 50 billion active probiotics, zero fat, low sugar as well as high calcium and vitamin D. Enough number of probiotics can remain active to effectively regulate the condition of the digestive system even with the presence of gastric acid and bile and under the body temperature of 37°C. 優益C品牌的LC-37系列在二零二零年四月推出低糖原味新品，每小瓶含500億活性益生菌，採用0脂肪、低糖、高鈣加維生素D的配方，經過胃酸和膽汁的破壞，仍有足夠數量的活菌到達腸道，在37°C體溫環境下依然煥發活性，更好呵護腸道。 <p>Key Products:</p> <ul style="list-style-type: none"> Yoyi C Yoyi C LC-37 <p>重點產品：</p> <ul style="list-style-type: none"> 優益C 優益C LC-37
<p>Fresh Milk 鮮奶</p> 		<ul style="list-style-type: none"> Mengniu's <i>Shiny Meadow</i> fresh milk was introduced as a premium brand. It is produced using low-temperature membrane concentration technology and Swedish milk fat separation technology, enabling it to retain the highest proportion of natural nutrients in quality fresh milk. In the first half of 2020, the <i>Shiny Meadow</i> organic fresh milk was launched, which is produced using pure milk that has been awarded dual certifications for organic standards from China and the European Union and is originated from desert. The milk contains 3.6 g protein and 120 mg original calcium per 100 ml. In December, <i>Shiny Meadow</i> launched the Youhu A2β-casein fresh milk from selected ranches with GAP+ certification. The product meets the demand for A2 fresh milk of toddlers changing from drinking formula milk to drinking fresh milk, which helped to consolidate the brand's leading position in the high-end fresh milk market. <i>Modern Meadow</i> has released a brand new carton package in the first half of 2020. 蒙牛推出高端品牌每日鮮語鮮牛奶，採用低溫膜濃縮技術和瑞典乳脂分離技術，最大化保留優質鮮奶天然營養。每日鮮語在二零二零年上半年推出有機鮮牛奶，採用擁有中歐有機雙認證、來自沙漠的純淨奶源，每100ml鮮牛奶含3.6g蛋白質和120mg原生高鈣。每日鮮語更於十二月推出由GAP一級認證的專屬牧場生產的優護A2β-酪蛋白鮮牛奶產品，滿足轉奶幼童對A2鮮牛奶的飲用需求，鞏固高端鮮奶市場領導地位。現代牧場鮮牛奶則在二零二零年上半年推出新升級屋頂包產品。 <p>Key Products:</p> <ul style="list-style-type: none"> <i>Shiny Meadow</i> fresh milk <i>Shiny Meadow</i> cold brew café latte <i>Modern Meadow</i> fresh milk <p>重點產品：</p> <ul style="list-style-type: none"> 每日鮮語鮮牛奶 每日鮮語冷萃鮮咖啡拿鐵 現代牧場鮮牛奶

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
<p>Ice Cream 冰淇淋</p>   		<ul style="list-style-type: none"> — Revenue from the ice cream business amounted to RMB2,633.7 million (2019: RMB2,561.4 million), accounting for 3.5% of Mengniu's total revenue (2019: 3.2%). — 收入為人民幣26.337億元(二零一九年：人民幣25.614億元)，佔蒙牛總收入的3.5%(二零一九年：3.2%)。 — <i>Suibian</i> ice cream has collaborated with the liquor brand <i>Jiangxiaobai</i> in launching “Ice Cream for Adults”, which, targeted specifically at young consumers and pushed product sales. — 隨變冰淇淋與江小白酒業跨界合作，推出「大人吃的冰淇淋」，精準定位年輕消費群體，助力產品銷售。 — The premium ice cream brand <i>Deluxe</i> has launched velvet yogurt milk ice cream and pineapple milk ice cream in February 2020. The former is made from mellow milk and is blended with delicious yogurt. The latter contains pineapple pulp and well-selected ingredients that are covered in an elegant black coating. — 高端冰淇淋品牌蒂蘭聖雪於二零二零年二月推出雪絨乳酪牛奶冰淇淋和黑鳳梨果肉牛奶冰淇淋，雪絨乳酪牛奶冰淇淋採用醇香牛奶融入美味乳酪，口味純正濃郁，黑鳳梨果肉牛奶冰淇淋以馥雅黑色搭配鳳梨果粒，用料層層優選。 — <i>Green Mood</i> has launched two innovative products in January 2020 that feature popular drink flavors, namely red bubble tea flavor ice-cream and cheese and matcha flavor ice-cream. Ingredients such as large natural tapioca pearls and smooth red tea, and rich cheese and refreshing matcha, are used in these products, respectively. — 綠色心情於二零二零年一月推出兩款創新流行特飲口味產品，包括珍珠紅茶及芝士抹茶口味雪糕，選料天然大顆珍珠和香滑紅茶，以及濃鬱芝士和清新抹茶。 <p>Key Products:</p> <ul style="list-style-type: none"> — <i>Suibian</i> — <i>Deluxe</i> — <i>Green Mood</i> — <i>Mengniu Ice +</i> — <i>Mengniu Russian style pure taste milk ice cream</i> <p>重點產品：</p> <ul style="list-style-type: none"> — 隨變 — 蒂蘭聖雪 — 綠色心情 — 蒙牛冰+ — 蒙牛俄式奶純冰淇淋

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
Milk Formula 奶粉	Revenue from the milk formula business amounted to RMB4,573.0 million (2019: RMB7,869.7 million), accounting for 6.0% of Mengniu's total revenue (2019: 10.0%). The revenue of Milk Formula business mainly included the revenue from Yashili and Bellamy's. 收入為人民幣45.730億元(二零一九年: 人民幣78.697億元), 佔蒙牛總收入的6.0%(二零一九年: 10.0%)。奶粉業務收入主要包括來自雅士利及貝拉米業務的收入。	
Yashili 雅士利 		<ul style="list-style-type: none"> — In 2020, Yashili reshaped the brand proposition of <i>Reeborne</i> with the launch of <i>Reeborne</i> “Breast Milk-like” milk formula series. As the core product series for the year and the future, it is characterized by a lighter flavor and more nutritious ingredients. To cater for different needs of its target customers, the brand launched seven new products in the “Breast Milk-like” powder series, covering mainstream cow milk powder, organic milk powder and goat milk powder. — 2020年, 雅士利煥新瑞哺恩的品牌主張, 推出瑞哺恩親乳奶粉系列產品。作為本年度乃至未來核心打造的产品系列, 該產品以更清淡的口味及更多營養成分為亮點。針對不同需求的目標客戶, 親乳奶粉系列有7款新品, 覆蓋主流牛奶粉、有機奶粉以及細分品類羊奶粉。 — By adopting advanced MSD drying technology, <i>Reeborne</i> Kieember series is able to retain the active nutrients of its ingredients. With double premium protein, patented OPO structured lipid and highly active CPP and prebiotics that are in the golden ratio, the product provides babies with all kinds of nutrition that can be easily absorbed. <i>Reeborne</i> Qinyou organic milk powder adopts the pure organic milk from free-range dairy cows that are grass-fed for 300 days on seven-year clean soil farms in Alps, in a way to provide milk powder with protein content of up to 20% for babies and toddlers. It passes the WIT organic certification and adopts the “One Can, One Code” tracking system to provide quality assurance. <i>Reeborne</i> TruYn goat milk powder selects high-quality small molecule goat milk protein and specifically adds rare ingredients such as lactoferrin, the body-friendly OPO structured lipid and prebiotics and probiotics to ensure easy digestion and good absorption for babies. Also available in <i>Reeborne</i> “Breast Milk-like” milk formula series are products of different pricing and nutrient contents that address different nutritional needs of babies and toddlers. — 瑞哺恩菁珀牛奶粉以先進MSD乾燥工藝, 保留營養成分的活性, 含雙重優質蛋白、專利OPO結構脂、高活CPP因子以及黃金比例的益生元, 為寶寶提供全方位營養, 更易吸收。瑞哺恩親悠有機奶粉採用來自七年淨土純淨牧場的純淨阿爾卑斯有機奶源, 以300天自由草飼的幸福奶牛, 為嬰幼兒提供蛋白含量高達20%的奶粉, 擁有萬泰(WIT)有機認證以及一罐一碼的溯源系統, 提供高質量的保證。瑞哺恩初穎親乳羊奶粉甄選優質小分子羊乳蛋白, 同時特別添加珍稀成分乳鐵蛋白、親和人體成分OPO結構脂及益生菌益生元成分, 為寶寶提供易消化、好吸收的優質營養。此外, 瑞哺恩親乳奶粉系列亦包括其他不同價格、不同營養成分、解決不同嬰幼兒營養需求的產品。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Product category 產品品類	Financial performance 財務表現	Highlights 動向
		<ul style="list-style-type: none"> — <i>Arla</i>, the world's largest organic dairy producer with over 100 years of brand history, is an authorized purveyor of dairy products to the Danish royal family due to its high quality. The organic milk formula of <i>Arla Baby & Me</i> has obtained three major organic certifications and contains high DHA and ARA, prebiotics that are in the golden ratio, and organic whole lactose. As for <i>Arla Baby & Me Lanxi</i>, it contains the unique NutriCollab formula featuring premium nutrients such as choline, taurine and nucleotide. In addition, the newly upgraded formula of <i>Arla Milex</i> is a Pro Plus nutrition formula that contains OPO structured lipid, BB-12 probiotics, and prebiotics in the golden ratio, hence is able to satisfy those seeking natural products. — <i>Arla</i> 擁有百年品牌歷史，是全球最大的有機乳品商，品牌的高質量使其被授權為丹麥皇室御用品牌。<i>Arla 寶貝與我</i> 有機奶粉獲得3大有機認證，含高DHA和ARA，黃金比例益生元，使用有機全乳糖；<i>Arla 寶貝與我藍曦</i> 含有獨特的 NutriCollab 營養協同組合，添加膽鹼、牛磺酸、核苷酸等優質營養元素；<i>Arla 美力滋</i> 全新升級配方以OPO結構脂、BB-12 益生菌、黃金比例益生元，組成 Pro Plus 倍樂加成長配比，貼合自然需求。
		<ul style="list-style-type: none"> — Yashili's nutritional products include various milk formula products for adults. Apart from the golden series and standard series of <i>Mengniu</i> brand adult milk formula, <i>Youyi</i> brand adult milk formula and <i>Zhengwei</i> brand oatmeal, Yashili continues to launch upgraded and innovative products, such as the <i>Mengniu</i> ultra-gold series and platinum series and <i>Yourui</i> series adult milk formula. Moreover, new products were introduced during the year, including <i>Topconic</i> milk powder, Nutriall milk formula, fruit oatmeal, M8 children's growth milk formula and skimmed milk formula. The following is the introduction of the key new products: — 雅士利的健康營養品包括多種成人奶粉，除了蒙牛品牌金裝系列成人奶粉及普通裝系列成人奶粉、優怡系列成人奶粉及正味麥片以外，雅士利不斷進行產品升級與創新，推出了蒙牛超金裝系列、蒙牛鉑金裝系列及悠瑞系列成人奶粉。此外，雅士利亦在年內推出新品類產品包括特康力奶粉、紐西能奶粉、水果麥片、M8兒童成長配方奶粉及脫脂奶粉等。以下為重點新品類產品的介紹：
		<p><i>Topconic</i> milk powder, the first healthcare milk powder in China for boosting the immune system, is a high-end series that principally aims to enhance the immunity of consumer groups that have weaker immune system. <i>Topconic</i> milk powder mainly contains Bifidobacterium, Lactobacillus acidophilus and Xylooligosaccharides to strengthen the immune system of consumers. 特康力奶粉為高端系列產品，以增強免疫力為核心價值，主要面向免疫力低下的消費群體，是中國首款免疫力保健奶粉。特康力奶粉以雙歧桿菌、嗜酸乳桿菌、低聚木糖為主要成分，幫助消費者增強自身抵抗力。</p>

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
	<p>Nutriall milk formula is an imported milk powder suitable for the whole family. Using the milk source from New Zealand that is certified with the New Zealand FernMark, the formula meets various nutritional needs of the whole family, such as calcium, protein, vitamins, soy lecithin and linoleic acid.</p> <p>紐西能奶粉是一款適合全家消費者的進口奶粉，採用新西蘭奶源，擁有新西蘭銀蕨葉認證，配方能補充鈣、蛋白質、維生素、大豆卵磷脂、亞油酸等多種營養成分，滿足全家營養需求。</p> <p>M8 children's growth milk formula focuses on the positioning of "promoting digestion and absorption" and the selling-point of "improving appetite". Specially added with Bifidobacterium lactis, Probio-M8, it can facilitate nutrient absorption, and regulate and strengthen the condition of the digestive system. The formula is also specially enhanced with a variety of nutrients, including FOS, GOS, PS, DHA, ARA, lactoferrin, N-acetylneuraminic acid, zeaxanthin and lutein. Rich in calcium and vitamin D, it is an effective formula that supports the growth of children.</p> <p>M8兒童成長配方奶粉圍繞「促進消化吸收」的定位及「改善不愛吃飯」的產品賣點，特別添加乳酸雙歧桿菌Probio-M8，幫助營養吸收、有益腸道健康，提升保護力。多種營養素強化配方，特別添加FOS、GOS、PS、DHA、ARA，乳鐵蛋白、N-乙酰神經氨酸、玉米黃質、葉黃素，富含鈣和維生素D，科學配比，助力孩子成長。</p> <p>Fruit oatmeal is a product targeting young female consumers aged between 18 and 35. Featuring various ingredients such as dried fruit, nuts, milk and rose petals, this product is rich in dietary fiber with low calorie and no added sugar.</p> <p>水果麥片是一款主打18-35歲年輕女性用戶的產品。產品添加水果乾、堅果、牛乳，玫瑰花瓣等多元成分，低卡零糖，富含膳食纖維。</p>	

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Product category 產品品類	Financial performance 財務表現	Highlights 動向
<p>Bellamy's 貝拉米</p> 		<ul style="list-style-type: none"> - Bellamy's launched the Chinese-labelled organic baby rice series, which is directly canned in and imported from Australia, in March 2020. It also launched the first super high-end organic A2 milk formula as well as super high-end Mim's Gentle Milk Co™ organic goat milk formula in Australia from May to June. The super high-end organic A2 milk formula series is made from 1% rare organic milk source, and contains BB-12 active probiotics, algae oil DHA and lutein. The super high-end Mim's Gentle Milk Co™ organic goat milk formula series, being awarded Australia dual organic certifications, contains 100% pure goat milk protein, D-Geni-X™ probiotics and prebiotics, and over 20 types of nutrients and a full lactose formula. - 貝拉米於二零二零年三月推出中文版包裝系列的澳洲原罐進口有機嬰兒米粉，並於五至六月在澳洲上市首款超高端白金版有機A2奶粉和超高端摯純系列有機羊奶粉。超高端有機A2奶粉系列採用1%珍稀有機奶源，含有BB-12活性益生菌、藻油DHA及葉黃素，超高端有機羊奶粉系列擁有澳洲雙重有機認證，含有100%純羊乳蛋白、D-Geni-X™益生菌及益生元及20多種營養及全乳糖配方。 - In August 2020, Bellamy's launched the Chinese-labelled organic Equi-pure infant milk formula with the addition of nucleotide. The product contains six major nutrients, namely DHA, ARA, choline, taurine, inositol and L-carnitine. In addition, the product has new ingredients of organic GOS/FOS, a combination of prebiotics, which can enhance the protection function of the micro ecosystem of the intestines of infants. Bellamy's also sells other supplementary foods for infants, including organic dried fruits and organic puree. - 二零二零年八月，貝拉米再推出中文版包裝的菁躍有機嬰兒配方奶粉，將Nucleotide核苷酸注入有機奶配方，包含DHA、ARA、膽鹼、牛磺酸、肌醇、左旋肉碱6大營養素。新增有機GOS/FOS雙重益生元組合，可幫助嬰幼兒建立腸道微生態屏障，加強抵禦力。此外，貝拉米亦有銷售其他嬰幼兒輔食品如有機乾果及有機果泥等。 <p>Key Products:</p> <ul style="list-style-type: none"> - <i>Reeborne</i> - <i>Arla Baby and Me</i> - <i>Bellamy's organic milk powder</i> - <i>Bellamy's organic baby rice</i> <p>重點產品：</p> <ul style="list-style-type: none"> - 瑞哺恩 - Arla寶貝與我 - 貝拉米有機奶粉 - 貝拉米有機米粉

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管理層討論及分析

Product category 產品品類	Financial performance 財務表現	Highlights 動向
Other Products 其他產品	Revenue from other products amounted to RMB1,077.1 million (2019: RMB721.0 million), accounting for 1.4% of Mengniu's total revenue (2019: 0.9%). 收入為人民幣10.771億元(二零一九年：人民幣7.210億元)，佔蒙牛總收入的1.4%(二零一九年：0.9%)。	

Cheese 奶酪



- During the year, the cheese business division of Mengniu launched 愛氏晨曦 brand, covering cheese products including kid's cheese, leisure cheese, cheese to go with meals and high-end cheese. Furthermore, the premium cheese brand *Castello* and liquid butter brand *Lurpak* were launched, thereby covering all consumption scenarios. 愛氏晨曦 introduced children's growth cheese stick in new package with no preservative, artificial flavors and color additives. New products, such as cheese dessert made of imported cheese and free of white sugar with high calcium and high protein content, were also introduced. 愛氏晨曦 also introduced fresh cheese with 100% cheese content, as well as revolutionary room temperature squid flavored cheese snacks so as to address consumers' demand for healthier and more nutritious cheese options which offer rich flavors.
- 年內，蒙牛奶酪事業部推出愛氏晨曦品牌，涵蓋兒童奶酪、休閒奶酪、佐餐奶酪及高端奶酪產品，同時推出嘉士德羅(Castello)高端奶酪和樂派克(Lurpak)液體黃油，覆蓋消費者全天候的食用場景。愛氏晨曦推出新包裝兒童成長奶酪棒，主打0防腐劑、0香精、0色素，以及推出多款新產品，包括奶酪甜點產品，該產品0白砂糖含量、採用進口奶酪、含高鈣高蛋白質。此外，愛氏晨曦推出了含100%真芝士的鮮奶酪、以及突破性的常溫魷魚奶酪零食，以迎合消費者對於更健康、有營養及豐富口味的產品需求。

Key Products:

- 愛氏晨曦 children's growth cheese stick
- 愛氏晨曦 cheese dessert
- 愛氏晨曦 shredded mozzarella

重點產品：

- 愛氏晨曦兒童成長奶酪
- 愛氏晨曦奶酪甜點
- 愛氏晨曦馬蘇里拉乾酪

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PRODUCTION

Mengniu deploys its production capacity according to the potential of relevant markets and its own product strategy. As at 31 December 2020, Mengniu had 41 production bases in China, and one production base in Australia, New Zealand and Indonesia, respectively. It had a total annual production capacity of 9.9 million tons (December 2019: 9.5 million tons).

SUSTAINABLE DEVELOPMENT

In 2020, Mengniu was committed to its vision of “Protecting the Health of Mankind and the Earth” and promoted the integration of its sustainable development plan and the Group’s operation targets in all aspects. In August 2020, Mengniu was selected as one of the constituent stocks of the Hang Seng Corporate Sustainability Index (“HSSUS”) and the Hang Seng ESG50 Index. During the year, Mengniu’s factories that were awarded the title of “National Green Factory” by the Ministry of Industry and Information Technology also increased from 9 at the end of 2019 to 17 at the end of 2020.

Since the outbreak of the COVID-19 virus in 2020, Mengniu has been organizing charity activities under the slogan “Fight Against the Epidemic Courageously, Greatness for China”. The Group donated dairy products to more than 10,000 health care institutions and epidemic prevention organizations to provide nutritional support. Medicare personnel from across the country helping in Hubei were provided with *Milk Deluxe* for free throughout the year. In addition, Mengniu made a prompt donation to aid the establishment of an emergency resources center for epidemic prevention and control in Wuhan following the outbreak of the Epidemic, which organized the delivery of 40.12 million items to Wuhan to ensure epidemic prevention and control supplies. Mengniu also provide support to the partners in the industrial chain who were affected by the Epidemic by providing loans and financial credits, as well as assisting in the arrangement of logistics. Consequently, Mengniu was awarded “The 11th China Charity Awards” by the Ministry of Civil Affairs of China for its outstanding contribution during the Epidemic.

生產

蒙牛根據市場潛力及產品策略佈局產能，截至二零二零年十二月三十一日，蒙牛於全國共設有生產基地41個，並分別於澳洲、新西蘭及印尼設有生產基地各1個，年產能合共為990萬噸（二零一九年十二月：950萬噸）。

可持續發展

二零二零年，蒙牛堅持以「守護人類和地球共同健康」為可持續發展願景，全面推動可持續發展戰略與公司營運目標的融合，二零二零年八月，蒙牛獲納入香港恆生可持續發展企業指數及恆生ESG50指數成分股，年內，蒙牛旗下獲得工信部「國家級綠色工廠」稱號的工廠，亦已由二零一九年底的9家增加至二零二零年底的17家。

二零二零年新冠疫情爆發後，蒙牛發起「勇戰疫情 中國要強」抗疫公益行動，為全國超過10,000間醫療及防疫機構捐贈乳製品，保障營養供給，更為全國援鄂醫護人員捐贈全年特崙蘇牛奶，同時，蒙牛第一時間於武漢捐建疫情防控應急物資中心，累計為武漢轉運4,012萬件應急物資，保障武漢防疫物資供應；另外，蒙牛為產業鏈合作夥伴提供融資和授信等幫助，解決物流難題，幫助合作夥伴共渡疫情難關。憑藉疫情期間的突出貢獻，蒙牛獲中國民政部頒發第十一屆「中華慈善獎」。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year, Mengniu strengthened its efforts towards the Environment, the Society and Corporate Governance. The Sustainable Development Committee and Executive Committee on Sustainable Development held their first meeting in the year, which enabled in-depth discussion on issues in relation to “the Environment, the Society and Corporate Governance”, and enhanced the roadmap of its three-year plan, so as to further implement its strategies and strengthen its organisational management. As at end of 2020, Mengniu had a total of 17 “National Green Factories”, an increase of eight when compared with that at the end of 2019. During the year, Mengniu promoted a responsible supply chain by including “Environmental, Social and Corporate Governance” factors in the management of procurement and providing suppliers with ESG training. Mengniu also promoted education in green and low carbon lifestyles by organizing an array of activities including “DingTalk Cloud Planting”, “Earth Hour” and lectures on energy saving and emission reduction, riding on special events, such as Arbor Day, Earth Day and Energy-saving Week. Staff from 56 factories and 850 families have joined these events, which participated 17,073 person-times in total. On 16 September 2020, more than 600 Mengniu employees took part in “Clean Up the World”, a voluntary event, and cleared 1,418 kg of rubbish from 15 km of riverbank. In addition, Mengniu launched a project to replace paper boxes with reusable boxes for chilled yogurt during the year. The project was honored “Golden Apple Reusable Items Design Award” by the 23rd China Plastics Recycling Conference.

In 2020, Mengniu participated in a number of charity events to help alleviate social problems. Mengniu continued its “Inclusive Nutrition Plan” and provided 6.26 million packs of *Future Star* Student’s Milk to more than 0.7 million students from 494 schools across 20 provinces, cities and autonomous regions. Mengniu also supported the “Heroes Legacy Program” launched by the Henghui Charity Foundation in Shenzhen through a donation to provide long-term nutrition and education support for the children of 160 frontline personnel in China who lost their lives in fighting the spread of the Epidemic. Furthermore, Mengniu continued to cooperate with the “Youth Teacher Empowerment Education Plan”, which provides online training to 1,175 young village teachers in Inner Mongolia, Hebei and Gansu, in order to promote education in villages. In 2020, Mengniu ranked first in the Corporate Social Responsibility Development Index for Dairy Enterprises, by the Corporate Social Responsibility Research Center of the Chinese Academy of Social Sciences.

年內，蒙牛繼續強化環境、社會及企業管治的工作，首次召開集團可持續發展委員會、可持續發展執行委員會全體大會，深入討論「環境、社會及企業管治」相關議題，持續優化三年行動路線圖，推進戰略落地，強化組織管理。截至二零二零年底，蒙牛在全國共有17個「國家級綠色工廠」，較二零一九年底增加了八個。年內，蒙牛亦開展責任供應鏈建設行動，將「環境、社會及企業管治」因素納入採購管理體系，為供應商提供培訓。同時，蒙牛藉著植樹節、世界地球日、節能宣傳周等特殊節日宣揚綠色低碳知識，發起「釘釘雲種樹」、「地球一小時」、「節能減排大講堂」等一系列宣傳活動，56個工廠累計17,073人次、850個家庭積極參與。二零二零年九月十六日，600多名蒙牛人參加「生態志願，清潔地球」的志願活動，共行走15千米的河灘，清潔1,418公斤垃圾。年內，蒙牛低溫酸奶的環保周轉箱項目，採用可重複使用的環保箱代替紙箱，獲得第二十三屆中國塑料回收和再生大會「可回收性設計金蘋果獎」。

二零二零年，蒙牛通過多元化的公益活動，助力改善各類社會問題。蒙牛持續推行「營養普惠計劃」，全年向20個省市自治區、共494所學校、超過70萬學生捐贈626萬包未來星學生奶。同時，蒙牛通過捐贈的方式支持深圳市恒暉公益基金會「傳薪計劃」公益項目，為全國160名抗疫犧牲英烈的子女提供長期營養支持及教育支持等。此外，蒙牛持續與「青椒計劃」進行戰略合作，幫助內蒙古、河北、甘肅等地1,175名鄉村教師，透過互聯網為鄉村青年教師提供教師培訓，推動鄉村教育發展。二零二零年，蒙牛再次榮獲中國社會科學院責任研究中心之社科院乳品企業社會責任發展指數第一名。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mengniu has continued its poverty alleviation strategies in 2020, namely “economic poverty alleviation, nutritional poverty alleviation and targeted poverty alleviation”. In regard to economic poverty alleviation, the Group assisted 1.5 million farmers and ranchers in the plantation of silage, alfalfa and oat, directly and indirectly through cooperating with its associated companies such as China Modern Dairy Holdings Ltd., China Shengmu Organic Milk Limited, Inner Mongolia Fuyuan International Industrial (Group) Co., Ltd. and other partners, and help the development of plantation industry in Inner Mongolia. Mengniu’s poverty alleviation achievements were highly regarded by the State Council Leading Group Office of Poverty Alleviation and Development and were recognized as being among the “50 Best Corporate Targeted Poverty Alleviation Programs-Integrated Program” and “50 Best Corporate Targeted Poverty Alleviation Programs-Individual Program”. Mengniu was the only dairy enterprise to have its poverty alleviation programs listed in both categories.

HUMAN RESOURCES

As at 31 December 2020, the Group had a total of approximately 40,626 employees in Mainland China, Hong Kong, Oceania and Southeast Asia, including around 2,919 employees working for Yashili. During the year, the total cost of employees (including the salaries of directors and senior management personnel) amounted to approximately RMB6,290.1 million (2019: RMB7,081.8 million).

In an effort to further enhance its human resources management system, Mengniu developed structural analysis tools during the year to analyze the structure of certain business and functional departments, providing the management with scientific insights and suggestions for effective decision-making. In addition, an effective talent supply chain management process was established. Key personnel assessment was further standardized based on the “LOVE+” model, in which systematic procedures are adopted to identify outstanding internal personnel with the potential to sit in the upper echelon of the company. Moreover, it has been Mengniu’s strategy to extensively train internal personnel while recruiting external talent when necessary. With its insightful staff deployment for strategic segments which have insufficient talent, nurturing of talent pool, establishment of trainee management systems and other initiatives, the Group has continued to increase and improve its human resources.

二零二零年，蒙牛延續「產業扶貧、營養扶貧、定點扶貧」的扶貧模式，聚焦產業扶貧，通過聯合旗下聯營公司中國現代牧業控股有限公司、中國聖牧有機奶業有限公司、內蒙古富源國際實業(集團)有限公司和合作夥伴，直接和間接協助全國150萬農牧民發展，推動內蒙古青貯、苜蓿、燕麥等飼草產業發展。蒙牛的扶貧成果再次獲得國務院扶貧辦表彰，入選二零二零年「企業精準扶貧綜合案例50佳」和「企業精準扶貧專項案例50佳」名單，成為唯一入選「雙案例」的乳企。

人力資源

於二零二零年十二月三十一日，本集團於中國大陸、香港、大洋洲及東南亞合計共聘用僱員約40,626名，包括雅士利僱員約2,919名。年內僱員總成本(包括董事及高級管理人員薪金)約為人民幣62.901億元(於二零一九年：人民幣70.818億元)。

蒙牛並持續完善人力資源各項管理制度，於年內開發架構分析工具，對部分業務和職能部門的架構進行分析，為管理層決策提供了科學性的洞察和建議。同時，本集團制定有效的人才供應鏈管理流程，進一步完善了關鍵人才評價標準「LOVE+」模型，通過系統性的人才盤點，識別內部優秀及高潛力的人才，從而建立繼任人才梯隊。此外，蒙牛堅持同時全力培養內部人才與適度引進外部人才的策略，通過前瞻性佈局戰略領域的稀缺人才、升級後備梯隊、搭建管理培訓生培養體系等舉措，不斷儲備及優化人力資源。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

To further introduce innovative measures to its personnel training system, Mengniu initiated phase two of the “Blue Ocean Plan”, which caters for the nurturing of senior management in each department, in 2020. In addition, the “Boundary-less” online community learning project was launched in response to the epidemic outbreak, and the Mengniu Marketing Institution was established. Also, with the continuous optimization of its “Zhide” online learning system and operation, Mengniu was honored as one of the “TOP 10 Chinese Enterprises in Digital Learning” in the BOOAO Awards, which is revered as the Academy Awards of the online learning industry. This honor reflects Mengniu’s success in becoming the benchmark for online learning.

During the year, Mengniu also completed the upgrade of its human resources information system. Looking ahead to 2021, the Group will use this system to carry out the digital transformation of human resources management, which will result in a digitalized human resources management platform enabling business integration, information sharing, data connection and accurate analysis.

Mengniu has continued to optimize its salary management system, which is performance-based and is aimed at promoting enterprising spirit and facilitating synergies among staff members through reasonable authorization and hierarchical incentives. 8,199,897 restricted shares were granted under the share award scheme and 1,016,887 share options were granted under the share option scheme in 2020. Furthermore, the Group optimized employee benefits during the period through such means as upgrading health check-ups and by adding two-child benefits to enhance the cohesiveness of the Mengniu Team.

PROSPECTS

In 2020, Mengniu flexibly adjusted its business strategy, which enabled it to seize the new market opportunities brought by post-epidemic changes in consumers’ spending habits and evolution of sales channels in China. As such, the Group grew faster and managed higher quality development relative to before the Epidemic hit. During the year, Mengniu upgraded its corporate culture system and laid down a five-year plan. Guided by the new slogan “Creating a new Mengniu by 2025”, it will strive to become consumer’s first choice, a digitalized & internationalized Mengniu and a Mengniu with strong cultural gene and responsibility by 2025.

為不斷創新人才培養模式，蒙牛於二零二零年啟動了培養各部門高級管理人才的「藍海項目」二期計劃，並因應疫情影響推出了線上形式的「無界」社群學習項目和蒙牛營銷學院。同時，蒙牛持續優化升級「值得」在線學習系統及其連作，榮獲在線學習行業「奧斯卡」—博奧獎「中國企業數字化學習TOP10」，成為在線學習領域的行業標桿。

年內，蒙牛亦已經完成了人力資源信息系統的升級，進入二零二一年，本集團將在該系統的基礎上大力推動人力資源管理數字化轉型，構建能夠實現業務融合、信息共享、數據打通、精準分析的數字化人力管理平台。

蒙牛持續改善薪酬管理體系，堅持以績效為導向，合理授權、分層激勵，以激發全體員工的進取心與協同。本集團的股票獎勵計劃及購股權計劃已在2020年分別共授出限制性股票 8,199,897 股及購股權 1,016,887 份。另外，本集團在年內優化員工福利，例如升級體檢措施、新設二胎福利等，提升蒙牛員工的向心力。

展望

二零二零年，蒙牛靈活調整業務策略，成功緊抓疫情後國民消費習慣及渠道變化趨勢帶來的新市場機會，發展速度及品質超越疫情前的水平。蒙牛在年內升級企業文化體系，制訂五年規劃，以「二零二五年，再創一個新蒙牛！」為新奮鬥口號，務求於二零二五年令本集團成為消費者至愛、數智化、國際化、文化基因強大及更具責任感的蒙牛。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Regarding product strategies, the Group will pay close attention to the needs of health-conscious consumers and the increasing demand for dairy products. It will continue to focus on developing product categories which are in demand in the market and have high growth potential. The Group will also work hard to create high-end star products that are organic, and low in fat and sugar in the nutritional and healthy food categories.

Mengniu will adopt a customer-centric approach, gather ideas from in and outside the the Group via an open and innovative platform to help with swift product and technological innovation and meet more personalized needs of consumers. The Group endeavors not only to become a brand that stands for safety, quality and nutritional value, but also one that consumers of all ages cherish. Its aspiration is for Mengniu to be a well-loved brand of the consumer mass and win in particular the acceptance and recognition of the younger generation.

On the front of management upgrade, Mengniu has set up a Digitalization Strategy Management Committee and a Digitalization Strategy Project Team to speed up implementation of its digitalization strategy across the Group. In the future, Mengniu intends to restructure its supply chain, industrial chain, as well as its organizational and operation model, and also business model. Such efforts will equip the Group with digital intelligence, enabling its brand, products and services to reach target consumers. They will also give the Group's industrial chain the ability to evolve and improve on its own and empower the Group to upgrade and become a platform-based ecological enterprise that affords high-quality development.

As for channel strategies, Mengniu will continue to push forward with strategies to help channel penetration with its "Penetration into Towns and Villages" initiative. It will vigorously develop online sales channels including traditional e-commerce, O2O home delivery, WeChat sales and community group marketing. Moreover, it will continue to encourage its different businesses to use the "Smart Network" system to grow.

在產品策略方面，本集團於未來將針對國民對營養健康的關注及對奶類製品日益增加的需求，繼續集中發展市場需求龐大及高增長潛力品類，打造高端、有機、低脂、減糖等營養健康品類的明星產品。

蒙牛更將完全以消費者的需求為導向，通過開放式的創新平台，匯集內外部智慧，推動產品與技術的快速迭代，滿足更多消費者的個性化需求，使蒙牛的品牌不僅象徵安全、品質與營養，且能獲得各年齡段消費者的喜愛；使蒙牛的價值主張，被廣大消費者，特別是年輕一代消費者所接受和認同，成為消費者熱愛的蒙牛。

管理升級方面，蒙牛已成立了集團數字化戰略管理委員會和數字化戰略項目組，以加速企業數智化戰略全面落地。未來，蒙牛將對供應鏈、產業鏈、組織模式、運營模式和整個商業模式進行架構重整，把本集團打造成數智化的蒙牛，使蒙牛的品牌、產品和服務能精準觸達消費者，並使蒙牛的產業鏈擁有強大的自我進化能力，升級為一家平台化的、生態化的、高質量發展的企業。

渠道策略方面，蒙牛將繼續推進渠道下沉及「鎮村通」等策略，大力發展傳統電商、O2O到家、微信銷售及社群營銷等線上銷售渠道，進一步推動「智網」系統在各業務的使用，助力業務增長。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

In addition, the Group wants to become an international brand. On top of global sourcing deployment, Mengniu also aspires to claim its share in the international market. With an aim to become an influential and international enterprise, Mengniu will strengthen its business in Southeast Asia and Oceania, groom a pool of high-caliber talent with international perspective and develop an internationalized dairy industry business model namely the “Mengniu model”. It is the hope of Mengniu that it can replicate its success in branding, product offerings and business operational mode in other countries and regions.

During the year, Mengniu started enhancing its corporate culture, taking on the new mission of “Every drop of nutrition makes every life thrive” and the New vision of “From the grasslands across the world, Mengniu products nourish and are loved by over 2 billion consumers around the world”. Guided by its core values of “consumers are at the heart of all our decisions”, “creative solution wins the future”, “empower and inspire talents to succeed” and “our integrity and honesty support our continued success” and upholding the “born to excel, constantly strive for self-improving” spirit, the Group is advancing towards achieving the goals of its 2025 Strategy. In the next five years, Mengniu will promote its mission, vision and core values to all departments and branches around the world, instilling them into the heart and mind of every employee, that it may become an enterprise with a strong corporate culture, which will transform into impetuses for it to develop and grow.

Moving forward, Mengniu will continue to walk the quality development path in steadfast strides, at its best effort to ensure product and service quality, working by the management philosophy of no compromise on product quality, value and execution. It is committed to providing world-class products and services to consumers around the world. The Group will continue to develop a responsible supply chain and produce dairy products in an environmentally-friendly manner. The Group will make contribution to revitalize the dairy industry in China and facilitate the industry’s quality development.

此外，本集團要成為國際化的蒙牛。蒙牛不只滿足於佈局全球資源，更要贏下國際市場，透過加強在東南亞、大洋洲的業務，培養高水平的全球化人才梯隊，構建乳業國際化的「蒙牛模式」，讓蒙牛在品牌、產品、商業模式方面的成功在更多國家和地區複製，使蒙牛能夠成為真正具有全球影響力的企業。

蒙牛並於年內開展企業文化升級，確定「點滴營養，綻放每個生命」為新的使命，以「草原牛、世界牛，全球至愛，營養20億消費者」為新的願景，以「消費者第一 第一 第一」、「異想才能天開」、「讓牛人綻放」及「正直立本 誠信立事」為核心價值觀，和以「天生要強，與自己較勁」為蒙牛精神，引領蒙牛二零二五戰略的實現。未來五年，蒙牛的使命、願景、價值觀將全面推廣至各部門及全球分支機構，目標使每位蒙牛人擁有共同信念，讓本集團成為有強大文化基因的蒙牛，並將企業文化轉化為強勁的發展動能。

未來，蒙牛亦將繼續踐行高質量發展的道路，全力保障產品和服務質量，秉承產品不妥協、質量不妥協、價值觀不妥協、執行力不妥協的管理理念，為全球消費者提供世界品質的產品與服務。本集團也將持續打造負責任的供應鏈，開展環境友好的綠色生產，積極為中國奶業振興、實現中國乳業高質量發展作出貢獻。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTOR

Mr. Lu Minfang, aged 52, was appointed as an executive director and chief executive officer of the Company in September 2016. Mr. Lu is the chairman and a non-executive director of Yashili International Holdings Ltd (“Yashili”), a subsidiary of the Company listed in Hong Kong and the chairman and a non-executive director of China Modern Dairy Holdings Limited (“China Modern Dairy”), an associate of the Company listed in Hong Kong. Mr. Lu is also a director of International Dairy Federation. He was the chief executive officer and an executive director of Yashili before his appointment as chairman of the board of directors of Yashili. Mr. Lu was also a director of the following subsidiaries of Yashili, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Scient International Group Limited. Mr. Lu was the Vice President (Greater China) of Danone Early Life Nutrition Greater China and had been with Danone Group and Dumex Baby Food Co. Ltd. for over 10 years. During his tenure at Danone Group, he demonstrated strong strategic business and market planning capabilities. With strong leadership, management skills and in-depth market knowledge, Mr. Lu had contributed significantly to the success of Danone Group’s baby nutrition business in China. Prior to joining Danone Group, Mr. Lu spent 9 years with Johnson & Johnson (China) Company Limited and almost 4 years with General Electric Company (China). Prior to joining Mengniu Group, Mr. Lu has over 18 years of experience in sales and marketing and has been in general manager or senior executive roles for over 7 years. Mr. Lu has extensive experience in the management of fast moving consumer products and dairy companies and has an excellent grasp and in-depth knowledge of the PRC market. Mr. Lu obtained his Bachelor’s degree from Fudan University in Shanghai.

執行董事

盧敏放先生，52歲，於二零一六年九月獲委任為本公司執行董事兼總裁。盧先生現時為本公司於香港上市的子公司雅士利國際控股有限公司（「雅士利」）主席兼非執行董事，及本公司於香港上市的聯營公司中國現代牧業控股有限公司（「中國現代牧業」）主席兼非執行董事。盧先生亦為國際乳品聯合會董事。獲委任為雅士利董事會主席之前，彼為雅士利總裁兼執行董事。盧先生亦曾為以下雅士利子公司的董事：雅士利國際有限公司、雅士利國際集團有限公司、新歐香港國際有限公司及施恩國際集團有限公司。盧先生曾擔任達能早期生命營養品公司大中華區副總裁，服務達能集團及多美滋嬰兒食品有限公司超過10年，任職達能集團期間已展現非凡戰略業務和市場規劃能力。盧先生利用其卓越的領導能力和管理技巧，以及對市場的深入瞭解，幫助達能集團在中國的嬰幼兒營養品業務取得巨大成功。加入達能集團前，盧先生曾在強生（中國）有限公司任職達9年，並在美國通用電氣（中國）服務近4年。加入蒙牛集團前，盧先生在銷售與市場領域擁有逾18年經驗，擔任總經理或高層管理人員職務超過7年。盧先生具有豐富快速消費品和乳業公司管理經驗，對中國市場有充分理解和豐富知識。盧先生於上海復旦大學獲得學士學位。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. Meng Fanjie, aged 56, was appointed as an executive director of the Company in June 2019 and is a vice president of the Group. Mr. Meng previously worked as the General Manager of Shenyang Xiangxue Flour Co., Ltd., the Assistant to the General Manager and then as the Deputy General Manager of COFCO's Wheat Processing Department, the General Manager of COFCO's Project Management Department, the General Manager of COFCO Chengdu Industrial Park, the Deputy General Manager of China Grain & Logistics Corporation, the Deputy General Manager of COFCO Trading Corporation and the Deputy Director of COFCO Group's Party-mass Work Department (in charge of the daily work). Mr. Meng graduated from Tsinghua University with a Master's Degree in electronic magnetism and microwave technology.

NON-EXECUTIVE DIRECTOR

Mr. Chen Lang, aged 55, was appointed as a non-executive director and the chairman of the board of directors of the Company in April 2019. Mr. Chen joined COFCO Corporation in April 2019 and is currently an executive vice president of COFCO Corporation, the chairman of COFCO WOMAI.COM Investment Limited (中糧我買網投資有限公司), a non-executive director and the chairman of the board of directors of China Foods Limited (a company listed in Hong Kong) and a director and the chairman of the board of directors of each of COFCO Coca-Cola Beverages Limited and COFCO Coca-Cola Beverages (China) Investment Ltd., both of which are non-wholly owned subsidiaries of China Foods Limited. In the past, Mr. Chen had served as a director and the chairman of the board of directors of China Resources Enterprise, Limited, an executive vice president of China Resources (Holdings) Company Limited, a director of CRH (Beer) Limited, the chairman of China Resources Snow Breweries (China) Investment Co., Ltd., a director of China Resources Company Limited (formerly known as China Resources National Corporation), the chief executive officer of China Resources Vanguard Co., Ltd., the chairman of each of China Resources Ng Fung Limited and China Resources C'estbon Beverage (China) Investment Co., Ltd. and a vice chairman and the chief executive officer of China Resources Logic Limited (now renamed as China Resources Gas Group Limited). Mr. Chen was a vice chairman of the board of directors and a member of strategy committee of Shanxi Xinghuacun Fen Wine Factory Co., Limited (山西杏花村汾酒廠股份有限公司) (a company listed in Shanghai) until June 2019; and an executive director and the chairman of the board of directors of China Resources Beer (Holdings) Company Limited (a company listed in Hong Kong) until July 2019. Mr. Chen holds a Bachelor of Economics degree from Anhui University, China and a Master of Business Administration degree from the University of San Francisco, USA.

孟凡傑先生，56歲，於二零一九年六月獲委任為本公司執行董事，兼任本集團副總裁。孟先生歷任瀋陽香雪麵粉股份有限公司總經理、中國糧油食品小麥加工事業部總經理助理、副總經理、中國糧油項目管理部總經理、成都產業園總經理、華糧集團副總經理、中糧貿易副總經理、中糧集團黨群工作部副部長(主持工作)等職務。孟先生畢業於清華大學，持有電子磁場與微波技術專業碩士學位。

非執行董事

陳朗先生，55歲，於二零一九年四月獲委任為本公司非執行董事兼董事會主席。陳先生於二零一九年四月加入中糧集團有限公司，現為中糧集團有限公司副總裁、中糧我買網投資有限公司董事長、香港上市公司中國食品有限公司的非執行董事兼董事會主席，以及中國食品有限公司非全資附屬公司中糧可口可樂飲料有限公司及中糧可口可樂飲料(中國)投資有限公司的董事兼董事長。過去，陳先生曾擔任華潤創業有限公司的董事兼董事會主席、華潤(集團)有限公司副總經理、華潤集團(啤酒)有限公司的董事、華潤雪花啤酒(中國)投資有限公司的董事長、中國華潤有限公司(前稱中國華潤總公司)的董事、華潤萬家有限公司的首席執行官、華潤五豐有限公司及華潤怡寶飲料(中國)投資有限公司的董事長，以及華潤勵致有限公司(現稱華潤燃氣控股有限公司)的副主席兼行政總裁。陳先生亦曾任上海上市公司山西杏花村汾酒廠股份有限公司董事會副董事長及戰略委員會委員直至二零一九年六月；以及香港上市公司華潤啤酒(控股)有限公司執行董事兼董事會主席直至二零一九年七月。陳先生持有中國安徽大學經濟學學士學位以及美國三藩市大學工商管理碩士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Niu Gensheng, aged 63, is a non-executive director of the Company, a member of the founding team of Yili Group, the founder of Inner Mongolia Mengniu Dairy (Group) Company Limited and the founder of Laoni Foundation. Mr. Niu graduated from the Inner Mongolia University with a degree in Administration and Management and obtained a Master's degree in Enterprise Management from the Chinese Academy of Social Sciences Graduate School. With extensive experience in and insights of China's dairy industry, Mr. Niu enjoys high reputation in the industry. In 2007, Mr. Niu was elected as one of "China's Most Influential Business Leaders" for the fifth year, and was honoured the "2007 Hong Kong Bauhinia Award." Mr. Niu is devoted to charity. He was on the list of "China's Top 10 Philanthropists" published by the Ministry of Civil Affairs of the PRC in 2007 and ranked third in the "2007 Hurun Top 10 for Charity", and was presented the first and only "Lifetime Achievement in Philanthropy Award" by the "China Philanthropists List" in 2010.

牛根生先生，63歲，本公司非執行董事及伊利集團創始團隊成員、內蒙古蒙牛乳業(集團)股份有限公司創始人和老牛基金會創始人。牛先生畢業於內蒙古大學，持有行政管理學位，並在中國社會科學院研究生院取得企業管理碩士學位。牛先生對中國乳品業的認識透徹，憑藉豐富的行業經驗，在業界擁有崇高地位。二零零七年，牛先生第五度當選「中國最具影響力的企業領袖」，並獲頒「二零零七年香港紫荊花獎」。牛先生致力於慈善事業，於二零零七年名列中華人民共和國民政部發佈的「中國十大慈善家」榜單，並於「二零零七年胡潤十大慈善榜」中排名第三，又於二零一零年獲「中國慈善排行榜」首次設立及唯一的「慈善終身成就獎」。

DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層

Mr. Pascal De Petrini, aged 61, was appointed as a non-executive director of the Company in December 2017. He is currently Non-Executive Chairman of Indonesia and Senior Advisor Asia of Danone. He is also a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange. Mr. De Petrini has been working as senior management in the food and beverage industry for more than 30 years. His experience covers the full range of businesses, including sales and purchase, factory management, supply chain, among others. Mr. De Petrini joined Danone in 1984 and worked in France in the areas of project management, factory demand and supply planning, and sales as business development director and strategic committee member. From 1998 to 2002, Mr. De Petrini was the general manager of Danone's biscuits business in China. Mr. De Petrini returned to Paris in 2002 to work in the headquarters of Danone as General Manager of Themis (global SAP program roll-out) until 2004. From 2004 to 2007, Mr. De Petrini worked in Indonesia as general manager of Aqua, a bottled water company of Danone. From 2007 to 2008, Mr. De Petrini worked as vice president of Danone's water business in Asia Pacific and was responsible for the water and beverage business in China, Indonesia and New Zealand. From 2008 to 2011, Mr. De Petrini worked as vice president of Danone's early life nutrition business in Asia Pacific and was responsible for ten countries in the region, including China. In 2011, Mr. De Petrini joined Fraser & Neave Ltd, a listed company engaged in the food and beverage business across the Asia Pacific region, as Chief Executive Officer until 2013, when he joined the Fonterra Cooperative Group Ltd as managing director of its businesses in Asia Pacific, the Middle East and Africa. In 2015, Mr. De Petrini returned to Danone as Executive Vice President of Strategic Resource Cycles till he took on his current role in 2017. Mr. De Petrini graduated from École Nationale Supérieure des Mines de Nancy in France with a Master of Science in Engineering degree in 1981 and obtained a Master of Science in Management degree from ESSEC Business School in France in 1983.

Pascal De Petrini先生，61歲，於二零一七年十二月獲委任為本公司非執行董事，目前於達能擔任印度尼西亞非執行主席及亞洲高級顧問，亦為Yakult Honsha Co., Ltd. (一家於東京證券交易所上市的公司)的董事。De Petrini先生在食品飲料行業出任高級管理層超過30年，其經驗涵蓋多個業務範疇，包括銷售及採購、工廠管理、供應鏈等各個方面。De Petrini先生於一九八四年加入達能，於法國出任業務發展總監及戰略委員會成員，從事項目管理、工廠需求及供應規劃及銷售。自一九九八年至二零零二年，De Petrini先生出任達能餅乾業務中國區總經理。De Petrini先生於二零零二年返回巴黎，於達能總部出任Themis (推出全球SAP計劃)總經理至二零零四年。自二零零四年至二零零七年，De Petrini先生於印度尼西亞出任達能的瓶裝水公司Aqua之總經理。自二零零七年至二零零八年，De Petrini先生出任達能亞太水業務之副總裁，負責中國、印度尼西亞及紐西蘭的飲用水及飲料業務。自二零零八年至二零一一年，De Petrini先生擔任達能亞太早期營養品業務之副總裁，負責區內十個國家(包括中國)的營運。De Petrini先生於二零一一年加入Fraser & Neave Ltd (一家於亞太區從事食品及飲料業務的上市公司)出任行政總裁至二零一三年，然後加入恒天然合作社集團有限公司，出任其亞太、中東及非洲業務之董事總經理。於二零一五年，De Petrini先生重新回歸達能出任Strategic Resource Cycles之執行副總裁，直至二零一七年就任目前職位為止。De Petrini先生於一九八一年於法國的École Nationale Supérieure des Mines de Nancy畢業，取得工程碩士學位，並於一九八三年於法國的ESSEC Business School取得管理碩士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Simon Dominic Stevens, aged 55, was appointed as a non-executive director of the Company in January 2021. Mr. Stevens graduated from Loughborough University in 1988 with a Bsc honours degree in Management Sciences. He started his career in Unilever for 14 years in sales and marketing roles based in U.K., Netherlands and Italy. He joined Arla Foods in 2002, as a Sales Director in the UK business as part of the UK leadership team and then became SVP of Sales and Marketing where Mr. Stevens spearheaded the development of major customer partnerships and built a fast-growing branded portfolio helping grow the UK business from £500 million to £2.5 Billion and from No. 4 in dairy to No.1 supplier in FMCG. In 2016, Mr. Stevens moved to the newly set-up Europe Zone as Senior Vice President for Commercial Operations, overseeing the Sales and Marketing functions and working closely with Arla's Supply Chain organisation. During this time Mr. Stevens' focus was on creating regional growth engines across the brand portfolio and driving a digitalisation agenda across the sales and marketing functions. In 2020 he moved to Dubai to lead the MENA business, Arla's largest region within its International Zone as a Senior Vice President. In a short space of time Mr. Stevens has applied his considerable leadership capabilities to work with his country heads and Arla's joint venture partners to navigate the business through COVID-19, delivering exceptionally high levels of growth for Arla's key brands and customers and maintaining a safe working environment for Arla's workforce of around 3,000 colleagues. On 1 January 2021 Mr. Stevens joined Arla's Executive Management team as EVP International responsible for all Arla's International business and the International supply chain.

Simon Dominic Stevens先生，55歲，於二零二一年一月獲委任為本公司非執行董事。Stevens先生於一九八八年畢業於拉夫堡大學，取得管理科學(榮譽)理學士學位。彼加入聯合利華展開職業生涯，在英國、荷蘭及意大利擔任銷售及營銷職務14年。彼於二零零二年加入Arla Foods，擔任英國業務的銷售總監，且為英國領導團隊的一員，之後擔任銷售及營銷高級副總裁，帶領拓展主要客戶合作夥伴關係，並建立快速增長品牌組合，協助英國業務從5億英鎊增長至25億英鎊，且從乳製品第四位擢升至快速消費品供應商第一位。於二零一六年，Stevens先生調任至新成立的歐洲區擔任商業運營高級副總裁，負責監督銷售及營銷業務，並與Arla的供應鏈組織密切合作。在此期間，Stevens先生專注為整個品牌組合創建區域增長引擎，並推動整個銷售及營銷業務數碼化。於二零二零年調任至迪拜作為高級副總裁領導MENA業務(該業務乃Arla的國際區的最大區域)。於短時間內，Stevens先生發揮卓越的領導能力，與各地負責人及Arla的合營企業夥伴合作，幫助業務應對COVID-19疫情，為Arla的主要品牌及客戶帶來非常高的增長，並為Arla近3,000名員工維持安全的工作環境。Stevens先生於二零二一年一月一日加入Arla之執行管理團隊，擔任執行副總裁(國際)，負責Arla所有國際業務及國際供應鏈。

DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層**INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Jiao Shuge (alias Jiao Zhen), aged 55, was appointed as a non-executive director of the Company in February 2004 and is a vice-chairman of the board of directors of the Company. Mr. Jiao was redesignated from a non-executive director of the Company to an independent non-executive director of the Company with effect from 12 April 2012. Mr. Jiao joined the Group in September 2002 and is currently a director and chief executive officer of CDH China Management Company Limited. Mr. Jiao received a Bachelor's Degree in Mathematics from Shandong University and a Master's Degree in Engineering from the No. 2 Research Institute of the Ministry of Aeronautics and Astronautics. Currently, Mr. Jiao also serves as a non-executive director of WH Group Limited, an independent non-executive director of China Southern Airlines Company Limited and the chairman and non-executive director of Mabpharm Limited, all of which are companies listed in Hong Kong. In addition, Mr. Jiao serves as a director of Henan Shuanghui Investment & Development Co., Ltd. and Hainan Poly Pharm Co. Ltd., both of which are companies listed in Shenzhen. Mr. Jiao was a director of Joyoung Company Limited, a company listed in Shenzhen, until April 2020.

Mr. Julian Juul Wolhardt, aged 47, was appointed as a non-executive director of the Company in January 2006 and was redesignated from a non-executive director of the Company to an independent non-executive director of the Company with effect from 12 April 2012. Mr. Wolhardt is currently the chief executive officer of DCP Advisors, Limited focusing on private equity transactions in the Greater China region. Mr. Wolhardt was previously with KKR Asia Limited and Morgan Stanley responsible for private equity business in China. Mr. Wolhardt is a certified public accountant and certified management accountant and received a Bachelor's Degree in Accounting from the University of Illinois (Urbana-Champaign) in the United States. Mr. Wolhardt currently serves as an independent non-executive director of China Modern Dairy, a company listed in Hong Kong. He is now also a director of Fujian Sunner Development Co., Ltd, a company listed in Shenzhen, and an independent director of Niu Technologies, a company listed on NASDAQ. He was previously a non-executive director of COFCO Meat Holdings Limited (now renamed as COFCO Joycome Foods Limited), a company listed in Hong Kong, until August 2020.

獨立非執行董事

焦樹閣(又名焦震)先生，55歲，於二零零四年二月獲委任為本公司非執行董事，並擔任本公司董事會副主席。自二零一二年四月十二日起，焦先生由本公司非執行董事調任獨立非執行董事。焦先生於二零零二年九月加入本集團，現為 CDH China Management Company Limited的董事兼行政總裁。焦先生持有山東大學數學學士學位及航空航天工業部第二研究院工學碩士學位。焦先生目前亦擔任萬洲國際有限公司非執行董事、中國南方航空有限公司獨立非執行董事及邁博藥業有限公司主席及非執行董事，三家公司均於香港上市。此外，焦先生目前亦分別出任河南雙匯投資發展股份有限公司及海南普利制藥股份有限公司的董事，兩家公司均於深圳上市。焦先生曾任深圳上市公司九陽股份有限公司董事直至二零二零年四月。

Julian Juul Wolhardt先生，47歲，於二零零六年一月獲委任為本公司非執行董事，自二零一二年四月十二日起由本公司非執行董事調任為獨立非執行董事。Wolhardt先生現為DCP Advisors, Limited首席執行官，專注大中華地區私募股權交易。Wolhardt先生曾任職於KKR Asia Limited及摩根士丹利，負責中國私募股權業務。Wolhardt先生為美國執業註冊會計師及註冊管理會計師，於美國伊利諾大學厄巴納 - 香檳分校取得會計學學士學位。Wolhardt先生目前擔任香港上市公司中國現代牧業獨立非執行董事，亦為深圳交易所上市公司福建聖農發展股份有限公司董事及納斯達克交易所上市公司牛電科技獨立董事。Wolhardt先生亦曾擔任香港上市公司中糧肉食控股有限公司(現稱中糧家佳康食品有限公司)非執行董事直至二零二零年八月。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Zhang Xiaoya, aged 58, was appointed as an independent non-executive director of the Company in May 2009. Mr. Zhang is a graduate of the Shandong University and the school of management at the Beijing University of Aeronautics and Astronautics and is a senior engineer. He is currently the chairman of Zhong Ding United Dairy Farming Co., Ltd (中鼎聯合牧業股份有限公司), as well as the chairman of Beijing Xindajiating Investment Company Limited (北京信達嘉鼎投資有限公司), an independent non-executive director of New Focus Auto Tech Holdings Limited, a company listed in Hong Kong, and an independent director of Guangzhou Zhujiang Digital Group (廣州珠江數碼集團). Mr. Zhang previously served as a director and president of AirMedia Group Inc., a company listed on NASDAQ, and the chairman of Unibank Media (銀廣通傳媒集團).

Mr. Yau Ka Chi, aged 63, was appointed as an independent non-executive director of the Company in October 2016. Mr. Yau has over 30 years of professional accounting services experience including 20 years in serving PRC-based enterprises. He had worked for Ernst & Young in its Hong Kong, Toronto and Beijing offices, with a primary focus in providing professional services in accounting and audit, initial public offering, and corporate restructuring, before retiring in September 2015. When he was with Ernst & Young, Mr. Yau was appointed, among others, as the professional practice director of Greater China and the assurance leader for China North Region. Mr. Yau is currently an independent non-executive director of Yihai International Holding Ltd. and China Power International Development Limited, both companies listed in Hong Kong. Mr. Yau is also an independent non-executive director of BetterLife Holding Limited, an applicant for listing in Hong Kong. Mr. Yau holds a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) and is a member of the American Institute of Certified Public Accountants, the Illinois Certified Public Accountants Society and the Hong Kong Institute of Certified Public Accountants. Mr. Yau also holds a certified public accountant license issued by the Illinois Department of Financial and Professional Regulation, the United States.

張曉亞先生，58歲，於二零零九年五月獲委任為本公司獨立非執行董事。張先生畢業於山東大學及北京航空航天大學管理學院，為高級工程師。彼現為中鼎聯合牧業股份有限公司董事長，同時擔任北京信達嘉鼎投資有限公司董事長、香港上市公司新焦點汽車技術控股有限公司獨立非執行董事，及廣州珠江數碼集團的獨立董事。張先生曾擔任納斯達克交易所上市公司航美傳媒集團董事兼總裁以及銀廣通傳媒集團董事長。

邱家賜先生，63歲，於二零一六年十月獲委任為本公司獨立非執行董事。邱先生擁有逾30年專業會計服務經驗，包括20年服務中國企業經驗。彼於二零一五年九月自安永會計師事務所退休前，先後於其香港、多倫多及北京辦公室任職超過20年，主要從事會計與審計、首次公開發售及公司重組專業服務。於安永會計師事務所任職期間，邱先生曾任大中華區專業標準技術部主管合夥人和中國華北區審計服務主管合夥人。邱先生現為頤海國際控股有限公司及中國電力國際發展有限公司的獨立非執行董事，兩間公司均於香港上市。邱先生亦為百得利控股有限公司（一間申請香港上市的公司）的獨立非執行董事。邱先生持有香港理工學院（現稱為香港理工大學）公司秘書及行政管理專業文憑，並為美國註冊會計師協會、伊利諾伊州註冊會計師協會及香港會計師公會的會員。邱先生亦持有美國伊利諾伊州財政及專業監管部頒發的執業會計師執照。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT

Mr. Zhang Ping, aged 56, graduated from the Beijing Information Science and Technology University with a Master's Degree in Management Engineering. Mr. Zhang, who joined the Group in 2014, is currently a vice president and the chief financial officer of the Group. He has over 25 years of experience in the fast-moving consumer goods industry, specializing in management of operation, finance and audit, as well as risk control. Mr. Zhang worked in Swire Beverages group companies as manager responsible for internal audit and system development, finance director, general manager of bottler manufacturing company and chief executive officer of Coca-Cola Bottlers Manufacturing Holdings Limited. Mr. Zhang is also a non-executive director of Yashili, China Modern Dairy and China Shengmu Organic Milk Limited respectively, all companies listed in Hong Kong.

Mr. Gao Fei, aged 44, is a senior vice president and the head of room temperature product business unit of the Group. Mr. Gao joined the Group in 1999, and successively held the positions of regional manager, center manager, sales director and general manager of the sales department and contributed to the rapid growth of the market share of Mengniu. Mr. Gao has abundant practical experience in sales, marketing and promotion of dairy products. In 2016, he was appointed as vice president of the UHT business division. He is currently responsible for operation and management of the core business of the Group. Mr. Gao obtained a Bachelor's degree from Shandong University, then an Executive Master in Business Administration degree from Tsinghua University.

Mr. Wen Yongping, aged 46, joined the Group in 1999 and is currently a vice president and the head of chilled product business unit of the Group. Mr. Wen graduated from the Inner Mongolia Agricultural University and obtained a Master's Degree in Food Engineering. Mr. Wen once served as the general manager of production direction centre, operations assistant vice president and milk sources vice president in the Group, and is experienced in production and operations management and milk sources management. Mr. Wen was a non-executive director of China Modern Dairy, a company listed in Hong Kong, until January 2019.

高級管理層

張平先生，56歲，北京信息科技大學管理工程學專業畢業，取得研究生學歷。張先生於二零一四年加入本集團，現任本集團副總裁兼首席財務官。彼於快速消費品行業累積超過25年經驗，專責營運、財務及審計之管理以及風險監控。張先生曾就職於太古飲料公司，歷任內審及系統發展經理、財務總監、裝瓶廠總經理，及可口可樂裝瓶商生產控股有限公司首席執行官。張先生亦分別為香港上市公司雅士利、中國現代牧業以及中國聖牧有機奶業有限公司的非執行董事。

高飛先生，44歲，為本集團高級副總裁、常溫事業部負責人。高先生於一九九九年加入本集團，歷任銷售部區域經理、中心經理、銷售總監、總經理等職，參與創造了蒙牛份額迅速領先行業的業績。高先生擁有豐富的乳製品銷售及營銷推廣實戰經驗，於二零一六年，彼獲委任為常溫事業部副總裁，現全面負責本集團核心業務的經營管理工作。高先生於山東大學取得學士學位，再於清華大學獲得高級管理人員工商管理碩士學位。

溫永平先生，46歲，於一九九九年加入本集團，現任本集團副總裁、低溫事業部負責人。溫先生畢業於內蒙古農業大學，獲得食品工程碩士學位。溫先生歷任本集團生產指揮中心總經理、營運助理副總裁、奶源管理副總裁等職務，在生產運營管理及奶源管理領域擁有豐富的經驗。溫先生曾為香港上市公司中國現代牧業的非執行董事直至二零一九年一月。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Luo Yan, aged 59, joined the Group in November 2017 and is currently a vice president and the head of developing business unit of the Group. Mr. Luo graduated from the China Textile University and Fudan University, and obtained a Bachelor's Degree in Textile Engineering and a Master's Degree in Business Administration respectively. Mr. Luo joined General Mills China as national sales director in 1999; he held the position of vice president (Greater China) in 2008 and was responsible for overseeing Wanchai Ferry Business Department in the Greater China region and sales in China region. In 2013, Mr. Luo took up the role of global business director of Häagen-Dazs at General Mills Minnesota Headquarters. He continued to be the vice president (Greater China) of General Mills in 2014, and was responsible for sales in China Region, as well as the retail and food and beverage business department of Häagen-Dazs.

Mr. Zhang Zhaoxu, aged 47, joined the Group in July 2017, and is currently a vice president and the head of human resources management of the Group. He graduated from the Southeast University and Tianjin University and obtained a Bachelor's Degree in Engineering and a Master's Degree in management respectively. Mr. Zhang had worked for various Fortune Global 500 enterprises between 1996 and 2012, holding management roles in human resources. In 2013, he joined China Fortune Land Development Co., Ltd as general manager of the human resources centre of City Developments Group. He joined Glaxosmithkline (China) Investment Co. Ltd as human resources director of consumer healthcare products business (China region) in 2015.

Ms. Dai Lu, aged 49, joined the Group in September 2019, and is currently a vice president and the head of R&D unit of the Group. Before joining the Group, Ms. Dai has successively served for the global R&D centers of The Coca Cola Company and PepsiCo Inc and has had over 20 years of experiences in the field of R&D around the world. Her last position in PepsiCo in 2018 was the Senior R&D Director (Greater China and Asia Pacific). Before joining the Group, she was a business starter to provide Mengniu Group and numerous food and beverages companies in China and Southeast Asia with R&D related consultancy services. Ms. Dai graduated from Fudan University and Tongji University with Master's degrees.

羅彥先生，59歲，於二零一七年十一月加入本集團，現任本集團副總裁、發展業務負責人。羅先生先後畢業於中國紡織大學及復旦大學，分別獲得紡織工程學士、工商管理碩士學位。羅先生於一九九九年加入通用磨坊食品中國公司，任全國銷售總監；於二零零八年擔任大中華區副總裁，分管大中華區灣仔碼頭事業部和中國區銷售。二零一三年，羅先生於通用磨坊明尼蘇達總部擔任哈根達斯全球事業部總監一職，並於二零一四年繼續擔任通用磨坊大中華區副總裁，負責中國區銷售，並兼負責哈根達斯零售和餐飲事業部。

張朝旭先生，47歲，於二零一七年七月加入本集團，現任本集團副總裁、人力資源管理負責人，先後畢業於東南大學及天津大學，分別獲得工科學士與管理學碩士研究生學歷。張先生自一九九六年至二零一二年期間先後加入多家世界五百強企業擔任人力資源管理崗位，於二零一三年加入華夏幸福股份有限公司，任城市發展集團人力資源中心總經理，二零一五年加入葛蘭素史克(中國)投資有限公司，任消費者保健品業務中國區人力資源總監。

戴路女士，49歲，二零一九年九月加入本集團，現任本集團副總裁、研發部負責人。加入本集團前，戴女士先後服務於可口可樂公司和百事可樂公司全球研發中心，在全球研發領域有超越20年的經驗。在二零一八年自百事可樂公司離職時是大中華區及亞太區高級研發總監。加入本集團前她自由創業，為蒙牛集團及多家中國和東南亞的食品飲料公司提供產研發相關諮詢服務。戴女士畢業於復旦大學和同濟大學，獲得碩士學位。

DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層

Mr. Yang Zhigang, aged 48, joined the Group in June 2017, and is currently a vice president and the head of safety and quality management unit of the Group. He graduated from the Huazhong Agricultural University and Central China Normal University, and obtained a Bachelor's Degree in Food Technology and Engineering and a Master's Degree in Economics respectively. Mr. Yang joined the Hubei Entry-Exit Inspection and Quarantine Bureau as deputy section manager, section manager and deputy director of the office in 1995; and he joined the registration and administration department of Certification and Accreditation Administration of the People's Republic of China as researcher, department head and vice inspector in 2002; he joined COFCO as general manager and vice director of the quality and safety management department, vice director of the audit and legal risk control department in 2013.

Mr. Li Pengcheng, aged 50, joined the Group in September 2018 and is currently a vice president and the head of group affairs & group office of the Group. Mr. Li graduated from the department of information management in Peking University, majoring in Science and Technology Intelligence, and Tianjin University with a Master's Degree and a Doctoral Degree in Management. Mr. Li used to work in the Office of the Central Internet Security and Information Technology Commission, where he was the inspector of the network emergency management and network public opinion bureau, deputy director general and director of the China Internet Illegal and Objectionable Information Reporting Center (bureau level).

楊志剛先生，48歲，二零一七年六月加入本集團，現任本集團副總裁、集團安全質量部負責人，先後畢業於華中農業大學及華中師範大學，分別獲得食品科技與工程學士、經濟學碩士學位。楊先生於一九九五年加入湖北省出入境檢驗檢疫局，任副科長、科長、辦公室副主任；二零零二年加入國家認證認可監督管理委員會註冊管理部，任調研員、處長、副巡視員；二零一三年加入中糧集團，任質量安全管理部總經理、副總監、審計與法律風控部副總監。

李鵬程先生，50歲，於二零一八年九月加入本集團，現任本集團副總裁、集團事務負責人／集團辦公室主任。李先生先後畢業於北京大學信息管理系科技情報專業及天津大學，分別獲得碩士學位及管理學博士學位。李先生曾就職於中央網絡安全和信息化委員會辦公室工作，任網絡應急管理和網絡輿情局巡視員、副局長兼中國互聯網違法和不良信息舉報中心主任（正局級）。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Stephen Maher, aged 56, joined the Group in March 2020 and is currently a vice president and the head of the International Business Unit. Mr. Maher graduated from the University of Sydney with a Bachelor's degree. He has worked in China for 20 years as president of Mondelez international and Carlsberg beer. He has been deeply involved in the FMCG industry and has rich experience in multinational enterprise management and multicultural management. At present, he is leading the international development of the Southeast Asia Business Unit, Indonesia Business Unit, Oceania Business Unit and Bellamy Business Unit under the International Business Unit of the Group.

Mr. Kwok Wai Cheong, Chris, aged 48, the Financial Controller and Company Secretary of the Company, joined the Group in May 2007. Prior to joining the Group, Mr. Kwok was the financial controller of a Hong Kong listed company and he also served in an international accounting firm. Mr. Kwok graduated from The Hong Kong Polytechnic University with a Bachelor's Degree in Accountancy. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Stephen Maher先生，56歲，於二零二零年三月加入本集團，現任本集團副總裁、國際事業部負責人。Maher先生畢業於悉尼大學，取得學士學位。他曾在億滋國際和嘉士伯啤酒擔任中國區總裁職位，在中國工作20年，持續深耕快速消費品行業，在跨國企業管理和多元文化管理方面具有豐富的經驗。Maher先生現全面領導本集團國際事業部東南亞業務部、印度尼西亞業務部、大洋洲事務部、澳大利亞貝拉米業務部開展國際工作。

郭偉昌先生，48歲，本公司財務總監兼公司秘書，於二零零七年五月加盟本集團。在加盟本集團前，郭先生曾任一間香港上市公司的財務總監，並曾於一間國際會計師事務所工作。郭先生畢業於香港理工大學，取得會計學學士學位，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

Throughout the year, the board of directors of the Company (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, save as disclosed in the section headed “Nomination Committee” regarding the composition of the Nomination Committee.

THE BOARD

As at 31 December 2020, the Board comprised ten Directors, including two executive Directors, namely, Mr. Lu Minfang and Mr. Meng Fanjie, four non-executive Directors, namely, Mr. Chen Lang, Mr. Niu Gensheng, Mr. Tim Ørting Jørgensen and Mr. Pascal De Petrini and four independent non-executive Directors, namely, Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt, Mr. Zhang Xiaoya and Mr. Yau Ka Chi. The Chairman of the Board is Mr. Chen Lang and the Chief Executive Officer of the Company is Mr. Lu Minfang. Mr. Jiao Shuge (alias Jiao Zhen) is a Vice-Chairman of the Board. Subsequent to the year ended 31 December 2020 and with effect from 1 January 2021, Mr. Tim Ørting Jørgensen resigned as non-executive Director, the chairman of the Sustainability Committee, and a member of each of the Nomination Committee and Strategy and Development Committee due to his commitment to other personal development, and Mr. Simon Dominic Stevens was appointed as a non-executive Director, the chairman of the Sustainability Committee, and a member of each of the Nomination Committee and Strategy and Development Committee.

本公司致力確保企業管治達致高水平，尤其著重組建勤勉盡職的董事會和健全的內部監控制度，以及提高透明度和對本公司股東（「股東」）的問責。董事會深知，良好企業管治常規及程序對本集團及其股東有利。本公司致力改善該等常規及保持其道德企業文化。

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

本公司董事會（「董事會」）已於本年度檢討本公司企業管治常規，確信除已於「提名委員會」一節中披露的提名委員會組成外，本公司已符合企業管治守則所有適用守則條文。

董事會

於二零二零年十二月三十一日，董事會由十名董事組成，包括兩名執行董事（盧敏放先生及孟凡傑先生）、四名非執行董事（陳朗先生、牛根生先生、Tim Ørting Jørgensen先生及Pascal De Petrini先生）及四名獨立非執行董事（焦樹閣（又名焦震）先生、Julian Juul Wolhardt先生、張曉亞先生及邱家賜先生）。本公司董事會主席為陳朗先生，本公司總裁為盧敏放先生。焦樹閣（又名焦震）先生為董事會副主席。截至二零二零年十二月三十一日止年度後及自二零二一年一月一日起生效，Tim Ørting Jørgensen先生因其他個人發展需要已辭任非執行董事、可持續發展委員會主席以及提名委員會及戰略及發展委員會各自之成員，而Simon Dominic Stevens先生獲委任為非執行董事、可持續發展委員會主席以及提名委員會及戰略及發展委員會各自之成員。

CORPORATE GOVERNANCE REPORT 企業管治報告

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

Biographies of the Directors are set out on pages 68 to 74 of the annual report, which demonstrate a diversity of skills, expertise, experience and qualifications of the Directors. There is no other material financial, business, family or other material/relevant relationships among the Directors.

Independence of Independent Non-Executive Directors

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

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

董事會負責領導和管理本公司，主要負責制訂本集團整體策略和政策，訂立績效和管理目標，評估業務表現和監察管理層表現。董事會亦負責編製本公司的財務報表。董事會向管理層轉授管理和經營本集團的權力和責任。管理層負責實施董事會所決定的策略及指示，並根據董事會制訂的任何書面程序及指示工作。此外，董事會亦向本公司各個董事委員會（「董事委員會」）轉授多項責任，詳情載於本報告。

董事簡歷載於年報第68頁至第74頁，當中列出董事各方面的技能、專長、經驗和資格。董事之間概無其他重大財務、業務、親屬或其他重大／相關關係。

獨立非執行董事的獨立性

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

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

CORPORATE GOVERNANCE FUNCTIONS

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

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

During the year, the Board has performed the corporate governance functions by reviewing the Company's corporate governance practices.

企業管治職能

董事會負責釐定本公司的企業管治政策及履行企業管治職責，包括：

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

年內，董事會已檢討本公司的企業管治常規而履行企業管治職能。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' TRAININGS

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

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has provided the Directors with reading materials with appropriate emphasis on the roles, functions and duties of the Directors. A summary of trainings received by the Directors during the year according to the records provided by the Directors is as follows:

董事培訓

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

本公司鼓勵所有董事參與持續專業發展，以發展並更新知識及技能。本公司向董事提供著重董事角色、職能及責任的學習材料。根據董事所提供的紀錄，董事於年內所接受的培訓概述如下：

Directors	董事	Type of trainings 培訓類別
Executive Directors	執行董事	
Lu Minfang	盧敏放	A, B, C
Meng Fanjie	孟凡傑	A, C
Non-executive Directors	非執行董事	
Chen Lang	陳朗	A, C
Niu Gensheng	牛根生	A, C
Tim Ørting Jørgensen	Tim Ørting Jørgensen	A, C
Pascal De Petrini	Pascal De Petrini	A, B, C
Independent Non-executive Directors	獨立非執行董事	
Jiao Shuge (alias Jiao Zhen)	焦樹閣(又名焦震)	A, C
Julian Juul Wolhardt	Julian Juul Wolhardt	A, C
Zhang Xiaoya	張曉亞	A, C
Yau Ka Chi	邱家賜	A, C

A: attending seminars and/or conferences and/or forums relevant to the business or directors' duties

B: giving talks at seminars and/or conferences and/or forums

C: reading materials relating to directors' duties and responsibilities and regulatory updates

A: 出席與業務或董事職責有關的研討會及/或會議及/或論壇

B: 在研討會及/或會議及/或論壇上發言

C: 閱讀與董事職責及責任及最新規管資料有關的學習材料

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD PROCEEDINGS

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

The Board held six meetings during the year ended 31 December 2020 and one further meeting since 1 January 2021 up to the date of this report. Details of the Directors' attendance at the Board and Board Committee meetings and the annual general meeting of the Company held in 2020 are set out in the following table.

董事會處理事務程序

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

董事會截至二零二零年十二月三十一日止年度舉行了六次會議，並於二零二一年一月一日至本報告日期期間舉行了一次會議。各董事出席於二零二零年舉行的董事會及董事委員會會議，以及本公司股東週年大會的情況詳情載於下表。

Directors	董事	Board Meetings* 董事會會議*	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Sustainability Committee 持續發展委員會	Annual General Meeting 股東週年大會
Executive Directors	執行董事						
Lu Minfang	盧敏放	6/6				1/1	1/1
Meng Fanjie	孟凡傑	6/6					1/1
Non-executive Directors	非執行董事						
Chen Lang	陳朗	6/6			2/2		1/1
Niu Gensheng (Note 1)	牛根生(附註1)	2/6					1/1
Tim Ørting Jørgensen	Tim Ørting Jørgensen	5/6			1/2	1/1	1/1
Pascal De Petrini	Pascal De Petrini	6/6			2/2	1/1	1/1
Independent Non-executive Directors	獨立非執行董事						
Jiao Shuge (alias Jiao Zhen)	焦樹閣(又名焦震)	6/6		3/3			1/1
Julian Juul Wolhardt	Julian Juul Wolhardt	6/6	4/4	3/3	2/2		1/1
Zhang Xiaoya	張曉亞	6/6	4/4	3/3			1/1
Yau Ka Chi	邱家賜	6/6	4/4			1/1	1/1

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

* 董事會於年內舉行了四次季度會議及兩次其他會議，以處理運作層面及投資等事宜。根據本公司組織章程細則，召開董事會會議的法定人數為二人。

Note 1: Notwithstanding that Mr. Niu did not attend some of the meetings in person, he had communicated with the management, reviewed the board papers and given opinions to the Board/ Company Secretary before the meetings. Mr. Niu has extensive experience in the dairy industry with foresight and gives influential opinions to the Board.

附註1: 雖然牛先生並無親自出席若干會議，但在會議前已與管理層溝通，審閱董事會文件並向董事會/公司秘書提出意見。牛先生在乳業擁有豐富經驗，並具有前瞻性的視野，給予董事會的意見具有影響力。

CORPORATE GOVERNANCE REPORT 企業管治報告

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

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The role of the Chairman is separate from that of the Chief Executive Officer to ensure a balance of power and authority. The Chairman is responsible for overseeing the functioning of the Board while the Chief Executive Officer is responsible for managing the Group's business. As at 31 December 2020, the Chairman of the Board is Mr. Chen Lang, a non-executive Director, and the Chief Executive Officer of the Company is Mr. Lu Minfang, an executive Director.

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

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

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

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

主席及總裁

本公司區分主席與總裁角色，以確保權力得到平衡。主席負責監察董事會履行職能，而總裁則負責管理本集團的業務。於二零二零年十二月三十一日，本公司董事會主席為非執行董事陳朗先生，總裁為執行董事盧敏放先生。

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

董事的委任、重選和罷免

每名董事（謹此說明，包括獨立非執行董事）已與本公司訂立為期三年的委聘書。董事須根據本公司的組織章程細則第112條在本公司每屆股東週年大會上輪流告退和重選。委任為董事會新增成員或填補董事會臨時空缺的董事，將於獲委任後分別在下一個本公司股東週年大會或下一個本公司股東大會上由股東重選。此外，倘提呈重選獨立非執行董事已於本公司在任超過九年，彼的重選須以獨立決議案形式於股東週年大會通過。

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BOARD COMMITTEES

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

REMUNERATION COMMITTEE

As at 31 December 2020, the Remuneration Committee comprised three independent non-executive Directors (Mr. Julian Juul Wolhardt, Mr. Jiao Shuge (alias Jiao Zhen) and Mr. Zhang Xiaoya). The Remuneration Committee is chaired by Mr. Julian Juul Wolhardt.

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

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

董事委員會

為了監察本公司特定事務及協助履行其責任，本公司董事會下設五個董事委員會，分別為審核委員會、薪酬委員會、提名委員會、戰略及發展委員會和可持續發展委員會。各委員會分別受限於經董事會批准的特定職權範圍，其中涵蓋了職能、職責及權力。董事委員會各自的職權範圍已遵從企業管治守則條文，並已於本公司及聯交所的網站披露，亦置放於本公司的香港主要營業地點供公眾查閱。

薪酬委員會

於二零二零年十二月三十一日，薪酬委員會有三名獨立非執行董事（Julian Juul Wolhardt先生，焦樹閣（又名焦震）先生及張曉亞先生）。Julian Juul Wolhardt先生擔任薪酬委員會主席。

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

本公司的薪酬政策乃根據業務需要及行業慣例，目的在於維持公平及具競爭力的薪酬福利。對於釐定支付予董事會各董事袍金，會考慮市場水平與各項因素，如董事工作量及所承擔的責任。此外，釐定執行董事薪酬福利所考慮之因素包括：經濟及市場情況、對本集團業績及發展的貢獻，以及個人潛能等。

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The Remuneration Committee held three meetings during the year ended 31 December 2020. During the year, the Remuneration Committee had performed the following:

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

薪酬委員會於截至二零二零年十二月三十一日止年度舉行了三次會議。本年度內，薪酬委員會完成了下列各項工作：

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

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration of the members of the senior management (excluding Directors) by band for the year ended 31 December 2020 is set out below:

董事及高級管理層薪酬

截至二零二零年十二月三十一日止年度，高級管理層成員（不包括董事）按薪酬範圍劃分的薪酬載列如下：

Remuneration bands (RMB) 薪酬組別（人民幣元）	Number of persons 人數
1,000,001–2,000,000	1
4,000,001–5,000,000	2
5,000,001–6,000,000	3
6,000,001–7,000,000	2
7,000,001–8,000,000	1
11,000,001–12,000,000	1

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 9 and 10 to the financial statements.

根據上市規則附錄十六須予披露的董事及五名最高薪人士的薪酬詳情，載於財務報表附註9及10。

NOMINATION COMMITTEE

As at 31 December 2020, the Nomination Committee comprised four members, one of whom is an independent non-executive Director (Mr. Julian Juul Wolhardt) and the remaining three members are non-executive Directors (Mr. Chen Lang, Mr. Tim Ørting Jørgensen and Mr. Pascal De Petrini). The Nomination Committee was chaired by Mr. Chen Lang.

Code Provision A.5.1 of the Corporate Governance Code provides that an issuer should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. The Company deviates from this provision as less than half of the members of the Nomination Committee are independent non-executive Directors during the year of 2020. The Directors are of the view that during the year ended 31 December 2020, each of Mr. Tim Ørting Jørgensen and Mr. Pascal De Petrini was able to carry out his responsibilities as a member of the Nomination Committee in the best interest of the Shareholders notwithstanding none of them being an independent non-executive director as required under Code Provision A.5.1.

The responsibilities of the Nomination Committee are to determine the nomination policy, review the structure, size and composition, including the skills, knowledge and experiences of the Board and make recommendations to the Board regarding any proposed changes. The Nomination Committee is also responsible for identifying and nominating suitable candidates qualified to become Board members, in particular, candidates who can add value to the management through their contributions in the relevant strategic business areas and which appointments will result in the constitution of a stronger and more diverse Board, and makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors if necessary and succession planning for Directors, in particular the Chairman and the chief executive of the Company.

提名委員會

於二零二零年十二月三十一日，提名委員會有四名成員，其中一名為獨立非執行董事（Julian Juul Wolhardt先生），其餘三名為非執行董事（陳朗先生、Tim Ørting Jørgensen先生及Pascal De Petrini先生）。陳朗先生擔任提名委員會主席。

企業管治守則守則條文第A.5.1條規定發行人必須設立由董事會主席或獨立非執行董事擔任主席的提名委員會，成員須以獨立非執行董事佔大多數。於二零二零年期間，本公司偏離此條文，原因為提名委員會中的獨立非執行董事人數不足一半。董事認為，於截至二零二零年十二月三十一日止年度，儘管Tim Ørting Jørgensen先生及Pascal De Petrini先生均並非守則條文第A.5.1條規定的獨立非執行董事，但彼等均有能力履行提名委員會成員的職責，並以股東的最佳利益行事。

提名委員會負責制定提名政策、就董事會的架構、規模和組成（包括技能、知識和經驗）作出檢討，並就任何變更方案向董事會提出建議。提名委員會亦負責物色並提名適合擔任董事會成員的人選，倘若有關人選能夠在有關的策略性業務領域作出貢獻，尤其對管理層起增值作用，並且有關委任會致使董事會成員組合更為強健和全面，並就有關董事的委任或重新委任（如有需要）及董事（尤其是本公司主席及主要行政人員）繼任計劃的相關事宜，向董事會提出建議。

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The Board has adopted a director nomination policy. The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out below to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable. In evaluating and selecting any candidate for directorship, the following criteria should be taken into account:

- Character and integrity.
 - Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the board diversity policy that are relevant to the Company's business and corporate strategy.
 - Any measurable objectives adopted for achieving diversity on the Board.
 - Requirement for the Board to have independent directors in accordance with the Hong Kong Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Hong Kong Listing Rules.
 - Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
 - Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.
 - Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.
- 本公司董事會已採納董事提名政策。提名委員會及／或董事會應一經收到有關委任新董事的建議及人選的履歷(或相關詳情)後，根據下列標準評估該人選以決定是否適合擔任董事。其後，提名委員會應向董事會推薦委任合適的人選擔任董事職務(如適用)。在評估及甄選董事職位人選時，應考慮以下標準：
- 性格及操守。
 - 資歷，包括與公司業務及企業戰略相關之專業資歷、技能、知識及經驗，及董事會多元化政策下的多元化考慮。
 - 為達致董事會多元化而採用的可計量目標。
 - 人選是否符合香港上市規則規定的委任獨立董事的要求及上市規則列明之有關獨立性之指引。
 - 人選可促進董事會的資歷、技巧、經驗、獨立性及性別多元化。
 - 履行董事會及／或董事委員會成員職責而投入足夠時間的意願及能力。
 - 董事會及提名委員會不時可就董事提名及繼任規劃而採納及／或修訂的其他符合公司業務及繼任規劃的考慮因素。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Board has adopted the board diversity policy to set out the approach to achieve diversity on the Board. Under such policy, board appointments will be based on merits and candidates will be considered against objective criteria, having due regard for the benefit of diversity on the Board. The selection of candidates on the Board is based on a range of diversity perspectives, including gender, age, cultural and education background, ethnicity, professional, industry or management experience, skills, knowledge and length of service. The Company will also take into account other factors based on its own business model and specific business needs from time to time. The Nomination Committee will continue to give adequate consideration to these measurable objectives when making recommendation of candidates for appointment to the Board. The Nomination Committee shall monitor the implementation of the board diversity policy on an on-going basis. The Nomination Committee shall assist the Company to ensure that recruitment and selection practices at all relevant levels (including the Board and core senior management, or as the Nomination Committee considers appropriate) are appropriately structured so that a diverse range of candidates are considered. The Nomination Committee shall also assist the Company in identifying and implementing programs that will assist in the development of a broader and more diverse pool of skilled and experienced core senior management team and that, in time, their skills are expected to prepare them for board positions.

The Nomination Committee held two meetings during the year ended 31 December 2020 to discuss about the change in directorship, assess the independence of the independent non-executive directors of the Company and to review the structure, size, composition and diversity of the Board, etc.

AUDIT COMMITTEE

As at 31 December 2020, the Audit Committee comprised three independent non-executive Directors (Mr. Julian Juul Wolhardt, Mr. Zhang Xiaoya and Mr. Yau Ka Chi) in which two possess the relevant professional qualifications required under the Listing Rules. The Audit Committee is chaired by Mr. Yau Ka Chi.

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

董事會已採納董事會多元化政策，制定實現董事會成員多元化的方針。根據有關政策，董事會任命將用人唯才，在考慮人選時以客觀條件充份顧及董事會成員多元化的裨益。董事會甄選人選會基於一系列多元化考慮，包括性別、年齡、文化及教育背景、種族、專業、行業或管理經驗、技能、知識及服務年期。本公司亦會因應本身的業務模式及不時的特定業務需要而考慮其他因素。提名委員會就委任人選向董事會作出推薦建議時，將繼續充分檢討該等可計量目標。提名委員會會持續監督董事會多元化政策的執行情況。提名委員會須協助本公司確保包括董事會、核心高級管理層和提名委員會認為合適的其他人員的招聘及甄選均按適當的架構程序進行，以便能招攬多元背景的人選供本公司委聘。提名委員會亦須協助本公司識別並落實有關計劃，以便培養背景更廣泛、更多元化而富工作經驗和技能的核心高級管理層，以待適當時可讓他們升任董事職位。

提名委員會於截至二零二零年十二月三十一日止年度舉行了兩次會議，以討論董事變更，評估本公司獨立非執行董事的獨立程度，並檢討董事會結構、人數、組成及多元程度等。

審核委員會

於二零二零年十二月三十一日，審核委員會成員包括三名獨立非執行董事（Julian Juul Wolhardt先生、張曉亞先生及邱家賜先生），其中兩名董事擁有上市規則所規定的相關專業資格。邱家賜先生擔任審核委員會主席。

審核委員會充當的職責涉及財務和其他申報、風險管理、內部監控及核數事宜，因此擔任其他董事、外部核數師和管理層之間的溝通渠道。審核委員會對財務報告作出獨立審閱，並且確定本公司內部監控的有效性和核數成效足以信納，藉此協助董事會履行其職責。

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The Audit Committee held four meetings during the year ended 31 December 2020. During the year, the Audit Committee has performed the following:

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

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

Other than the reporting responsibilities of the Company's auditors (please refer to the independent auditor's report set out on pages 121 to 128), the Directors acknowledge their responsibility for preparing the financial statements of the Group which give a true and fair view of the consolidated financial position as at 31 December 2020 and the consolidated financial performance and cash flows of the Group for the year then ended.

審核委員會於截至二零二零年十二月三十一日止年度舉行了四次會議。在本年度內，審核委員會完成了下列各項工作：

- 與外部核數師討論其核數和中期審閱工作的一般範疇和結果；
- 審閱外部核數師的管理建議書和管理層的回應；
- 檢討外部核數師酬金並提出建議由董事會批准；
- 就重新委任外部核數師事宜，向董事會提出建議；
- 檢討外部核數師的獨立性、客觀性和核數程序的成效；
- 檢討並監察本公司的財務報表、年報和中期報告以及年度和中期業績公佈的完整性；
- 根據企業管治守則就有關審核委員會的事宜向董事會匯報；
- 檢討本集團的財務監控、內部監控及風險管理系統；
- 討論審核、內部監控、風險管理和財務報告事宜，然後提出建議由董事會批准；及
- 檢討本公司所設定的有關僱員及其他與本公司有往來者可就財務匯報、內部監控或其他方面可能發生的不正當行為的保密方式提出關注的安排。

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

除本公司核數師肩負呈報責任(請參閱第121頁至第128頁所載的獨立核數師報告)外，董事知悉本身須負責編製本集團的財務報表。此等財務報表須真實公平反映本集團於二零二零年十二月三十一日的綜合財務狀況及本集團截至該日止年度的綜合財務表現及現金流量。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility for maintaining sound and effective risk management and internal control systems and for reasonably ensuring their effectiveness. The objectives of the risk management and internal control of the Group are: to rationally establish a comprehensive risk management and internal control system in a scientific manner, to apply the concepts, philosophies, procedures, methods and tools of risk management throughout the establishment and implementation of strategies for effectively managing the risks, and to objectively evaluate the effectiveness of governance, control and risk management of the Group through independent internal audit while reasonably ensuring the realization of the Group's strategic objectives and operation objectives and propelling the sustainable development of the enterprise. Such risk management and internal control systems are designed for managing risks rather than eliminating the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has been solidifying three lines of defense in risk management. It has developed a multi-level coordinated risk management and internal supervision system for supervision, which comprises the Audit Committee under the Board, risk control and management committee of the operating management, functional supervision departments, operation and business departments and other units at various levels. Through improving systems and procedures and taking various measures such as daily supervision, independent evaluation and self-evaluation, risk management, compliance management and internal control are integrated effectively so as to reasonably ensure the accomplishment of strategic and operation objectives.

Risk Management

The Group has established a comprehensive framework and fundamental standards for risk management. The Group continues to optimize its management model by building a risk-oriented closed-loop management model with three defensive lines of "risk identification, self-management of business, and audit supervision and follow-up". Risk management is integrated into business and applied to business management effectively. The Group adopts a rotational management method of risk identification, risk evaluation, risk responses, risk control and risk reporting to commence the work on risk management.

風險管理及內部監控

董事會須全面負責維持完善有效的風險管理及內部監控系統並合理保障其運行的有效性。本集團風險管理及內部監控的目標是：通過科學合理地制訂全面風險管理和內部控制體系，將風險管理及內部監督的意識、理念、流程、方法和工具貫穿於戰略的制定和執行過程中，使風險管理有效落實；通過獨立的內部審計，客觀評價本集團治理、控制和風險管理的效果，合理保證本集團戰略目標和經營目標的實現，促進企業的可持續發展。該風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且就避免重大的失實陳述或損失而言，僅能作出合理而非絕對的保證。

本集團持續夯實風險管理三道防線，建立了多層次的風險管理與內部監督體系聯動發揮監督職能，包括董事會下轄的審核委員會、經營管理層風控管理委員會、職能監督部門、經營業務部門等多層組織，通過完善制度與流程，採取日常監督、獨立評價、自我評價等多種形式，使風險管理、合規管理與內部控制有效結合，旨在合理護航戰略與經營目標的達成。

風險管理

本集團已建立了全面風險管理框架及基礎規範，並持續優化管理模式，以風險為導向，建立「風險識別先行、業務自主管理、審計監督跟進」的三道防線閉環管理模式，將風險管理嵌入業務，應用於業務管理過程併發揮價值。採取風險識別、風險評估、風險應對、風險監控、風險報告的流程循環管理方法開展風險管理工作。

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The work on risk management follows the principle of “building the concepts of risk management, implementing the risk management policies, and focusing on significant risk management and control” and through organizing annual full-scale identification and evaluation of each of the business and function units on the seven aspects of risks, namely, the Group’s strategies, market, finance, operation, law and compliance, quality and food safety as well as sustainable development, and it focuses on the control over the significant risks. With the management principles of hierarchical classification, the Group has defined major responsible departments and person-in-charges and the heads of departments shall be held accountable. The Group has formulated appropriate risk response strategic measures or contingency plans to effectively reduce and avoid the adverse impact brought by those significant risks to the Group’s strategic objectives and sustainable development.

The Risk Management Committee is the highest deliberative body for risk management, in which the chief executive officer of the Group and the vice president of the Group who is in charge of risk control and auditing business serve as the chairman and the executive deputy chairman respectively while the committee members comprise the head of the major business divisions and functional departments. The Risk Management Committee is subordinated by an office which is the deliberative body for execution, while the risk management department is the body for daily affairs designated by the Risk Management Committee.

Reporting on the management and control of significant risks and the effectiveness of risk management system will be regularly made by the Group to the Audit Committee and Risk Management Committee every year and the Committees will evaluate and supervise the works done. Ongoing optimization of risk management procedures and systems is carried out in compliance with risk management framework of COSO (Committee of Sponsoring Organisations of the Treadway Commission). Through co-operation with external consultancy institutions and internal business empowerment and training, the culture of risk management is gradually nurtured, the professionalism and the prevention and control standard of risk management personnel are enhanced, and the strategic objectives are reasonably secured to realize.

風險管理工作遵循「培育風險管理理念、落實風險管理政策、聚焦重要風險管控」的原則，每年定期組織各業務及職能單位全面識別和評估集團戰略、市場、財務、營運、法律與合規、質量與食品安全、可持續發展七個領域的風險，聚焦重要風險進行重點管控。採取分層分級的管理原則，落實主體責任部門與責任人，實施第一負責人負責制，制定適當的風險應對策略措施或應急預案，有效降低和規避重要風險對本集團戰略目標和可持續發展的不利影響。

風險管理委員會是風險管理的最高議事機構，由本集團總裁擔任主席，由分管風控與審計業務的集團副總裁任常務副主席，委員由主要事業部及職能部門第一負責人組成；風險管理委員會下設辦公室，是執行層面議事機構，風險管理部門是風險管理委員會專門設立的日常辦事機構。

本集團每年定期向審核委員會、風險管理委員會報告重要風險的管控情況及風險管理體系的成效，接受委員會的工作評審和監督。根據COSO (Committee of Sponsoring Organisations of the Treadway Commission)風險管理框架，不斷優化風險管理流程體系，通過與外部諮詢機構合作和內部業務賦能培訓，逐步培育風險管理文化，提高風險管理人員的專業素質和防控水平，合理保障戰略目標的實現。

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Internal Control

The Board and operating management are responsible for maintaining a stable and effective internal control system, to safeguard the assets of the Group and the interest of shareholders, and for reviewing its effectiveness regularly. The Group has established a multi-level internal control organizations. Internal control organizations at different levels coordinate and cooperate with each other to ensure the Group's implementation of internal control.

The senior management of the Group meets to actively evaluate and manage the significant risks to which the Group is exposed to and reports to the Board on a regular basis. The Group also appoints external consultants, when considered appropriate, to review the Group's internal control, working systems and workflows, as well as the management systems, and to make suggestions on system enhancement.

Internal Audit

The Group has set up an independent internal audit department, and the person in charge of the internal audit body can freely liaise with the Audit Committee to directly report the progress of works, including but not limited to audit work planning, work results, important audit findings and rectification. The internal audit body assumes the responsibilities of independent supervision, assessment and advisory, which include the implementation of independent and objective assessment and advisory on the economic activities, internal control and risk management for the Group and the units concerned. The internal audit body is issue-oriented and risk-oriented, which reinforces the supervision and strengthens the functions of management through various works on audit.

In 2020, pursuant to the Company's strategies, the internal audit department focused on key risk areas and covered key control areas. With its emphasis on economic accountability audit, the internal audit department strengthened audit rectification and accountability. The internal audit department completed various audit works reviewed and approved by the Audit Committee under the Board, which facilitated further improvement in the Group's compliance, internal control and risk management. The internal audit department was promoted to become the detector of major issues in order to support management and decision-making, and facilitate operation improvement, preservation and appreciation of asset values and the realization of strategic objectives of the Company in a reasonable manner.

內部監控

董事會和經營管理層有責任維持穩健而有效的內部監控機制，以保護本集團的資產及股東的權益，並定期檢討有關機制是否有效。本集團已建立多層面的內部監控組織機構，各層級內部監控組織相互協同與聯動，以確保本集團實施內部監督控制。

本集團的高級管理層定期舉行會議，積極評估及應對本集團面對的重大風險，並會定期向董事會彙報情況。本集團也適時聘用外部顧問，以檢討本集團的內部監控、工作制度和流程，以及管理體系等方面，並提供優化系統的建議。

內部審計

本集團已設立獨立內部審計部門，內部審計機構負責人可不受限制地接觸審核委員會並直接彙報工作，匯報內容包括並不限於審計工作計劃、工作成果、重要審計發現及整改等。內部審計機構履行獨立監督、評價和建議職責，包括對集團及所屬單位的經濟活動、內部控制、風險管理實施獨立、客觀的評價和建議。內部審計機構以問題和風險為導向，通過各項審計工作，加強監管和提升管理效能。

二零二零年，內部審計部門圍繞公司戰略、聚焦重要風險領域、覆蓋關鍵控制環節、重視經濟責任審計、強化審計整改和追責，已全面完成了董事會下轄的審核委員會審批的各項審計工作，促進了本集團在合規、內控、風險管理方面進一步改善，推動內部審計部門成為重大問題發現者，輔助管理決策，推動經營改善，保障資產保值增值，在合理範圍內為公司戰略目標保駕護航。

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The internal audit department attends the Audit Committee meeting and reports the work on internal audit at least twice a year. Resources such as the annual budget on management fee, staffing of the internal audit department and competence are guaranteed to be taken into consideration by the Audit Committee and necessary support will be provided. This is to ensure that sufficient audit resources are allocated to the internal audit department for effective fulfilment of annual work objectives and responsibilities.

The Board has reviewed the risk management and internal control systems of the Group for the year ended 31 December 2020 and considered them to be effective and adequate.

Handling and Dissemination of Inside Information

The Group has formulated an internal Code on Information Disclosure to ensure the truthfulness, accuracy, completeness and timeliness of information disclosure of the Group in accordance with the requirements of the SFO and the Listing Rules. The Internal Code provides for detailed rules in the following areas.

- basic principles of information disclosure
- information that needs to be disclosed and the criteria thereof
- duties of the parties responsible for information disclosure
- procedures for the circulation, review and disclosure of information
- confidentiality of the undisclosed information
- information communication system with investors, securities analysts and the media, etc.
- accountability and handling measures

內部審計部門每年參加至少兩次審核委員會會議並彙報內審工作，內部審計部門的年度管理費用預算、人員配備及勝任能力等資源保證得到審核委員會的關注和支持，確保內部審計部門擁有充足審計資源以有效完成年度工作目標和履行職責。

董事會已審閱本集團截至二零二零年十二月三十一日止年度的風險管理及內部監控系統並認為有效而足夠。

處理及發佈內幕消息

本集團已制訂關於信息披露的內部守則，確保本集團信息披露真實、準確、完整、及時並符合證券及期貨條例及上市規則要求。內部守則在以下方面有詳細規定。

- 信息披露的基本原則
- 需要披露的信息及其標準
- 負責信息披露人員的職責
- 傳閱、審閱及披露信息的程序
- 未披露信息的保密
- 與投資者、證券分析師及媒體等各方的信息交流制度
- 責任及處理措施

Disciplinary Inspection and Reporting Channels

The Group has set up a specific disciplinary inspection department, which is responsible for investigating and handling reported matters on breach of disciplines or rules, misconducts and corruptions. This is to demonstrate openly to our business partners and staff on the channels and methods of reporting. Such measures include that we published the channels and methods (including phone and email) of reporting on the Group's website; we added an anti-corruption module in the "Mengniu Voice" column of China Mengniu in WeChat, in which we announced the methods of reporting and acceptance scope; we sign the anti-business bribery contracts at the same time when we sign business contracts with suppliers and business partners, in which we set out the methods of reporting; we announce the methods of reporting at our annual meetings with customers and our annual employee meetings; we announce the methods of reporting during the internal anti-corruption trainings held in our daily operations; we issue typical case reports of discipline inspection and supervision and the methods of reporting periodically every year; we publish the methods of reporting before the opening of bidding meetings for bidding activities; and we announce the methods of reporting to new employees. At present, the methods of reporting are published through various channels. Employees, suppliers and business partners are familiar with our methods of reporting and the channels of reporting are operating smoothly. Such measures would have a deterrent and preventive effect on matters related to breach of disciplines or rules.

For the year ended 31 December 2020, the Audit Committee carried out review and evaluation on the Group's risk management and internal control systems and reporting channels, the resources, the staff qualification and experience for audit functions and the effectiveness of the work undertaken and there were no significant areas of concerns identified during the evaluation of the risk management and internal control systems and reporting channels. The Board had examined the risk management and internal control systems including finance, operation and control and reviewed the evaluation performed by the Audit Committee, the management and internal and external auditors, on the effectiveness of the risk management and internal control systems of the Group and considered them effective and adequate. No significant areas of concerns were identified.

紀檢監察與舉報途徑

本集團已設立專門的紀檢監察部門，負責對各類違紀違規、瀆職、腐敗行為的舉報進行調查和處理，對合作夥伴和員工等相關方公示了舉報途徑和方式，包括在本集團網頁對外公示了舉報途徑和方式（包括電話和郵箱）；在微信企業號中國蒙牛「蒙牛之聲」一欄增設反腐倡廉模塊，公佈舉報方式和受理範圍；在公司與供貨商合作伙伴簽訂業務合同的同時簽訂反商業賄賂合同，公佈舉報方式；每年在客戶大會、員工年會等重大會議時下發通知公佈舉報方式；在日常開展內部廉潔宣講教育時公佈舉報方式；每年定期下發紀檢監察典型案例通報，在通報中公佈舉報方式；在招投標活動中開標會前公佈舉報方式；在新任職員工公示中公佈舉報方式。目前通過多種渠道公佈舉報方式，員工、供貨商和業務合作方均熟知我們的舉報方式，舉報渠道非常暢通，對各類違紀違規等行為起到了威懾和防範作用。

截至二零二零年十二月三十一日止年度，審核委員會對本集團的風險管理和內部監控系統的體系以及舉報途徑、履行職能的資源、人員資歷及經驗、工作開展的成效等方面進行了檢討和評審，評估風險管理和內部監控系統以及舉報途徑概無重大事宜。董事會已審查財務、運營及監控等風險管理及內部監控系統，並已檢討了由審核委員會、管理層和內部及外部核數師執行有關本集團風險管理和內部監控系統有效性的評審，認為該等系統有效及足夠。概無發現重大事宜。

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

EXTERNAL AUDITORS

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

Details of fees paid or payable to Ernst & Young for the year ended 31 December 2020 are as follows:

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

外部核數師

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

截至二零二零年十二月三十一日止年度支付或應支付予安永會計師事務所的費用詳情如下：

Services rendered	提供的服務	2020	2019
		二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元
Annual audit	年度審計	5,000	4,700
Interim review	中期審閱	900	850
Other audit services	其他審計服務	2,740	3,645
Non-audit service	非審計服務		
Review on continuing connected transactions	審閱持續關連交易	70	70
Other professional services*	其他專業服務*	4,870	7,790
		13,580	17,055

* Other professional services mainly include agreed-upon procedures services, financial and tax due diligence, comfort letter on circulars and IT consultation service, etc.

* 其他專業服務主要包括商定程序服務、財務及稅務盡調服務、通函認可函服務及信息技術諮詢服務等。

In addition to the above fees paid or payable to the auditors, Yashili, a subsidiary of the Group listed on the Main Board of the Stock Exchange, has an amount of RMB2,923,000 (2019: RMB2,944,000) paid/payable as auditors' remuneration during the year.

除上述已付或應付核數師的費用外，本集團在聯交所主板上市的子公司雅士利年內已付／應付核數師酬金人民幣2,923,000元（二零一九年：人民幣2,944,000元）。

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

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

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STRATEGY AND DEVELOPMENT COMMITTEE

The Company has established a Strategy and Development Committee. As at 31 December 2020, the Strategy and Development Committee comprised one executive Director, Mr. Lu Minfang, four non-executive Directors, Mr. Chen Lang, Mr. Niu Gensheng, Mr. Tim Ørting Jørgensen and Mr. Pascal De Petrini. The Strategy and Development Committee was chaired by Mr. Chen Lang during 2020.

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

SUSTAINABILITY COMMITTEE

The Company has established a Sustainability Committee. As at 31 December 2020, the Sustainability Committee comprised one executive Director, Mr. Lu Minfang, two non-executive Directors, Mr. Tim Ørting Jørgensen and Mr. Pascal De Petrini, and one independent non-executive Director, Mr. Yau Ka Chi. The Sustainability Committee was chaired by Mr. Tim Ørting Jørgensen during 2020.

The principal duties of the Sustainability Committee include overseeing sustainability, environmental, social and governance (“ESG”) issues and risks, identifying ESG matters that are relevant and material to the operations of the Company and its subsidiaries, assisting the Board in preparing and reviewing the annual ESG Report.

The Sustainability Committee held one meeting during the year ended 31 December 2020 to discuss about the 2019 Sustainability Report and target and action roadmap for ESG index of major capital markets in 2022.

COMPANY SECRETARY

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company’s affairs. The Company Secretary is responsible for facilitating the Board process, as well as communication among Board members, with Shareholders and management. For the year ended 31 December 2020, the Company Secretary has confirmed that he has taken no less than 15 hours of relevant professional trainings.

CONSTITUTIONAL DOCUMENTS

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

戰略及發展委員會

本公司已成立戰略及發展委員會。於二零二零年十二月三十一日，戰略及發展委員會由一名執行董事（盧敏放先生）、四名非執行董事（陳朗先生、牛根生先生、Tim Ørting Jørgensen先生及 Pascal De Petrini先生）組成。在二零二零年陳朗先生擔任戰略及發展委員會主席。

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

可持續發展委員會

本公司已成立可持續發展委員會。於二零二零年十二月三十一日，可持續發展委員會由一名執行董事（盧敏放先生）、兩名非執行董事（Tim Ørting Jørgensen先生及 Pascal De Petrini先生）以及一名獨立非執行董事（邱家賜先生）組成。在二零二零年可持續發展委員會由Tim Ørting Jørgensen先生擔任主席。

可持續發展委員會的主要職責包括監察可持續發展、環境、社會及管治（「ESG」）問題及風險、識別相關並對本公司及其附屬公司的業務屬重大的ESG事宜、協助董事會編製及審閱年度ESG報告。

可持續發展委員會於截至二零二零年十二月三十一日止年度舉行了一次會議，以討論二零一九年可持續發展報告及二零二二年主要資本市場ESG指標的目標及行動路徑。

公司秘書

公司秘書為本公司全職僱員，瞭解本公司的日常事務。公司秘書負責安排董事會工作，以及促進董事會成員、與股東及管理層之間的溝通。公司秘書確認，其於截至二零二零年十二月三十一日止年度已參加不少於15小時的相關專業培訓。

組織章程文件

本年內，本公司組織章程文件概無任何重大變動。

CORPORATE GOVERNANCE REPORT 企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted, in terms no less exacting than, the standards required by the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules governing dealings by all Directors in the securities of the Company. The Directors have confirmed, following the specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2020.

DIVIDEND POLICY

The Company has adopted a dividend policy to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Board has the discretion to propose, declare and distribute dividends to the Shareholders, subject to the articles of association of the Company and all applicable laws and regulations and the factors set out below.

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of Shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

董事的證券交易

本公司已採納條款不遜於上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)所規定的準則，作為全體董事買賣本公司證券之行為守則及規則。於本公司作出特定查詢後，董事確認，彼等於截至二零二零年十二月三十一日止整個年度內一直遵守標準守則所載之規定標準。

股息政策

本公司已採納股息政策，訂明本公司向股東宣派、派付或分派其淨利潤的應有原則及指引。

在建議或宣派股息時，本公司須維持充足的現金量以滿足日常營運資金及未來發展的要求及股東價值。在不違反本公司章程細則及一切適用法律與法規、並受限於以下列明的因素的前提下，董事會有酌情權向股東提議、宣派及派發股息。

- 財務業績；
- 現金流情況；
- 業務情況及戰略；
- 未來營運及盈餘；
- 資本金要求及開支計劃；
- 股東利益；
- 支付股息的任何限制；及
- 其他董事會認為相關的因素。

INVESTOR RELATIONS AND COMMUNICATIONS

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

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

SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting on requisition by Shareholders

According to the articles of association of the Company, any two or more Shareholders or any one Shareholder which is a recognized clearing house (or its nominee(s)) holding as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company shall have the right, by written requisition, to convene an extraordinary general meeting by depositing the written requisition at the principal office of the Company in Hong Kong at 32nd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong for the attention of the Company Secretary, specifying the objects of the meeting, the name(s) and contact details of the requisitionist(s) and signed by the requisitionist(s).

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

投資者關係及溝通

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

包括董事選舉的每一重要事項會在股東大會提呈獨立的決議案。股東大會採用投票表決方式作出決策。有關投票表決程序的詳情列載於寄發予股東的通函。通函亦詳列所提呈決議案的詳情及候選董事的履歷。

股東權利

應股東要求召開股東特別大會

根據本公司組織章程細則，於送達要求之日持有附帶本公司股東大會投票權的繳足股本不少於十分之一的任何兩名或以上股東或任何一名股東（為一間認可結算所（或其代理人）），有權提出書面要求召開股東特別大會。書面要求應送達本公司於香港的主要辦事處（地址：香港銅鑼灣告士打道262號中糧大廈32樓），並以公司秘書為收件人，當中須列明大會的目的、請求人的姓名及聯絡資料，並由請求人簽署。

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

CORPORATE GOVERNANCE REPORT 企業管治報告

Procedures for directing Shareholders' enquiries to the Board

For enquiries to the Board, the Shareholders may contact the Company Secretary at the Hong Kong office of the Company at 32nd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong or by email to info@mengniuir.com. The Company will endeavor to respond to their queries in a timely manner. Shareholders may also make enquiries with the Directors at the general meetings of the Company.

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

Procedures for putting forward proposals at general meetings by Shareholders

A Shareholder may, during the period commencing no earlier than the day after the despatch of the notice of any general meeting and ending no later than seven days prior to the date of such general meeting, give a notice in writing to the Nomination Committee of the Company of his/her intention to propose any person (other than himself/herself) for election to the office of a Director and a notice in writing signed by the person to be proposed of his/her willingness to be elected. Such notices shall be sent to 32nd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, for the attention of the Company Secretary, specifying the name and contact details of the shareholder putting forward the proposal for election of Director and the name and contact details of the person proposed to be elected.

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

股東向董事會提出查詢的程序

股東如欲向董事會作出查詢，可聯絡本公司公司秘書，地址為香港銅鑼灣告士打道262號中糧大廈32樓，或電郵至info@mengniuir.com。本公司將盡力及時回應他們的查詢。股東亦可於本公司股東大會上向董事查詢。

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

股東在股東大會提出建議的程序

在不早於寄發任何股東大會通知翌日起至不遲於該股東大會舉行日期前七日止之期間，股東可向本公司提名委員會發出表明有意建議任何人士（不包括其本人）參選董事的書面通知，及由該獲建議人士簽署表明願意獲選舉的通知。該等通知須送交香港銅鑼灣告士打道262號中糧大廈32樓，以公司秘書為收件人，當中須列明提出選舉董事建議的股東之姓名及聯絡資料，以及獲建議選舉的人士之姓名及聯絡資料。

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

REPORT OF THE DIRECTORS

董事會報告

The Board presents its report together with the audited financial statements of the Company and the Group for the year ended 31 December 2020. The business review of the Group for the year ended 31 December 2020 is set out in the sections headed “CEO’s Statement”, “Management Discussion and Analysis” and “Corporate Governance Report” of this Annual Report. The discussions therein form part of this Report of the Directors.

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of the Group are manufacturing and distribution of quality dairy products including liquid milk, ice cream, milk formula and cheese in China. There were no significant changes in the nature of the Group’s principal activities during the year under review.

Particulars of the Company’s subsidiaries are set out in note 1 to the financial statements.

The Group’s revenue is derived principally from business activities in China. An analysis of the Group’s performance for the year ended 31 December 2020 by business segments is set out in note 4 to the financial statements.

BUSINESS REVIEW

The business review of the Group including a fair review of the Group’s business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year, an indication of likely future development in the Group’s business, key performance indicators, environmental policies and performance, and the Group’s key relationships with its employees, customers and suppliers and others that have a significant impact on the Group and on which the Group’s success depends is set out in the sections of this annual report headed “CEO’s Statement”, “Management Discussion and Analysis” and in the notes to the financial statements.

董事會提呈其報告，連同本公司及本集團截至二零二零年十二月三十一日止年度的經審核財務報表。本集團截至二零二零年十二月三十一日止年度的業務回顧載於本年報「總裁致辭」、「管理層討論及分析」及「企業管治報告」各節。該等討論為本董事會報告一部份。

主要業務及營運分析

本公司主要業務為投資控股。本集團的主要業務為在中國生產及銷售優質乳製品，包括液態奶、冰淇淋、奶粉及奶酪。回顧年內，本集團主要業務性質並無重大改變。

本公司子公司的詳情載於財務報表附註1。

本集團的收入主要來自在中國的業務活動。本集團截至二零二零年十二月三十一日止年度按業務分部資料劃分的業績分析載於財務報表附註4。

業務回顧

本集團的業務回顧載於本年報的「總裁致辭」、「管理層討論及分析」及財務報表附註，內容包括對本集團業務的中肯審視、對本集團面臨的主要風險及不確定因素的概述、財政年度末起所發生的影響本集團的重要事件的詳情、對本集團可能日後業務發展的預測、主要表現指標、環境保護政策及表現，以及本集團與其僱員、顧客及供應商的重要關係以及與其他對本集團有重要影響（而本集團的興盛繫於該等人士）的人士的關係。

REPORT OF THE DIRECTORS 董事會報告

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's main operations are carried out by the Company's subsidiaries in the PRC while the Company itself is listed on the Hong Kong Stock Exchange. The Group's operations are mainly regulated by Hong Kong, Australian and PRC laws. During the year ended 31 December 2020 and up to the date of this report, the Board was not aware of any non-compliance with the relevant laws and regulations that have a significant impact on the Company.

Please refer to the discussions in this report and the "Corporate Governance Report" for further details on the Group's compliance with the relevant laws and regulations.

RESULTS AND DISTRIBUTION

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss on page 129.

The Board has recommended the payment of a final dividend of RMB0.268 (2019: RMB0.181) per share, amounting to approximately RMB1,058,093,000 (2019: RMB712,238,000) in total, to Shareholders whose names appear on the register of members on Tuesday, 8 June 2021.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

RESERVES

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on pages 134 to 135 and note 50 to the financial statements. The Company's distributable reserves, calculated in accordance with statutory provisions applicable in the Company's place of incorporation, amounted to approximately RMB9,439,263,000 as at 31 December 2020 (2019: RMB10,769,101,000).

遵守法律及法規

本集團的主要業務營運由本公司在中國的子公司進行，而本公司本身在香港聯交所上市。本集團的營運主要受香港、澳洲及中國法律規管。截至二零二零年十二月三十一日止年度及直至本報告日期，董事會並無得悉任何違反相關法律及法規而對本公司有重大影響的事件。

有關本集團遵守相關法律及法規的進一步詳情亦載於本報告及「企業管治報告」。

業績及分派

本集團截至二零二零年十二月三十一日止年度的業績載於第129頁綜合損益表。

董事會建議向二零二一年六月八日(星期二)名列股東名冊的股東派付期末股息每股人民幣0.268元(二零一九年：人民幣0.181元)，合共約人民幣1,058,093,000元(二零一九年：人民幣712,238,000元)。

物業、廠房及設備

本集團本年度物業、廠房及設備的變動詳情載於財務報表附註14。

儲備

本集團及本公司年內的儲備變動詳情載於第134頁至第135頁綜合權益變動表及財務報表附註50。本公司於二零二零年十二月三十一日的可供分派儲備(根據本公司註冊成立地點適用的法定條文計算)約為人民幣9,439,263,000元(二零一九年：人民幣10,769,101,000元)。

DONATIONS

Charitable and other donations made by the Group during the year amounted to approximately RMB480,367,000 (2019: RMB20,286,000).

SHARE CAPITAL AND SHARE OPTIONS

During the year, the Company issued 13,093,429 ordinary shares (2019: 7,307,034 ordinary shares), fully paid, for a total consideration of RMB257 million (2019: RMB124 million) as a result of the exercise of share options under the share option scheme of the Company.

Details of movement in the Company's share capital and share options during the year are set out in notes 35 and 38 to the financial statements.

DIRECTORS

The Directors during the year ended 31 December 2020 were:

Executive Directors

Lu Minfang
Meng Fanjie

Non-executive Directors

Chen Lang
Niu Gensheng
Tim Ørting Jørgensen
Pascal De Petrini

Independent Non-executive Directors

Jiao Shuge (alias Jiao Zhen)
Julian Juul Wolhardt
Zhang Xiaoya
Yau Ka Chi

Subsequent to the end of the reporting period and up to the date of this report, Mr. Tim Ørting Jørgensen resigned as a non-executive director of the Company, due to his commitment to other personal development, and Mr. Simon Dominic Stevens was appointed as a non-executive director of the Company, both with effect from 1 January 2021.

捐款

本集團於年內捐獻約人民幣480,367,000元(二零一九年：人民幣20,286,000元)作為慈善及其他捐款。

股本及購股權

年內，本公司已根據本公司購股權計劃行使購股權而發行13,093,429股繳足普通股(二零一九年：7,307,034股普通股)，總代價為人民幣2.57億元(二零一九年：人民幣1.24億元)。

本公司年內股本及購股權變動的詳情載於財務報表附註35及38。

董事

截至二零二零年十二月三十一日止年度的董事如下：

執行董事

盧敏放
孟凡傑

非執行董事

陳朗
牛根生
Tim Ørting Jørgensen
Pascal De Petrini

獨立非執行董事

焦樹閣(又名焦震)
Julian Juul Wolhardt
張曉亞
邱家賜

於報告期末後截至本報告日期，Tim Ørting Jørgensen先生因其他個人發展需要已辭任本公司非執行董事，而Simon Dominic Stevens先生獲委任為本公司非執行董事，均自二零二一年一月一日生效。

REPORT OF THE DIRECTORS 董事會報告

In accordance with Article 112 of the Company's articles of association, Mr. Niu Gensheng, Mr. Pascal De Petrini and Mr. Yau Ka Chi will retire by rotation and Mr. Simon Dominic Stevens will also retire in accordance with the Company's articles of association and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company considers that all the independent non-executive Directors are independent pursuant to the criteria set out in Rule 3.13 of the Listing Rules and that a confirmation of independence has been received from each of them.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and the senior management are set out on pages 68 to 78.

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties and responsibilities in the Group and the prevailing market rate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

PERMITTED INDEMNITY PROVISION

The articles of association of the Company provides that every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director or other officer of the Company in defending any proceedings, whether civil or criminal. In addition, the Company has maintained appropriate insurance in respect of potential legal actions against the Directors and its officers.

根據本公司組織章程細則第112條，牛根生先生、Pascal De Petrini先生及邱家賜先生將會輪流告退，而Simon Dominic Stevens先生亦將根據本公司的組織章程細則退任，惟彼等符合資格及願意於應屆股東週年大會膺選連任。

根據上市規則第3.13條所載的準則，本公司認為獨立非執行董事均為獨立人士，並已收到其各自有關獨立性的確認書。

董事及高級管理人員履歷詳情

董事及高級管理人員履歷簡要載於第68頁至第78頁。

董事的服務合約

將於應屆股東週年大會有意重選的董事概無與本公司簽訂不可由本公司於一年內免付補償(法定補償除外)予以終止的服務合約。

董事薪酬

董事袍金須於股東大會經股東批准。其他酬金由本公司董事會參考董事於本集團的職責及責任及現行市場薪酬水平後釐定。

董事的交易、安排或合約權益

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

獲準許的彌償條文

本公司的組織章程細則規定每位董事或本公司其他高級職員均有權就作為董事或本公司其他高級職員在任何民事或刑事訴訟中提出答辯而招致或蒙受的所有損失或責任獲得以本公司資產向其作出彌償保證。此外，本公司已就針對董事及其高級職員的潛在法律行動購買合適的保險。

DIRECTORS' INTERESTS, LONG AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Long positions in the shares of the Company or any of the Associated Corporations (including options granted under the Company's share option scheme):

董事於股份、相關股份及債權證的權益、好倉及淡倉

於二零二零年十二月三十一日，本公司董事及主要行政人員於本公司及其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部（「相聯法團」）的股份、相關股份及債權證中，擁有已列入證券及期貨條例第352條規定存置的登記冊內的權益及淡倉，或如上市規則附錄十所載列，根據上市發行人董事進行證券交易的標準守則（「標準守則」）另行知會本公司和香港聯合交易所有限公司（「聯交所」）的權益及淡倉如下：

於本公司或其任何相聯法團股份的好倉（包括根據本公司購股權計劃授予的購股權）：

Name of Director 董事姓名	Nature of Interest 權益性質	Total Number of Ordinary Shares/ Underlying Share Held 持有普通股/ 相關股份總數	Percentage of the Company's Issued Share Capital 佔本公司已發行 股本的百分比
Lu Minfang 盧敏放	Personal Interest 個人權益	11,522,520 (L) ⁽¹⁾	0.29% ⁽²⁾

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (1) It represents 655,111 shares granted to Mr. Lu Minfang in which 369,628 shares remain unvested under the restricted share award scheme of the Company and 10,867,409 underlying shares in respect of the share options granted under the Company's share option scheme.
- (2) The calculation is based on the number of shares as a percentage of the total number of issued shares of the Company (i.e. 3,948,108,517 shares) as at 31 December 2020.
- (L) Indicates a long position.

Details of the Company's share option scheme and restricted share award scheme are set out in the sections headed "Share Option Scheme" and "Share Award Scheme", respectively below.

Save as disclosed above, as at 31 December 2020, none of the Directors and the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of the Associated Corporations as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

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

附註：

- (1) 該數目指根據本公司限制性股票獎勵計劃授予盧敏放先生的655,111股股份，當中369,628股股份並未歸屬，以及有關根據本公司購股權計劃授出的購股權的10,867,409股相關股份。
- (2) 按照股份數目佔本公司於二零二零年十二月三十一日已發行股份總數3,948,108,517股的百分比計算。
- (L) 表示好倉。

本公司的購股權計劃及限制性股票獎勵計劃之詳情分別載於下文「購股權計劃」及「股票獎勵計劃」各節。

除上文所披露者外，於二零二零年十二月三十一日，本公司各董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中，概無擁有任何登記在根據證券及期貨條例第352條規定存置的登記冊內，或根據標準守則另行知會本公司和聯交所的權益及淡倉。

董事收購股份的權利

除於上文「董事於股份、相關股份及債權證的權益、好倉及淡倉」一節及下文「購股權計劃」及「股票獎勵計劃」所披露者外，於年內任何時間，概無任何董事或其各自的配偶或未成年子女獲授出可藉收購本公司或任何其他法團實體的股份或債權證而獲利的權利，且彼等並無行使任何有關權利，且本公司或其任何控股公司、子公司或同系子公司概無訂立任何安排，以致使董事可獲得於本公司或任何其他法團實體的有關權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2020, the interests or short positions of substantial shareholders of the Company, other than the Directors or the chief executive of the Company whose interests and short positions in the shares of the Company and of the Associated Corporations are set out above, in the shares and underlying shares of the Company as recorded in the register required to be maintained under section 336 of the SFO were as follows:

主要股東權益

於二零二零年十二月三十一日，根據證券及期貨條例第336條規定存置的登記冊所記錄，本公司的主要股東（於本公司及相聯法團的股份中所擁有的權益及淡倉已於上文載列的本公司董事及主要行政人員除外）於本公司股份及相關股份中的權益或淡倉如下：

Name of Substantial Shareholder	主要股東姓名／名稱	Number of Ordinary Shares 普通股數目	Percentage of the Company's Issued Share Capital ⁽⁸⁾ 佔本公司已發行股本百分比 ⁽⁸⁾
COFCO Corporation	中糧集團有限公司	1,233,700,758 (L) ⁽¹⁾	31.25%
COFCO (Hong Kong) Limited	中糧集團(香港)有限公司	1,233,700,758 (L) ⁽²⁾	31.25%
China Foods (Holdings) Limited	中國食品(控股)有限公司	1,233,700,758 (L) ⁽³⁾	31.25%
Farwill Limited	志遠有限公司	1,233,700,758 (L) ⁽²⁾⁽³⁾	31.25%
Colour Spring Limited	彩泉有限公司	1,233,700,758 (L) ⁽²⁾	31.25%
COFCO Dairy Holdings Limited	中糧乳業控股有限公司	1,233,700,758 (L) ⁽²⁾⁽⁴⁾	31.25%
COFCO Dairy Investments Limited	中糧乳業投資有限公司	1,233,700,758 (L) ⁽²⁾⁽⁵⁾	31.25%
Prominent Achiever Limited	互達有限公司	1,233,700,758 (L) ⁽²⁾⁽⁵⁾	31.25%
Arla Foods amba	Arla Foods amba	1,233,700,758 (L) ⁽²⁾	31.25%
Danone SA	Danone SA	1,233,700,758 (L) ⁽⁶⁾	31.25%
Danone Asia Pte Ltd	Danone Asia Pte Ltd	1,233,700,758 (L) ⁽²⁾	31.25%
FIL Limited	FIL Limited	316,227,000 (L) ⁽⁷⁾	8.01%
		1,057,000 (S) ⁽⁷⁾	0.03%
Pandanus Associates Inc.	Pandanus Associates Inc.	316,227,000 (L) ⁽⁷⁾	8.01%
		1,057,000 (S) ⁽⁷⁾	0.03%
Pandanus Partners L.P.	Pandanus Partners L.P.	316,227,000 (L) ⁽⁷⁾	8.01%
		1,057,000 (S) ⁽⁷⁾	0.03%
Schroders Plc	Schroders Plc	275,099,997 (L)	6.97%
Brown Brothers Harriman & Co.	Brown Brothers Harriman & Co.	237,931,177 (L)	6.03%
		237,931,177 (P)	6.03%

REPORT OF THE DIRECTORS

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Notes:

- (1) COFCO Corporation is deemed interested in an aggregate of 1,233,700,758 shares in the Company through its wholly-owned subsidiary, COFCO (Hong Kong) Limited.
- (2) COFCO (Hong Kong) Limited, Farwill Limited, Colour Spring Limited, COFCO Dairy Holdings Limited, COFCO Dairy Investments Limited, Prominent Achiever Limited, Arla Foods amba, Danone Asia Pte Ltd are deemed interested in an aggregate of 1,233,700,758 shares in the Company under section 317 of the SFO.
- (3) China Foods (Holdings) Limited (previously known as COFCO (BVI) No. 108 Limited) is deemed interested in 1,233,700,758 shares in the Company through its wholly-owned subsidiary, Farwill Limited.
- (4) COFCO Dairy Holdings Limited is deemed interested in 1,233,700,758 shares in the Company through its subsidiary, COFCO Dairy Investments Limited.
- (5) COFCO Dairy Investments Limited is deemed interested in 296,028,044 shares in the Company through its wholly-owned subsidiary, Prominent Achiever Limited.
- (6) Danone SA is deemed interested in 1,233,700,758 shares in the Company through its subsidiary, Danone Asia Pte Ltd.
- (7) Based on the disclosure of interest filed by Pandanus Associates Inc., FIL Limited is a controlled corporation of Pandanus Partners L.P., which is in turn a controlled corporation of Pandanus Associates Inc.
- (8) The total issued shares of the Company as at 31 December 2020 was 3,948,108,517.
- (L) Indicates a long position.
- (S) Indicates a short position.
- (P) Indicates a lending pool.

Saved as disclosed above, as at 31 December 2020, no other interests or short position in the shares or underlying shares of the Company were recorded in the register maintained under Section 336 of the SFO.

附註：

- (1) 中糧集團有限公司被視為透過其全資子公司中糧集團(香港)有限公司於本公司合共1,233,700,758股股份中擁有權益。
- (2) 根據證券及期貨條例第317條，中糧集團(香港)有限公司、志遠有限公司、彩泉有限公司、中糧乳業控股有限公司、中糧乳業投資有限公司、互達有限公司、Arla Foods amba、Danone Asia Pte Ltd被視為於本公司合共1,233,700,758股股份中擁有權益。
- (3) 中國食品(控股)有限公司(前稱COFCO (BVI) No. 108 Limited)被視為透過其全資子公司志遠有限公司擁有本公司1,233,700,758股股份的權益。
- (4) 中糧乳業控股有限公司被視為透過其子公司中糧乳業投資有限公司擁有本公司1,233,700,758股股份的權益。
- (5) 中糧乳業投資有限公司被視為透過其全資子公司互達有限公司擁有本公司296,028,044股股份的權益。
- (6) Danone SA被視為透過其子公司Danone Asia Pte Ltd於本公司1,233,700,758股股份中擁有權益。
- (7) 根據 Pandanus Associates Inc.提交的權益披露，FIL Limited為Pandanus Partners L.P.的受控法團，而後者為Pandanus Associates Inc.的受控法團。
- (8) 於二零二零年十二月三十一日，本公司已發行股份總數為3,948,108,517股。
- (L) 表示好倉。
- (S) 表示淡倉。
- (P) 表示可供借出的股份。

除上文所披露者外，於二零二零年十二月三十一日，根據證券及期貨條例第336條規定存置的登記冊所示，概無任何其他於本公司股份或相關股份中的權益或淡倉。

SHARE OPTION SCHEME

On 3 June 2016, the shareholders of the Company approved the adoption of a new share option scheme (the “2016 Share Option Scheme”) in order to enable the Group to continue to offer valuable incentive to attract and retain quality personnel to work to increase the value of the shares of the Company. The 2016 Share Option Scheme shall be valid and effective for a period of 10 years commencing from 3 June 2016 and will expire on 2 June 2026.

The movement of the share options granted under the 2016 Share Option Scheme during the year is as follows.

購股權計劃

二零一六年六月三日，本公司股東批准採納新購股權計劃（「二零一六年購股權計劃」），讓本集團繼續向傑出僱員提供優厚獎勵，以吸引並挽留彼等效力本集團，提高本公司股份價值。二零一六年購股權計劃自二零一六年六月三日起生效，有效期為十年，將於二零二六年六月二日失效。

於年內根據二零一六年購股權計劃授出的購股權變動如下。

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目					Date of grant of share options 授出購股權日期	Exercise period of share options (both dates inclusive) ⁽¹⁾ 購股權行使期間 (包括首尾兩天) ⁽¹⁾	Exercise price of share options 購股權行使價 HK\$ 港元
	As at 1 January 2020 於二零二零年一月一日	Granted during the year 年內授出	Exercised during the year ⁽²⁾ 年內行使	Lapsed during the year 年內失效	As at 31 December 2020 於二零二零年十二月三十一日			
Executive Director 執行董事								
Lu Minfang 盧敏放	865,000	—	—	—	865,000	13.7.2017 二零一七年七月十三日	13.7.2018 to 12.7.2022 二零一八年七月十三日至 二零二二年七月十二日	14.812
	690,199	—	—	—	690,199	7.5.2018 二零一八年五月七日	7.5.2019 to 6.5.2023 二零一九年五月七日至 二零二三年五月六日	26.05
	9,312,210	—	—	—	9,312,210	24.12.2018 二零一八年十二月二十四日	1.4.2019 to 23.12.2023 二零一九年四月一日至 二零二三年十二月二十三日	23.93
Employees in Aggregate 僱員總計	3,969,032	—	(2,610,129)	—	1,358,903	13.7.2017 二零一七年七月十三日	13.7.2018 to 12.7.2022 二零一八年七月十三日至 二零二二年七月十二日	14.812
	6,693,995	—	(4,048,616)	(306,437)	2,338,942	7.5.2018 二零一八年五月七日	7.5.2019 to 6.5.2023 二零一九年五月七日至 二零二三年五月六日	26.05
	24,469,720	—	(6,434,684)	(3,710,943)	14,324,093	24.12.2018 二零一八年十二月二十四日	1.4.2019 to 23.12.2023 二零一九年四月一日至 二零二三年十二月二十三日	23.93
	—	1,016,887 ⁽³⁾	—	—	1,016,887	1.4.2020 二零二零年四月一日	1.4.2021 to 31.3.2025 二零二一年四月一日至 二零二五年三月三十一日	26.54
	46,000,156	1,016,887	(13,093,429)	(4,017,380)	29,906,234			

Notes:

(1) The exercise period of the share options granted commences after a certain vesting period and the fulfilment of certain performance targets, and ends on a date which is no later than five years from the date of grant of such options. Further details of the share option scheme are set out in note 38 to the financial statements.

附註：

(1) 該等購股權的行使期由若干歸屬期及達成若干表現目標後開始生效，直至授出該等購股權日期起滿五年之日為止。有關購股權計劃的進一步詳情載於財務報表附註38。

REPORT OF THE DIRECTORS

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- (2) The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$33.71.
- (3) The closing price of the shares of the Company immediately before the date of grant of the share options were HK\$26.95 as of 31 March 2020.

The values of share options calculated using the binomial model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty related to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. Details of the valuation are set out in note 38 to the financial statements.

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

SHARE AWARD SCHEME

Restricted Share Award Scheme

The Company operates a restricted share award scheme (the "Share Award Scheme") 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.

During the year ended 31 December 2020, the number of shares of the Company granted to selected participants was 8,199,897, of which 253,063 shares were granted to the Directors, details of which are as follows:

Name of Director 董事姓名	As at	Granted during the year 年內授出	Vested during the year 年內歸屬	Forfeited during the year 年內失效	As at
	1 January 2020 於二零二零年 一月一日				31 December 2020 於二零二零年 十二月三十一日
Lu Minfang 盧敏放	277,201	253,063	160,636	—	369,628

Further details of the Share Award Scheme are also set out in Note 39 to the financial statements.

- (2) 本公司股份於緊接購股權行使日期前之加權平均收市價為33.71港元。
- (3) 本公司股份在緊接購股權授出日期之前的收市價為二零二零年三月三十一日之26.95港元。

購股權價值採用二項計價模式計算，但由於模式所採納的多項未來表現假設所存在的主觀及不肯定因素，以及模式本身若干內在限制，故此計算方法受到某些基本限制。估值詳情載於財務報表附註38。

購股權價值隨著若干主觀假設不同變數而變動。所使用變數的任何變動或會對購股權估計公允值造成重大影響。

股票獎勵計劃

限制性股票獎勵計劃

本公司採納一項限制性股票獎勵計劃（「股票獎勵計劃」），以激勵僱員為本公司創造更高價值，與本公司共享成果，推動本集團持續發展。

截至二零二零年十二月三十一日止年度，已授予獲選參與者的本公司股票數目為8,199,897股，其中253,063股股份授予董事，詳情載列如下：

股票獎勵計劃的進一步詳情亦載於財務報表附註39。

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or their respective associates to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Save as disclosed above, none of the Directors or the chief executive during the year ended 31 December 2020, held any interest in, or were granted any right to subscribe for, the securities of the Company and its associated corporations within the meaning of the SFO, or had exercised any such rights.

CONTINUING CONNECTED TRANSACTION

(i) The 2014 Master Sale and Purchase Agreement with COFCO Corporation

On 31 December 2014, the Company entered into a new master sale and purchase agreement (the “2014 Master Sale and Purchase Agreement”) with COFCO Corporation (“COFCO”) to renew the existing Master Sale and Purchase Agreement pursuant to which the Group will continue to, subject to the Group’s regular review and at the Group’s option, purchase white sugar, edible oil, other raw materials and related products (including packaging materials) from COFCO, its subsidiaries and certain associated companies (collectively “COFCO Corporation Group Companies”) for a term of three years commencing from 1 January 2015 and ending on 31 December 2017, which may be extended at the Company’s option, for a further period of not more than three continuous years, subject to compliance with any relevant requirement under the Listing Rules. In view of the anticipated expiration of the term of the 2014 Master Sale and Purchase Agreement on 31 December 2017, the Company has delivered an extension notice (the “Extension Notice”) to COFCO to exercise its right to extend the term of the 2014 Master Sale and Purchase Agreement for a further three years. The Company received a confirmation from COFCO on 27 December 2017 acknowledging receipt of the Extension Notice. Following the extension of the term of the 2014 Master Sale and Purchase Agreement, the Group will continue to purchase (subject to the Group’s regular review and at the Group’s option) white sugar, edible oil, other raw materials and related products (including packaging materials) from COFCO Corporation Group Companies for a term commencing from 1 January 2018 and ending on 31 December 2020. The annual transaction amount under the 2014 Master Sale and Purchase Agreement for each of the three years ended 31 December 2018, 2019 and 2020 respectively is expected not to exceed RMB1,500,000,000.

除上文披露者外，本公司或其任何子公司於年內概無訂立任何安排，以使董事或本公司主要行政人員或其各自的聯繫人藉收購本公司或任何其他法團股份或債權證而獲取利益。

除上文披露者外，截至二零二零年十二月三十一日止年度，概無任何董事或主要行政人員持有或獲授予任何權利認購本公司及其相聯法團（定義見證券及期貨條例）證券的任何權益，亦無行使任何該等權利。

持續關連交易

(i) 與中糧集團有限公司之二零一四年總購銷協議

於二零一四年十二月三十一日，本公司與中糧集團有限公司（「中糧集團」）訂立新總購銷協議（「二零一四年總購銷協議」）以更新現有總購銷協議，據此，在本集團定期檢討及本集團有權選擇之前提下，本集團將繼續從中糧集團、其子公司及若干聯營公司（統稱「中糧集團公司」）購入白砂糖、食用油、其他原料及相關產品（包括包裝材料），協議期為三年，自二零一五年一月一日起至二零一七年十二月三十一日止，有關期限可由本公司選擇再延長不超過連續三年，惟須遵守上市規則的任何相關規定。鑒於預計二零一四年總購銷協議於二零一七年十二月三十一日屆滿，本公司已向中糧集團發出延長通知（「延長通知」），以行使延長二零一四年總購銷協議的權利，協議期為三年。本公司於二零一七年十二月二十七日收到中糧集團確認收到延長通知。於延長二零一四年總購銷協議後，本集團將於由二零一八年一月一日起至二零二零年十二月三十一日止期間，繼續向中糧集團公司採購（在本集團定期檢討及本集團有權選擇之前提下）白砂糖、食用油、其他原料及相關產品（包括包裝材料）。截至二零一八年、二零一九年及二零二零年十二月三十一日止三個年度各年，二零一四年總購銷協議之年度交易額預期均將不多於人民幣1,500,000,000元。

REPORT OF THE DIRECTORS 董事會報告

As COFCO, being a substantial shareholder of the Company, is a connected person of the Company, the transactions under the 2014 Master Sale and Purchase Agreement (as extended by the Extension Notice) constitute continuing connected transactions of the Group.

As the applicable percentage ratios in respect of the transaction value under the 2014 Master Sale and Purchase Agreement (as extended by the Extension Notice) are on an annual basis more than 0.1% but less than 5%, the continuing connected transactions under the 2014 Master Sale and Purchase Agreement (as extended by the Extension Notice) are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

For the year ended 31 December 2020, the total amount paid/payable by the Group to COFCO Corporation Group Companies for the purchase of white sugar, edible oil, other raw materials and related products (including packaging materials) was approximately RMB561,829,000, and the pricing policies set out in the announcements have been followed when determining the price and terms of the transactions conducted during the year.

China Modern Dairy Holdings Ltd. ("CMD") has purchased feedstuffs and other related materials from COFCO Corporation Group Companies in the past and will continue to purchase feedstuffs and other related materials from COFCO Corporation Group Companies (the "CMD Transactions") commencing from 1 January 2018. The annual transaction amount under the CMD Transactions for each of the three years ended 31 December 2018, 2019 and 2020 was expected not to exceed RMB500,000,000, RMB500,000,000 and RMB600,000,000 (as revised on 17 December 2020) respectively. The aggregated annual transaction amount (i) under the 2014 Master Sale and Purchase Agreement (as extended by the Extension Notice) and (ii) of the CMD Transactions for each of the three years ended 31 December 2018, 2019 and 2020 respectively is expected not to exceed RMB2,000,000,000. The applicable percentage ratios in respect of the aggregated transaction value (i) under the 2014 Master Sale and Purchase Agreement (as extended by the Extension Notice) and (ii) of the CMD Transactions for each of the three years ended 31 December 2018, 2019 and 2020 respectively is on an annual basis more than 0.1% but less than 5%.

由於中糧集團(作為本公司之主要股東)為本公司之關連人士，故根據二零一四年總購銷協議(經延長通知延長)的交易構成本集團的持續關連交易。

由於二零一四年總購銷協議(經延長通知延長)交易價值之適用百分比率按年度基準高於0.1%但低於5%，故二零一四年總購銷協議(經延長通知延長)之持續關連交易須遵守上市規則第14A章有關申報、公告及年度審閱的規定，惟獲豁免遵守有關獨立股東批准的規定。

截至二零二零年十二月三十一日止年度，本集團就購入白砂糖、食用油、其他原料及相關產品(包括包裝材料)已付/應付中糧集團公司之總金額約為人民幣561,829,000元，且於釐定年內所進行交易之價格及條款時已遵從公告內所載的定價政策。

中國現代牧業控股有限公司(「現代牧業」)過往向中糧集團公司採購飼料及其他有關物料，且自二零一八年一月一日起將繼續向中糧集團公司採購飼料及其他有關物料(「現代牧業交易」)。截至二零一八年、二零一九年及二零二零年十二月三十一日止三個年度，現代牧業交易之年度交易金額預期分別不超過人民幣500,000,000元、人民幣500,000,000元及人民幣600,000,000元(於二零二零年十二月十七日經修訂)。截至二零一八年、二零一九年及二零二零年十二月三十一日止三個年度各年，有關(i)二零一四年總購銷協議(經延長通知延長)及(ii)現代牧業交易之總年度交易金額預期不超過人民幣2,000,000,000元。截至二零一八年、二零一九年及二零二零年十二月三十一日止三個年度各年，有關(i)二零一四年總購銷協議(經延長通知延長)及(ii)現代牧業交易之交易總值之適用百分比率按年度基準分別高於0.1%但低於5%。

For further details about the 2014 Master Sale and Purchase Agreement, the extension of its term and revision of annual cap, please refer to the announcements of the Company dated 31 December 2014, 28 December 2017 and 17 December 2020.

For the year ended 31 December 2020, the total amount paid/payable by CMD to COFCO Corporation Group Companies for the CMD Transactions which constitute continuing connected transaction of the Company under Chapter 14A of the Listing Rules was approximately RMB540,359,000, and the pricing policies set out in the announcements have been followed when determining the price and terms of the transactions conducted during the year.

In view of the anticipated expiration of the extended term of the 2014 Master Sale and Purchase Agreement on 31 December 2020, the Company has delivered an extension notice (the "2020 Extension Notice") to COFCO to exercise its right to extend the term of the 2014 Master Sale and Purchase Agreement for a further three years. The Company received a confirmation from COFCO on 22 December 2020 acknowledging receipt of the 2020 Extension Notice. Following the extension of the term of the 2014 Master Sale and Purchase Agreement, the Group will continue to purchase (subject to the Group's regular review and at the Group's option) white sugar, edible oil, other raw materials and related products from COFCO Corporation Group Companies for a term commencing from 1 January 2021 and ending on 31 December 2023. The annual transaction amount under the 2014 Master Sale and Purchase Agreement (including the CMD Transactions) for each of the three years ending 31 December 2021, 2022 and 2023 is not expected to exceed RMB2,200,000,000.

As COFCO, being a substantial shareholder of the Company, is a connected person of the Company, the transactions under the 2014 Master Sale and Purchase Agreement (as extended by the 2020 Extension Notice) constituted continuing connected transactions of the Group.

有關二零一四年總購銷協議、延長其條款及修訂年度上限之進一步詳情，請參閱本公司日期為二零一四年十二月三十一日、二零一七年十二月二十八日及二零二零年十二月十七日之公告。

截至二零二零年十二月三十一日止年度，根據上市規則第14A章構成本公司持續關連交易之現代牧業就現代牧業交易已付／應付中糧集團公司總金額約為人民幣540,359,000元，且於釐定年內所進行交易之價格及條款時已遵從公告內所載的定價政策。

鑒於二零一四年總購銷協議之經延長期限預期於二零二零年十二月三十一日屆滿，本公司已向中糧集團發出延長通知（「二零二零年延長通知」），以行使其權利延長二零一四年總購銷協議，協議期為三年。本公司於二零二零年十二月二十二日收到中糧集團確認收到二零二零年延長通知。延長二零一四年總購銷協議後，本集團將於由二零二一年一月一日起至二零二三年十二月三十一日止期間，繼續向中糧集團公司採購（在本集團定期檢討及本集團有權選擇之前提下）白砂糖、食用油、其他原料及相關產品。截至二零二一年、二零二二年及二零二三年十二月三十一日止三個年度各年，二零一四年總購銷協議（包括現代牧業交易）項下之年度交易額預期將不多於人民幣2,200,000,000元。

由於中糧集團（作為本公司之主要股東）為本公司之關連人士，故根據二零一四年總購銷協議（經二零二零年延長通知延長）的交易構成本集團的持續關連交易。

REPORT OF THE DIRECTORS 董事會報告

As the applicable percentage ratios in respect of the transaction value under the 2014 Master Sale and Purchase Agreement (as extended by the 2020 Extension Notice) are on an annual basis more than 0.1% but less than 5%, the continuing connected transactions under the 2014 Master Sale and Purchase Agreement (as extended by the 2020 Extension Notice) are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. For further details of the 2014 Master Sale and Purchase Agreement (as extended by the 2020 Extension Notice), please refer to the announcement of the Company dated 22 December 2020.

(ii) Strategic Collaboration Agreement with COFCO Trust Company Limited

On 23 December 2020, the Company entered into the Strategic Collaboration Agreement with COFCO Trust Company Limited for a term of three years. Pursuant to the Strategic Collaboration Agreement, the Group will purchase (subject to the Group's regular review and at the Group's option) various financial services and products from COFCO Trust Company Limited, for a term commencing from 23 December 2020 and ending on 22 December 2023.

The price payable by the Group Company to COFCO Trust Company Limited shall be fair and reasonable, and shall be fixed by reference to and by no means higher than the reasonable market price at which the Group could obtain the same type of supplies from independent third parties. The terms of the Strategic Collaboration Agreement were determined after arm's length negotiations and the Directors are of the view that they are on normal commercial terms. Pursuant to the Strategic Collaboration Agreement, the terms and conditions of the supply of various financial services and products by COFCO Trust Company Limited to the Group shall not be less favourable than those available to the Group from independent third parties.

由於二零一四年總購銷協議(經二零二零年延長通知延長)交易價值之適用百分比率按年度基準高於0.1%但低於5%，故二零一四年總購銷協議(經二零二零年延長通知延長)之持續關連交易須遵守上市規則第14A章有關申報、公告及年度審閱的規定，惟獲豁免遵守有關獨立股東批准的規定。二零一四年總購銷協議(經二零二零年延長通知延長)的進一步詳情，請參閱本公司二零二零年十二月二十二日的公告。

(ii) 與中糧信託有限責任公司訂立之戰略合作協議

於二零二零年十二月二十三日，本公司與中糧信託有限責任公司訂立戰略合作協議，為期三年。根據戰略合作協議，本集團將向中糧信託有限責任公司購入(在本集團定期檢討及本集團有權選擇之前提下)多項金融服務及產品，期限由二零二零年十二月二十三日起至二零二三年十二月二十二日止。

本集團公司應付中糧信託有限責任公司之價格須公平合理，且須參考本集團從獨立第三方取得同類產品之合理市場價格而制定及不得高於有關價格。戰略合作協議的條款經公平磋商釐定，且董事認為基於一般商業條款。根據戰略合作協議，中糧信託有限責任公司向本集團供應多項金融服務及產品的條款及條件須不遜於獨立第三方向本集團所提供之。

The aggregated transaction amount under the Strategic Collaboration Agreement during any 12 months within its terms is not expected to exceed RMB1,000,000,000 (“Annual Cap”). The above Annual Cap is determined by reference to (i) the Group’s overall treasury policies and cash resources management and investment plan; (ii) historical value of transactions between the Group and other third parties in relation to similar product or services types; and (iii) any comparable market prices of the relevant products or services.

COFCO Trust Company Limited is a subsidiary of COFCO Corporation. As COFCO Corporation indirectly holds an approximately 31.25% interest in the Company, COFCO Corporation is a substantial shareholder of the Company and thus a connected person of the Company under Rule 14A.07 of the Listing Rules. As a subsidiary of COFCO Corporation, COFCO Trust Company Limited is an associate of a connected person of the Company, and thus also a connected person of the Company under Rule 14A.07 of the Listing Rules. The transactions under the Strategic Collaboration Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Annual Cap for the transactions under the Strategic Collaboration Agreement are more than 0.1% but less than 5%, the continuing connected transactions under the Strategic Collaboration Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules. For further details about the Strategic Collaboration Agreement, please refer to the announcement of the Company dated 23 December 2020.

For the year ended 31 December 2020, the total amount paid/payable by the Group to COFCO Trust Company Limited for the transactions under the Strategic Collaboration Agreement was approximately RMB700,000,000, and the pricing policies set out in the announcement have been followed when determining the price and terms of the transactions conducted during the year.

戰略合作協議之交易總額在其期限內任何十二個月預期將不超過人民幣1,000,000,000元（「年度上限」）。上述年度上限金額為參考以下因素釐定：(i)本集團之整體庫務政策以及現金資源管理及投資計劃；(ii)本集團與其他第三方就類似產品或服務種類之過往交易價值；及(iii)有關產品或服務之任何可比較市價。

中糧信託有限責任公司為中糧集團有限公司之子公司。由於中糧集團有限公司間接持有本公司31.25%權益，故中糧集團有限公司為本公司之主要股東，並因此根據上市規則第14A.07條為本公司之關連人士。作為中糧集團有限公司之子公司，中糧信託有限責任公司為本公司之關連人士之聯繫人，因此根據上市規則第14A.07條亦為本公司之關連人士。戰略合作協議項下之交易因此根據上市規則第14A章構成本公司之持續關連交易。

由於戰略合作協議交易之年度上限之適用百分比率超過0.1%但少於5%，戰略合作協議之持續關連交易須遵守上市規則第14A章項下之申報、公告及年度審閱規定，但獲豁免遵守獨立股東批准規定。有關戰略合作協議的進一步詳情，請參閱本公司二零二零年十二月二十三日的公告。

截至二零二零年十二月三十一日止年度，本集團根據戰略合作協議項下之交易已付／應付中糧信託有限責任公司之總金額約為人民幣700,000,000元，且於釐定年內所進行交易之價格及條款時已遵從公告內所載的定價政策。

REPORT OF THE DIRECTORS 董事會報告

The independent non-executive Directors of the Company have reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Ernst & Young, the Company's auditors, were engaged to report on the Group's continuing connected transactions and the CMD Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

PRE-EMPTIVE RIGHTS

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

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

本公司之核數師 — 安永會計師事務所獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號「對過往財務資料進行審核或審閱以外的核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，對本集團的持續關連交易及現代牧業交易進行報告。安永會計師事務所已根據上市規則第14A.56條發出無保留意見函，當中載有彼等就本集團於上文披露之持續關連交易之發現及結論。本公司已向聯交所提供核數師函之副本。

優先認購權

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

購買、出售或贖回本公司的上市證券

本公司或其任何子公司於截至二零二零年十二月三十一日止年度內概無購買、贖回或出售本公司任何上市證券。

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as set out on pages 109 to 110 and the share award scheme as set out on page 110 to page 111, no equity-linked agreements were entered into by the Group, or existed during the year.

PUBLIC FLOAT

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

MANAGEMENT CONTRACTS

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

MAJOR CUSTOMERS AND SUPPLIERS

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

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

PLEDGE OF ASSETS

As at 31 December 2020, the Group has pledged certain investment deposits, pledged deposits, land use rights, property, plant and equipment and dairy cows aggregating to approximately RMB2,937,555,000 (2019: RMB2,491,594,000).

Details are set out in the respective notes to the financial statements.

股票掛鈎協議

除第109頁至第110頁所載的購股權計劃及第110頁至第111頁所載的股票獎勵計劃外，本集團並無訂立或年內並無存在任何股票掛鈎協議。

公眾持股量

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

管理合約

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

主要客戶及供應商

本集團五大供應商合共應佔的採購百分比不足本集團總採購額的30%。

本集團五大客戶合共應佔的收入百分比不足本集團收入總額的30%。

資產抵押

於二零二零年十二月三十一日，本集團已抵押的若干投資存款、保證金存款、土地使用權、物業、廠房及設備及乳牛合共約人民幣2,937,555,000元（二零一九年：人民幣2,491,594,000元）。

有關詳情載於財務報表相關附註。

REPORT OF THE DIRECTORS 董事會報告

COMMITMENTS

Details of commitments are set out in note 44 to the financial statements.

FINANCIAL SUMMARY

A summary of the results for the year and of the assets and liabilities of the Group as at 31 December 2020 and for the previous four financial periods are set out on pages 343 to 344.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 79 to 100.

AUDITORS

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

By order of the Board of Directors

Jeffrey, Minfang Lu
Chief Executive Officer

Hong Kong, 24 March 2021

承諾

有關承諾的詳情載於財務報表附註44。

財務概要

本集團於二零二零年十二月三十一日及過去四個財政年度期間的年度業績及資產負債概要載於第343頁至第344頁。

企業管治

本公司的企業管治原則及慣例載於第79頁至第100頁所載的企業管治報告內。

核數師

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

承董事會命

盧敏放
總裁

香港，二零二一年三月二十四日

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. LU Minfang
Mr. MENG Fanjie

Non-executive Directors

Mr. CHEN Lang (*Chairman*)
Mr. NIU Gensheng
Mr. Tim Ørting JØRGENSEN
(resigned on 1 January 2021)
Mr. Pascal DE PETRINI
Mr. Simon Dominic STEVENS
(appointed on 1 January 2021)

Independent Non-executive Directors

Mr. JIAO Shuge (alias JIAO Zhen) (*Vice-Chairman*)
Mr. Julian Juul WOLHARDT
Mr. ZHANG Xiaoya
Mr. YAU Ka Chi

Senior Management

Mr. ZHANG Ping
Mr. GAO Fei
Mr. WEN Yongping
Mr. LUO Yan
Mr. ZHANG Zhaoxu
Ms. DAI Lu
Mr. YANG Zhigang
Mr. LI Pengcheng
Mr. Stephen MAHER
Mr. KWOK Wai Cheong, Chris (*Qualified Accountant & Company Secretary*)

Stock Code

Hong Kong Stock Exchange 2319

INVESTOR RELATIONS CONTACT

Ms. Willow WU
32nd Floor, COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong
Email: ir@mengniu.cn
Website: www.mengniuir.com

董事會

執行董事

盧敏放先生
孟凡傑先生

非執行董事

陳朗先生 (*主席*)
牛根生先生
Tim Ørting JØRGENSEN 先生
(於二零二一年一月一日辭任)
Pascal DE PETRINI 先生
Simon Dominic STEVENS 先生
(於二零二一年一月一日獲委任)

獨立非執行董事

焦樹閣 (又名焦震) 先生 (*副主席*)
Julian Juul WOLHARDT 先生
張曉亞先生
邱家賜先生

高級管理層

張平先生
高飛先生
溫永平先生
羅彥先生
張朝旭先生
戴路女士
楊志剛先生
李鵬程先生
Stephen MAHER 先生
郭偉昌先生 (*合資格會計師
及公司秘書*)

股份代號

香港聯合交易所2319

投資者關係聯絡人

吳柳英女士
香港
銅鑼灣
告士打道262號
中糧大廈32樓
電郵地址: ir@mengniu.cn
網址: www.mengniuir.com

CORPORATE INFORMATION

公司資料

PLACE OF BUSINESS IN HONG KONG

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

REGISTERED OFFICE

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

PRINCIPAL SHARE REGISTRAR

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

LEGAL ADVISORS

As to Hong Kong Law
Sullivan & Cromwell (Hong Kong) LLP

As to Cayman Islands Law
Maples and Calder Asia

PRINCIPAL BANKERS

Agricultural Bank of China
BNP Paribas
DBS Bank
Industrial Commercial Bank of China
Rabobank
Standard Chartered Bank

AUDITORS

Ernst & Young

INVESTOR RELATIONS CONSULTANT

Strategic Financial Relations (China) Limited

香港營業地點

香港
銅鑼灣告士打道262號
中糧大廈32樓

註冊辦事處

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

主要股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
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
蘇利文·克倫威爾律師事務所(香港)
有限法律責任合夥

開曼群島法律
Maples and Calder Asia

主要往來銀行

中國農業銀行
法國巴黎銀行
星展銀行
中國工商銀行
荷蘭合作銀行
渣打銀行

核數師

安永會計師事務所

投資者關係顧問

縱橫財經公關顧問(中國)有限公司

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report

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

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

安永會計師事務所
香港中環添美道1號
中信大廈22樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

OPINION

We have audited the consolidated financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 129 to 342, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

獨立核數師報告

致：中國蒙牛乳業有限公司全體股東
(於開曼群島註冊成立的有限公司)

意見

吾等已完成審計中國蒙牛乳業有限公司(「貴公司」)及其子公司(「貴集團」)載於第129頁至第342頁的綜合財務報表，包括於二零二零年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

吾等認為，該等綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則真實而公平地反映貴集團在二零二零年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

意見基礎

吾等已根據香港會計師公會頒佈的香港審計準則進行審計。吾等就該等準則下承擔的責任於本報告「核數師就審計綜合財務報表須承擔的責任」一節中進一步闡述。根據香港會計師公會專業會計師道德守則（「守則」），吾等獨立於貴集團，並已履行守則中其他職業道德責任。吾等相信，吾等獲得的審計憑證充足且能適當地為吾等的意見提供基礎。

關鍵審計事項

關鍵審計事項為吾等的專業判斷中，審計本期綜合財務報表中最重要的事項。此等事項乃於吾等審計整體綜合財務報表及就此出具意見時處理，而吾等不會就此等事項單獨發表意見。下文載有吾等的審計如何處理以下各項事項的資料。

吾等已履行本報告「核數師就審計綜合財務報表須承擔的責任」一節所述的責任，包括有關此等事項的責任。因此，吾等的審計包括執行為評估應對綜合財務報表重大錯誤陳述風險而設的程序。審計程序結果包括處理以下事項的程序，為吾等就隨附的綜合財務報表審計意見提供基礎。

KEY AUDIT MATTERS (continued)

關鍵審計事項 (續)

Key audit matter
關鍵審計事項How our audit addressed the key audit matter
審計關鍵審計事項時的處理方法*Impairment testing of goodwill and trademarks with indefinite useful lives*

商譽及無限使用年期商標的減值測試

Goodwill and trademarks with indefinite useful lives amounted to RMB12,078,729,000, representing 15% of the Group's total assets as at 31 December 2020. The impairment tests performed by management with the assistance from an external valuer regarding various groups of cash-generating units ("CGU groups") involved significant estimates for the determination of the recoverable amounts of the CGU groups. This is a key audit matter due to the magnitude, the complexity, and the management's estimates involved in the impairment testing.

二零二零年十二月三十一日，商譽及無限使用年期商標達人民幣12,078,729,000元，佔貴集團總資產15%。管理層在外聘估值師協助下就不同現金產生單位組別（「現金產生單位組別」）進行的減值測試涉及有關釐定現金產生單位組別可收回金額的重大估計。由於減值測試涉及管理層估計的規模及估計的複雜程度，故此乃關鍵審計事項。

The accounting policies and related disclosures are included in note 2.4 "Business combinations and goodwill" and "Intangible assets (other than goodwill)", note 3 "Impairment of goodwill and trademarks with indefinite useful lives" and note 20 "Impairment testing of goodwill and trademarks with indefinite useful lives", to the financial statements.

會計政策及相關的披露已列入財務報表附註2.4「業務合併及商譽」及「無形資產（商譽除外）」、附註3「商譽減值及無限使用年期商標」及附註20「無限使用年期商譽及商標減值測試」。

We assessed the objectivity, independence and competence of the external valuer who assisted management to perform the impairment testing of goodwill and trademarks with indefinite lives of the Yashili CGU group and Bellamy CGU group. We also assessed the 2021 budget and the five-year financial projection for the following 5 years used to determine the recoverable amounts of various CGU groups, by comparing key assumptions with historical or external data, and a reconciliation of the inputs. Furthermore, we involved internal valuation specialists to assist us in evaluating the model and the inputs used including the weighted average costs of capital and expected perpetual rates. We also assessed the adequacy of the disclosures concerning those key assumptions included in note 20 "Impairment testing of goodwill and trademarks with indefinite useful lives" to the consolidated financial statements.

吾等評估協助管理層進行雅士利現金產生單位組別及貝拉米現金產生單位組別商譽及無限使用年期商標進行減值測試的外部估值師客觀程度、獨立性及能力。吾等亦評估釐定不同現金產生單位組別的可收回金額所用的二零二一年預算及五年財務預測，對主要假設中的歷史及外部數據進行比較以及評估所用數據的對帳。此外，吾等由內部估值專家協助評估已用模式及數據，包括加權平均資本成本、預期長遠增長率。吾等亦衡量就綜合財務報表附註20「商譽及無限使用年期商標的減值測試」所載主要假設所作披露是否充足。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項 (續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

審計關鍵審計事項時的處理方法

Impairment testing of an investment in a material associate

於重大聯營公司的投資的減值測試

The Group's investment in China Modern Dairy Holdings Ltd. ("China Modern Dairy"), a material associate of the Group, amounted to RMB6,575,281,000, representing 8% of the Group's total assets as at 31 December 2020. The impairment test of the investment in China Modern Dairy performed by management with the assistance from an external valuer involved significant estimates for the determination of the value in use of China Modern Dairy. This is a key audit matter due to the magnitude and the complexity of the estimates, and the uncertainty on future market circumstances.

二零二零年十二月三十一日，貴集團於中國現代牧業控股有限公司（「中國現代牧業」）（貴集團的重大聯營公司）的投資達人民幣6,575,281,000元，佔貴集團總資產8%。外部估值師協助管理層對於中國現代牧業的投資進行減值測試，當中涉及釐定中國現代牧業的使用價值的重大估計。由於其規模、估計的複雜程度及未來市場情況的不確定性，故此乃關鍵審計事項。

The accounting policies and related disclosures are included in note 2.4 "Investments in associates and joint ventures", note 2.4 "Impairment of non-financial assets", note 3 "Impairment of non-financial assets (other than goodwill and trademarks with indefinite useful lives)" and note 22 "Investments in associates" to the financial statements.

會計政策及相關的披露已列入財務報表附註2.4「投資聯營公司及合營企業」、附註2.4「非金融資產減值」、附註3「非金融資產（無限使用年期商譽及商標除外）減值」及附註22「投資於聯營公司」。

We assessed the objectivity, independence and competence of the external valuer. We also assessed the 2021 budget and the five-year financial projection of China Modern Dairy and a reconciliation of the inputs used to evaluate the value in use calculations. Furthermore, we involved internal valuation specialists to assist us in evaluating the models and the inputs used, including the weighted average costs of capital and the expected perpetual rates. We also assessed the adequacy of the disclosures concerning those key assumptions included in note 22 "Investments in associates" to the consolidated financial statements.

吾等審計程序包括評估外部估值師的客觀程度、獨立性及能力。吾等已評估中國現代牧業二零二一年預算及五年財務預測，以及評估計算價值所用數據的對賬。此外，吾等由內部估值專家協助評估所用模式及數據，包括加權平均資本成本及預期長遠增長率。吾等亦衡量貴公司就綜合財務報表附註22「於聯營公司的投資」所載主要假設所作披露是否充足。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報所載其他資料

貴公司董事須負責編製其他資料。其他資料包括年報所載資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

審計綜合財務報表時，吾等的責任為閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或吾等於審計過程中所瞭解的情況有重大抵觸，或似有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。在此方面，吾等並無任何報告。

董事對綜合財務報表的責任

貴公司董事遵照國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製真實且公允地呈列的綜合財務報表，並須負責其認為就編製不存在由於欺詐或錯誤而導致的重大錯誤陳述的綜合財務報表而言屬必要的內部監控。

編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表須承擔的 責任

吾等的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。本報告僅為全體股東編製，並不能作其他用途。吾等概不就本報告內容對任何其他人士承擔或接受任何責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審計工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則審計時，吾等運用專業判斷，於整個審計過程中抱持專業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審計程序，獲得充足及適當審計憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 瞭解有關審計的內部控制，以設計恰當的審計程序，但並非旨在對貴集團內部控制的有效程度發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審計綜合財務報表須承擔的 責任(續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審計憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審計憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審計憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審計工作。吾等須為吾等的審計意見承擔全部責任。

吾等與審核委員會就(其中包括)審計工作的計劃範圍及時間安排及重大審計發現，包括吾等於審計期間識別出內部監控的任何重大缺陷溝通。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的相關道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜以及為消除威脅而採取的行動或已採取防範措施(如適用)與審核委員會溝通。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ng Siu Ki Ricky.

核數師就審計綜合財務報表須承擔的 責任 (續)

吾等從與審核委員會溝通的事項中，決定哪些事項對本期綜合財務報表的審計工作最為重要，因而構成關鍵審計事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目合夥人為吳紹祺。

Ernst & Young

Certified Public Accountants

Hong Kong

24 March 2021

安永會計師事務所

執業會計師

香港

二零二一年三月二十四日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
REVENUE	收入	5	76,034,844	79,029,856
Cost of sales	銷售成本		(47,405,564)	(49,351,242)
GROSS PROFIT	毛利		28,629,280	29,678,614
Other income and gains	其他收入及收益	5	1,204,786	4,100,888
Selling and distribution expenses	銷售及經銷費用		(21,540,925)	(21,536,054)
Administrative expenses	行政費用		(3,132,947)	(3,319,414)
Impairment losses on financial and contract assets, net	金融及合約資產減值虧損淨額		(156,876)	(248,355)
Loss on disposal of financial assets measured at amortised cost	按攤餘成本計量的金融資產出售虧損		(22,385)	(14,008)
Other expenses	其他費用	6	(1,764,510)	(3,691,877)
Interest income	利息收入		1,084,613	1,104,791
Finance costs	融資成本	8	(572,255)	(644,202)
Share of profits and losses of:	以下各方應佔損益：			
A joint venture	合營企業	21	(37,413)	(9,160)
Associates	聯營公司	22	463,418	184,224
PROFIT BEFORE TAX	稅前利潤	7	4,154,786	5,605,447
Income tax expense	所得稅支出	11	(653,193)	(1,309,532)
PROFIT FOR THE YEAR	本年利潤		3,501,593	4,295,915
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		3,525,044	4,105,437
Non-controlling interests	非控股股東權益		(23,451)	190,478
			3,501,593	4,295,915
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (EXPRESSED IN RMB PER SHARE)	本公司普通股擁有人應佔每股盈利(以每股人民幣元計)			
Basic	基本	13	0.897	1.049
Diluted	攤薄		0.892	1.046

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
PROFIT FOR THE YEAR	本年利潤	3,501,593	4,295,915
OTHER COMPREHENSIVE INCOME/ (LOSS)	其他全面收益/(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	其後期間可能重新分類至損益的其他全面收益/(虧損):		
Exchange differences:	匯兌差額:		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	392,078	184,390
Cash flow hedges:	現金流量對沖:		
Effective portion of changes in fair value of hedging instruments arising during the year	來自本年對沖工具公允值變動的有效部分	(56,058)	(18,423)
Reclassification adjustments for gains included in the consolidated statement of profit or loss	已計入綜合損益表的收益而作出的重新分類調整	(10,814)	—
		(66,872)	(18,423)
Share of other comprehensive income of associates	分佔聯營公司其他全面收益	10,666	4,832
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	其後期間可能重新分類至損益的其他全面收益淨額	335,872	170,799
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:	其後期間不會重新分類至損益的其他全面收益/(虧損):		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	246,072	—
Equity investments designated at fair value through other comprehensive income:	指定為以公允值計量且其變動計入其他全面收益的股本投資:		
Changes in fair value	公允值變動	101,289	(3,191)
	24(a)/(b)		
Net other comprehensive income/ (loss) that will not be reclassified to profit or loss in subsequent periods	其後期間不會重新分類至損益的其他全面收益/(虧損)淨額	347,361	(3,191)
OTHER COMPREHENSIVE INCOME, NET OF TAX	其他全面收益，扣除稅項	683,233	167,608
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年度全面收益總額	4,184,826	4,463,523
Attributable to:	以下各方應佔:		
Owners of the Company	本公司擁有人	4,243,176	4,251,525
Non-controlling interests	非控股股東權益	(58,350)	211,998
		4,184,826	4,463,523

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	12,546,604	11,102,702
Construction in progress	在建工程	15	2,729,469	2,231,333
Investment properties	投資物業	16	63,924	73,548
Right-of-use assets	使用權資產	17	1,847,675	1,697,808
Goodwill	商譽	18	4,883,291	4,718,657
Other intangible assets	其他無形資產	19	7,717,340	7,583,415
Investment in a joint venture	於合營企業的投資	21	103,427	140,840
Investments in associates	於聯營公司的投資	22	9,020,464	7,351,265
Deferred tax assets	遞延稅項資產	23	1,276,625	1,056,099
Derivative financial instruments	衍生金融工具	32	—	34,009
Other financial assets	其他金融資產	24	7,690,082	4,845,997
Long term prepayments	長期預付款	27	760,762	215,966
Total non-current assets	總非流動資產		48,639,663	41,051,639
CURRENT ASSETS	流動資產			
Other financial assets	其他金融資產	24	7,752,088	19,220,584
Derivative financial instruments	衍生金融工具	32	2,175	10,814
Inventories	存貨	25	5,512,450	5,089,944
Trade and bills receivables	應收賬款及票據	26	2,988,362	3,586,866
Prepayments, other receivables and other assets	預付款、其他應收款項及其他資產	27	3,604,858	3,027,185
Pledged deposits	保證金存款	28	249,521	74,186
Cash and bank balances	現金及銀行結存	28	11,397,123	6,476,187
Total current assets	總流動資產		31,506,577	37,485,766

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2020 於二零二零年十二月三十一日

		Notes	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		附註		
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付賬款及票據	29	7,969,321	6,738,626
Other payables and accruals	其他應付款項及預提費用	30	11,465,916	10,807,574
Interest-bearing bank and other borrowings	計息銀行及其他借貸	31	4,924,393	13,838,201
Derivative financial instruments	衍生金融工具	32	3,653	4,346
Deferred income	遞延收入	33	—	50,493
Income tax payable	應付所得稅		181,013	294,617
Other financial liabilities	其他金融負債	34	1,600,200	—
Total current liabilities	總流動負債		26,144,496	31,733,857
NET CURRENT ASSETS	淨流動資產		5,362,081	5,751,909
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		54,001,744	46,803,548
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	31	14,019,832	9,634,609
Deferred income	遞延收入	33	420,006	279,494
Deferred tax liabilities	遞延稅項負債	23	2,279,605	1,941,902
Derivative financial instruments	衍生金融工具	32	34,742	—
Other financial liabilities	其他金融負債	34	—	1,600,206
Total non-current liabilities	總非流動負債		16,754,185	13,456,211
NET ASSETS	淨資產		37,247,559	33,347,337

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**
綜合財務狀況表

31 December 2020 於二零二零年十二月三十一日

		Notes	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		附註		
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	35	359,359	358,257
Treasury shares held under share award scheme	股票獎勵計劃下持有的庫存股份	39	(56,916)	(133,671)
Other reserves	其他儲備	36	12,953,689	12,442,343
Retained earnings	保留利潤		19,726,510	16,465,355
			32,982,642	29,132,284
Non-controlling interests	非控股股東權益		4,264,917	4,215,053
TOTAL EQUITY	總權益		37,247,559	33,347,337

Chen Lang

陳朗
Director
董事

Jeffrey, Minfang Lu

盧敏放
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

Attributable to owners of the Company
本公司應有人應佔

	Share capital	Treasury shares held under share award scheme	Share premium	Contributed surplus	Statutory reserves	Foreign currency translation reserve	Other comprehensive income	Share option reserve/awards	Hedging reserve	Equity transaction reserve	Potential non-controlling interest reserve	State of other changes in equity of associates	Related earnings	Total	Noncontrolling interests	Total equity
	股本	股票獎勵計劃下持有的庫存股份	股份溢價	實收盈餘	法定儲備	貨幣兌換儲備	可供出售金融資產之公允價值變動	股份獎勵儲備/股份獎勵儲備	對沖儲備	權益交易儲備	可沽售權益投資之權益儲備	應佔聯營公司之其他權益變動	保留利潤	合計	非控股股東權益	總權益
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	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	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
Notes	附註 35	附註 39	附註 38	附註 36	附註 36	附註 36	附註 36(a)	附註 36(b)								
At 1 January 2019	357,802	(218,777)	9,775,224	204,677	3,393,457	654,403	(339,779)	182,126	26,421	1,018,371	(911,165)	(24,921)	12,822,549	25,212,364	5,251,915	30,464,279
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	4,105,487	4,105,487	180,478	4,285,965
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	(3,191)	-	-	-	-	-	-	-	-	(3,191)
Exchange differences on translation of foreign operations	-	-	-	-	-	162,281	-	-	-	-	-	-	-	-	-	-
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	-	-	-	-	-	-	(3,191)	-	-	-	-	-	-	-	-	(3,191)
Cash flow hedges net of tax	-	-	-	-	-	689	-	-	(18,423)	-	-	-	-	-	-	(17,734)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	4,832	-	4,832	-	4,832	-	4,832
Total comprehensive income/(loss) for the year	-	-	-	-	-	162,870	(3,191)	-	(18,423)	-	-	4,832	4,105,487	4,251,525	211,988	4,463,513
Shares issued under equity-settled share option arrangements	635	-	123,780	-	-	-	-	-	-	-	-	-	-	124,415	-	124,415
Fair value amortisation of equity-settled share option arrangements	-	-	-	-	-	-	-	158,739	-	-	-	-	-	158,739	7,912	166,651
Transfer of share option reserve upon exercise of share options	-	-	-	-	-	-	-	(33,980)	-	-	-	-	-	123,532	-	123,532
Fair value amortisation of share award scheme	-	-	-	-	-	-	-	(101,930)	-	-	-	-	-	(41,272)	-	(143,202)
Shares issued under share award scheme	85,046	-	16,034	-	-	-	-	-	-	(41,272)	-	-	-	24,568	-	16,914
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(888,177)	-	(888,177)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	127,285	-	127,285
Acquisition of subsidiaries	-	-	-	-	(56,320)	-	-	-	-	-	-	-	-	-	-	(56,320)
Business contribution under the common control	-	-	56,320	-	-	-	-	-	-	-	-	-	-	-	-	56,320
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal of equity interests in subsidiaries without loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	140,137	-	140,137
Disposal of intangible non-controlling interests	-	-	-	-	-	-	-	-	15,105	-	-	-	-	15,105	(11,351)	3,754
Dividends paid to owners of the Company	-	-	(708,989)	-	-	-	-	-	-	-	(9,226)	-	-	(9,226)	19,267	10,741
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(708,989)	-	(708,989)
Transfer to statutory reserves	-	-	-	282,831	-	-	-	-	-	-	-	-	(282,831)	-	-	-
At 31 December 2019	358,437	(133,671)	9,286,347	204,677	3,597,789	681,619	(361,570)	335,414	7,897	992,234	(920,392)	(20,080)	16,465,355	28,132,294	4,215,033	33,347,327

於二零一九年十二月三十一日

At 31 December 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

Year ended 31 December 2020 截至二零二〇年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔																
		Fair value reserve of financial assets at fair value		Share option reserves		Hedging reserve		Equity transaction reserve		Share of other changes in equity of associates		Total equity						
		公允價值儲備		股份期權儲備		對沖儲備		權益交易儲備		應佔聯營公司之其他權益變動		總權益						
		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						
		附註 35		附註 39		附註 36		附註 36		附註 24(a)(i)		附註 24(a)(i)						
At 1 January 2020	於二零二零年一月一日	389,257	(153,671)	9,286,343*	204,677	3,493,768*	(891,819)*	(361,970)*	335,414	7,989	992,204*	890,392*	16,465,355	281,12,294	3,325,044	3,325,044	4,215,033	33,347,337
Profit for the year	本年利潤	-	-	-	-	-	-	-	-	-	-	-	3,325,044	3,325,044	(23,461)	(23,461)	3,301,583	3,301,583
Other comprehensive income/(loss) for the year	本年其他全面收益/(虧損)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	換算海外業務財務報表之匯兌差額	-	-	-	-	-	674,683	-	-	-	-	-	-	-	-	-	-	-
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	按公允價值計量且其變動計入其他全面收益之權益投資之公允價值變動，扣除稅項	-	-	-	-	-	(1,614)	103,319	-	-	-	-	60	101,289	(86,486)	(86,486)	-	10,289
Share of other comprehensive income of associates	分佔聯營公司其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-	10,666	-	10,666	-	10,666
Total comprehensive income/loss for the year	年綜合全面收益/(虧損)/總額	-	-	-	-	-	673,069	103,319	-	-	-	-	10,666	4,241,176	4,241,176	69,390	4,310,566	4,310,566
Shares issued under equity-settled share option arrangements	根據以股份支付計劃發行之股份	1,102	-	255,411	-	-	-	-	-	-	-	-	-	-	-	-	-	256,513
Fair value amortisation of equity-settled share option arrangements	以股份支付計劃之權益結算股份期權之公平價值攤銷	-	-	-	-	-	-	-	49,592	-	-	-	-	49,592	49,592	2,625	52,217	
Transfer of share option reserve upon exercise of share options	行使期權時將期權儲備轉入股本	-	-	-	-	-	-	-	(75,121)	-	-	-	-	-	-	-	-	
Fair value amortisation of share award scheme	股份獎勵計劃之公平價值攤銷	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Shares vested under share award scheme	根據股份獎勵計劃歸屬之股份	-	-	-	-	-	-	-	165,423	-	-	-	-	165,423	165,423	-	165,423	
Acquisition of non-controlling interests	收購非控股股東權益	-	-	-	-	-	-	-	(141,329)	-	-	-	-	(55,146)	(55,146)	28,739	(26,407)	
Capital injection from non-controlling interests	非控股股東權益注資	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,090	9,090	
Disposal of equity interests in subsidiaries without loss of control	出售子公司之股權，並未失去控制權	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Recognition of outside non-controlling interests	於上層認可之非控股股東權益	-	-	-	-	-	-	-	-	-	-	-	-	43,794	43,794	(41,633)	2,161	
Dividends paid to owners of the Company	已向本公司擁有人派付股息	-	-	-	-	-	-	-	-	-	-	-	-	(146,330)	(146,330)	146,330	6	
Dividends payable to non-controlling interests	付予非控股股東之股息/應付股息	-	-	-	-	-	-	-	-	-	-	-	-	(706,661)	(706,661)	-	(706,661)	
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	-	283,859	-	-	-	-	-	-	(283,859)	-	-	-	-	
At 31 December 2020	於二零二零年十二月三十一日	389,259	(55,916)	8,884,788*	204,677	3,883,827*	(18,570)*	(260,631)*	333,979	63,674*	990,846*	(1,066,722)*	19,726,510	20,392,642	20,392,642	4,284,917	37,241,559	

* These reserve accounts comprise the consolidated other reserves of RMB12,953,689,000 (2019: RMB12,442,343,000) in the consolidated statement of financial position.
該等儲備賬戶包括綜合財務狀況表內綜合其他儲備人民幣12,953,689,000元(二零一九年：人民幣12,442,343,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from operating activities			
Profit before tax:		4,154,786	5,605,447
Adjustments for:			
Interest income		(1,084,613)	(1,104,791)
Finance costs	8	572,255	644,202
Depreciation of property, plant and equipment	14	1,789,244	1,945,804
Depreciation of right-of-use assets	17	256,477	220,068
Depreciation of investment properties	16	3,882	4,037
Amortisation of other intangible assets	19	87,265	89,998
Loss on disposal of items of property, plant and equipment			
Impairment of financial and contract assets, net	6	13,585	78,618
Impairment of property, plant and equipment	7	156,876	248,355
Impairment of construction in progress	6	49,031	41,754
Impairment of other intangible assets	6	—	1,653
Impairment of right of use assets	6	3,831	196,035
Impairment of goodwill	6	22,778	—
Write-down of inventories to net realisable value	6	—	2,363,909
Amortisation of deferred income for assets other than biological assets	6	95,929	74,482
Covid-19-related rent concessions from lessors			
Share of profits of associates			
Share of losses of a joint venture			
Gains on disposal of subsidiaries			
Fair value change of biological assets			
Net fair value loss on exchangeable bonds			
Foreign exchange gains, net			
Net fair value gain on an equity investment			
Net fair value loss on warrants and subscription right of warrants			
Net fair value loss/(gain) on forward currency contracts			
Negative goodwill arising from acquisition of an associate			
Net fair value gain on investments on unlisted companies			
Equity-settled share option arrangements			
Share award scheme			
		5,713,143	7,213,525
Decrease in other financial assets — entrusted loans to dairy farms		13,672	31,165
Increase in inventories		(515,099)	(1,808,622)
Increase/(decrease) in trade and bills receivables		478,442	(1,180,364)
Decrease/(increase) in pledged deposits		(222,121)	116,719
Increase in prepayments, other receivables and other assets		(1,033,053)	(1,033,602)
Increase in trade and bills payables		1,126,136	1,240,131
Increase in other payables and accruals		1,119,324	3,234,686
Cash generated from operations		6,680,444	7,813,638
Interest paid		(580,171)	(516,634)
Income taxes paid		(752,595)	(989,845)
Net cash flows from operating activities		5,347,678	6,307,159

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from investing activities	投資活動產生的現金流量			
Purchase of items of property, plant and equipment	購置物業、廠房及設備		(611,330)	(1,111,527)
Additions to construction in progress	添置在建工程		(3,531,636)	(2,968,177)
Purchase of land use rights included in right-of-use assets	購置計入使用權資產的土地使用權		(214,512)	(179,158)
Purchase of other intangible assets	購置其他無形資產		(56,812)	(59,449)
Purchase of biological assets	購置生物資產		—	(527,917)
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備所得款項		126,239	70,499
Proceeds from disposal of biological assets	處置生物資產所得款項		—	163,935
Disposal of other financial assets — equity investment	處置其他金融資產 — 權益投資		63,388	—
Purchase of other financial assets — equity investment	購置其他金融資產 — 權益投資		(20,026)	—
Purchase of other financial assets — unlisted equity investment in Guangze with put options	購置其他金融資產 — 附帶認沽期權的投入廣澤的非上市權益投資		(457,643)	—
Purchase of a convertible promissory note	購置可換股承兌票據		(130,498)	—
Purchase of other financial assets — investment deposits	購置其他金融資產 — 投資存款		(18,074,512)	(16,654,445)
Withdrawal of other financial assets — investment deposits	收回其他金融資產 — 投資存款		27,430,945	9,281,963
Increase in other financial assets — entrusted loans	其他金融資產增加 — 委託貸款		(3,313,008)	(3,205,172)
Withdrawal of other financial assets — entrusted loans	收回其他金融資產 — 委託貸款		4,740,000	2,571,000
Increase in time deposits with original maturity of more than three months	原到期日為三個月以上的定期存款增加		(1,002,365)	(2,398,930)
Interest received	收取利息		946,857	1,179,824
Acquisition of subsidiaries	收購子公司		(25,617)	(6,579,672)
Increase in investments in associates	於聯營公司的投資增加		(1,198,581)	(6,390)
Capital injection to a jointly controlled entity	於一間共同控制實體注資		—	(100,000)
Disposal of subsidiaries	出售子公司	42	15,000	2,884,820
Dividends received from associates	收取聯營公司股息		—	3,349
Receipt of government grants for property, plant and equipment and biological assets	收取物業、廠房及設備及生物資產的政府補助金		135,882	105,714
Net cash flows from/(used in) investing activities	投資活動所得/(所用)淨現金流量		4,821,771	(17,529,733)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from financing activities			
Issue of corporate bonds		9,130,052	6,427,433
Issue of exchangeable bonds		705,550	—
Repayment of corporate bonds		(4,500,000)	(1,000,000)
Repayment of exchangeable bonds		(1,435,055)	—
New interest-bearing bank loans		9,215,370	14,031,107
Repayment of interest-bearing bank loans		(17,041,817)	(7,667,240)
Decrease in pledged deposits for bank loans		46,786	314,870
Principal portion of lease payments	37(b)	(188,198)	(263,627)
Repayment of long term payables		(947)	(70,179)
Disposal of equity interests in subsidiaries without loss of control		2,161	3,554
Acquisition of non-controlling interests		(26,351)	(16,914)
Capital injection from non-controlling interests		50,600	105,045
Shares issued under equity-settled share option arrangements	38	256,513	124,435
Dividends paid to owners of the Company	12	(706,661)	(708,968)
Dividends paid to non-controlling interests		(78,512)	(665,224)
Net cash flows from/(used in) financing activities		(4,570,509)	10,614,292
Net increase/(decrease) in cash and cash equivalents		5,598,940	(608,282)
Cash and cash equivalents at beginning of year	28	3,798,118	4,370,494
Effect of foreign exchange rate changes, net		(171,565)	35,906
Cash and cash equivalents at end of year	28	9,225,493	3,798,118
Analysis of balances of cash and cash equivalents			
Cash and bank balances as stated in the consolidated statement of financial position	28	11,397,123	6,476,187
Time deposits with original maturity more than three months	28	(2,171,630)	(2,678,069)
Cash and cash equivalents as stated in the consolidated statement of cash flows	28	9,225,493	3,798,118

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2020 於二零二零年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The registered office of the Company is located at P.O. Box 309, Umland House, Grand Cayman KY1-1104, Cayman Islands. The Company is an investment holding company and its subsidiaries are engaged in the manufacture and distribution of dairy products.

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料

本公司為在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處位於P.O. Box 309, Umland House, Grand Cayman KY1-1104, Cayman Islands。本公司為一間投資控股公司，而其子公司主要從事乳製品生產及經銷業務。

有關子公司的資料

本公司主要子公司詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Issued/registered share capital 已發行/註冊股本	Percentage of equity interest attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Dairy Holdings	Cayman Islands 開曼群島	US\$214 214美元	100%	—	Investment holding 投資控股
China Dairy (Mauritius) Limited	Mauritius 毛里裘斯	US\$100 100美元	—	100%	Investment holding 投資控股
Start Great Holdings Limited	British Virgin Islands 英屬處女群島	US\$1,000 1,000美元	100%	—	Investment holding 投資控股
Colour Vantage Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	—	Investment holding 投資控股
Future Discovery Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	—	Investment holding 投資控股
Golden Stage Holdings Limited ("Golden Stage")	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	—	Investment holding 投資控股
Vision Clear Limited	Hong Kong 香港	US\$9,247,208 9,247,208美元	100%	—	Investment holding 投資控股
Bright Rainbow Limited	Singapore 新加坡	US\$1 1美元	—	100%	Investment holding 投資控股
Bright Treasure Pty Ltd.	Australia 澳大利亞	AU\$1 1澳元	—	100%	Investment holding 投資控股
Wise Journey Pty Ltd.	Australia 澳大利亞	AU\$1 1澳元	—	100%	Investment holding 投資控股

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

1. CORPORATE AND GROUP INFORMATION 1. 公司及集團資料(續)

(continued)

Information about subsidiaries (continued)

有關子公司的資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Issued/registered share capital 已發行/註冊股本	Percentage of equity interest attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Mengniu International Co., Ltd. (中國蒙牛國際有限公司)	British Virgin Islands 英屬處女群島	HK\$8,448,802,973 8,448,802,973港元	99.95%	—	Investment holding 投資控股
Plant Base Limited (植朴磨坊有限公司)	Hong Kong 香港	HK\$1 1港元	—	100%	Investment holding 投資控股
Easy Reach Investment Co., Ltd. (盈達實業投資有限公司)	Hong Kong 香港	HK\$1,000,000 1,000,000港元	100%	—	Investment holding 投資控股
Tianjin New Value Supply Chain Co., Ltd. (iii) (天津通瑞供應鏈有限公司) (iii)	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	—	100%	Sale of dairy products 出售乳製品
Inner Mongolia Mengniu Danone Dairy Co., Ltd. (ii) (內蒙古蒙牛達能乳製品有限公司) (ii)	Mainland China 中國大陸	RMB250,000,000 人民幣250,000,000元	—	80%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Hi-tech Dairy Product (Beijing) Co., Ltd. (ii) (蒙牛高科乳製品(北京)有限責任公司) (ii)	Mainland China 中國大陸	RMB87,500,000 人民幣87,500,000元	21.36%	58.64%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Dairy (Group) Company Limited ("Inner Mongolia Mengniu") (ii) (內蒙古蒙牛乳業(集團)股份有限公司) (「內蒙古蒙牛」) (ii)	Mainland China 中國大陸	RMB1,504,290,870 人民幣1,504,290,870元	8.99%	91.01%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Dairy Baotou Co., Ltd. (ii) (內蒙古蒙牛乳業包頭有限責任公司) (ii)	Mainland China 中國大陸	RMB30,000,000 人民幣30,000,000元	26.40%	73.60%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Luannan) Co., Ltd. (ii) (蒙牛乳業(瀾南)有限責任公司) (ii)	Mainland China 中國大陸	RMB56,000,000 人民幣56,000,000元	26.06%	73.94%	Manufacture and sale of dairy products 生產及出售乳製品

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2020 於二零二零年十二月三十一日

1. CORPORATE AND GROUP INFORMATION 1. 公司及集團資料 (續)

(continued)

Information about subsidiaries (continued)

有關子公司的資料 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Issued/registered share capital 已發行/註冊股本	Percentage of equity interest attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Tangshan) Co., Ltd. (ii) (蒙牛乳業(唐山)有限責任公司) (ii)	Mainland China 中國大陸	RMB70,000,000 人民幣70,000,000元	26.05%	73.95%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy Tai'an Co., Ltd. (ii) (蒙牛乳業泰安有限責任公司) (ii)	Mainland China 中國大陸	RMB60,000,000 人民幣60,000,000元	26.03%	73.97%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy Jiaozuo Co., Ltd. (i) (蒙牛乳業焦作有限責任公司) (i)	Mainland China 中國大陸	RMB450,000,000 人民幣450,000,000元	—	100%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Ma'anshan) Co., Ltd. (i) (蒙牛乳業(馬鞍山)有限公司) (i)	Mainland China 中國大陸	RMB275,000,000 人民幣275,000,000元	—	100%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Hi-tech Dairy Co., Ltd. (i) (內蒙古蒙牛高科乳業有限公司) (i)	Mainland China 中國大陸	RMB150,000,000 人民幣150,000,000元	—	100%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Saibei Dairy Co., Ltd. (ii) (蒙牛塞北乳業有限公司) (ii)	Mainland China 中國大陸	US\$8,994,700 8,994,700美元	26%	74%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Qiqiha'er) Co., Ltd. (ii) (蒙牛乳業(齊齊哈爾)有限公司) (ii)	Mainland China 中國大陸	RMB75,000,000 人民幣75,000,000元	26%	74%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Hengshui) Co., Ltd. (ii) (蒙牛乳業(衡水)有限公司) (ii)	Mainland China 中國大陸	RMB150,000,000 人民幣150,000,000元	26%	74%	Manufacture and sale of dairy products 生產及出售乳製品
Baoding Mengniu Beverage Co., Ltd. (ii) (保定蒙牛飲料有限公司) (ii)	Mainland China 中國大陸	RMB142,000,000 人民幣142,000,000元	14.65%	85.35%	Manufacture and sale of dairy products 生產及出售乳製品

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2020 於二零二零年十二月三十一日

1. CORPORATE AND GROUP INFORMATION 1. 公司及集團資料 (續)

(continued)

Information about subsidiaries (continued)

有關子公司的資料 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Issued/registered share capital 已發行/註冊股本	Percentage of equity interest attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Inner Mongolia Mengniu Shengmu High-tech Dairy Co., Ltd. (i) (內蒙古蒙牛聖牧高科奶業有限公司) (i)	Mainland China 中國大陸	RMB2,490,000,000 人民幣2,490,000,000元	—	100%	Manufacture and sale of dairy products 生產及出售乳製品
Danone Dairy (Shanghai) Co., Ltd. (ii) (達能乳業(上海)有限公司)	Mainland China 中國大陸	RMB381,000,000 人民幣381,000,000元	—	80%	Manufacture and sale of dairy products 生產及出售乳製品
Yashili International Holdings Ltd. ("Yashili") (雅士利國際控股有限公司)(「雅士利」)	Cayman Islands 開曼群島	HK\$474,556,000 474,556,000港元	—	51.01%	Investment holding 投資控股
Yashili International Group Limited (雅士利國際集團有限公司)	Hong Kong 香港	HK\$1 1港元	—	51.01%	Investment holding 投資控股
Yashili International Group Ltd. ("Yashili International") (iii) (雅士利國際集團有限公司) (「雅士利國際」)(iii)	Mainland China 中國大陸	RMB1,126,105,300 人民幣1,126,105,300元	—	51.01%	Production and sale of dairy products 生產及出售乳製品
Yashili New Zealand Dairy Co., Ltd. ("Yashili New Zealand") (新西蘭雅士利乳業國際控股有限公司) (「新西蘭雅士利」)	New Zealand 新西蘭	NZ\$287,032,059 287,032,059新西蘭元	—	51.01%	Production and sale of dairy products 生產及出售乳製品
Yashili International Baby Nourishment Co., Ltd. (i) (雅士利國際嬰幼兒營養品有限公司) (i)	Mainland China 中國大陸	RMB531,815,600 人民幣531,815,600元	—	51.01%	Production and sale of dairy products 生產及出售乳製品
Dumex Baby Food Co., Ltd. ("Dumex China") (i) (多美滋嬰幼兒食品有限公司) (「多美滋中國」)(i)	Mainland China 中國大陸	RMB2,226,000,000 人民幣2,226,000,000元	—	51.01%	Production and sale of dairy products 生產及出售乳製品
Plant Base (China) Limited (iii) (植朴磨坊(中國)有限公司) (iii)	Mainland China 中國大陸	RMB600,000,000 人民幣600,000,000元	—	51%	Investment holding 投資控股
Bellamy's Australia Limited ("Bellamy") (「貝拉米」)	Australia 澳大利亞	AU\$156,651,385.27 156,651,385.27澳元	—	100%	Production and sale of organic food and formula products for babies and toddlers 生產及出售有機食品及嬰幼兒配方奶粉

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1. CORPORATE AND GROUP INFORMATION

(continued)

Information about subsidiaries (continued)

- (i) The subsidiaries are registered as companies with limited liability under PRC law.
- (ii) The subsidiaries are registered as Sino-foreign equity joint ventures under PRC law.
- (iii) The subsidiaries are wholly-foreign-owned enterprises established in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretation) issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention except for share options, certain financial assets, derivative financial instruments and certain other borrowings which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料 (續)

有關子公司的資料 (續)

- (i) 該等子公司均根據中國法律註冊為有限責任公司。
- (ii) 該等子公司均根據中國法律註冊為中外合資公司。
- (iii) 該等子公司均為於中國註冊的全資外資企業。

董事認為上表載列的本公司子公司主要對本集團本年度業績構成影響，或構成本集團資產淨值的重大部分。董事認為提供其他子公司詳情會導致詳情過於冗長。

2.1 編製基準

此等財務報表按照國際會計準則委員會（「國際會計準則委員會」）頒佈的國際財務報告準則（「國際財務報告準則」）（其包括所有國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋）及香港公司條例披露規定編製。財務報表以歷史成本法編製，惟購股權、若干金融資產、衍生金融工具及若干其他借貸以公允值計量。財務報表以人民幣（「人民幣」）呈列，除另有指明外，所有數值均調整至最接近的千位。

綜合基準

綜合財務報表包括本公司及其子公司（統稱「本集團」）截至二零二零年十二月三十一日止年度的財務報表。子公司為本公司直接或間接控制的實體（包括結構性實體）。當本集團通過參與被投資方的相關活動而承擔可變回報的風險或享有可變回報，並且有能力運用對被投資方的權力（即本集團目前有能力主導被投資方的相關活動的現時權利）影響該等回報時，即取得控制權。

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2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

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

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

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

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

2.1 編製基準 (續)

綜合基準 (續)

當本公司直接或間接擁有少於被投資方大多數的表決或類似權利，在評估是否擁有被投資方的權力時，本集團會考慮所有相關事實及情況，包括：

- (a) 與被投資方其他表決權持有人的合約安排；
- (b) 其他合約安排產生的權利；及
- (c) 本集團的表決權及潛在表決權。

子公司的財務報表按與本公司相同的報告期編製，並採用一致的會計政策。子公司的業績由本集團取得控制權當日起直至該控制權終止當日為止綜合列賬。

損益及其他全面收益各部分乃歸屬於本公司擁有人及非控股股東權益，即使此令致非控股股東權益有虧損結餘。本集團內公司間的所有資產及負債、權益、收入、開支及本集團成員公司間交易的相關現金流量於綜合時悉數對銷。

倘有事實及情況顯示上述三項控制權要素有一項或多於一項出現變動，本集團會重新評估其是否對被投資方擁有控制權。子公司的所有權權益變動（並無失去控制權）按權益交易入賬。

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

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and the following revised IFRSs for the first time for the current year's financial statements.

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>
Amendment to IFRS 16	<i>Covid-19-Related Rent Concessions</i>
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i>

The nature and impact of the *Conceptual Framework for Financial Reporting 2018* and the revised IFRSs are described below:

- (a) *Conceptual Framework for Financial Reporting 2018* (the "Conceptual Framework") sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策變動及披露

本集團已於本年度的財務報表首次採納二零一八年財務報告概念框架及以下經修訂國際財務報告準則。

國際財務報告準則	業務之定義
第3號的修訂	
國際財務報告準則	利率基準改革
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
國際財務報告準則	新型冠狀病毒疫情
第16號的修訂	相關租金寬免
國際會計準則第1	重大之定義
號及國際會計準則	第8號的修訂

二零一八年財務報告概念框架及經修訂國際財務報告準則的性質及影響如下：

- (a) 二零一八年財務報告概念框架(「概念框架」)就財務報告和準則制定一整套概念，並為財務報表編製者制定一致的會計政策提供指引，協助各方理解和解讀準則。概念框架包括有關計量和報告財務績效的新章節、有關資產及負債終止確認的新指引，以及更新資產及負債定義和確認標準。該等框架亦闡明管理、審慎及衡量不確定性在財務報告中的作用。概念框架並非準則，其中包含的任何概念都不會凌駕於任何準則中的概念或要求之上。概念框架對本集團的財務狀況及表現不會有任何重大影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

(c) Amendments to IFRS 9, IAS 39 and IFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any material impact on the financial position and performance of the Group.

2.2 會計政策變動及披露(續)

(b) 國際財務報告準則第3號修訂本明確並提供有關業務定義的進一步指引。修訂本闡明，對於一系列被視為業務的綜合活動及資產，其必須至少包括一項投入及有助於創造產出的能力的實質性過程。一項業務可以不包括創建輸出所需的所有輸入及所需程序。修訂本取消了對市場參與者是否有能力獲得業務並繼續產生產出的評估。相反，重點為獲得的投入及獲得的實質性過程是否共同明顯有助於對創造產出的能力。修訂本亦縮小產出的定義，重點關注向客戶提供的貨品或服務、投資收入或普通活動的其他收入。此外，修訂本提供了指導以評估所獲得的流程是否具有實質性，並引入可選的公允值集中測試，以便簡化評估所獲得的一系列活動及資產是否並非業務。本集團已於二零二零年一月一日或之後的交易或其他事項提前採納該修訂本。該修訂本對本集團的財務狀況及表現不會有任何影響。

(c) 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號之修訂解決以其他無風險利率（「無風險利率」）取代現有利率基準對財務報告之影響。該等修訂提供引入其他無風險利率之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。該等修訂對本集團的財務狀況及表現不會有任何重大影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (d) Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 December 2020, certain monthly lease payments for the leases of the Group's buildings and structures, motor vehicles have been reduced or waived by the lessors as a result of the pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the year ended 31 December 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of RMB3,089,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2020.

- (e) Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策變動及披露(續)

- (d) 國際財務報告準則第16號的修訂為承租人提供一個實際可行的權宜方法，以選擇不就疫情的直接後果產生的租金寬免應用租賃修改會計處理。該實際可行權宜方法僅適用於疫情的直接後果產生的租金寬免，且僅適用於(i)租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前的租賃代價；(ii)租賃付款的任何減幅僅影響原到期日為二零二一年六月三十日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。修訂對二零二零年六月一日或之後開始的年度有效，允許提前應用及將追溯採用。

截至二零二零年十二月三十一日止年度，本集團租賃大樓及建築物以及汽車的若干每月租賃付款已因應疫情而獲出租人減少或豁免，惟概無作出租賃條款其他變更。本集團已於二零二零年一月一日提前採納該修訂，並選擇不就於截至二零二零年十二月三十一日止年度出租人因疫情而授出的所有租金寬免應用租賃修改會計處理。因此，租金寬免產生人民幣3,089,000元的租賃付款已在終止確認部分租賃負債後作為浮動租賃付款入賬，並計入截至二零二零年十二月三十一日止年度損益。

- (e) 國際會計準則第1號及國際會計準則第8號的修訂為重大一詞提供新定義。根據新定義，倘漏報、錯報或掩蓋個別資料可合理地預期會對使用財務報表作一般目的的主要使用者就該等財務報表作出的決定產生影響，則該資料為重大。該等修訂指明，重大性取決於資料的性質或牽涉範圍或取決於兩者。該等修訂對本集團的財務狀況及表現不會有任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

Amendments to IFRS 3	<i>Reference to the Conceptual Framework²</i>
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	<i>Interest Rate Benchmark Reform – Phase 2¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
IFRS 17	<i>Insurance Contracts³</i>
Amendments to IFRS 17	<i>Insurance Contracts^{3, 5}</i>
Amendments to IAS 1	<i>Classification of liabilities as Current or Non-current³</i>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use²</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract²</i>
Annual Improvements to IFRSs 2018–2020	Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41 ²
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies³</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates³</i>

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² Effective for annual periods beginning on or after 1 January 2022
- ³ Effective for annual periods beginning on or after 1 January 2023
- ⁴ No mandatory effective date yet determined but available for adoption
- ⁵ As a consequence of the amendments to IFRS 17 issued in June 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023

2.3 已頒佈但尚未生效的國際財務報告準則

本集團並未於該等財務報表中採納以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第3號的修訂	<i>對概念框架之提述²</i>
國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂	<i>利率基準改革 – 第2階段¹</i>
國際財務報告準則第10號及國際會計準則第28號的修訂	<i>投資者與其聯營公司或合營企業之間的資產出售或注資⁴</i>
國際財務報告準則第17號	<i>保險合約³</i>
國際財務報告準則第17號的修訂	<i>保險合約^{3, 5}</i>
國際會計準則第1號的修訂	<i>分類為流動或非流動負債³</i>
國際會計準則第16號的修訂	<i>物業、廠房及設備：擬定用途前之所得款項²</i>
國際會計準則第37號的修訂	<i>虧損合約 – 履行合約之成本²</i>
二零一八年至二零二零年國際財務報告準則之年度改進	國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附範例及國際會計準則第41號的修訂 ²
國際會計準則第1號及國際財務報告準則實務公告第2號的修訂	<i>會計政策的披露³</i>
國際會計準則第8號的修訂	<i>會計估計的定義³</i>

- ¹ 於二零二一年一月一日或之後開始的年度期間生效
- ² 於二零二二年一月一日或之後開始的年度期間生效
- ³ 於二零二三年一月一日或之後開始的年度期間生效
- ⁴ 尚未確定強制生效日期但可供採納
- ⁵ 由於二零二零年六月發佈的國際財務報告準則第17號的修訂，國際財務報告準則第4號亦相應修訂，以授出臨時豁免，允許保險公司於二零二三年一月一日前開始的年度期間採用國際會計準則第39號而非國際財務報告準則第9號。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting* issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效的國際財務報 告準則(續)

本集團預期應用的國際財務報告準則的詳情如下。

國際財務報告準則第3號的修訂旨在以二零一八年三月發佈的財務報告概念框架的提述取代先前編製及呈列財務報表的框架提述，而無需重大改變其要求。該等修訂亦為國際財務報告準則第3號增加確認原則的例外情況，實體可參考概念框架釐定資產或負債的構成要素。該例外情況規定，對於單獨而非於業務合併中承擔且屬於國際會計準則第37號或國際財務報告詮釋第21號的負債及或然負債，採用國際財務報告準則第3號的實體應分別提述國際會計準則第37號或國際財務報告詮釋第21號，而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認資格。本集團預期自二零二二年一月一日起前瞻採用有關修訂。由於該等修訂可能對收購日期為首次採納日期或之後的業務合併前瞻性應用，本集團於過渡日期將不會受到該等修訂的影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information.

2.3 已頒佈但尚未生效的國際財務報 告準則 (續)

當現有利率基準以其他無風險利率替代會影響財務報告時，國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂解決先前修訂中未涉及的問題。第2階段修訂提供實際權宜方法，於入賬釐定金融資產及負債合約現金流的基準變動時，倘變動因利率基準改革直接引致，且釐定合約現金流量的新基準經濟上相當於緊接變動前的先前基準，在不調整賬面值的情況下更新實際利率。此外，該等修訂允許利率基準改革要求就對沖名稱及對沖文件作出的變動，而不中斷對沖關係。過渡期間可能產生的任何損益均透過國際財務報告準則第9號的正常要求進行處理，以衡量及確認對沖無效性。當無風險利率被指定為風險組成部分時，該等修訂亦暫時寬免實體須符合可單獨識別的規定。寬免允許實體於指定對沖時假設符合可單獨識別的規定，前提是實體合理預期無風險利率風險成分於未來24個月內將可單獨識別。此外，該等修訂亦要求實體披露其他資料，以使財務報表的使用者能夠了解利率基準改革對實體金融工具及風險管理策略的影響。該等修訂自二零二一年一月一日或之後開始的年度期間生效，並應追溯應用，惟實體毋須重列比較資料。

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**2.3 ISSUED BUT NOT YET EFFECTIVE
INTERNATIONAL FINANCIAL REPORTING
STANDARDS** (continued)

The Group had certain interest-bearing bank and other borrowings denominated in Hong Kong dollars and foreign currencies based on the Hong Kong Interbank Offered Rate and the London Interbank Offered Rate (“LIBOR”) as at 31 December 2020. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings when the “economically equivalent” criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor’s profit or loss only to the extent of the unrelated investor’s interest in that associate or joint venture. The amendments are to be applied prospectively. In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

Amendments to IAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity’s right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.

**2.3 已頒佈但尚未生效的國際財務報
告準則** (續)

本集團於二零二零年十二月三十一日持有根據香港銀行同業拆息及倫敦銀行同業拆息（「倫敦銀行同業拆息」）以港元及外幣計值的若干計息銀行及其他借貸。倘該等借貸的利率於未來期間由無風險利率代替，本集團將於滿足「經濟上相當」標準修改有關借貸時採用此實際權宜方法，並預計不會因採用該等變動修訂而產生重大修改損益。

國際財務報告準則第10號及國際會計準則第28號的修訂解決國際財務報告準則第10號與國際會計準則第28號之間對於處理投資者與其聯營公司或合營企業之間資產出售或注資的規定的不一致性。該等修訂規定，當投資者與其聯營公司或合營企業之間的資產出售或注資構成一項業務時，確認全部收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營企業的權益為限。該等修訂將於未來期間應用。國際會計準則理事會於二零一五年十二月決定推後有關修訂的生效日期，直至就權益法研究項目作出的任何修訂完成為止。然而，該等修訂允許提早採納。

國際會計準則第1號的修訂澄清劃分負債為流動或非流動的規定。該等修訂載明，倘實體推遲清償負債的權利受限於該實體須符合特定條件，則倘該實體符合當日之條件，其有權於報告期末推遲清償負債。負債的分類不受實體行使其權利延遲清償負債的可能性的影響。該等修訂亦澄清被認為清償負債的情況。該等修訂自二零二三年一月一日或之後開始的年度期間生效，並將追溯應用。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Amendments to IAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報 告準則(續)

國際會計準則第16號的修訂禁止實體從物業、廠房及設備成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的全部出售所得。相反，實體須將出售任何有關項目的所得款項及成本計入損益。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並僅對實體首次應用有關修訂的財務報表呈列的最早期間開始時或之後可供使用的物業、廠房及設備項目追溯應用。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

國際會計準則第37號的修訂澄清，就根據國際會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其他成本分配(例如分配履行合約所用物業、廠房及設備項目的折舊開支以及合約管理與監督成本)。一般及行政費用與合約並無直接關係，除非合約明確向對手方收費，否則將其排除在外。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並適用於實體首次應用有關修訂的年度報告期間開始時實體尚未履行其全部責任的合約。允許提早採納。初步應用修訂的任何累積影響應於初始應用日期確認為期初權益的調整，且毋須重列比較資料。預期該等修訂不會對本集團的財務報表產生任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Annual Improvements to IFRSs 2018–2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- IFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

二零一八年至二零二零年國際財務報告準則之年度改進載列國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附範例及國際會計準則第41號的修訂。預計適用於本集團的該等修訂詳情如下：

- 國際財務報告準則第9號金融工具：澄清於實體評估是否新訂或經修改金融負債的條款與原金融負債的條款存在實質差異時所包含的費用。該等費用僅包括借款人與貸款人之間已支付或收取的費用，包括借款人或貸款人代表其他方支付或收取的費用。實體將有關修訂應用於實體首次應用有關修訂的年度報告期間開始或之後修改或交換的金融負債。該等修訂自二零二二年一月一日或之後開始的年度期間生效。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。
- 國際財務報告準則第16號租賃：刪除國際財務報告準則第16號隨附範例13中有關租賃物業裝修的出租人付款說明。此舉消除於採用國際財務報告準則第16號有關租賃激勵措施處理方面的潛在困惑。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Amendments to IAS 1 require an entity to disclose its material accounting policy information rather than its significant accounting policies. To help entities to apply the amendments to IAS 1, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to illustrate how an entity can judge whether accounting policy information is material to its financial statements. The IASB added guidance and examples to IFRS Practice Statement 2 to help an entity apply the four-step materiality process to accounting policy information. An entity shall apply the amendments to IAS 1 for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 8 introduce a new definition of accounting estimates. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted and the amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報 告準則(續)

國際會計準則第1號的修訂要求實體披露其重要會計政策資料，而非重要會計政策。為協助實體應用國際會計準則第1號的修訂，國際會計準則理事會亦修訂國際財務報告準則實務公告第2號「作出重要判斷」，以說明實體如何判斷會計政策資料對其財務報表是否重要。國際會計準則理事會在國際財務報告準則實務公告第2號增加指引及範例，以協助實體將四級重要性流程應用於會計政策資料。實體須於二零二三年一月一日或之後開始的年度報告期間應用國際會計準則第1號的修訂。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

國際會計準則第8號的修訂引入會計估計的新定義。該等修訂旨在釐清會計估計變動與會計政策變動之間的區別以及糾正錯誤。該等修訂於二零二三年一月一日或之後開始的年度報告期間生效，並適用於在實體首次應用該等修訂的年度報告期間開始或之後發生的會計估計變動及會計政策變動。允許提早採納，且預期該等修訂不會對本集團的財務報表產生任何重大影響。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

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

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

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

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

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

2.4 重大會計政策概要

投資聯營公司及合營企業

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

合營企業屬共同安排，據此，擁有該安排共同控制權的訂約方有權享有合營企業的資產淨值。共同控制權指按照合約協定對一項安排所共有的控制權，僅在相關活動必須獲得共同享有控制權的各方一致同意方能決定時存在。

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

任何可能存在的相異會計政策已相應作出調整，以使之貫徹一致。

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures

(continued)

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

Business combinations and goodwill

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

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

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

2.4 重大會計政策概要(續)

投資聯營公司及合營企業(續)

倘於聯營公司的投資成為於合營企業的投資，則保留權益不會重新計量，反之亦然。反而該投資繼續使用權益法入賬。在所有其他情況下，失去聯營公司的重大影響力或失去合營企業的共同控制權後，本集團會按公允值計量及確認任何保留投資。失去重大影響力或共同控制權後，聯營公司或合營企業賬面值與保留投資的公允值及出售所得款項之間的差額於損益予以確認。

業務合併及商譽

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

當所收購的一組活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出的能力有重大貢獻，本集團認為其已收購一項業務。

本集團收購業務時會根據合約條款、經濟情況及於收購日期的相關條件評估金融資產及所承擔的負債作適當分類及指定，包括區分被收購方於主合約中的嵌入式衍生工具。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

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

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

2.4 重大會計政策概要 (續)

業務合併及商譽 (續)

倘業務合併分階段完成，以往持有的股權須按收購日期公允值重新計量，而因此產生的收益或虧損於損益表予以確認。

收購方將轉讓的任何或然代價按收購日期的公允值確認。分類為資產或負債的或然代價按公允值計量，而公允值變動將於損益表確認。分類為權益的或然代價不予重新計量，而其後結算將於權益內入賬。

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

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

Fair value measurement

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

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

2.4 重大會計政策概要(續)

業務合併及商譽(續)

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

倘商譽獲分配至現金產生單位或現金產生單位組別，並出售該單位中一部分業務，則於釐定出售收益或虧損時，與該已出售業務相關的商譽計入該業務的賬面值。在此情況下出售的商譽根據所出售業務的相關價值及所保留現金產生單位的部分計量。

公允值計量

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

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

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

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

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

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

2.4 重大會計政策概要 (續)

公允值計量 (續)

本集團以公允值計量相關資產或負債，應當採用在當前情況下適用，並且有足夠可利用資料的估值技術，以及盡量使用相關可觀察輸入資料，盡量避免使用不可觀察輸入資料。

所有以公允值計量或在財務報表中披露的資產和負債均按如下公允值層級分類，由對公允值計量整體具有重要意義的輸入資料所屬的最低層次決定：

- 第一級 — 以於活躍市場中相同資產或負債的報價(未經調整)釐定
- 第二級 — 以使用可直接或間接觀察並對公允值計量有重要影響的最低層次輸入資料的估值技術釐定
- 第三級 — 以使用對公允值計量有重大影響且不可觀察的最低層次輸入資料的估值技術釐定

本集團於各報告期末重新評估財務報表中持續確認的資產及負債的分類(基於對公允值計量整體具有重要意義的輸入資料所屬的最低層次)以釐定是否有各層次之間的轉換。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

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

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

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

2.4 重大會計政策概要(續)

非金融資產減值

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

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

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Related parties**

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

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

or

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

2.4 重大會計政策概要 (續)**關聯人士**

一方被視為與本集團有關聯，倘

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

或

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

(b) (continued)

- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

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

Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

2.4 重大會計政策概要 (續)

關聯人士 (續)

(b) (續)

- (viii) 向本集團或本集團母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。

物業、廠房及設備及折舊

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

成本亦可包括自權益轉撥以外幣購買物業、廠房及設備的合資格現金流量對沖所產生的任何收益或虧損。

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

(continued)

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

Freehold land	Not depreciated
Buildings and structures	2% to 7%
Plant and machinery	10% to 32%
Office equipment	10% to 32%
Motor vehicles	10% to 32%

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

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

Construction in progress

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

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊 (續)

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

永久業權土地	不折舊
房屋及建築物	2%至7%
廠房及機器	10%至32%
辦公設備	10%至32%
運輸設備	10%至32%

倘一項物業、廠房及設備的各部分具有不同可使用年期，則有關項目的成本以合理基準分配至各部分，而每部分將作獨立折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度結算日審閱及調整（如適用）一次。

物業、廠房及設備項目（包括經初步確認的任何重要部件）乃於出售時或在預計未來不可從其使用或出售中獲得經濟利益時終止確認。於終止確認資產年度的綜合損益表中確認的出售或廢棄而產生的任何收益或虧損乃銷售所得款項淨額與相關資產賬面值之間的差額。

在建工程

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use assets which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are at cost less accumulated depreciation and impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of investment properties. The estimated useful lives are 50 years. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit (or group of cash-generating units) level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 重大會計政策概要(續)

投資物業

投資物業指持作賺取租金收入及／或資本增值用途，而非用於生產或供應貨品或服務或作行政用途；或作日常業務過程中出售用途的土地及房屋（包括計入使用權資產的租賃物業並以其他方式符合投資物業的定義）權益。該等物業初步按成本（包括交易成本）計量。初步確認後，投資物業按成本減累計折舊及減值虧損計量。

折舊乃按資產之成本減其剩餘價值計量。折舊按直線法於投資物業之估計可使用年期內於損益確認。估計可使用年期為50年。折舊方法、可使用年期及剩餘價值於各報告日期重估。

投資物業報廢或出售產生的任何收益或虧損於其報廢或出售年度於損益表確認。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併時所收購無形資產的成本相等於收購日期的公允值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產其後於可使用經濟年期內攤銷，並於有跡象顯示該無形資產可能出現減值時評估減值。可使用年期有限的無形資產的攤銷期間及攤銷方法至少於各財政年度結算日審閱一次。

可使用年期無限的無形資產每年按個別或現金產生單位或現金產生單位組別作減值測試，且不予攤銷。年期無限的無形資產須每年審閱其使用年期，以釐定無限年期的評估是否持續可靠。否則，可使用年期評估按預期法自此由無限年期更改為有限年期。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 2 to 20 years.

Trademarks

Trademarks acquired separately are measured at cost. Trademarks acquired as part of a business combination are measured at fair value based on the royalty relief method.

Trademarks with finite useful lives are amortised on the straight-line basis over their estimated useful lives of 10 years. Trademarks with indefinite useful lives are tested for impairment annually.

Computer software

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the straight-line basis over their estimated useful lives of 3 to 10 years.

Research and development costs

All research costs are charged to the consolidated statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

2.4 重大會計政策概要 (續)

無形資產(商譽除外)(續)

專利及特許權

所購買專利及特許權乃按成本減任何減值損失列賬，且按估計可使用年期2年至20年以直線法攤銷。

商標

所收購商標按成本單獨計量。作為業務合併一部分所收購的商標根據特許權費減免法按公允值計量。

可使用年期有限的商標按估計可使用年期10年以直線法攤銷。可使用年期無限的商標每年測試減值。

電腦軟件

購入的電腦軟件根據購買及使用該特定軟件所引起的成本進行資本化。有關成本按估計可使用年期3年至10年以直線法攤銷。

研究開發費用

所有研究費用在產生時於綜合損益表支銷。

開發新產品的項目產生的支出，僅當本集團可顯示下列各項，方予資本化及遞延：完成該項無形資產使其可供使用或出售在技術上的可行性、其完成意向，及使用或出售該項資產的能力、該資產日後如何產生經濟利益、是否有資源可以完成該項目，以及在開發過程中是否可以可靠計量該項支出。不符合該等條件的產品開發支出在產生時支銷。

遞延開發費用按成本減任何減值損失列賬並以直線法按相關產品自其投產日期起計的商業年期攤銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings and structures	1 to 30 years
Plant and machinery	1 to 6 years
Office equipment	1 to 6 years
Motor vehicles	2 to 4 years
Land use rights	2 to 50 years

2.4 重大會計政策概要(續)

租賃

本集團於合約開始時評估合約是否或是否包含租賃。倘合約為換取代價而授予在一段時間內可識別資產的使用權，則該合約為租賃或包含租賃。

本集團作為承租人

除短期租賃及低價值資產租賃外，本集團應用單一確認及計量方式於所有租賃。本集團確認租賃負債表示支付租賃費用的義務，以及確認使用權資產表示對相關資產所擁有的使用權。

(a) *使用權資產*

使用權資產於租賃開始日期(即相關資產可供使用日期)確認。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何租賃負債重新計量作出調整。使用權資產成本包括已確認租賃負債金額、已產生初始直接成本及於開始日期或之前作出的租賃付款減任何已收取租賃優惠。使用權資產亦包括拆除及移除相關資產及還原相關資產或其所在地的估計成本(倘適用)。使用權資產按估計可使用年限和租賃期較短者以直線法折舊如下：

房屋及建築物	1至30年
廠房及機器	1至6年
辦公室設備	1至6年
運輸設備	2至4年
土地使用權	2至50年

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2.4 重大會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

租賃負債於租賃開始日期按租賃期內作出的租賃付款現值確認。租賃付款包括固定付款額(含實質定額款項)減任何租賃優惠應收款項、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。若租賃期反映出本集團將行使終止租賃選擇權，租賃付款額亦包括本集團合理確定將行使的購買選擇權的行使價格及支付終止租賃的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為開支。

於計算租賃付款的現值時，由於租賃內含利率不易釐定，故本集團於租賃開始日期使用增量借款利率計算。於租賃開始日期後，租賃負債金額的增加反映了利息的增長，且減少為所支付的租賃款。此外，倘存在租期的修改及變動、租賃付款的變動(例如：由指數或利率變動導致未來租賃付款變動)或評估購買相關資產的選擇權變動，則重新計量租賃負債的賬面值。

本集團的租賃負債包括於計息銀行及其他借貸。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of plant and machinery and office equipment that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

2.4 重大會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(c) *短期租賃及低價值資產租賃*

本集團就機器及設備的短期租賃(該等租賃由開始日期起計的租賃期為12個月或更短,且並不包含購買選擇權)應用短期租賃確認豁免。其亦就被視為低價值的廠房及機器以及辦公室設備的租賃應用低價值資產租賃確認豁免。

短期租賃付款及低價值資產租賃按租賃期以直線法確認為支出。

本集團作為出租人

當本集團為出租人,其於租賃開始時(或租賃修改時)將各項租賃分類為經營租賃或融資租賃。

所有本集團並未轉讓資產所有權所附帶的絕大部分風險及回報的租賃歸類為經營租賃。當租賃包含租賃或非租賃部分,本集團將合約代價按單獨售價之基準分配至各部份。由於其經營性質,故租金收入於租期內按直線法列賬並計入損益表之收入。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值,並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間內確認為收益。

轉讓所有相關資產擁有權所附帶的絕大部分風險及回報予承租人的租賃則以融資租賃入賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 重大會計政策概要 (續)

投資及其他金融資產

初步確認及計量

金融資產於初步確認時分類為其後按攤餘成本計量、以公允值計量且其變動計入全面收益，以及以公允值計量且其變動計入損益。

初始確認金融資產分類取決於金融資產的合約現金流特徵，以及本集團管理金融資產的業務模式。除並未包含重大融資組成部分的應收賬款或本集團已實行權宜措施不作調整重大融資組成部分影響的應收賬款外，本集團最初按其公允值計量金融資產，加上金融資產不以公允值計量且其變動計入損益的交易費用。並未包含重大融資組成部分的應收賬款或本集團已實行權宜措施的應收賬款按照下文「收入確認」所載政策根據國際財務報告準則第15號釐定的交易價計量。

金融資產需要滿足現金流量僅為償還本金及未償還本金利息，方可分類為按攤餘成本計量或按公允值計入其他全面收益的金融資產。不論業務模式，現金流量非僅為償還本金及利息的金融資產則分類及按公允值計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 重大會計政策概要 (續)

投資及其他金融資產 (續)

初步確認及計量 (續)

本集團管理金融資產的業務模式指本集團如何管理其金融資產以產生現金流量。業務模式釐定現金流量是否因收取合約現金流量、出售金融資產或因前述兩者而引起。已分類及按攤餘成本計量的金融資產為以持有金融資產以收回合約現金流量為目的之業務模式內持有，而已分類及按公允價值計量計入其他全面收益的金融資產為以持作收回合約現金流量及出售為目的之業務模式內持有。並非以上述業務模式內持有之金融資產則分類及按公允價值計量計入損益。

所有以常規方式購買及出售的金融資產於交易日(即本集團承諾購買或出售該資產當日)確認。以常規方式購買或出售指需要於一般按規例或市場慣例設定的期限內交付資金的金融資產購買或出售。

後續計量

金融資產的後續計量取決於其分類如下：

按攤餘成本計量的金融資產(債務工具)

按攤餘成本計量的金融資產其後使用實際利率法計量，並可予減值。倘資產終止確認、修訂或減值，則收益及虧損會於損益表確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 重大會計政策概要 (續)

投資及其他金融資產 (續)

後續計量 (續)

按公允值計入其他全面收益的金融資產 (債務工具)

就按公允值計入其他全面收益的債務工具而言，利息收入、外匯重估及減值虧損或撥回於損益表內確認，計算方式與計算按攤餘成本計量的金融資產者相同。餘下公允值變動於其他全面收益確認。於終止確認後，於其他全面收益確認的累計公允值變動回流至損益表。

按公允值計入其他全面收益的金融資產 (股權投資)

於初始確認後，倘股權投資符合國際會計準則第32號 *金融工具：呈列* 項下的股權定義，且並非持作買賣，本集團可選擇不可撤回地將該股權投資分類為指定按公允值計入其他全面收益的股權投資。分類按個別工具基準而定。

該等金融資產的收益及虧損永不回流至損益表。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則股息會於損益表確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分金融資產成本則作別論，在此情況下，有關收益會入賬為其他全面收益。指定按公允值計入其他全面收益的股權投資無須進行減值評估。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 重大會計政策概要 (續)

投資及其他金融資產 (續)

後續計量 (續)

按公允值計入損益的金融資產

按公允值計入損益的金融資產乃於財務狀況表按公允值列賬，而公允值變動淨額則於損益表確認。

該類別包括本集團並無不可撤回地選擇分類為按公允值計入其他全面收益的衍生工具及股權投資。分類為按公允值計入損益的股權投資股息亦於付款權確立時在損益表內確認為其他收入。有關股息的經濟利益可能會流向本集團，而股息的金額則可可靠計量。

當嵌入混合合約(包含金融負債及非金融主體)的衍生工具有具備與主體不緊密相關的經濟利特徵及風險；具備與嵌入式衍生工具與相同條款的單獨工具符合衍生工具的定義；且混合合約並非按公允值計入損益計量，則該衍生工具與主體分開並作為單獨衍生工具列賬。嵌入式衍生工具按公允值計量，且其變動計於損益表內確認。

僅當合約條款出現變動，以致大幅改變其他情況下所需現金流量時或當原分類至按公允值計入損益的金融資產獲重新分類時，方進行重新評估。

嵌入混合合約(包含金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為按公允值計入損益的金融資產。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重大會計政策概要 (續)

終止確認金融資產

金融資產(或,如適用,一項金融資產的一部分或一組類似金融資產的一部分)主要於下列情況下將終止確認(即從本集團綜合財務狀況表移除):

- 收取該項資產所得現金流量的權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或根據「轉手」安排承擔在無重大延誤下向第三方全數支付已收取現金流量的責任;及(a)本集團已轉讓資產絕大部分風險及回報,或(b)本集團並無轉讓或保留資產的絕大部分風險及回報,但已轉讓資產控制權。

倘本集團已轉讓從資產收取現金流量的權利或已訂立轉手安排,則將評估其是否已保留資產所有權的風險及回報並評估其程度。倘並無轉讓或保留資產絕大部分風險及回報,亦無轉讓資產的控制權,則按本集團持續參與程度持續確認該轉讓資產。在此情況下,本集團亦將確認相應的負債。已轉讓資產及相關負債以反映本集團保留的權利與義務的基礎進行計量。

以經轉讓資產擔保的方式持續參與按資產原始賬面值與本集團可能被要求償還的對價的最高金額之間的較低者計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

2.4 重大會計政策概要 (續)

金融資產減值

本集團就所有並非按公允值計入損益持有的債務工具確認預期信貸虧損（「預期信貸虧損」）。預期信貸虧損乃以根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額為基準，按原有實際利率相近的差額貼現。預期現金流量將包括來自銷售所持有抵押品或其他信用增級的現金流量，此乃合約條不可或缺的部分。

一般方法

預期信貸虧損於兩個階段進行確認。對於自初始確認後並無顯著增加的信貸風險，預期信貸虧損就可能於未來12個月內出現的違約事件計提撥備（12個月預期信貸虧損）。對於自初始確認後有顯著增加的信貸風險，須在信貸虧損預期的剩餘年期計提虧損撥備，不論違約事件於何時發生（存續期預期信貸虧損）。

於各報告日期，本集團評估自初始確認後金融工具的信貸風險是否顯著增加。本集團作出評估時會對於報告日期金融工具發生的違約風險及於初始確認日期起金融工具發生的違約風險進行比較，並考慮無需付出不必要成本或努力而可得到的合理及可支持資料，包括歷史及前瞻性資料。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 重大會計政策概要 (續)

金融資產減值 (續)

一般方法 (續)

以公允價值計入其他全面收益的債務投資及按攤餘成本計量的金融資產，在一般方法下可能會發生減值，並且在以下階段分類用於預期信貸虧損計量，惟採用下文詳述的簡化方法的應收賬款及合約資產除外。

- 第一階段 — 金融工具自初始確認以來並無顯著增加信貸風險，且其虧損撥備按相等於12個月預期信貸虧損的金額計量。
- 第二階段 — 金融工具自初始確認以來顯著增加信貸風險，但並不屬信貸減值金融資產，且其虧損撥備按相等於存續期預期信貸虧損的金額計量。
- 第三階段 — 於報告日期信貸減值的金融資產(但不是購買或原始信貸減值)，其虧損撥備按相等於存續期預期信貸虧損的金額計量。

簡化方法

對於不包括重大融資成分的應收賬款，或本集團採用實際權宜措施不就重大融資成分的影響作出調整時，本集團採用簡化方法進行預期信貸虧損計量。根據簡化方法，本集團不會追蹤信貸風險的變化，而是於各報告日期根據存續期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, derivative financial instruments and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

2.4 重大會計政策概要(續)

金融負債

初始確認及其後計量

金融負債於初始確認時分類為以公允值計量且其變動計入損益的金融負債，貸款及借貸，或指定為有效對沖的對沖工具的衍生工具(如適用)。

所有金融負債初始時均按公允值確認，而貸款及借貸則須在此基礎上扣除直接應佔交易成本。

本集團的金融負債包括應付賬款及其他款項、衍生金融工具及計息銀行及其他借貸。

後續計量

金融負債的後續計量取決於其分類如下：

按公允值計入損益的金融負債

按公允值計入損益的金融負債包括持作交易用途的金融負債及於初始確認時指定為按公允值入損益的金融負債。

倘產生金融負債的目的為於近期購回，則該金融負債應分類為持作交易用途。此分類包括本集團根據國際會計準則第9號界定的對沖關係不被指定為對沖工具的衍生金融工具。獨立嵌入式衍生工具亦分類為持作交易用途，除非其被指定為有效的對沖工具則另作別論，持作交易用途的負債損益於損益表內確認。於損益表確認的公允值收益或虧損淨額並不包括任何向該等金融負債所扣除的任何利息。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

2.4 重大會計政策概要 (續)

金融負債 (續)

後續計量 (續)

按公允值計入損益的金融負債 (續)

於初始確認後指定按公允值計入損益的金融負債，僅會於符合國際財務報告準則第9號的標準時於初始確認日期指定。指定按公允值計入損益的金融負債收益或虧損於損益表內確認，惟本集團擁有於其他全面收入內呈報且其後不會重新分類至損益表的信貸風險所產生的收益及虧損除外。於損益表內確認的公允值收益或虧損淨額並不包括該等金融負債收取的任何利息。

按攤餘成本計量的金融負債(貸款及借貸)

於初始確認後，計息貸款及借貸其後採用實際利率法以攤餘成本計量，除非折現影響並不重大，在此情況下，則按成本列賬。當負債終止確認並透過以實際利率法攤銷時，收益及虧損於損益表確認。

攤餘成本乃經考慮收購的任何折價或溢價及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入損益表的融資成本中。

終止確認金融負債

當負債項下的責任解除、註銷或屆滿，即終止確認金融負債。

倘現有的金融負債被另一項從同一貸款人按相當不同的條款訂定的金融負債取代，或現有負債的條款有相當修改，該項交換或修改乃被視作終止確認原負債並確認新負債，而各賬面值的差額乃於綜合損益表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IFRS 9 is recognised in the statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

2.4 重大會計政策概要(續)

抵銷金融工具

僅倘目前有可強制執行的法律權力抵銷已確認的金額，且有意按照淨額結清，或同時有意變現資產及結清負債，則可抵銷金融資產及金融負債及按淨值列報於財務狀況表中。

衍生金融工具及對沖會計處理

初始確認及其後計量

本集團利用衍生金融工具，如外幣合約及利率掉期，以分別對沖其外幣風險及利率風險。該等衍生金融工具乃按訂立衍生工具合約當日的公允值初步確認，其後按公允值重新計量。當公允值為正數時，該等衍生工具入賬列為資產，當公允值為負數時，則列為負債。

商品購買合約凡符合國際財務報告準則第9號界定的衍生工具定義，其公允值會於損益表內確認為銷售成本。根據本集團預期採購、銷售或使用規定就收取或交付非金融項目而訂立及繼續持有的商品合約按成本值持有。

衍生工具公允值變動所產生的任何收益或虧損，直接列入損益表內，惟現金流量對沖的有效部分則於其他全面收益內確認，且於之後該對沖項目影響損益時重新分類至損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)

Initial recognition and subsequent measurement (continued)

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.

2.4 重大會計政策概要 (續)

衍生金融工具及對沖會計處理 (續)

初始確認及其後計量 (續)

就對沖會計而言，對沖分類為：

- 公允值對沖，即對沖某項已確認資產或負債的公允值變動風險或某項未確認已承諾承擔；或
- 現金流量對沖，即對沖現金流量變動風險，該風險屬某項已確認資產或負債或某項很可能發生的預計交易相關特定風險，或未確認的已承諾承擔的外匯風險；或
- 對沖於海外業務的投資淨額。

對沖關係開始時，本集團正式指定及以文件記錄本集團有意採用對沖會計處理的對沖關係、風險管理目標及其進行對沖的策略。

記錄文件應包含對沖工具、對沖項目的識別、被對沖風險的性質及實體如何評估對沖關係是否符合對沖有效性規定（包括其對對沖無效性來源的分析及對沖比率如何釐定）。對沖關係於達成以下全部有效性規定時，方可合資格採用對沖會計處理：

- 對沖項目與對沖工具之間有「經濟關係」。
- 信貸風險的影響不會「主導」經濟關係引致的「價值變動」。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)

Initial recognition and subsequent measurement (continued)

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

2.4 重大會計政策概要 (續)

衍生金融工具及對沖會計處理 (續)

初始確認及其後計量 (續)

- 對沖關係的對沖比率與本集團實際對沖對沖項目的數量及實體實際使用以對沖對沖項目數量的對沖項目數量所引致者相同。

符合所有對沖會計處理標準的對沖如下：

現金流量對沖

對沖工具收益或虧損的有效部份在其他全面收益的現金流量對沖儲備內直接確認，而任何非有效部份即時在損益表內確認。現金流量對沖儲備調整至對沖工具累計收益或虧損與對沖項目公允值累計變動之間的較低者。

在其他全面收益內累積的金額視乎相關對沖交易的性質入賬。倘對沖交易其後導致確認非金融項目，於股權累積的金額則自股權的獨立構成部分移除，並計入對沖資產或負債的初始成本或其他賬面值。這並非為重新分類作出的調整，且不會於期內的其他全面收入內確認。倘一項非金融資產或非金融負債的對沖預測交易其後變成採用公允值對沖會計處理的堅定承諾，則亦可應用此做法。

任何其他現金流量對沖在其他全面收益累積的金額於對沖現金流量影響損益的同一期間或多個期間內重新分類至損益表為重新分類調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)

Cash flow hedges (continued)

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expenses. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying amount of the hedged item and is also recognised in the statement of profit or loss as other expenses.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through the statement of profit or loss over the remaining term of the hedge using the effective interest rate method. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in the statement of profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit or loss. The changes in the fair value of the hedging instrument are also recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

衍生金融工具及對沖會計處理 (續)

現金流量對沖 (續)

終止現金流量對沖會計處理時，倘預期仍會出現對沖未來現金流量，則在其他全面收益內累積的金額必須保留在累積其他全面收益內。否則，有關金額會即時在損益表內重新分類為重新分類調整。終止會計處理後，倘出現對沖現金流量，任何保留在累積其他全面收益的金額會視乎上述相關交易性質入賬。

公允值對沖

對沖工具的公允值變動於損益表內確認為其他費用。與對沖風險相關的對沖項目公允值變動記錄為對沖项目的部分賬面值，並於損益表內確認為其他費用。

就與按攤餘成本列賬的項目相關的公允值對沖而言，賬面值調整會透過損益表在剩餘期間以有效利率法攤銷。有效利率攤銷可能於調整出現時立即開始，且不得遲於對沖項目不再調整與對沖風險相關的公允值變動時。倘對沖項目獲解除確認，未攤銷公允值會即時於損益表確認。

當未確認的堅定承諾被指定為對沖項目時，其後將與對沖風險相關的堅定承諾的公允值累計變動確認為資產或負債，而相關收益或虧損於損益表內確認。對沖工具的公允值變動亦於損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)

Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a similar way to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

2.4 重大會計政策概要 (續)

衍生金融工具及對沖會計處理 (續)

對沖投資淨額

對沖對海外業務的投資淨額(包括入賬為投資淨額部分的貨幣項目)按類似現金流量對沖的方式入賬。有關對沖有效部分的對沖工具收益或虧損於其他全面收益內確認，而任何有關無效部分的收益或虧損則於損益表內確認。出售海外業務時，任何於股權內記錄的該等收益或虧損累計值轉撥至損益表。

流動與非流動分類

並無指定為有效對沖工具的衍生工具乃根據對事實及情況的評估(即相關合約現金流量)分類為流動或非流動，或單獨列為流動及非流動部分。

- 當本集團預期持有衍生工具作為經濟對沖(而並無應用對沖會計處理方法)至超過報告期結束後十二個月期間，該衍生工具乃與相關項目的分類一致分類為非流動(或拆分列為流動及非流動部分)。
- 與主合約並非密切聯繫的嵌入式衍生工具乃與主合約的現金流量一致分類。
- 指定為及為有效對沖工具的衍生工具乃與相關對沖項目的分類一致分類。衍生工具僅於可作出可靠分配時拆分列為流動部分及非流動部分。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Biological assets

Dairy cows

Dairy cows, including milkable cows, heifers and calves, are measured on initial recognition and at the end of the reporting period at their fair value less costs to sell, with any resultant gain or loss recognised in the consolidated statement of profit or loss for the year in which it arises. Costs to sell are the incremental costs directly attributable to the disposal of an asset, mainly transportation cost and excluding finance costs and income taxes. The fair value of dairy cows is determined based on their present location and condition and is determined independently by a professional valuer.

The feeding costs and other related costs including the depreciation charge, utilities cost and consumables incurred for the raising of heifers and calves are capitalised, until such time as the heifers and calves begin to produce milk.

Agricultural produce

Raw milk

Agricultural produce represents raw milk. Raw milk is recognised at the point of harvest at its fair value less costs to sell. The fair value of raw milk is determined based on market prices in the local area.

2.4 重大會計政策概要 (續)

庫存股份

重新購入並由本公司或本集團持有的本身股本工具(庫存股份)按成本直接在權益中確認。概無就購買、銷售、發行或註銷本集團本身股本工具而於綜合損益表內確認收益或虧損。

生物資產

乳牛

乳牛(包括奶牛、小母牛及小牛)於初步確認時及報告期末按公允價值減銷售成本計量, 所得收益或虧損於產生年度在綜合損益表內確認。銷售成本為出售資產直接應佔的增量成本(主要為運輸成本, 融資成本及所得稅除外)。乳牛的公允價值由專業估值師按其目前所處位置及狀況獨立釐定。

飼養成本及其他相關成本(包括飼養小母牛及小牛以所產生的折舊開支、水電成本及消耗品)乃撥充資本, 直至小母牛及小牛開始產奶為止。

農產品

原奶

農產品指原奶。原奶於出產時按公允價值減銷售成本確認。原奶的公允價值按當地市價釐定。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials — cost on a weighted average basis;
- Finished goods — cost of direct materials and labour and a proportion of overheads based on the normal operating capacity on a weighted average basis.

Net realisable value is based on estimated selling price less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 重大會計政策概要(續)

存貨

存貨以其成本值與可變現淨值兩者中的較低數額列賬。

將各產品運至現址並達致現狀產生的成本的會計處理方法如下：

- 原材料 — 成本(按加權平均法計算)；
- 成品 — 直接材料及直接人工成本，以及根據正常運作量比例計算的生產經常費用(按加權平均法計算)。

可變現淨值按估計售價減去完工及銷售所需的任何估計成本釐定。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月內到期的短期高流動性投資，扣減須應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款)及與現金性質相似的資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above; and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

2.4 重大會計政策概要 (續)

撥備

若因過往事項而令現時存在法定或推定債務，而且可能需要有資源外流以償付這些債務，且惟須能對債務數額作出可靠估計，則確認撥備。

倘折現影響重大，則確認的撥備額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而增加的折現現值，列作融資成本計入綜合損益表。

於業務合併中確認的或然負債按其公允值初步計量。其後以(i)根據上述計提準備的一般政策確認的金額；及(ii)初始確認金額扣減按照收入確認政策確認的收入金額(如適用)中較高者計量。

所得稅

所得稅包括即期及遞延稅項。損益賬外確認的相關所得稅項目，計入損益賬外的其他全面收益或直接計入權益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred income tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重大會計政策概要 (續)

所得稅 (續)

即期所得稅

即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期可收回的數額或支付予稅務機關的數額計算，並考慮本集團經營所在國家的現行詮釋及慣例。

遞延所得稅

於報告期末的資產及負債的稅基與其就財務報告而言的賬面值之間的所有暫時性差異，須按債務法計提遞延稅項撥備。

所有應課稅暫時性差異均會確認遞延稅項負債，惟下列各項除外：

- 倘遞延稅項負債產生自於商譽或非業務合併交易中資產或負債的初始確認，且於交易時對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的應課稅暫時性差異，倘可以控制撥回暫時性差異的時間，且該暫時性差異在可預見的將來將很可能不會撥回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延所得稅 (續)

對於所有可扣減暫時性差異及結轉的未用稅項抵免及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、結轉的未用稅項抵免及未用稅項虧損，則遞延稅項資產一律確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是產生於非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的可扣減暫時性差異，只有在暫時性差異有可能在可預見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在各自報告期末予以審閱。若不再可能有足夠應課稅利潤用以抵扣遞延稅項資產的全部或部分金額，則扣減遞延稅項資產賬面值。並無確認的遞延稅項資產，在各自報告期末重新評估，若可能有足夠應課稅利潤可供收回全部或部分遞延稅項資產，則予確認。

變現資產或清償負債的期間預期適用的稅率，會用作計量遞延稅項資產及負債，並以報告期末已經頒佈或實質上已經頒佈的稅率（及稅法）為基準。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Grants relating to biological assets

An unconditional government grant related to a biological asset measured at its fair value less costs to sell is recognised in the consolidated statement of profit or loss when, and only when, the government grant becomes receivable. If a government grant related to a biological asset measured at its fair value less costs to sell is conditional, the Group recognises the government grant in the consolidated statement of profit or loss when, and only when, the conditions attaching to the government grant are met.

Other grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the consolidated statement of profit or loss by way of a reduced depreciation charge.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延所得稅 (續)

倘若(及只有在)本集團擁有法律上可強制執行的權利以抵銷即期稅項資產及即期稅項負債,且遞延稅項資產及遞延稅項負債與同一徵稅機關就同一應課稅實體或有意按淨額基準清償即期稅項負債及資產,或能在預期清償或收回大額遞延稅項負債或資產的每個未來期間內同時變現資產並清償負債的不同應課稅實體徵收之所得稅有關時,方能抵銷遞延稅項資產及遞延稅項負債。

政府補助金

與生物資產有關的補助金

與按公允價值減銷售成本計量的生物資產有關的無條件政府補助金於(及只會於)預期可收到時在綜合損益表確認。倘與按公允價值減銷售成本計量的生物資產有關的政府補助金為有條件,本集團則於(及只會於)符合該政府補助金的附帶條件時在綜合損益表確認該政府補助金。

其他補助金

倘有相當把握將會收到補助金及將符合所有附帶條件時,政府補助金即按公允價值確認入賬。若補助金與支出項目有關,即於所擬補償的成本的支銷期間內有系統地確認為收入。

倘補助金與資產有關,即將其公允價值計入遞延收益賬戶,並於有關資產的預計可使用年期內,以等額年金調撥往綜合損益表或從資產賬面值中扣減並以經扣減折舊開支調撥往綜合損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants (continued)

Other grants (continued)

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the consolidated statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for “Financial liabilities” above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 重大會計政策概要 (續)

政府補助金 (續)

其他補助金 (續)

倘本集團收取非貨幣資產補助，此補助按非貨幣資產的公允值入賬，並於有關資產的預計可使用年內，以等額年金調撥往綜合損益表。

當本集團因興建合資格資產而收取免息或低於市場利率的政府貸款，則政府貸款的初步賬面值採用實際利率法釐定（上文有關「金融負債」的會計政策中有進一步解釋）。所授出免息或低於市場利率的政府貸款的利益（即貸款的初步賬面值與所收取款項的差額）視為政府補助金並於有關資產的預計可使用年內，以等額年金調撥往綜合損益表。

收入確認

來自客戶合約的收入

來自客戶合約的收入於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權進行交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素其後得到解決時，確認的累積收入金額極有可能不會發生重大收入撥回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

- *Sale of goods*
Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

Some contracts for the sale of products provide customers with rights of return. The rights of return give rise to variable consideration.

2.4 重大會計政策概要 (續)

收入確認 (續)

來自客戶合約的收入 (續)

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收入按應收款項的現值計量，並使用貼現率折現，而該貼現率將反映在本集團與客戶在合約開始時的單獨交易中。當合約中包含融資部分，該融資部分為在本集團提供了一年以上的重大財務利益時，合約項下確認的收入包括按實際利息法在合約負債上加算的利息開支。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用國際財務報告準則第15號中實際權宜措施，不會對重大融資部分的影響作出調整。

- *銷售商品*
銷售商品的收入於資產控制權轉讓至客戶的時間點確認，一般為交付產品時。

部分銷售產品的合約訂明客戶有權退貨，退貨權利產生可變代價。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

- Sale of goods (continued)*

Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.
- Consigned processing services*

Revenue from the consigned processing services is recognised when products is delivered.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 重大會計政策概要 (續)

收入確認 (續)

來自客戶合約的收入 (續)

- 銷售商品 (續)*

退貨權利

就訂明客戶有權於指定期間內退貨的合約，使用預期價值法估計不會被退回的商品，原因是此方法最能預計本集團有權收取的可變代價金額。國際財務報告準則第15號有關限制可變代價估計的規定已應用於釐定計入交易成本內的可變代價金額。預期會被退回的商品會確認有關退款負債，而非收入。退貨權資產（及對銷售成本作出的相應調整）亦就向客戶收回產品的權利予以確認。
- 委託加工服務*

委託加工服務收入於交付產品時確認。

來自其他來源的收入

租金收入按租期時間比例確認。並非依賴一項指數或比率的可變租賃付款於產生的會計期間確認為收益。

其他收入

在利息產生時確認採用實際利率法計算的利息收入，所使用比率為將金融工具估計未來收回現金按金融工具的估計年期或更短期間（如適用）折現至金融資產賬面淨值的折現率。

股息收入於股東收取付款的權利確立，與股息相關的經濟利益很可能會流向本集團，以及股息金額可可靠地計量時確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Right-of-return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods and any potential decreases in the value of the returned goods. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned goods.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Employee benefits

Retirement benefits

The Group's subsidiaries operating in the People's Republic of China except for Hong Kong and Macau ("Mainland China") participate in a central defined contribution retirement benefit plan managed by the local municipal government in the locations in which they operate. Contributions are made based on a percentage of the companies' payroll costs and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central defined contribution retirement benefit plan.

2.4 重大會計政策概要 (續)

合約負債

合約負債於本集團轉讓相關貨品或服務前收取或付款予客戶到期時(以較早者為準)確認為合約負債。合約負債於本集團履行合約時(即轉讓相關貨品及服務予客戶)確認為收益。

退貨權資產

退貨權資產確認為有權收回客戶退回的貨品。資產按退回商品的前賬面值計量，減去任何收回商品的預期成本及退回商品的潛在價值減幅。本集團就其預期退貨水平的任何修改及退貨價值額外減幅更新所記錄資產的計量。

退款負債

退款負債確認為向客戶退回部分或全部已收(或應收)代價的責任，按本集團最終預期須向客戶退款的金額計量。本集團於各報告期末更新有關退款負債(及交易價格相應變動)的估計。

僱員福利

退休福利

本集團在中華人民共和國(香港及澳門除外)(「中國大陸」)營運的子公司，參與其營業所在地的地方政府管理的中央界定供款退休福利計劃，有關供款乃根據公司薪金費用的某百分比計算，並根據中央界定供款退休福利計劃的規則，在其應付時在綜合損益表內支銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits (continued)

The Company also participates in the defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) in Hong Kong under the Mandatory Provident Fund Schemes Ordinance for its employees. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

Share-based payments

The Company operates share option scheme and share award scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (“equity-settled transactions”).

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in notes 38 and 39 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要 (續)

僱員福利 (續)

退休福利 (續)

本公司亦根據強制性公積金計劃條例就其僱員參與香港一項界定供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金的某個百分比計算，並根據強積金計劃的規則，於應付時在綜合損益表內支銷。強積金計劃的資產乃以獨立於本集團的一項獨立管理基金持有。本集團就強積金計劃作出僱主供款時，供款全數歸屬僱員。

以股份為基礎的支付

本公司採納一項購股權計劃及股票獎勵計劃，藉此對本集團業務有貢獻的合資格參與者作出鼓勵及獎賞。本集團僱員(包括董事)會收取以股份為基礎的支付形式的酬金，而僱員會提供服務作為換取股本工具的代價(「股權結算交易」)。

與僱員進行的股權結算交易的成本乃參考授出權利當日的公允值計算。公允值乃由外部估值師採用二項計價模式釐定，進一步詳情已於財務報表附註38及39載列。

股權結算交易的成本連同權益的相應增加會於業績及服務條件達成的期間內於僱員福利費用內確認。歸屬日之前的各報告期末就股權結算交易確認的累計支出反映歸屬期屆滿的部分以及本集團對最終將歸屬的股本工具數目的最佳估計。期間內於綜合損益表扣除或計入的數額指於該期間期初及期終已確認累計支出的變動。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 重大會計政策概要 (續)

僱員福利 (續)

以股份為基礎的支付 (續)

釐定獎勵的授出日期公允值時並不計及服務和非市況表現條件，但將評估條件獲達成的機會率，作為本集團對最終將歸屬的股權工具數目的最佳估計一部分。市況表現條件在授出日期公允值內反映。在一項獎勵上附加但不設相關服務要求的任何其他條件被視為非歸屬條件。非歸屬條件在一項獎勵的公允值內反映，並導致一項獎勵的即時支銷，除非同時存在其他服務及／或表現條件。

對因非市場表現及／或服務條件未達成而最終未有歸屬的獎勵而言，將不會確認開支。如獎勵附帶市況或非歸屬條件，則在該情況下，不論是否達到該市況或非歸屬條件，該交易均會視作歸屬處理，惟所有其他業績及／或服務條件必須獲達成。

股權結算報酬條款修訂時，倘符合報酬的原有條款，需按條款並無進行修訂的情形確認最少的支出。此外，倘任何修訂導致於修訂日期所計量的以股份為基礎的支付的總公允值增加或以其他方式令僱員受惠，則所產生的任何額外支出予以確認。

股權結算報酬註銷時，視作報酬於註銷當日已經歸屬，而報酬尚未確認的任何支出會即時確認。此包括本集團或僱員並未導致其可控制的非歸屬條件的任何報酬。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為對原有報酬的修訂處理。

尚未行使購股權的攤薄影響應通過計算每股盈利時的額外股份攤薄反映。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, a capitalisation rate has been applied to the expenditure on the individual assets.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 重大會計政策概要 (續)

借貸成本

若借貸成本直接屬於購買、興建或生產合資格資產(即需要相當長時間才可擬定用途或出售的資產)，即撥充資本作為該等資產成本的一部分，而當相關資產大致達到擬定用途或出售時，即不再把該等借貸成本撥充資本。用以支付合資格資產的特定借款的臨時投資所賺取的投資收益從撥充資本的借貸成本中扣除。所有其他借貸成本皆於產生期間支銷。借貸成本包括利息及實體因資金借貸而產生的其他成本。

倘資金屬一般借貸並用於取得合資格資產，則個別資產開支將按比率撥作資本。

股息

期末股息於獲股東於股東大會上批准後確認為負債。擬派期末股息於財務報表附註中披露。

由於本公司的組織章程大綱及細則授權董事宣派中期股息，故中期股息同時建議及宣派。因此，中期股息在建議及宣派時即時確認為負債。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

Each entity in the Group determines its own functional currency based on the assessment of its specific facts and circumstances. The Company, established in the Cayman Islands, uses the Hong Kong dollar as its functional currency. As the Group mainly operates in Mainland China, RMB is used as the presentation currency of the Group. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the consolidated statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重大會計政策概要(續)

外幣

本集團各實體按其特定實況及情況釐定其功能貨幣。本公司於開曼群島成立，功能貨幣為港元。由於本集團主要於中國大陸營業，故使用人民幣為本集團的呈列貨幣。由本集團實體記錄的外幣交易最初以交易當日各通行功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債，則按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生的差額於綜合損益表確認。

貨幣項目結算或換算產生的差額於綜合損益表確認，惟指定對沖本集團海外業務投資淨額一部分的貨幣項目除外。該等貨幣項目於其他全面收益確認，直至投資淨額獲出售，屆時累計金額重新分類至綜合損益表。就該等貨幣項目匯兌差額應佔稅項支出及抵免亦計入其他全面收益。

以外幣列值及按歷史成本計量的非貨幣項目，乃按最初進行交易當日的匯率換算。以外幣列值及按公允值計量的非貨幣項目，須按計量公允值當日的匯率換算。換算按公允值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公允值變動的收益或虧損一致的方法處理（即已於其他全面收益或損益確認的項目的公允值收益或虧損，其換算差額亦分別於其他全面收益或損益確認）。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain entities comprising the Group are currencies other than RMB. As at the reporting date, the assets and liabilities of companies whose functional currency differs from the presentation currency are translated into RMB at the rates of exchange prevailing at the end of the reporting period and their statements of profit or loss are translated at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2.4 重大會計政策概要 (續)

外幣 (續)

於終止確認涉及預付代價的非貨幣資產或非貨幣負債時，為了確定相關資產、開支或收入於初始確認時的匯率，初始交易日期為本集團初始確因預付代價產生的非貨幣性資產或非貨幣性負債的日期。倘支付或收受多項預付代價，則本集團就支付或收受每項預付代價確定交易日期。

本集團旗下若干實體的功能貨幣為人民幣以外的貨幣。於本年度，倘公司的功能貨幣與呈列貨幣不同，其資產及負債乃按報告期末通行的匯率換算為人民幣，而損益表則按該報告期間的加權平均匯率換算。

因此產生的匯兌差額乃於其他全面收益內確認並於權益的一個獨立組成部分內累計。出售外國業務時，與該特定外國業務有關的其他全面收益的組成部分於綜合損益表內確認。

任何由收購海外業務所產生的商譽及任何由收購所產生對資產及負債的賬面值進行公允值調值乃作為海外業務資產及負責處理及按收市匯率進行匯兌。

就綜合現金流量表而言，海外子公司的現金流量按產生現金流量當日的適用匯率換算為人民幣。海外子公司全年經常產生的現金流量則按當年的加權平均匯率換算為人民幣。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Determining the method to estimate variable consideration and assessing the constraint for the sale of dairy products when recognising revenue from contracts with customers

Certain contracts for the sale of goods include a right of return that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return, given the large number of customer contracts that have similar characteristics.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

3. 重大會計判斷及估計

管理層於編製本集團的財務報表時，須作出影響收入、開支、資產及負債報告金額及其隨附披露事項，以及或然負債的披露的判斷、估計及假設。由於該等假設及估計具有不確定性，可能導致須於未來對受影響的資產或負債的賬面值作出重大調整。

判斷

在應用本集團的會計政策的過程中，管理層已作出以下判斷（除涉及估值的項目外），乃對財務報表內已確認金額構成最重大影響：

於確認來自客戶合約收入時，釐定估計可變代價的方法及評估出售乳製品的限制

若干出售商品的合約包括退貨權利引發可變代價。於估計可變代價時，本集團須根據何種方法可更好地預測其有權收取的代價金額來使用預期價值法或最可能金額法。

本集團確認，鑑於有大量特徵類似的客戶合約，預期價值法為估計出售有退貨權商品的可變代價時使用的適當方法。

於任何可變代價金額計入交易價格前，本集團會考慮可變代價金額是否受到限制。本集團根據其過經濟、業務預測及當前經濟狀況釐定可變代價的估計是否受到限制。此外，可變代價的不確定因素將於短時間內解決。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Withholding tax arising from the distribution of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distributions of dividends from certain subsidiaries whose equity interests are directly held by overseas parent companies according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends or on whether those overseas parent companies will be determined to be Chinese resident enterprises by the PRC governing tax authorities in the future. Except for certain subsidiaries with an equity interest directly held by overseas third party shareholders, which distributed dividends required by those overseas third party shareholders, management considered that it is not probable that those PRC subsidiaries will distribute profits earned from 1 January 2008 to 31 December 2020 in the foreseeable future. For those subsidiaries with an equity interest directly held by overseas third party shareholders, withholding tax amounting to RMB3,623,000 was provided during 2020 based on the expected dividend distribution from retained profit in the foreseeable future. Where the final outcome of these matters is different from the amounts originally determined, the difference will impact the deferred tax provision in the period in which the differences realise.

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

3. 重大會計判斷及估計 (續)

判斷 (續)

分派股息產生的預扣稅

本集團根據相關稅務機關的規定計提從若干子公司(其股權由海外母公司直接持有)分派股息所產生的預扣稅，是否計提取決於股息支付的時間或該等海外母公司在未來期間是否被中國政府稅務當局認定為中國居民企業納稅人。除若干由海外第三方股東直接持有股權的子公司應海外第三方股東要求分派股息外，管理層認為在可預見的未來，其他中國子公司將不大可能分派於二零零八年一月一日至二零二零年十二月三十一日所賺取的利潤。就該等由海外第三方股東直接持有股權的子公司而言，將根據在可預見的未來預期從保留利潤中分派的股息於二零二零年計提人民幣3,623,000元的額外預扣稅。倘該事件的最終結果有別於當初釐定的金額，差異將影響差異產生的期間所計提的遞延稅項。

經營租賃承擔 – 本集團作為出租人

本集團已就投資物業租合訂立商業物業租賃。根據安排條款及條件進行評估，例如不構成商業物業經濟年期的主要部份及最低租賃付款現值幾乎不等於所有商業物業的公允值，本集團決定其保留該等物業擁有權所附帶的大部份風險及回報，其將租出及將合約歸類為經營租賃。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Non-consolidation of an entity in which the Group holds more than a 50% equity interest

The Group considers that it has no control over China Modern Dairy Holdings Ltd. (“China Modern Dairy”), even though it held a 57.69% (2019: 58.15%) equity interest as at 31 December 2020. This is because the Group held less than 50% of the voting rights. Further details are contained in note 22 to the financial statements.

Equity-accounted investments with less than 20% of the voting power

The Group held approximately 17.51% of the total number of shares issued by China Shengmu Organic Milk Limited (“China Shengmu”), a company listed on Hong Kong Exchanges and Clearing Limited. Notwithstanding that the Group’s interest in China Shengmu is less than 20%, based on the reasons that the Group is the largest shareholder of China Shengmu and that it has appointed two members to China Shengmu’s 9-member board of directors, the Group has determined that it has significant influence in China Shengmu.

The Group held approximately 7.15% of the total number of shares issued by Shanghai MilkGround Food Tech Co., Ltd. (“MilkGround”), a company listed on Shanghai Stock Exchange. Notwithstanding that the Group’s interest in MilkGround is less than 20%, based on the reasons that the Group is the second largest shareholder of MilkGround and that it has appointed one member to MilkGround’s 9-member board of directors, the Group has determined that it has significant influence in MilkGround.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 重大會計判斷及估計 (續)

判斷 (續)

未合併一間本集團持有超過50%股權的實體

儘管其於二零二零年十二月三十一日持有中國現代牧業控股有限公司(「中國現代牧業」)的57.69%(二零一九年: 58.15%)股權, 本集團認為其對該公司並無控制權。此乃由於本集團持有少於50%的投票權。進一步詳情載於財務報表附註22。

投票權不足20%而以權益入賬的投資

本集團持有在香港交易及結算所有限公司上市的中國聖牧有機奶業有限公司(「中國聖牧」)已發行股份總數約17.51%。雖然本集團所持中國聖牧的股權不足20%, 但由於本集團是中國聖牧的最大股東, 且已委任中國聖牧的9名董事會成員中的兩名董事, 故本集團確定對中國聖牧有相當影響力。

本集團持有在上海證券交易所上市的上海妙可藍多食品科技股份有限公司(「妙可藍多」)已發行股份總數約7.15%。雖然本集團所持妙可藍多的股權不足20%, 但由於本集團是妙可藍多的第二大股東, 且已委任妙可藍多的9名董事會成員中的一名董事, 故本集團確定對妙可藍多有相當影響力。

估計的不確定性

對未來事項的主要假設及於報告期末估計的不確定性的其他主要來源(存有重大風險可能導致資產及負債賬面值須於下一財政年度內作出重大調整者)於下文論述。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Variable consideration for sales returns

The Group estimates variable consideration to be included in the transaction price for the sale of goods with rights of return.

The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group.

The Group updates its assessment of expected returns semi-annually and the refund liabilities are adjusted accordingly. Estimates of expected returns are sensitive to changes in circumstances and the Group's past experience regarding returns entitlements may not be representative of customers' actual returns entitlements in the future. As at 31 December 2020, the amount recognised as refund liabilities was RMB34,534,000 (2019: RMB40,246,000) for the expected returns.

Impairment of goodwill and trademarks with indefinite useful lives

The Group determines whether goodwill and trademarks with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating unit (or group of cash-generating units) or the fair value of a trademark. Estimating the value in use and fair value requires the Group to make an estimate of the expected future cash flows from the cash-generating unit (or group of cash-generating units) or a trademark and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of impairment testing of goodwill and trademarks with indefinite useful lives are given in note 20 to the financial statements.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

銷售退貨的可變代價

本集團就出售有退貨權商品計入交易價的可變代價作出估計。

本集團為預測銷售退貨製訂統計模式。該模式利用每項產品過往的退貨數據得出預期退貨百分比，再應用有關百分比於釐定可變代價的預期價值。經驗與過往退貨模式之間如有重大變動，均會對本集團估計的預期退貨百分比構成影響。

本集團每半年更新一次有關預期退貨的評估，並據此調整退款負債。預期退貨的估計數字對環境變化相當敏感，本集團過去有關退貨權利的經驗或不能代表客戶未來的實際退貨權利。於二零二零年十二月三十一日，就預期退貨確認為退款負債的金額為人民幣34,534,000元（二零一九年：人民幣40,246,000元）。

商譽及無限使用年期商標減值

本集團每年最少一次釐定商譽及無限使用年期商標是否減值。釐定商譽及無限使用年期商標是否減值須估計現金產生單位或現金產生單位組別的使用價值或商標的公允值。估計使用價值及公允值時，本集團須估計預期來自現金產生單位或現金產生單位組別或商標之日後現金流量，並挑選合適的折現率以計算該等現金流量的現值。商譽及無限使用年期商標減值測試詳情請參閱財務報表附註20。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the industry, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 26 to the financial statements.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

應收賬款預期信貸虧損的撥備

本集團採用撥備矩陣計算應收賬款的預期信貸虧損。撥備矩陣最初根據本集團過往觀察所得的欠款比率。本集團按前瞻性資料校正有關矩陣，以調整過往的信貸虧損經驗。例如，倘預期經濟環境預測（即國民生產總值）於下一年度轉差，以致行業的欠款數目增加，便會對過往的欠款比率作出調整。於各報告期末，過往觀察所得的欠款比率均會更新，並分析前瞻性估計的變動。

過往觀察所得的欠款比率、經濟環境預測與預期信貸虧損之間的相互關係評估是一項重要估計。預期信貸虧損的金額對環境變化及經濟環境預測相當敏感。本集團過去的信貸虧損經驗及經濟環境預測或不能代表客戶未來的實際欠款情況。有關本集團應收賬款預期信貸虧損的資料披露於財務報表附註26。

租賃 – 估計增量借貸利率

本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借貸利率（「增量借貸利率」）計量租賃負債。增量借貸利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而於類似期間以類似抵押品借入所需資金應支付之利率。因此，增量借貸利率反映了本集團「應支付」利率，當無可觀察利率時（如就並無訂立融資交易之子公司而言），或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以子公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（例如子公司獨立的信貸評級）。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets (other than goodwill and trademarks with indefinite useful lives)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Business combinations and goodwill

When the Group completes a business combination, the identifiable assets acquired and the liabilities assumed are recognised at their fair value. Management estimation is required to determine the fair values of the assets acquired, the liabilities assumed, and the purchase consideration, and on the allocation of the purchase consideration to the identifiable assets and liabilities. The fair values of the identifiable assets acquired and the liabilities assumed are determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable market where possible, but where this is not feasible, a degree of judgement and estimation is required in establishing fair values. Management must estimate the expected future cash flows and discount rate in order to calculate the fair values.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

非金融資產 (商譽及無限使用年期商標除外) 減值

於每個報告期末，本集團評估所有非金融資產 (包括使用權資產) 是否存在任何減值跡象。倘有跡象顯示非金融資產的賬面值可能無法收回時，將對該等資產進行減值測試。減值存在於當某一資產或某一現金產生單位的賬面值超過其可收回金額時，即其公允值減其銷售成本與其使用價值的較高者。公允值減銷售成本的計算基於在相似資產公平交易中，可獲得的具約束性銷售交易信息或可觀察市場價格減處置該資產的增量成本。計算使用價值時，管理層須估計來自資產或現金產生單位的預期未來現金流量，並選擇合適的折現率，以計算現金流量的現值。

業務合併及商譽

倘本集團完成業務合併，則所收購的可識別資產及所承擔的負債按其公允值確認。管理層於釐定所收購資產、所承擔負債、購買代價的公允值，以及分配可識別資產及負債的購買代價時須作出估計。所收購的可識別資產及所承擔的負債的公允值運用估值技術 (包括貼現現金流模式) 釐定。此等模式所用數據在可能情況下從可觀察市場取得，惟在不可行情況下，則須作出判斷及估計以釐定公允值。管理層須估計未來現金流量及折現率以計算公允值。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences and all unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, which affects the probability of utilisation and the tax rate to be used in the calculations. Details of deferred tax assets are contained in note 23 to the financial statements.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. Details of share-based payments are contained in notes 38 and 39 to the financial statements.

Fair value of dairy cows

The Group's dairy cows are valued at fair value less costs to sell. The fair value of dairy cows is determined based on either the market-determined prices as at the end of the reporting period adjusted with reference to the species, age, growing condition, costs incurred and expected yield of the milk to reflect differences in characteristics and/or stages of growth of the dairy cows; or the present value of expected net cash flows from the dairy cows discounted at a current market-determined rate, when market-determined prices are unavailable; or the cost when appropriate. Any change in the estimates may affect the fair value of the dairy cows significantly. The independent qualified professional valuer and management review the assumptions and estimates periodically to identify any significant change in the fair value of dairy cows.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

遞延稅項資產

遞延稅項資產就所有可扣減暫時性差異及所有未用稅項虧損加以確認，惟僅限於日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異及未用稅項虧損的情況。釐定可予確認的遞延稅項資產金額時，須就會影響可用作扣減的可能性及用於計算的稅率的日後應稅利潤的大致時間及水平，作出重要的管理層判斷。遞延稅項資產的詳情請參閱財務報表附註23。

以股份為基礎的支付

本集團計量與僱員的股權結算交易的成本時乃參考權益工具授出當日的公允值。估算公允值須釐定授出權益工具（視乎授出的條款及條件）的最合適估值模式，亦須釐定估值模式最適合的輸入數據，包括購股權的預計年期、波動率及股息率，以及就此作出假設。以股份為基礎的支付的詳情列於財務報表附註38及39。

乳牛的公允值

本集團的乳牛乃按公允值減銷售成本估值。乳牛的公允值乃按報告期末的市場定價釐定，並參考品種、年齡、生長狀況、所招致成本及預期產奶量作出調整，以反映乳牛的不同特點及／或生長階段；或如沒有市場定價，則以來自乳牛的按現行市場利率貼現的預期現金流量淨額的現值；或在適當情況下按成本釐定。任何估計變動均可能顯著影響乳牛的公允值。獨立合資格專業估值師及管理層定期複核各項假設及估計，以識別乳牛公允值的任何重大變動。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Fair value of unlisted equity investments

The unlisted equity investments have been valued based on a discounted cashflow method or a market-based valuation technique as detailed in note 47 to the financial statements. The Group classifies the fair value of these investments as Level 3. The fair value of the unlisted equity investments at 31 December 2020 was RMB720,486,000 (2019: RMB166,408,000). Further details are included in note 24 to the financial statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- Liquid milk products segment — manufacture and distribution of ultra-high temperature milk (“UHT milk”), milk beverage, yogurt and fresh milk;
- Ice cream products segment — manufacture and distribution of ice cream;
- Milk powder products segment — manufacture and distribution of milk powder; and
- Others segment — principally the Group’s cheese, plant-based nutrition products and trading business.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

非上市股權投資的公允值

非上市股權投資乃根據貼現現金流量法或基於市場的估值技術估值，詳情載於財務報表附註47。本集團將該等投資的公允值分類為第三級。二零二零年十二月三十一日非上市股權投資的公允值為人民幣720,486,000元(二零一九年：人民幣166,408,000元)。詳情載於財務報表附註24。

4. 經營分部資料

出於管理需要，本集團按產品及服務構組業務單元，共有下列四個可報告經營分部：

- 液態奶產品分部 — 生產及經銷超高溫滅菌奶(「UHT奶」)、乳飲料、酸奶及鮮奶；
- 冰淇淋產品分部 — 生產及經銷冰淇淋；
- 奶粉產品分部 — 生產及經銷奶粉；及
- 其他分部 — 主要為本集團奶酪、植物基營養品及貿易業務。

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4. OPERATING SEGMENT INFORMATION

(continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, non-lease-related finance costs, share of profits/losses of associates and a joint venture, income tax expense, as well as head office and corporate income/expenses are excluded from such measurement.

Segment assets exclude investments in associates and a joint venture, assets of a disposal group classified as held for sale and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分部資料 (續)

管理層獨立監察本集團各經營分部的業績，以作出有關資源分配及表現評估的決策。分部表現乃根據可報告分部利潤／虧損（其為對經調整稅前利潤／虧損的一種計量）予以評估。經調整稅前利潤／虧損與本集團的稅前利潤／虧損計量方式一致，惟利息收入、非租賃相關融資成本、應佔聯營公司及一間合營企業利潤／虧損、所得稅支出及總部及公司收益／支出不包含於該計量內。

分部資產並不包括於聯營公司及合營企業的投資、分類為持有待售的處置組內資產，以及其他未分配的總部及公司資產，乃由於此等資產按集團層面管理。

分部負債並不包括其他未分配的總部及公司負債，因為此等負債按集團層面管理。

分部間銷售及轉讓乃參考以當時市價向第三者銷售所採用的售價進行交易。

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31 December 2020 於二零二零年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2020

4. 經營分部資料 (續)

截至二零二零年十二月三十一日止年度

		Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (note 5)	分部收入 (附註5)					
Sales to external customers	銷售予外部客戶	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844
Intersegment sales	分部間銷售	648,537	69,917	16,327	845,294	1,580,075
		68,399,530	2,703,648	4,589,302	1,922,439	77,614,919
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment sales	對銷分部間銷售					(1,580,075)
Revenue	收入					76,034,844
Segment results	分部業績	3,193,020	23,956	16,638	39,861	3,273,475
<i>Reconciliation:</i>	<i>調整:</i>					
Interest income	利息收入					1,084,613
Finance costs (other than interest on lease liabilities)	融資成本 (除租賃負債利息外)					(550,475)
Share of loss of a joint venture	應佔一間合營企業虧損					(37,413)
Share of profits of associates	應佔聯營公司利潤					463,418
Corporate and other unallocated expenses	公司及其他不分部支出					(78,832)
Profit before tax	稅前利潤					4,154,786
Income tax expense	所得稅支出					(653,193)
Profit for the year	本年利潤					3,501,593
Segment assets	分部資產	50,221,395	1,949,172	18,826,292	733,919	71,730,778
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment receivables	對銷分部間應收款項					(24,887,942)
Corporate and other unallocated assets	公司及其他不分部的資產					24,179,513
Investment in a joint venture	於一間合營企業的投資					103,427
Investments in associates	於聯營公司的投資					9,020,464
Total assets	總資產					80,146,240
Segment liabilities	分部負債	23,245,274	2,640,811	10,999,767	1,482,354	38,368,206
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment payables	對銷分部間應付款項					(24,970,639)
Corporate and other unallocated liabilities	公司及其他不分部的負債					29,501,114
Total liabilities	總負債					42,898,681

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31 December 2020 於二零二零年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2020

4. 經營分部資料 (續)

截至二零二零年十二月三十一日止年度

		Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other segment information:	其他分部資料：					
Depreciation and amortisation	折舊及攤銷	1,651,331	186,310	174,841	29,418	2,041,900
Unallocated amounts	不分部金額					94,968
Total depreciation and amortisation	總折舊及攤銷					2,136,868
Capital expenditure	資本支出	4,485,830	123,154	169,155	1,247,393	6,025,532
Unallocated amounts	不分部金額					90,625
Total capital expenditure*	總資本支出*					6,116,157
Impairment losses recognised in the consolidated statement of profit or loss	於綜合損益表確認的減值虧損	150,480	117,623	107,515	1,661	377,279
Impairment losses reversed in the consolidated statement of profit or loss	於綜合損益表撥回的減值虧損	(41,828)	(4,862)	(2,144)	—	(48,834)
Impairment losses recognised in the consolidated statement of profit or loss, net	於綜合損益表確認的減值虧損淨額	108,652	112,761	105,371	1,661	328,445
Expense relating to share option scheme and share award scheme	涉及購股權計劃及股票獎勵計劃的開支	67,177	6,016	6,903	17,364	97,460
Unallocated amounts	不分部金額					120,180
Total non-cash expenses relating to share option scheme and share award scheme	涉及購股權計劃及股票獎勵計劃的非現金支出總額					217,640

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31 December 2020 於二零二零年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2019

4. 經營分部資料 (續)

截至二零一九年十二月三十一日止年度

		Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (note 5)	分部收入 (附註5)					
Sales to external customers	銷售予外部客戶	67,877,807	2,561,406	7,869,685	720,958	79,029,856
Intersegment sales	分部間銷售	740,894	87,256	—	291,836	1,119,986
		68,618,701	2,648,662	7,869,685	1,012,794	80,149,842
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment sales	對銷分部間銷售					(1,119,986)
Revenue	收入					79,029,856
Segment results	分部業績	3,854,437	(245,748)	(1,875,528)	(154,128)	1,579,033
<i>Reconciliation:</i>	<i>調整:</i>					
Interest income	利息收入					1,104,791
Finance costs (other than interest on lease liabilities)	融資成本 (除租賃負債利息外)					(625,049)
Share of loss of a joint venture	應佔一間合營企業虧損					(9,160)
Share of profits of associates	應佔聯營公司利潤					184,224
Gains on disposal of subsidiaries	出售子公司收益					3,418,082
Corporate and other unallocated expenses	公司及其他不分部支出					(46,474)
Profit before tax	稅前利潤					5,605,447
Income tax expense	所得稅支出					(1,309,532)
Profit for the year	本年利潤					4,295,915
Segment assets	分部資產	48,535,451	2,130,507	18,482,392	996,003	70,144,353
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment receivables	對銷分部間應收款項					(21,812,835)
Corporate and other unallocated assets	公司及其他不分部的資產					22,713,782
Investment in a joint venture	於一間合營企業的投資					140,840
Investments in associates	於聯營公司的投資					7,351,265
Total assets	總資產					78,537,405
Segment liabilities	分部負債	26,976,478	2,815,865	10,915,889	1,366,737	42,074,969
<i>Reconciliation:</i>	<i>調整:</i>					
Elimination of intersegment payables	對銷分部間應付款項					(21,812,835)
Corporate and other unallocated liabilities	公司及其他不分部的負債					24,927,934
Total liabilities	總負債					45,190,068

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31 December 2020 於二零二零年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2019

4. 經營分部資料 (續)

截至二零一九年十二月三十一日止年度

		Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other segment information:	其他分部資料：					
Depreciation and amortisation	折舊及攤銷	1,661,955	198,827	131,415	31,943	2,024,140
Unallocated amounts	不分部金額					235,767
Total depreciation and amortisation	總折舊及攤銷					2,259,907
Capital expenditure	資本支出	2,191,159	40,906	9,021,047	11,481	11,264,593
Unallocated amounts	不分部金額					267,697
Total capital expenditure*	總資本支出*					11,532,290
Impairment losses recognised in the consolidated statement of profit or loss	於綜合損益表確認的減值虧損	341,662	19,230	2,589,741	—	2,950,633
Impairment losses reversed in the consolidated statement of profit or loss	於綜合損益表撥回的減值虧損	(24,141)	(12)	(292)	—	(24,445)
Impairment losses recognised in the consolidated statement of profit or loss, net	於綜合損益表確認的減值虧損淨額	317,521	19,218	2,589,449	—	2,926,188
Expense relating to share option scheme and share award scheme	涉及購股權計劃及股票獎勵計劃的開支	49,965	870	18,307	1,947	71,089
Unallocated amounts	不分部金額					225,144
Total non-cash expenses relating to share option scheme and share award scheme	涉及購股權計劃及股票獎勵計劃的非現金支出總額					296,233

* Capital expenditure consists of cash paid for the purchase of property, plant and equipment, construction in progress, intangible assets, land use rights, equity interests in subsidiaries, associates and other equity investments.

* 資本支出包括購買物業、廠房及設備、在建工程、無形資產、土地使用權以及子公司、聯營公司及其他股本投資的股權所支付的現金。

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31 December 2020 於二零二零年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information**a. Revenue from external customers**

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	74,205,440	78,318,808
Overseas	海外地區	1,829,404	711,048
		76,034,844	79,029,856

The revenue information above is based on the locations of the customers.

b. Non-current assets

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	31,480,912	27,430,485
Overseas	海外地區	8,192,044	7,685,049
		39,672,956	35,115,534

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

There was no sales to a single customer which accounted for 10% or more of the Group's revenue for the years ended 31 December 2020 and 2019.

4. 經營分部資料 (續)**地區****a. 來自外部客戶的收入**

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	74,205,440	78,318,808
Overseas	海外地區	1,829,404	711,048
		76,034,844	79,029,856

上述收入資料乃根據客戶的地點劃分。

b. 非流動資產

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	31,480,912	27,430,485
Overseas	海外地區	8,192,044	7,685,049
		39,672,956	35,115,534

上述非流動資產的資料乃根據資產的地點劃分，不包括金融工具及遞延稅項資產。

主要客戶資料

截至二零二零年及二零一九年十二月三十一日止年度，並無向單一客戶的銷售佔本集團收入10%或以上。

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31 December 2020 於二零二零年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS

An analysis of the revenue is as follows:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue from contracts with customers: 來自客戶合約的收入：		
Sale of goods 銷售貨物	76,025,108	78,980,627
Consigned processing services 委託加工服務	9,736	49,229
	76,034,844	79,029,856

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2020

5. 收入、其他收入及收益

收入的分析如下：

來自客戶合約的收入

(i) 分類收入信息

截至二零二零年十二月三十一日止年度

Segments	分部	Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Types of goods or services:	商品或服務種類：					
Sales of goods	銷售貨物	67,750,993	2,633,731	4,563,239	1,077,145	76,025,108
Consigned processing services	委託加工服務	—	—	9,736	—	9,736
Total revenue from contracts with customers	來自客戶合約的總收入	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844

**NOTES TO
FINANCIAL STATEMENTS**
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31 December 2020 於二零二零年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS

(continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2020

5. 收入、其他收入及收益 (續)

來自客戶合約的收入 (續)

(i) 分類收入信息 (續)

截至二零二零年十二月三十一日止年度

Segments	分部	Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Geographical markets:	地區市場：					
Mainland China	中國大陸	67,750,993	2,633,731	2,743,571	1,077,145	74,205,440
Overseas	海外地區	—	—	1,829,404	—	1,829,404
Total revenue from contracts with customers	來自客戶合約的總收入	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844
Timing of revenue recognition:	確認收入的時間：					
Goods transferred at a point in time	於某一時間點轉讓的商品	67,750,993	2,633,731	4,563,239	1,077,145	76,025,108
Services transferred at a point in time	於某一時間點轉讓的服務	—	—	9,736	—	9,736
Total revenue from contracts with customers	來自客戶合約的總收入	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844

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31 December 2020 於二零二零年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS 5. 收入、其他收入及收益 (續)

(continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2019

來自客戶合約的收入 (續)

(i) 分類收入信息 (續)

截至二零一九年十二月三十一日止年度

Segments	分部	Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Types of goods or services:	商品或服務種類：					
Sales of goods	銷售貨物	67,848,806	2,561,406	7,849,457	720,958	78,980,627
Consigned processing services	委託加工服務	29,001	—	20,228	—	49,229
Total revenue from contracts with customers	來自客戶合約的總收入	67,877,807	2,561,406	7,869,685	720,958	79,029,856
Geographical markets:	地區市場：					
Mainland China	中國大陸	67,838,380	2,561,406	7,198,064	720,958	78,318,808
Overseas	海外地區	39,427	—	671,621	—	711,048
Total revenue from contracts with customers	來自客戶合約的總收入	67,877,807	2,561,406	7,869,685	720,958	79,029,856
Timing of revenue recognition:	確認收入的時間：					
Goods transferred at a point in time	於某一時間點轉讓的商品	67,848,806	2,561,406	7,849,457	720,958	78,980,627
Services transferred at a point in time	於某一時間點轉讓的服務	29,001	—	20,228	—	49,229
Total revenue from contracts with customers	來自客戶合約的總收入	67,877,807	2,561,406	7,869,685	720,958	79,029,856

**NOTES TO
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財務報表附註

31 December 2020 於二零二零年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS

(continued)

Revenue from contracts with customers (continued)**(i) Disaggregated revenue information (continued)**

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the year ended 31 December 2020

Segments	分部	Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from contracts with customers	來自客戶合約的收入					
External customers	外部客戶	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844
Intersegment sales	分部間銷售	648,537	69,917	16,327	845,294	1,580,075
		68,399,530	2,703,648	4,589,302	1,922,439	77,614,919
Intersegment adjustments and eliminations	分部間調整及對銷	(648,537)	(69,917)	(16,327)	(845,294)	(1,580,075)
Total revenue from contracts with customers	來自客戶合約的總收入	67,750,993	2,633,731	4,572,975	1,077,145	76,034,844

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

Segments	分部	Liquid milk products 液態奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Milk powder products 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from contracts with customers	來自客戶合約的收入					
External customers	外部客戶	67,877,807	2,561,406	7,869,685	720,958	79,029,856
Intersegment sales	分部間銷售	740,894	87,256	—	291,836	1,119,986
		68,618,701	2,648,662	7,869,685	1,012,794	80,149,842
Intersegment adjustments and eliminations	分部間調整及對銷	(740,894)	(87,256)	—	(291,836)	(1,119,986)
Total revenue from contracts with customers	來自客戶合約的總收入	67,877,807	2,561,406	7,869,685	720,958	79,029,856

5. 收入、其他收入及收益 (續)

來自客戶合約的收入 (續)

(i) 分類收入信息 (續)

來自客戶合約的收入與分部資料披露金額的對賬如下：

截至二零二零年十二月三十一日止年度

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5. REVENUE, OTHER INCOME AND GAINS

(continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	於報告期初計入合約負債之收入確認：		
Sale of goods	銷售商品	3,299,226	3,332,929
Revenue recognised from performance obligation satisfied in previous periods:	於過往期間達成的履約責任之收入確認：		
Sale of goods not previously recognised due to constraints on variable consideration	由於代價限制過往尚未確認之商品銷售	40,246	29,365

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied upon delivery of the goods and payment is paid in advance or due within a credit limit which is adjustable in certain circumstances. Some contracts provide customers with a right of return which give rise to variable consideration subject to constraint.

Consigned processing services

The performance obligation is satisfied upon completion of the consigned processing services and delivery of the processed products, and payment is generally due within 90 days from delivery.

5. 收入、其他收入及收益 (續)

來自客戶合約的收入 (續)

(i) 分類收入信息 (續)

下表顯示於本報告期間收入確認之金額，其於報告期初計入合約負債及於過往期間達成的履約責任確認：

(ii) 履行責任

有關本集團履行責任的資料概述如下：

銷售貨物

履行責任於交付貨品及於可予調整的信貸期限內預先或到期支付款項時達成。個別合約訂明客戶有權退貨，產生須受限制的可變代價。

委託加工服務

履行責任於完成委託加工服務完成及交付加工產品後達成，款項一般於送貨後90日內到期。

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5. REVENUE, OTHER INCOME AND GAINS **5. 收入、其他收入及收益** (續)

(continued)

Other income and gains

其他收入及收益

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Other income and gains	其他收入及收益		
Government grants related to	政府補助金：		
— Recognition of deferred income (note 33)	— 與確認遞延收入有關(附註33)	50,689	174,895
— Income	— 與收益有關	313,945	249,284
— Biological assets	— 與生物資產有關	—	16,334
Gains on disposal of subsidiaries (note 42)	出售子公司收益(附註42)	18,669	3,418,082
Gross rental income (note 17)	租金總收入(附註17)	66,214	43,666
Foreign exchange gains, net	匯兌收益淨額	299,946	42,575
Net fair value gain on forward currency contracts (note 32)	遠期外幣合約公允價值收益淨額(附註32)	—	23,308
Net fair value gain on unlisted equity investment at fair value through profit or loss (note 24(c))	以公允價值計量且其變動計入損益的非上市股權投資公允價值收益淨額(附註24(c))	138,622	—
Net fair value gain on unlisted equity investment in Guangze with put options (note 24(d))	附帶認沽期權的投入廣澤的非上市股權投資之公允價值收益淨額(附註24(d))	12,433	42,479
Negative goodwill arising from acquisition of an associate (a)	收購一間聯營公司產生的負商譽(a)	106,491	—
Others	其他	197,777	90,265
		1,204,786	4,100,888

Notes:

- (a) On 31 July 2020, the Group increased its shared holdings in China Shengmu and recognised China Shengmu as an associate (note 24(b)). Based on the purchase price allocation on initial recognition of investments in associates, a negative goodwill of RMB106,491,000 was recognised as other income and gains.

註：

- (a) 於二零二零年七月三十一日，本集團增加在中國聖牧的股權，並且將中國聖牧確認為聯營公司(附註24(b))。基於初始確認於聯營公司投資的購買價格分攤，因此在其他收入及收益確認負商譽人民幣106,491,000元。

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6. OTHER EXPENSES**6. 其他費用**

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Donations	捐贈支出	480,367	20,286
Fair value change of biological assets	生物資產公允值變動	—	171,902
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備虧損	13,585	78,618
Impairment of goodwill (note 18)	商譽減值(附註18)	—	2,363,909
Impairment of other intangible assets (note 19)	其他無形資產減值(附註19)	3,831	196,035
Impairment of construction in progress (note 15)	在建工程減值(附註15)	—	1,653
Impairment of property, plant and equipment (note 14)	物業、廠房及設備減值(附註14)	49,031	41,754
Impairment of right-of-use assets (note 17)	使用權資產減值(附註17)	22,778	—
Write-down of inventories to net realisable value (note 25)	存貨撇減至可變現淨值(附註25)	95,929	74,482
Educational surcharges, city construction tax, and other taxes	教育附加費、城市維護建設稅及其他稅項	473,262	477,679
Net fair value loss on forward currency contracts (note 32)	遠期外幣合約公允值虧損淨額(附註32)	9,825	—
Net fair value loss on a convertible promissory note (note 24(c))	可換股承兌票據之公允值虧損淨額(附註24(c))	—	1,409
Net fair value loss on exchangeable bonds (note 31)	可交換債券公允值虧損淨額(附註31)	401,942	77,988
Net fair value loss on warrants and subscription rights of warrants (note 24(b))	認股權證及認股權證認購權之公允值虧損淨額(附註24(b))	11,187	61,500
Others	其他	202,773	124,662
		1,764,510	3,691,877

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7. PROFIT BEFORE TAX

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

7. 稅前利潤

本集團的稅前利潤乃經扣除／(計入)下列各項後計算所得：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cost of inventories sold	銷售存貨成本	47,393,841	49,310,312
Realised and unrealised fair value losses of commodity futures contracts, net (note 32)	變現及未變現商品期貨合約公允價值虧損淨額 (附註32)	4,568	—
Cost of consigned processing services	委託加工服務成本	7,155	40,930
Cost of sales	銷售成本	47,405,564	49,351,242
Employee benefit expense (including directors' and chief executive's remuneration as disclosed in note 9)	僱員福利費用 (包括附註9所披露的董事及主要行政人員薪酬)		
— Wages, salaries, housing benefits and other allowances	— 工資、薪金、住房福利及其他津貼	5,924,474	6,254,984
— Retirement benefit contributions	— 退休福利供款	147,957	530,600
— Share option scheme expense (note 38)	— 購股權計劃開支 (附註38)	52,217	166,651
— Share award scheme expense (note 39)	— 股票獎勵計劃開支 (附註39)	165,423	129,582
		6,290,071	7,081,817
Impairment of financial and contract assets, net:	金融及合約資產減值淨額：		
Impairment of trade receivables, net (note 26)	貿易應收款項減值淨額 (附註26)	155,397	233,856
Impairment of financial assets included in prepayments, other receivables and other assets, net	計入預付款項、其他應收款項及其他資產的金融資產減值淨額	1,479	1,524
Impairment of financial assets included in other financial assets, net	計入其他金融資產的金融資產減值淨額	—	12,975
		156,876	248,355

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7. PROFIT BEFORE TAX (continued)

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

7. 稅前利潤(續)

本集團的稅前利潤乃經扣除/(計入)下列
各項後計算所得:(續)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Impairment of goodwill (note 18/20)	商譽減值(附註18/20)	—	2,363,909
Impairment of other intangible assets (note 19)	其他無形資產減值 (附註19)	3,831	196,035
Impairment of construction in progress (note 15)	在建工程減值(附註15)	—	1,653
Impairment of right-of-use assets (note 17)	使用權資產減值(附註17)	22,778	—
Impairment of property, plant and equipment (note 14)	物業、廠房及設備減值 (附註14)	49,031	41,754
Depreciation of items of property, plant and equipment (note 14)	物業、廠房及設備折舊 (附註14)	1,789,244	1,945,804
Depreciation of right-of-use assets (note 17)	使用權資產折舊(附註17)	256,477	220,068
Depreciation of investment properties (note 16)	投資物業折舊(附註16)	3,882	4,037
Amortisation of other intangible assets (note 19)	其他無形資產攤銷 (附註19)	87,265	89,998
Research and development costs — current year expenditure	本年研究開發費用	318,398	205,041
Outsourcing expense (note a)	外包費用(附註a)	256,777	181,993
Lease payments not included in the measurement of lease liabilities (note b)	不計入租賃負債計量的租 賃付款(附註b)	141,846	264,333
Auditor's remuneration (note c)	核數師酬金(附註c)	13,580	17,055

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7. PROFIT BEFORE TAX (continued)

Notes:

- (a) For the purpose of promoting operation efficiency, the Group outsourced the production of certain products. The amounts represent the total amount paid by the Group for purchasing outsourcing services.
- (b) The Group recognised rental expenses from short-term leases of RMB111,878,000 (2019: RMB201,200,000), leases of low-value assets of RMB4,645,000 (2019: RMB25,002,000) and variable lease payments not based on index or rates of RMB25,323,000 (2019: RMB38,131,000) for the year ended 31 December 2020. Further details are given in note 17(c) to the financial statements.
- (c) In addition to the above fees paid or payable to the auditors, Yashili, a subsidiary of the Company listed on the Main Board of the Stock Exchange of Hong Kong Limited, had an amount of RMB2,923,000 (2019: RMB2,944,000) paid/payable as auditor's remuneration during the year.

8. FINANCE COSTS

An analysis of finance costs is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on bank loans	銀行貸款利息	162,132	370,238
Interest on other borrowings (excluding lease liabilities)	其他借貸利息(不包括租賃負債)	388,343	238,716
Interest on lease liabilities (note 17 (b))	租賃負債利息(附註17(b))	21,780	19,153
Interest on long term payables	長期應付款項利息	—	400
Net fair value loss on interest rate forward contracts	利率遠期合約的公允值虧損淨額	—	15,695
		572,255	644,202

7. 稅前利潤(續)

附註：

- (a) 為了促進營運效率，本集團外包若干產品的生產。該金額指本集團就購買外包服務支付的總額。
- (b) 本集團截至二零二零年十二月三十一日止年度確認短期租賃支出人民幣111,878,000元(二零一九年：人民幣201,200,000元)、低價值資產租賃支出人民幣4,645,000元(二零一九年：人民幣25,002,000元)及並非根據某一指數或比率的可變租賃付款人民幣25,323,000元(二零一九年：人民幣38,131,000元)。詳情請參閱財務報表附註17(c)。
- (c) 除上述已付或應付核數師費用外，本公司於香港聯合交易所有限公司主板上市的子公司雅士利本年已付／應付核數師酬金人民幣2,923,000元(二零一九年：人民幣2,944,000元)。

8. 融資成本

融資成本的分析如下：

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

9. 董事及主要行政人員薪酬

根據香港聯合交易所有限公司證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條，以及公司(披露董事利益資料)規例第2部分披露的本年度董事及主要行政人員薪酬如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Fees	袍金	972	976
Other emoluments	其他酬金		
— Basic salaries, housing benefits, other allowances and benefits in kind	— 基本薪金、住房福利、其他津貼及實物利益	9,202	8,614
— Performance related bonuses	— 與業績有關的獎金	13,404	4,368
— Retirement benefit contributions	— 退休福利供款	141	192
		23,719	14,150

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**9. DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION** (continued)

9. 董事及主要行政人員薪酬 (續)

		Notes 附註	Fees 袍金 RMB'000 人民幣千元	Basic salaries, housing benefits, other allowances and benefits in kind 基本薪金、 住房福利、 其他津貼及 實物利益 RMB'000 人民幣千元	Performance related bonuses 與業績有關 的獎金 RMB'000 人民幣千元	Retirement benefit contributions 退休福利供款 RMB'000 人民幣千元	Total remuneration 總薪酬 RMB'000 人民幣千元
2020	二零二零年						
Executive directors	執行董事						
– Mr. Jeffrey, Minfang Lu	– 盧敏放先生	(b)/(c)/(d)	–	7,023	13,404	67	20,494
– Mr. Meng Fanjie	– 孟凡傑先生	(a)/(b)	–	2,179	–	74	2,253
Non-executive directors	非執行董事						
– Mr. Chen Lang	– 陳朗先生	(a)/(b)	–	–	–	–	–
– Mr. Niu Gensheng	– 牛根生先生		150	–	–	–	150
– Mr. Tim Ørting Jørgensen	– Tim Ørting Jørgensen先生		150	–	–	–	150
– Mr. Pascal De Petrini	– Pascal De Petrini先生		150	–	–	–	150
Independent non-executive directors	獨立非執行董事						
– Mr. Jiao Shuge	– 焦樹閣先生	(b)	–	–	–	–	–
– Mr. Julian Juul Wolhardt	– Julian Juul Wolhardt先生	(b)	–	–	–	–	–
– Mr. Zhang Xiaoya	– 張曉亞先生		261	–	–	–	261
– Mr. Yau Ka Chi	– 邱家賜先生		261	–	–	–	261
			972	9,202	13,404	141	23,719

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

9. 董事及主要行政人員薪酬 (續)

			Fees	Basic salaries, housing benefits, other allowances and benefits in kind	Performance related bonuses	Retirement benefit contributions	Total remuneration
	Notes 附註	RMB'000 人民幣千元	袍金 RMB'000 人民幣千元	基本薪金、 住房福利、 其他津貼及 實物利益 RMB'000 人民幣千元	與業績有關 的獎金 RMB'000 人民幣千元	退休福利供款 RMB'000 人民幣千元	總薪酬 RMB'000 人民幣千元
2019		二零一九年					
Executive directors		執行董事					
– Mr. Jeffrey, Minfang Lu	(b)/(c)/(d)	– 盧敏放先生	–	7,038	4,368	105	11,511
– Mr. Meng Fanjie	(a)/(b)	– 孟凡傑先生	–	776	–	72	848
– Ms. Wu Wenting	(a)/(b)	– 吳文婷女士	–	800	–	15	815
Non-executive directors		非執行董事					
– Mr. Chen Lang	(a)/(b)	– 陳朗先生	–	–	–	–	–
– Mr. Yu Xubo	(a)/(b)	– 于旭波先生	–	–	–	–	–
– Mr. Ma Jianping	(a)/(b)	– 馬建平先生	–	–	–	–	–
– Mr. Niu Gensheng		– 牛根生先生	150	–	–	–	150
– Mr. Tim Ørting Jørgensen		– Tim Ørting Jørgensen 先生	150	–	–	–	150
– Mr. Pascal De Petrini		– Pascal De Petrini 先生	150	–	–	–	150
Independent non-executive directors		獨立非執行董事					
– Mr. Jiao Shuge	(b)	– 焦樹閣先生	–	–	–	–	–
– Mr. Julian Juul Wolhardt	(b)	– Julian Juul Wolhardt 先生	–	–	–	–	–
– Mr. Zhang Xiaoya		– 張曉亞先生	263	–	–	–	263
– Mr. Yau Ka Chi		– 邱家賜先生	263	–	–	–	263
			976	8,614	4,368	192	14,150

Notes:

- (a) Mr. Ma Jianping resigned as a director on 7 January 2019. Mr. Yu Xubo was appointed as a director on 7 January 2019 and resigned as a director on 29 April 2019. Mr. Chen Lang was appointed as a director on 29 April 2019. Ms. Wu Wenting resigned as a director on 14 June 2019. Mr. Meng Fanjie was appointed as a director on 14 June 2019.

附註：

- (a) 馬建平先生於二零一九年一月七日辭任董事一職。于旭波先生於二零一九年一月七日獲委任為董事並於二零一九年四月二十九日辭任董事一職。陳朗先生於二零一九年四月二十九日獲委任為董事。吳文婷女士於二零一九年六月十四日辭任董事一職。孟凡傑先生於二零一九年六月十四日獲委任為董事。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

Notes: (continued)

- (b) During 2020, the five (2019: eight) directors agreed to waive their entitlements to directors' fees totaling RMB731,000 (2019: RMB736,000) for the year. Other than the aforementioned, there was no arrangement under which a director waived or agreed to waive any remuneration during the year.
- (c) As of 31 December 2020, certain directors were granted share options in respect of their services to the Group under the share option scheme of the Company, further details of which are set out in note 38 to the financial statements. In accordance with IFRS 2, share option benefits represent the fair value at the grant date of the share options issued under the share option scheme of the Company amortised to the consolidated statement of profit or loss during the year, disregarding whether the options have been vested/exercised or not. During the year, the share option benefits relating to the share options granted to Mr. Jeffrey, Minfang Lu were approximately RMB17,005,000 (2019: RMB39,126,000). During 2019, due to the unfulfilment of vesting conditions under share option scheme, the reversed share option benefits relating to the share options granted to Ms. Wu Wenting were approximately RMB378,000. The share option benefits relating to the share options granted to these directors are not included in the above remuneration analysis.
- (d) As of 31 December 2020, Mr. Jeffrey, Minfang Lu was granted shares in respect of his services to the Group under the share award scheme of the Company, further details of which are set out in note 39 to the financial statements. In accordance with IFRS 2, share-based payment benefits represent the fair value at the grant date of the shares amortised to the consolidated statement of profit or loss during the year, disregarding whether the shares have been vested/exercised or not. During the year, the fair value recognised in the consolidated statement of profit or loss relating to the shares granted to Mr. Jeffrey, Minfang Lu was approximately RMB5,801,000 (2019: RMB3,593,000). During 2019, due to the unfulfilment of vesting conditions under share award scheme, there was a reversal of RMB371,000 of the share-based payment expenses relating to the shares granted to Ms. Wu Wenting. The share award benefits relating to the share award granted to these directors are not included in the above remuneration analysis.

9. 董事及主要行政人員薪酬(續)

附註：(續)

- (b) 二零二零年內，五位(二零一九年：八位)董事同意放棄其董事袍金，金額合共人民幣731,000元(二零一九年：人民幣736,000元)。除前述者外，本年度並無任何有關董事放棄或同意放棄任何酬金的安排。
- (c) 截至二零二零年十二月三十一日，若干董事就其向本集團提供的服務獲本公司根據購股權計劃授予購股權，詳情載於財務報表附註38。根據國際財務報告準則第2號，購股權福利指按本公司購股權計劃所發行的購股權於授出日期的公允值，年內已於綜合損益表內予以攤銷，而不論該等購股權是否已歸屬/行使。年內，授予盧敏放先生的購股權涉及的購股權福利約為人民幣17,005,000元(二零一九年：人民幣39,126,000元)。二零一九年度，由於購股權計劃項下的歸屬條件未獲達成，有關向吳文婷女士授出的購股權涉及的撥回購股權福利約人民幣378,000元。有關授予該等董事購股權的購股權福利並無計入以上薪酬分析。
- (d) 截至二零二零年十二月三十一日，盧敏放先生就其對本集團提供的服務獲本公司根據股票獎勵計劃授出股份，詳情載於財務報表附註39。根據國際財務報告準則第2號，以股份為基礎的支付福利指股份於授出日期的公允值，年內已於綜合損益表內予以攤銷，而不論該等股份是否已歸屬/行使。年內，有關授予盧敏放先生的股份於綜合損益表確認之公允值約為人民幣5,801,000元(二零一九年：人民幣3,593,000元)。二零一九年度，由於股票獎勵計劃下的歸屬條件未能實現，有關向吳文婷女士授出股份的以股份為基礎的付款費用撥回金額為人民幣371,000元。有關授予的該等董事股票獎勵之股票獎勵福利並無計入以上薪酬分析。

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10. FIVE HIGHEST PAID EMPLOYEES

One (2019: One) of the five highest paid employees was a director whose emoluments have been shown above. Details of emoluments paid to the remaining four (2019: four) non-director, highest paid employees, who are neither a director nor chief executive of the Company, are as follows:

10. 五位最高薪僱員

五位最高薪僱員包括一位(二零一九年：一位)董事，有關彼等的酬金資料已於上文披露。本年度支付予本公司其餘四位(二零一九年：四位)非董事、最高薪僱員(非本公司董事或總裁)的酬金如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、其他津貼及實物利益	18,058	11,009
Performance related bonuses	與業績有關的獎金	14,557	11,369
Retirement scheme contributions	退休福利計劃供款	259	506
		32,874	22,884

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10. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

10. 五位最高薪僱員 (續)

酬金列入以下組別的最高薪非董事僱員的數目如下：

		Number of employees 僱員數目	
		2020 二零二零年	2019 二零一九年
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至4,500,000 港元	—	—
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至5,000,000 港元	—	1
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至5,500,000 港元	—	2
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至6,000,000 港元	—	—
HK\$6,000,001 to HK\$6,500,000	6,000,001 港元至6,500,000 港元	—	—
HK\$6,500,001 to HK\$7,000,000	6,500,001 港元至7,000,000 港元	—	—
HK\$7,000,001 to HK\$7,500,000	7,000,001 港元至7,500,000 港元	—	—
HK\$7,500,001 to HK\$8,000,000	7,500,001 港元至8,000,000 港元	1	—
HK\$8,000,001 to HK\$8,500,000	8,000,001 港元至8,500,000 港元	1	—
HK\$8,500,001 to HK\$9,000,000	8,500,001 港元至9,000,000 港元	—	—
HK\$9,000,001 to HK\$9,500,000	9,000,001 港元至9,500,000 港元	1	—
HK\$9,500,001 to HK\$10,000,000	9,500,001 港元至10,000,000 港元	—	—
HK\$10,000,001 to HK\$10,500,000	10,000,001 港元至10,500,000 港元	—	—
HK\$10,500,001 to HK\$11,000,000	10,500,001 港元至11,000,000 港元	—	1
HK\$11,000,001 to HK\$11,500,000	11,000,001 港元至11,500,000 港元	—	—
HK\$11,500,001 to HK\$12,000,000	11,500,001 港元至12,000,000 港元	—	—
HK\$12,000,001 to HK\$12,500,000	12,000,001 港元至12,500,000 港元	—	—
HK\$12,500,001 to HK\$13,000,000	12,500,001 港元至13,000,000 港元	—	—
HK\$13,000,001 to HK\$13,500,000	13,000,001 港元至13,500,000 港元	1	—
		4	4

During the year, share options were granted to four (2019: four) non-director, highest paid employees in respect of their services to the Group, further details of which are set out in note 38 to the financial statements. During the year, the share option benefits relating to the share options granted to the non-director, highest paid employees were approximately RMB17,440,000 (2019: RMB30,005,000) in aggregate. The share option benefits relating to the share options granted to these non-director, highest paid employees are not included in the above analysis.

年內，四名(二零一九年：四名)最高薪非董事僱員就其對本集團的服務獲授購股權(有關詳情在財務報表附註38中披露)。年內，有關向該等最高薪非董事僱員授出購股權的購股權福利合共約為人民幣17,440,000元(二零一九年：人民幣30,005,000元)。上述分析並無包括有關向該等最高薪非董事僱員授出購股權的購股權福利。

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10. FIVE HIGHEST PAID EMPLOYEES (continued)

During the year, shares were granted to three (2019: four) non-director, highest paid employees in respect of their services under the share award scheme of the Company, further details of which are set out in note 39 to the financial statements. During the year, the share-based payment expenses relating to the shares granted to non-director, highest paid employees were approximately RMB8,470,000 (2019: RMB6,301,000) in aggregate. The share-based payments relating to the shares granted to these non-director, highest paid employees are not included in the above analysis.

11. INCOME TAX EXPENSE

Under the Law of the People's Republic of China on Corporate Income Tax ("PRC CIT Law"), except for certain preferential tax treatment available to certain subsidiaries of the Group, the entities within the Group are subject to PRC corporate income tax ("CIT") at a rate of 25% (2019: 25%) on the taxable income as reported in their statutory accounts which are prepared in accordance with the PRC accounting standards and financial regulations.

10. 五位最高薪僱員 (續)

年內，三名(二零一九年：四名)最高薪非董事僱員就其服務根據本公司的股票獎勵計劃獲授股份(有關詳情在財務報表附註39中披露)。年內，有關向該等最高薪非董事僱員授出股份的以股份為基礎的付款費用共計約人民幣8,470,000元(二零一九年：人民幣6,301,000元)。上述分析並無包括有關向該等最高薪非董事僱員授出股份的以股份為基礎的付款。

11. 所得稅支出

根據中華人民共和國企業所得稅法(「中國企業所得稅法」)，除本集團若干子公司獲授若干稅務優惠外，本集團旗下的企業應就其法定賬目所呈報應課稅利潤按25%(二零一九年：25%)之稅率交納中國企業所得稅(「企業所得稅」)，法定賬目乃按照中國會計準則及財務法規編製。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current income tax	即期所得稅		
Current charge for the year	即期所得稅支出	651,767	1,486,936
Adjustments recognised in the year for current tax of prior years	年內就往年當期所得稅確認的調整	(12,776)	14,924
Deferred income tax (note 23)	遞延所得稅(附註23)	14,202	(192,328)
		653,193	1,309,532

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11. INCOME TAX EXPENSE (continued)

A reconciliation of the income tax expense applicable to profit before tax at the statutory income tax rate to the income tax expense at the Group's effective income tax rate for the year is as follows:

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit before tax	稅前利潤		4,154,786	5,605,447
At CIT rate of 25% (2019: 25%)	按25% (二零一九年： 25%) 企業所得稅稅率 計算		1,038,697	1,401,362
Non-deductible items and others, net	不可抵扣的項目及其他 (淨額)		5,084	213,660
Impairment of goodwill and trademarks with indefinite useful lives	商譽及無限使用年期商標		—	638,769
Adjustment recognised in the year for current tax of prior years	年內就往年當期所得稅確 認的調整		(12,776)	14,924
Effect of lower tax rates	低稅率的影響	(a)	(228,534)	(749,023)
Effect of tax exemptions	稅務豁免的影響	(a)	(371,163)	(394,255)
Losses/(gains) attributable to a joint venture and associates	一間合營企業及聯營公司 應佔虧損/(收益)		(106,501)	(43,766)
Tax losses utilised from previous periods	使用以往期間稅務虧損		(60,468)	(107,686)
Tax losses not recognised	未確認稅務虧損		386,639	329,126
Effect of withholding tax at 10% on the distributable profits of the Group's certain PRC subsidiaries	按本集團中國子公司可供 分派利潤10%計算的預 扣稅影響		2,215	6,421
At the effective income tax rate of 15.72% (2019: 23.36%)	按15.72% (二零一九年： 23.36%) 實際所得稅稅 率計算		653,193	1,309,532

11. 所得稅支出 (續)

在年度內，就稅前利潤按法定所得稅稅率計算的所得稅支出，與按照本集團實際所得稅稅率計算的所得稅支出調節如下：

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11. INCOME TAX EXPENSE (continued)

Notes:

- (a) Fifteen (2019: Fifteen) subsidiaries were granted lower tax rates by the state tax bureau in accordance with the PRC CIT law and the corresponding transitional tax concession policy and “The notice of tax policies relating to the implementation of the western China development strategy.”

Thirty-three (2019: Thirty) subsidiaries were granted tax exemptions in accordance with the policy of “The notice of preferential tax policy for preliminary processing of agriculture products”.

The total taxable profits of the subsidiaries that are subject to tax concessions amounted to approximately RMB2,514,491,000 (2019: RMB6,684,910,000) in aggregate.

- (b) The share of tax attributable to a joint venture and associates amounting to approximately RMB3,338,000 (2019: RMB4,568,000) is included in “Share of profits and losses of a joint venture and associates” in the consolidated statement of profit or loss.

11. 所得稅支出 (續)

附註：

- (a) 十五間(二零一九年：十五間)子公司獲國家稅務局根據中國企業所得稅法、有關稅收優惠過渡政策及《關於深入實施西部大開發戰略有關稅收政策問題的通知》授予低稅率優惠。

三十三間(二零一九年：三十間)子公司獲根據《關於發佈享受企業所得稅優惠政策的農產品初加工範圍(試行)的通知》的政策豁免稅務。

獲授稅務優惠的子公司的應課稅利潤總額合共約人民幣2,514,491,000元(二零一九年：人民幣6,684,910,000元)。

- (b) 一間合營企業及聯營公司應佔稅項約人民幣3,338,000元(二零一九年：人民幣4,568,000元)，已計入綜合損益表的「應佔合營企業及聯營公司收益及虧損」。

12. DIVIDENDS

12. 股息

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Declared and paid during the year Equity dividends on ordinary shares	本年度宣派及支付 普通股股息	706,661	708,968
Proposed for approval at the AGM Equity dividends on ordinary shares: Proposed final — RMB0.268 (2019: RMB0.181) per ordinary share	提呈於股東週年大會批准 普通股股息： 擬派期末股息 — 每股 普通股人民幣0.268元 (二零一九年：人民幣 0.181元)	(a)/(b) 1,058,093	712,238

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12. DIVIDENDS (continued)

Notes:

- (a) The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting (the "AGM").
- (b) This dividend was not recognised as a liability in the consolidated financial statements for the year ended 31 December 2020 but will be reflected as an appropriation of the share premium account for the year ending 31 December 2021.

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

(a) Basic earnings per share

The basic earnings per share for the year is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

A reconciliation of the weighted average number of shares used in calculating the basic earnings per share amount is as follows:

12. 股息 (續)

附註：

- (a) 擬派年度期末股息須由本公司股東在下一屆股東週年大會（「股東週年大會」）批准。
- (b) 該股息並無於截至二零二零年十二月三十一日止年度的綜合財務報表確認為負債，但將反映為截至二零二一年十二月三十一日止年度的股份溢價分配。

13. 本公司普通股擁有人應佔每股盈利

(a) 每股基本盈利

本年度每股基本盈利乃根據年內本公司普通股擁有人應佔利潤除以年內已發行普通股的加權平均數計算。

計算每股基本盈利時所用加權平均股份數目調節如下：

		2020 二零二零年 Number of shares 股份數目 '000 千股	2019 二零一九年 Number of shares 股份數目 '000 千股
Issued ordinary shares at 1 January	於一月一日已發行普通股	3,935,015	3,927,708
Effect of share options exercised	已行使購股權的影響	6,053	3,496
Effect of shares purchased under share award scheme	根據股票獎勵計劃回購股份的影響	(11,803)	(18,053)
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	3,929,265	3,913,151

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**13. EARNINGS PER SHARE ATTRIBUTABLE
TO ORDINARY EQUITY HOLDERS OF
THE COMPANY** (continued)

(b) Diluted earnings per share

The diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

A reconciliation of the weighted average number of shares used in calculating the diluted earnings per share amount is as follows:

13. 本公司普通股擁有人應佔每股盈利 (續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據年內本公司普通股擁有人應佔利潤除以用作計算每股基本盈利所採用的年內已發行普通股加權平均數，以及假設所有具攤薄潛力的普通股被視作獲行使或轉換為普通股時按無代價發行的普通股加權平均數計算。

計算每股攤薄盈利時所用加權平均股份數目調節如下：

		2020 二零二零年 Number of shares 股份數目 '000 千股	2019 二零一九年 Number of shares 股份數目 '000 千股
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	3,929,265	3,913,151
Weighted average number of ordinary shares, assuming issued at no consideration on the deemed exercise of all share options during the year	假設年內所有購股權被視作獲行使時按無代價發行之普通股加權平均數	8,306	8,125
Adjustments for share award scheme	就股票獎勵計劃作出的調整	13,763	2,605
Weighted average number of ordinary shares for the purpose of the diluted earnings per share calculation	計算每股攤薄盈利所用的普通股加權平均數	3,951,334	3,923,881

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14. PROPERTY, PLANT AND EQUIPMENT**14. 物業、廠房及設備**

		Freehold land 永久業權 土地 RMB'000 人民幣千元	Buildings and structures 房屋及建築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 運輸設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於二零二零年一月一日						
Cost	成本	53,021	6,077,187	15,981,711	1,412,369	92,593	23,616,881
Accumulated depreciation and impairment	累計折舊及減值	—	(2,407,817)	(9,260,113)	(769,976)	(76,273)	(12,514,179)
Net carrying amount	賬面淨值	53,021	3,669,370	6,721,598	642,393	16,320	11,102,702
At 1 January 2020, net of accumulated depreciation and impairment	於二零二零年一月一日，扣減累計折舊及減值	53,021	3,669,370	6,721,598	642,393	16,320	11,102,702
Additions	添置	—	30,671	239,873	170,401	1,249	442,194
Transfers from construction in progress (note 15)	轉撥自在建工程(附註15)	—	205,792	2,755,926	48,934	22	3,010,674
Transfers to construction in progress (note 15)	轉撥至在建工程(附註15)	—	(1,178)	(20,373)	—	—	(21,551)
Transfers from investment properties (note 16)	轉撥自投資物業(附註16)	—	5,742	—	—	—	5,742
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	—	—	10,796	153	—	10,949
Disposal of subsidiaries	出售子公司	—	(7,611)	(4,799)	(164)	(14)	(12,588)
Disposals	出售	—	(6,953)	(112,364)	(13,707)	(1,141)	(134,165)
Impairment (note 6)	減值(附註6)	—	(27,840)	(20,494)	(644)	(53)	(49,031)
Depreciation provided during the year (note 7)	年內折舊撥備(附註7)	—	(321,111)	(1,240,204)	(223,360)	(4,569)	(1,789,244)
Exchange realignment	匯兌調整	87	(3,385)	(14,761)	(970)	(49)	(19,078)
At 31 December 2020, net of accumulated depreciation and impairment	於二零二零年十二月三十一日，扣減累計折舊及減值	53,108	3,543,497	8,315,198	623,036	11,765	12,546,604
At 31 December 2020	於二零二零年十二月三十一日						
Cost	成本	53,108	6,298,160	18,723,146	1,566,089	86,908	26,727,411
Accumulated depreciation and impairment	累計折舊及減值	—	(2,754,663)	(10,407,948)	(943,053)	(75,143)	(14,180,807)
Net carrying amount	賬面淨值	53,108	3,543,497	8,315,198	623,036	11,765	12,546,604

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14. PROPERTY, PLANT AND EQUIPMENT

(continued)

14. 物業、廠房及設備 (續)

		Freehold land 永久業權 土地	Buildings and structures 房屋及建築物	Plant and machinery 廠房及機器	Office equipment 辦公設備	Motor vehicles 運輸設備	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日						
Cost	成本	51,871	8,538,763	16,957,138	1,438,503	154,467	27,140,742
Accumulated depreciation and impairment	累計折舊及減值	—	(2,434,394)	(9,134,906)	(722,679)	(114,839)	(12,406,818)
Net carrying amount	賬面淨值	51,871	6,104,369	7,822,232	715,824	39,628	14,733,924
At 1 January 2019, net of accumulated depreciation and impairment	於二零一九年一月一日，扣減累計折舊及減值	51,871	6,104,369	7,822,232	715,824	39,628	14,733,924
Additions	添置	—	153,393	246,155	214,123	2,706	616,377
Transfers from construction in progress (note 15)	轉撥自在建工程(附註15)	—	260,841	1,565,299	56,423	2,998	1,885,561
Transfers to construction in progress (note 15)	轉撥至在建工程(附註15)	—	(2,691)	(27,117)	—	—	(29,808)
Transfers from investment properties (note 16)	轉撥自投資物業(附註16)	—	38,670	—	—	—	38,670
Transfers to investment properties (note 16)	轉撥至投資物業(附註16)	—	(42,470)	—	—	—	(42,470)
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	—	222,677	413,662	11,160	489	647,988
Disposal of subsidiaries	出售子公司	—	(2,589,814)	(1,956,542)	(109,922)	(16,998)	(4,673,276)
Disposals	出售	—	(40,169)	(62,570)	(9,266)	(1,062)	(113,067)
Impairment (note 6)	減值(附註6)	—	(3,779)	(37,435)	(540)	—	(41,754)
Depreciation provided during the year (note 7)	年內折舊撥備(附註7)	—	(438,774)	(1,260,071)	(235,518)	(11,441)	(1,945,804)
Exchange realignment	匯兌調整	1,150	7,117	17,985	109	—	26,361
At 31 December 2019, net of accumulated depreciation and impairment	於二零一九年十二月三十一日，扣減累計折舊及減值	53,021	3,669,370	6,721,598	642,393	16,320	11,102,702
At 31 December 2019	於二零一九年十二月三十一日						
Cost	成本	53,021	6,077,187	15,981,711	1,412,369	92,593	23,616,881
Accumulated depreciation and impairment	累計折舊及減值	—	(2,407,817)	(9,260,113)	(769,976)	(76,273)	(12,514,179)
Net carrying amount	賬面淨值	53,021	3,669,370	6,721,598	642,393	16,320	11,102,702

(a) Certain property, plant and equipment of the Group with a net book value of approximately RMB75,957,000 as at 31 December 2019 have been pledged to secure the short term bank loans (note 31).

(b) The Group leases certain property, plant and equipment with a net book value of approximately RMB213,791,000 (2019: RMB19,299,000) to independent third parties under operating lease arrangements, with lease terms ranging from one to three years (2019: one to three years) (note 17).

(a) 本集團若干於二零一九年十二月三十一日賬面淨值約人民幣75,957,000元的物業、廠房及設備已經用作短期銀行貸款(附註31)的抵押品。

(b) 本集團根據經營租賃安排向若干獨立第三方租賃其列入物業、廠房及設備的賬面淨值約人民幣213,791,000元(二零一九年：人民幣19,299,000元)，租賃為期一年至三年(二零一九年：一年至三年)(附註17)。

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15. CONSTRUCTION IN PROGRESS

Movements of construction in progress are as follows:

15. 在建工程

本集團的在建工程變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount at beginning of year	年初賬面值	2,231,333	2,203,125
Additions during the year	年內添置	3,531,636	2,889,639
Transfers from property, plant and equipment (note 14)	轉撥自物業、廠房及設備 (附註14)	21,551	29,808
Transfers to property, plant and equipment (note 14)	轉撥至物業、廠房及設備 (附註14)	(3,010,674)	(1,885,561)
Transfers to other intangible assets (note 19)	轉撥至其他無形資產 (附註19)	(44,342)	(98,311)
Impairment (note 6)	減值(附註6)	—	(1,653)
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	33	21,822
Disposal of subsidiaries	出售子公司	—	(927,720)
Exchange realignment	匯兌調整	(68)	184
Carrying amount at end of year	年終賬面值	2,729,469	2,231,333

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16. INVESTMENT PROPERTIES

16. 投資物業

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January, net of accumulated depreciation	於一月一日，扣減累計折舊	73,548	73,785
Transfers from property, plant and equipment (note 14)	轉撥自物業、廠房及設備(附註14)	—	42,470
Transfers to property, plant and equipment (note 14)	轉撥至物業、廠房及設備(附註14)	(5,742)	(38,670)
Depreciation provided during the year (note 7)	年內折舊撥備(附註7)	(3,882)	(4,037)
At 31 December, net of accumulated depreciation	於十二月三十一日，扣減累計折舊	63,924	73,548
At 31 December Cost	於十二月三十一日 成本	72,266	95,337
Accumulated depreciation	減累計折舊	(8,342)	(21,789)
Net carrying amount	賬面淨值	63,924	73,548

The fair value of the investment properties, as determined by the directors of the Company, based on the market approach with reference to market transaction prices of similar properties, taking into account other factors, i.e., characteristics of the properties and locations, was estimated to be approximately RMB171,950,000 as at 31 December 2020 (2019: RMB167,074,000).

投資物業公允值於二零二零年十二月三十一日估計約為人民幣171,950,000元(二零一九年：人民幣167,074,000元)，該公允值由本公司董事根據市場法及參考類似物業的市場交易價格釐定，並已計及其他因素，即物業特質及地點等。

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16. INVESTMENT PROPERTIES (continued)**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

		Fair value measurements as at 31 December 2020 using 於二零二零年十二月三十一日使用的公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場的 報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Fair value measurement for:	就下列各項的公允值計量：				
Commercial properties	商用物業	—	171,950	—	171,950

16. 投資物業 (續)**公允值層級**

下表載列有關本集團投資物業的公允值計量等級：

		Fair value measurements as at 31 December 2019 using 於二零一九年十二月三十一日使用的公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場的 報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Fair value measurement for:	就下列各項的公允值計量：				
Commercial properties	商用物業	—	167,074	—	167,074

During the year, there were no transfers into or out of Level 3 (2019: Nil).

年內，概無轉入第三級或自第三級轉出(二零一九年：無)。

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17. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings and structures, plant and machinery, motor vehicles, office equipment and land use rights used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of approximately 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings and structures generally have lease terms between 1 and 30 years; plant and machinery and office equipment generally have lease terms between 1 and 6 years; while motor vehicles generally have lease terms between 2 and 4 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amount of right-of-use assets of the Group and the movements during the year are as follows:

		Right-of-use assets 使用權資產					
		Buildings and structures 房屋及 建築物	Plant and machinery 廠房及機器	Office equipment 辦公設備	Motor vehicles 運輸設備	Land use rights 土地使用權	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2020	於二零二零年一月一日	138,244	400,167	436	1,454	1,157,507	1,697,808
Additions	添置	57,943	174,607	—	—	214,512	447,062
Additions as a result of acquisition of subsidiaries (note 41)	收購子公司導致的增加 (附註41)	216	—	—	—	—	216
Depreciation charge (note 7)	折舊開支(附註7)	(75,746)	(153,441)	(364)	(789)	(26,137)	(256,477)
Disposal of subsidiaries	出售子公司	—	—	—	—	(288)	(288)
Impairment (note 6)	減值(附註6)	—	—	—	—	(22,778)	(22,778)
Early termination	提前終止	(18,386)	—	—	—	—	(18,386)
Exchange realignment	匯兌調整	488	2	—	28	—	518
As at 31 December 2020	於二零二零年 十二月三十一日	102,759	421,335	72	693	1,322,816	1,847,675

17. 租賃

本集團作為承租人

本集團擁有用於營運的房屋及建築物、廠房及機器、運輸設備、辦公設備及土地使用權中多個項目的租賃合約。已預先作出一次性付款以向業主收購租賃土地，租期為約50年，且根據該等土地租賃的條款，將不會繼續支付任何款項。房屋及建築物的租期一般介乎一至三十年，廠房及機器及辦公設備的租期一般介乎一至六年，而運輸設備的租期一般介乎二至四年。其他設備的租賃期限通常為12個月或以下及／或個別為低價值。一般而言，本集團不可向本集團以外人士轉讓及分租租賃資產。

(a) 使用權資產

本集團年內使用權資產的賬面值及變動如下：

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17. LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets (continued)

		Right-of-use assets 使用權資產					
		Buildings and structures 房屋及 建築物	Plant and machinery 廠房及機器	Office equipment 辦公設備	Motor vehicles 運輸設備	Land use rights 土地使用權	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	59,319	273,032	15,771	462	1,335,685	1,684,269
Additions	添置	116,940	246,992	809	1,224	263,462	629,427
Additions as a result of acquisition of subsidiaries (note 41)	收購子公司導致的增加 (附註41)	14,567	—	—	106	67,036	81,709
Depreciation charge (note 7)	折舊開支(附註7)	(52,616)	(119,272)	(7,955)	(348)	(39,877)	(220,068)
Disposal of subsidiaries	出售子公司	—	(628)	(8,189)	—	(468,799)	(477,616)
Exchange realignment	匯兌調整	34	43	—	10	—	87
As at 31 December 2019	於二零一九年 十二月三十一日	138,244	400,167	436	1,454	1,157,507	1,697,808

17. 租賃 (續)

本集團作為承租人 (續)

(a) 使用權資產 (續)

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17. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) of the Group and the movements during the year are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	499,402	388,525
New leases	新租賃	171,485	416,967
Additions as a result of acquisition of subsidiaries	收購子公司導致的增加	—	15,117
Accretion of interest recognised during the year (note 8)	期內已確認利息(附註8)	21,780	19,153
Reductions as a result of disposal of subsidiaries	出售子公司導致的減少	—	(76,733)
Exchange realignment	滙兌調整	279	—
Covid-19-related rent concessions from lessors	新型冠狀病毒疫情相關租金寬免	(3,089)	—
Payments	付款	(188,198)	(263,627)
Early termination	提前終止	(20,206)	—
Carrying amount at 31 December (note 31)	於十二月三十一日的賬面值(附註31)	481,453	499,402
Analysed into:	分析為：		
Current portion	流動部分	157,187	174,942
Non-current portion	非流動部分	324,266	324,460

The maturity analysis of lease liabilities is disclosed in note 31 to the financial statements.

17. 租賃 (續)

本集團作為承租人(續)

(b) 租賃負債

本集團年內租賃負債(計入計息銀行及其他借貸)的賬面值及變動如下：

租賃負債的到期分析於財務報表附註31披露。

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17. LEASES (continued)**The Group as a lessee** (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities (note 8)	租賃負債利息(附註8)	21,780	19,153
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊(附註7)	256,477	220,068
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2020 (note 7(b))	與短期租賃及餘下租期於二零二零十二月三十一日或之前屆滿的其他租賃有關的開支(附註7(b))	111,878	201,200
Expense relating to leases of low-value assets (note 7(b))	與低價值資產的租賃有關的開支(附註7(b))	4,645	25,002
Variable lease payments not included in the measurement of lease liabilities (note 7(b))	未計入租賃負債計量的可變租賃款項(附註7(b))	25,323	38,131
Covid-19-related rent concessions from lessors	新型冠狀病毒疫情相關租金寬免	(3,089)	—
Total amount recognised in profit or loss	於損益確認的款項總額	417,014	503,554

(d) Variable lease payments

The Group leased a number of the warehouses which contain variable lease payment terms that are based on the Group's actual usage area in the warehouses. There are also minimum annual base rental arrangements for these leases. The Group has recognised certain right-of-use assets for the fixed lease payments. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

17. 租賃 (續)**本集團作為承租人** (續)

(c) 於損益中確認的租賃相關款項如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities (note 8)	租賃負債利息(附註8)	21,780	19,153
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊(附註7)	256,477	220,068
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2020 (note 7(b))	與短期租賃及餘下租期於二零二零十二月三十一日或之前屆滿的其他租賃有關的開支(附註7(b))	111,878	201,200
Expense relating to leases of low-value assets (note 7(b))	與低價值資產的租賃有關的開支(附註7(b))	4,645	25,002
Variable lease payments not included in the measurement of lease liabilities (note 7(b))	未計入租賃負債計量的可變租賃款項(附註7(b))	25,323	38,131
Covid-19-related rent concessions from lessors	新型冠狀病毒疫情相關租金寬免	(3,089)	—
Total amount recognised in profit or loss	於損益確認的款項總額	417,014	503,554

(d) 可變租賃款項

本集團租賃多個倉庫，該等租賃包含以本集團於該等倉庫的實際使用面積為基礎的可變租賃款項條款。該等租賃亦設有最低年度基本租金安排。本集團已就固定租賃款項確認若干使用權資產。並不依賴指數或利率的可變租賃款項將於導致付款的事件或條件發生的期間確認為支出。

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17. LEASES (continued)

The Group as a lessee (continued)

(e) Certain land use rights in right-of-use assets of the Group with a net book value of approximately RMB9,439,000 as at 31 December 2019 have been pledged to secure short term bank loans (note 31).

The Group as a lessor

The Group leases its property, plant and equipment and investment properties under operating lease arrangements. Rental income recognised by the Group during the year was RMB66,214,000 (2019: RMB43,666,000), details of which are included in note 5 to the financial statements.

At 31 December 2020, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

17. 租賃(續)

本集團作為承租人(續)

(e) 本集團若干於二零一九年十二月三十一日賬面淨值約人民幣9,439,000元的使用權資產中的土地使用權已經用作短期銀行貸款(附註31)的抵押品。

本集團作為出租人

本集團根據經營租賃安排出租其物業、廠房及機器及投資物業。年內本集團確認的租金收入為人民幣66,214,000元(二零一九年：人民幣43,666,000元)，有關詳情載於財務報表附註5。

於二零二零年十二月三十一日，根據不可撤銷經營租賃，本集團日後應收其租戶的未貼現租賃款項如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	26,691	22,675
After one year but within two years	一年後但兩年內	30,529	27,492
After two years but within three years	兩年後但三年內	17,442	5,861
After three years but within four years	三年後但四年內	3,197	1,341
After four years but within five years	四年後但五年內	2,654	1,309
After five years	五年後	2,436	3,810
		82,949	62,488

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18. GOODWILL

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	4,718,657	4,681,492
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	92,091	2,688,283
Disposal of subsidiaries	出售子公司	—	(356,349)
Impairment during the year (notes 6 & 20)	年內減值(附註6及20)	—	(2,363,909)
Exchange realignment	匯兌調整	72,543	69,140
Carrying amount at 31 December	於十二月三十一日的賬面值	4,883,291	4,718,657
At 31 December	於十二月三十一日		
Cost	成本	9,500,994	9,336,360
Accumulated impairment	累計減值	(4,617,703)	(4,617,703)
Carrying amount at 31 December	於十二月三十一日的賬面值	4,883,291	4,718,657

During 2020, the Group acquired three subsidiaries from third parties. The total purchase consideration for these acquisitions was in the form of cash of RMB10,617,000 paid at the acquisition date. These business acquisitions gave rise to goodwill of RMB92,091,000 in total.

During 2019, the Group acquired a 100% equity interest in Bellamy at a cash consideration of RMB6,934,372,000. The business acquisition gave rise to goodwill of RMB2,615,250,000. The Group also acquired seven other companies engaging in the sale of dairy products activities during 2019. The total purchase consideration for these acquisitions was in the form of cash of RMB27,837,000 paid at the acquisition date. These business acquisitions gave rise to goodwill of RMB73,033,000 in total. Further details of the acquisition are included in note 41 to the financial statements.

During 2019, the Group disposed of Shijiazhuang Junlebao Dairy Co., Ltd (“Junlebao”) for an aggregate cash consideration of approximately RMB4,011,319,000.

As at 31 December 2020 and 2019, the goodwill was tested for impairment (note 20).

本集團於二零二零年自第三方收購三家子公司。該等收購的總收購代價以現金形式支付，於收購日期支付人民幣10,617,000元。該等業務收購合共產生商譽人民幣92,091,000元。

於二零一九年，本集團以人民幣6,934,372,000元的現金代價收購貝拉米的全部股權。該業務收購產生商譽人民幣2,615,250,000元。本集團亦於二零一九年收購其他七家公司，主要從事銷售乳產品。該等收購的總收購代價以現金形式支付，於收購日期支付人民幣27,837,000元。該等業務收購合共產生商譽人民幣73,033,000元。有關收購的進一步詳情載於財務報表附註41。

於二零一九年，本集團以現金代價總額約人民幣4,011,319,000元出售石家莊君樂寶乳業有限公司(「君樂寶」)。

於二零二零年及二零一九年十二月三十一日，商譽已進行減值測試(附註20)。

18. 商譽

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19. OTHER INTANGIBLE ASSETS

Movements of other intangible assets are as follows:

19. 其他無形資產

其他無形資產變動如下：

		Patents and licences 專利及特許權 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元 Note a 附註 a	Computer software 電腦軟件 RMB'000 人民幣千元	Distribution channels and customer relationships 分銷渠道及 客戶關係 RMB'000 人民幣千元 Note b 附註 b	Total 總計 RMB'000 人民幣千元
Cost at 1 January 2020, net of accumulated amortisation	於二零二零年一月一日， 按成本值，扣減累計 攤銷	—	7,046,014	401,928	135,473	7,583,415
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	—	—	7	—	7
Additions	添置	—	—	29,570	—	29,570
Transfer from construction in progress (note 15)	轉撥自在建工程(附註15)	—	—	44,342	—	44,342
Amortisation provided during the year (note 7)	年內計提攤銷(附註7)	—	—	(68,222)	(19,043)	(87,265)
Disposal of subsidiaries	出售子公司	—	—	(4,687)	—	(4,687)
Impairment during the year (note 6)	年內減值(附註6)	—	—	—	(3,831)	(3,831)
Exchange realignment	匯兌調整	—	149,424	123	6,242	155,789
At 31 December 2020	於二零二零年十二月 三十一日	—	7,195,438	403,061	118,841	7,717,340
At 31 December 2020	於二零二零年十二月 三十一日	—	7,384,095	666,218	173,278	8,223,591
Cost	成本	—	7,384,095	666,218	173,278	8,223,591
Accumulated amortisation and impairment	累計攤銷及減值	—	(188,657)	(263,157)	(54,437)	(506,251)
Net carrying amount	賬面淨值	—	7,195,438	403,061	118,841	7,717,340
Cost at 1 January 2019, net of accumulated amortisation	於二零一九年一月一日， 按成本值，扣減累計 攤銷	111	1,841,374	333,854	122,736	2,298,075
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	—	5,427,781	13,393	26,172	5,467,346
Additions	添置	—	—	68,172	—	68,172
Transfer from construction in progress (note 15)	轉撥自在建工程(附註15)	—	—	98,311	—	98,311
Amortisation provided during the year (note 7)	年內計提攤銷(附註7)	(111)	—	(75,760)	(14,127)	(89,998)
Disposal of subsidiaries	出售子公司	—	(174,219)	(31,492)	—	(205,711)
Impairment during the year (note 6)	年內減值(附註6)	—	(191,165)	(4,870)	—	(196,035)
Exchange realignment	匯兌調整	—	142,243	320	692	143,255
At 31 December 2019	於二零一九年 十二月三十一日	—	7,046,014	401,928	135,473	7,583,415
At 31 December 2019	於二零一九年 十二月三十一日	5,480	7,252,869	622,837	172,487	8,053,673
Cost	成本	5,480	7,252,869	622,837	172,487	8,053,673
Accumulated amortisation and impairment	累計攤銷及減值	(5,480)	(206,855)	(220,909)	(37,014)	(470,258)
Net carrying amount	賬面淨值	—	7,046,014	401,928	135,473	7,583,415

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19. OTHER INTANGIBLE ASSETS (continued)

Notes:

- (a) As at 31 December 2020, there were five trademarks: one trademark acquired in 2007 at a cost of RMB15,690,000, which was stated at cost less any impairment losses and was amortised on the straight-line basis over its estimated useful life of 10 years; and four trademarks acquired as part of business combination; one was acquired in 2013 at RMB1,366,000,000, and one was acquired in 2016 at RMB283,047,000, and the remaining two were acquired in 2019 at RMB5,678,452,000 and RMB40,996,000, respectively, which were regarded as having indefinite useful lives because the trademarked products are expected to generate net cash inflows indefinitely. As at 31 December 2020, trademarks with indefinite useful lives were tested for impairment (note 20).
- (b) The exclusive right of distribution channels and customer relationships acquired in business combination were stated at cost less any impairment losses and were amortised on the straight-line basis over their estimated useful lives ranging from 5 to 15 years.

20. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE USEFUL LIVES

Goodwill and trademarks with indefinite useful lives acquired through business combinations have been allocated to the following cash-generating units (the “CGUs”) or groups of cash-generating units (the “CGU Groups”) for impairment testing:

- liquid milk products CGU Group
- ice cream products CGU Group
- low temperature products CGU Group
- Yashili CGU
- Bellamy CGU

19. 其他無形資產 (續)

附註：

- (a) 截至二零二零年十二月三十一日，商標共有五個：一個分別於二零零七年按成本人民幣15,690,000元收購，已按成本值減去任何減值損失列賬及以直線法按其估計可使用年期十年攤銷；另外四個則為業務合併一部分，一個於二零一三年以人民幣1,366,000,000元收購、一個於二零一六年以人民幣283,047,000元收購、剩餘兩個於二零一九年分別以人民幣5,678,452,000元及人民幣40,996,000元收購，並因商標產品預期可以無限期產生淨現金流入而被視為擁有無限可使用年期。於二零二零年十二月三十一日，無限使用年期的商標已進行減值測試(附註20)。
- (b) 業務合併取得的分銷渠道專營權及客戶關係按成本減任何減值虧損列賬並就其介乎5至15年的估計可使用年期按直線基準攤銷。

20. 商譽及無限使用年期商標的減值測試

透過業務合併取得的商譽及無限使用年期商標已分配至下列現金產生單位(「現金產生單位」)或現金產生單位組別(「現金產生單位組別」)作減值測試：

- 液態奶產品現金產生單位組別
- 冰淇淋產品現金產生單位組別
- 低溫產品現金產生單位組別
- 雅士利現金產生單位組別
- 貝拉米現金產生單位組別

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20. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE USEFUL LIVES (continued)

Goodwill and trademarks with indefinite useful lives included in other intangible assets allocated to each of the CGUs or CGU Groups are as follows:

		Liquid milk products 液態奶產品		Ice cream products 冰淇淋產品		Yashili 雅士利		Low temperature products 低溫產品		Bellamy 貝拉米		Others 其他		Total 總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元
Goodwill	商譽	349,890	349,890	72,317	72,317	1,385,903	3,685,029	318,248	226,157	2,756,933	2,684,390	-	64,783	4,883,291	7,082,566
Impairment	減值	-	-	-	-	-	(2,299,126)	-	-	-	-	-	(64,783)	-	(2,363,909)
Trademarks	商譽	349,890	349,890	72,317	72,317	1,385,903	1,385,903	318,248	226,157	2,756,933	2,684,390	-	-	4,883,291	4,718,657
Impairment	減值	40,996	40,996	-	18,108	1,475,990	1,649,047	-	-	5,678,452	5,529,028	-	-	7,195,438	7,237,179
		-	-	-	(18,108)	-	(173,057)	-	-	-	-	-	-	-	(191,165)
		40,996	40,996	-	-	1,475,990	1,475,990	-	-	5,678,452	5,529,028	-	-	7,195,438	7,046,014
		390,886	390,886	72,317	72,317	2,861,893	2,861,893	318,248	226,157	8,435,385	8,213,418	-	-	12,078,729	11,764,671

The recoverable amount of each CGU or CGU Group has been determined based on value-in-use calculation using cash flow projections based on financial budgets or forecasts approved by senior management covering a five-year period.

Assumptions were used in the value-in-use calculation of each CGU or CGU Group for 31 December 2020 and 2019. The following describes each key assumption on which management has based its cash flow projections to undertake the impairment testing:

- Budgeted gross margins — The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the three years immediately before the budget year, adjusted for expected efficiency improvements and expected increase in production costs.
- Raw materials' price fluctuation — Reference is made to the actual data of the past year of countries from where the raw materials are sourced.
- Discount rates — The discount rates used are before tax and reflect specific risks relating to the relevant CGUs or CGU Groups.

20. 商譽及無限使用年期商標的減值測試 (續)

分配至各現金產生單位或現金產生單位組別並計入商譽及其他無形資產的無限可使用年期商標的總額如下：

各現金產生單位或現金產生單位組別的可收回金額已以經高級管理人員批准的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。

計算二零二零年及二零一九年十二月三十一日各現金產生單位或現金產生單位組別的使用價值時採用若干假設。管理層按現金流量預測進行減值測試所依據的各項主要假設詳述如下：

- 預算毛利率 — 用於釐定預算毛利率價值的基準乃緊接預算年度前三年達致的平均毛利率，並因應預計效能提升及預期生產成本增加而予以調整。
- 原材料價格變動 — 參考原料採購國家往年實際數據。
- 折現率 — 所用折現率乃稅前並反映有關現金產生單位或現金產生單位組別的特有風險。

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20. IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE USEFUL LIVES (continued)

- d) Growth rates — The growth rates used to extrapolate the cash flows beyond the five-year period are based on the estimated growth rate of each unit, taking into account the industry growth rate, past experience and the medium or long term growth target of each CGU or CGU Group.

The discount rates applied to cash flow projections and the growth rates used to extrapolate cash flows beyond the period are as follows:

20. 商譽及無限使用年期商標的減值測試 (續)

- d) 增長率 — 用於推算期五年期以後現金流量的增長率，乃以各單位的估計增長率為基準，並考慮行業增長率、過往經驗及各現金產生單位或現金產生單位組別的中長期增長目標計算所得。

用於現金流量預測的折現率及用於五年期以後現金流量推斷的增長率如下：

		Discount rate 折現率		Growth rate 增長率	
		2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年
Liquid milk products CGU Group	液態奶產品現金產生單位組別	11.31%	13.72%	4.0%	4.0%
Ice cream products CGU Group	冰淇淋產品現金產生單位組別	11.47%	13.69%	3.0%	3.0%
Low temperature products CGU Group	低溫產品現金產生單位組別	13.33%	13.33%	3.0%	3.0%
Yashili CGU	雅士利現金產生單位組別	13.85%	13.45%	3.0%	3.0%
Bellamy CGU	貝拉米現金產生單位組別	11.40%	12.20%	2.0%	2.0%

The values assigned to key assumptions are consistent with external information sources.

During 2019, due to the deterioration of the performance of the Yashili CGU, the directors have consequently determined to recognise an impairment loss of the goodwill directly related to the Yashili CGU amounting to RMB2,299,126,000 (note 6).

During 2019, the Group resolved to discontinue the production and sale of a branded product of ice cream products CGU Group and milk powder products CGU Group, respectively, in the foreseeable future. Therefore, the related trademarks amounting to RMB18,108,000 and RMB173,057,000, respectively, had been fully impaired.

In the opinion of Company's directors, as at 31 December 2020, any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the CGU's or CGU Group's carrying amount to exceed its recoverable amount.

主要假設的價值與外部數據來源一致。

二零一九年內，由於雅士利現金產生單位業績下降，故董事決定確認與雅士利現金產生單位直接相關的減值虧損人民幣2,299,126,000元(附註6)。

二零一九年內，本集團決定在可預見未來分別終止生產及銷售冰淇淋產品現金產生單位組別及奶粉產品現金產生單位組別的品牌產品。因此，相關商標人民幣18,108,000元及人民幣173,057,000元已分別悉數減值。

本公司董事認為，於二零二零年十二月三十一日，可收回金額所基於的主要假設的任何可能發生的合理變動均不會導致現金產生單位或現金產生單位組別的賬面值超出其可收回金額。

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21. INVESTMENT IN A JOINT VENTURE

21. 於一家合營企業的投資

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	60,065	97,478
Goodwill on acquisition	收購獲得的商譽	43,362	43,362
		103,427	140,840

The Group's trade receivable and payable balances with the joint venture are disclosed in note 45 to the financial statements.

本集團與合營企業之間的應收賬款及應付賬款結餘於財務報表附註45中披露。

22. INVESTMENTS IN ASSOCIATES

22. 於聯營公司的投資

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	6,539,732	5,398,985
Goodwill on acquisition	收購獲得的商譽	2,480,732	1,952,280
		9,020,464	7,351,265

The Group's trade receivable and payable balances with associates are disclosed in note 45 to the financial statements.

本集團與聯營公司之間的應收賬款及應付賬款結餘於財務報表附註45中披露。

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22. INVESTMENTS IN ASSOCIATES (continued)

Particulars of the material associate are as follows:

Name	Particulars of issued shares held	Place of incorporation	Percentage of equity interest attributable to the Group		Principal activity
			(indirect)	(indirect)	
名稱	持有已發行股份詳情	註冊成立地點	本集團應佔的股權百分比 (間接)	本集團應佔的股權百分比 (間接)	主要業務
			2020 二零二零年	2019 二零一九年	
China Modern Dairy Holdings Ltd. (i) (中國現代牧業控股有限公司)(i)	Ordinary shares of HK\$0.1 each 每股面值0.1港元的普通股	Cayman Islands 開曼群島	57.69%	58.15%	Production and sale of milk 生產及銷售牛奶

(i) Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

China Modern Dairy, which is considered a material associate of the Group, is a strategic partner of the Group mainly engaged in the manufacture and distribution of raw milk and liquid milk products.

As at 31 December 2016, the Group held 1,347,903,000 shares of China Modern Dairy, representing approximately 25.41% of the issued share capital and accounted for China Modern Dairy as an associate using the equity method.

22. 於聯營公司的投資 (續)

重要聯營公司的詳情如下：

Name	Particulars of issued shares held	Place of incorporation	Percentage of equity interest attributable to the Group		Principal activity
			(indirect)	(indirect)	
名稱	持有已發行股份詳情	註冊成立地點	本集團應佔的股權百分比 (間接)	本集團應佔的股權百分比 (間接)	主要業務
			2020 二零二零年	2019 二零一九年	
China Modern Dairy Holdings Ltd. (i) (中國現代牧業控股有限公司)(i)	Ordinary shares of HK\$0.1 each 每股面值0.1港元的普通股	Cayman Islands 開曼群島	57.69%	58.15%	Production and sale of milk 生產及銷售牛奶

(i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司審核。

中國現代牧業被視為本集團重要聯營公司，為本集團主要從事原奶和液態奶產品生產及經銷業務的策略夥伴。

於二零一六年十二月三十一日，本集團持有1,347,903,000股中國現代牧業股份，佔已發行股本約25.41%，並已將中國現代牧業作為一家聯營公司以權益法入賬。

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22. INVESTMENTS IN ASSOCIATES (continued)

On 7 February 2017, the Group acquired additional 965,465,750 shares in China Modern Dairy at a cash consideration of HK\$1,873,003,555 (equivalent to RMB1,662,834,000), which is equivalent to HK\$1.94 per share. As such, up to 7 February 2017, the Group owned an aggregate of 2,313,368,750 shares of China Modern Dairy, representing approximately 37.73% of the issued share capital. Accordingly, pursuant to the Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong, the Group was required to make a conditional mandatory cash offer (i) for all the issued shares in China Modern Dairy (other than those already owned or agreed to be acquired by the Group) (the “Share Offer”), and (ii) for the cancellation of all outstanding share options of China Modern Dairy (the “Option Offer”, together with the Share Offer referred to as the “Cash Offer”) on 14 February 2017. On the final closing date of the Cash Offer on 21 March 2017, valid acceptances of the Share Offer have been received in respect of 1,442,400,662 shares and valid acceptances of the Option Offer have been received in respect of 264,320,873 options, with a total cash consideration of HK\$2,846,376,965 (equivalent to RMB2,526,985,000). Accordingly, after the completion of the Cash Offer, the Group held an aggregate of 3,755,769,412 shares of China Modern Dairy, representing approximately 61.25% of the issued share capital. Upon completion of the Cash Offer, two additional directors representing the Company were appointed to the board of directors of China Modern Dairy. As a result, three out of a total of nine directors of China Modern Dairy represented the Company.

22. 於聯營公司的投資 (續)

於二零一七年二月七日，本集團收購中國現代牧業額外965,465,750股股份，現金代價為1,873,003,555港元（相當於人民幣1,662,834,000元），相當於每股股份1.94港元。因此，直至二零一七年二月七日，本集團擁有合共2,313,368,750股中國現代牧業股份，佔已發行股本約37.73%。因此，根據香港證券及期貨事務監察委員會頒佈的《公司收購及合併守則》，本集團須於二零一七年二月十四日就(i)收購全部已發行中國現代牧業股份（本集團已擁有或同意收購的股份除外）（「股份要約」），及(ii)註銷所有尚未行使的中國現代牧業購股權（「購股權要約」，連同股份要約合稱為「現金要約」）提出有條件強制性現金要約。於現金要約最後截止日期，即二零一七年三月二十一日，涉及1,442,400,662股股份之股份要約接獲有效接納，以及涉及264,320,873份購股權之購股權要約接獲有效接納，總現金代價為2,846,376,965港元（相當於人民幣2,526,985,000元）。因此，於現金要約完成後，本集團持有合共3,755,769,412股中國現代牧業股份，佔已發行股本約61.25%。於完成現金要約後，額外兩名代表本公司的董事獲委任加入中國現代牧業的董事會。因此，在合共九名中國現代牧業董事中的其中三名代表本公司。

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22. INVESTMENTS IN ASSOCIATES (continued)

On 6 June 2017, the Company issued US\$194,800,000 exchangeable bonds due 2022 (the “2017 Exchangeable Bonds”), which are exchangeable into 689,438,782 shares of China Modern Dairy at the notional exchange price of HK\$2.1995 per share, representing approximately 11.24% of the issued share capital, together with adjustment for all cash dividends or distribution paid by China Modern Dairy from 6 June 2017 to the exchange date. In connection with the issuance of the Exchangeable Bonds, the Company, as lender, lent to BOCI Financial Products Limited, as borrower, 689,438,782 shares of China Modern Dairy in aggregate (the “Loaned Securities”), which represented approximately 11.24% of the issued share capital, of China Modern Dairy in accordance with a securities lending agreement (the “Securities Lending Agreement”). Upon the effectiveness of the Securities Lending Agreement, voting rights in relation to the loaned securities pass from the lender to the borrower.

On 29 August 2017, the Group disposed of 30,000,000 shares of China Modern Dairy, representing approximately 0.49% of the issued share capital, for a cash consideration of HK\$41,400,000 (equivalent to RMB35,082,000), resulting in a loss of RMB18,204,000 recognised in profit or loss. Consequently, the Group held an aggregate of 3,725,769,412 shares of China Modern Dairy, representing approximately 60.77% of the issued share capital.

On 20 September 2019, China Modern Dairy entered into a subscription agreement to conditionally agreed to allot and issue for 276,228,409 subscription shares to a third party. Upon completion of the relevant agreement, the Group held approximately 58.15% of the issued share capital of China Modern Dairy.

22. 於聯營公司的投資 (續)

於二零一七年六月六日，本公司發行194,800,000美元的於二零二二年到期的可交換債券（「二零一七年可交換債券」），其可按照名義交換價（每股股份2.1995港元）轉換為689,438,782股中國現代牧業股份（佔已發行股本約11.24%），連同就由二零一七年六月六日至轉換日期間中國現代牧業的所有已付現金股息或分派作出調整。就發行可交換債券，根據一份借股協議（「借股協議」），本公司（作為出借方）向中銀國際金融產品有限公司（作為借方）出借合共689,438,782股中國現代牧業股份（「借出證券」），佔中國現代牧業已發行股本約11.24%。自借股協議生效起，借出證券的投票權應由出借方轉讓予借方。

於二零一七年八月二十九日，本集團出售30,000,000股中國現代牧業股份（佔已發行股本約0.49%），現金代價為41,400,000港元（相當於人民幣35,082,000元）。導致人民幣18,204,000元虧損於損益確認。因此，本集團持有合共3,725,769,412股中國現代牧業股份（佔已發行股本約60.77%）。

於二零一九年九月二十日，中國現代牧業與第三方訂立認購協議，並有條件同意配發及發行276,228,409股認購股份。於相關協議完成後，本集團持有約58.15%中國現代牧業已發行股本。

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22. INVESTMENTS IN ASSOCIATES (continued)

On 5 June 2020, the Company redeemed 2017 Exchangeable Bonds. On 24 June 2020, the Company issued US\$100,000,000 exchangeable bonds due 2023 (the “2020 Exchangeable Bonds”) at the interest rate of 1.50% per annum payable semi-annually, which are exchangeable into 613,877,227 shares of China Modern Dairy at the notional exchange price of HK\$1.2625 per share, representing approximately 9.58% of the issued share capital of China Modern Dairy. In connection with the issuance of the 2020 Exchangeable Bonds, the Company, as lender, lent to BOCI, as borrower, 613,877,227 shares of China Modern Dairy in aggregate (the “Loaned Securities”), which represent approximately 9.58% of the issued share capital of China Modern Dairy, in accordance with a securities lending agreement (the “Securities Lending Agreement”). Upon the effectiveness of the Securities Lending Agreement, voting rights in relation to the loaned securities pass from the lender to the borrower.

On 27 August 2020, China Modern Dairy issued 50,930,832 shares with the exercise of its management option scheme. Upon completion of the issuance, the Group held approximately 57.69% of the issued share capital of China Modern Dairy.

Considering the effect of the Group’s shareholdings of 57.69% (2019: 58.15%), and the potential voting rights of 9.58% (2019: 10.76%) shares underlying the 2020 Exchangeable Bonds when exchanged, management is of the opinion that the Group has less than 50% substantive voting rights over China Modern Dairy.

When assessing whether the Group controls China Modern Dairy, management considered all facts and circumstances, including, but not limited to, the substantive voting rights over China Modern Dairy, the voting rights attached to the Loaned Securities and their inability to be exercised by the Group, and the Group’s representation on the board of directors in China Modern Dairy. Taking into account these factors, management’s judgement is that the Group has no control over China Modern Dairy. Accordingly, China Modern Dairy continues to be accounted for as an associate using the equity method.

22. 於聯營公司的投資(續)

於二零二零年六月五日，本公司贖回二零一七年可交換債券。於二零二零年六月二十四日，本公司按年每半年支付利率1.50%發行於二零二三年到期的100,000,000美元可交換債券（「二零二零年可交換債券」），其可按名義交換價每股1.2625港元轉換為中國現代牧業的613,877,227股股份，佔中國現代牧業已發行股本約9.58%。有關發行二零二零年可交換債券，本公司（作為貸款方）根據證券借出協議（「證券借出協議」）向BOCI（作為借款方）借出合共613,877,227股中國現代牧業股份（「借出證券」），其佔中國現代牧業已發行股本約9.58%。待證券借出協議生效後，借出證券的投票權由貸款方轉移至借款方。

於二零二零年八月二十七日，中國現代牧業行使其管理購股權計劃，發行50,930,832股股份。發行完成後，本集團持有中國現代牧業已發行股本約57.69%。

經計及本集團所持57.69%股權（二零一九年：58.15%）、二零二零年可交換債券轉換後的9.58%股份的潛在投票權（二零一九年：10.76%）之影響，管理層判定本集團持有的中國現代牧業的實質性投票權少於50%。

在評估本集團是否控制中國現代牧業時，管理層審議了所有事實及情況，包括但不限於於中國現代牧業的實質性投票權、借出證券所附有投票權及其將無法由本集團行使，及本集團於中國現代牧業董事會的代表。經考慮此等因素，管理層判定本集團對中國現代牧業並無控制權。因此，中國現代牧業繼續作為一家聯營公司以權益法入賬。

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22. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the summarised financial information of China Modern Dairy extracted from its financial statements, adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements.

22. 於聯營公司的投資 (續)

下表列示中國現代牧業的財務資料概要(摘錄自其財務報表, 並按會計政策之任何差別作調整)及與綜合財務報表賬面值的對賬。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current assets	流動資產	3,084,660	2,898,988
Non-current assets	非流動資產	12,483,551	12,825,205
Current liabilities	流動負債	(4,965,851)	(6,436,874)
Non-current liabilities	非流動負債	(2,563,916)	(2,079,618)
Net assets	淨資產	8,038,444	7,207,701
Less: Non-controlling interests	減: 非控股股東權益	(141,521)	(126,184)
Attributable to owners of China Modern Dairy	中國現代牧業擁有人應佔	7,896,923	7,081,517

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22. INVESTMENTS IN ASSOCIATES (continued)

Reconciliation to the Group's interest in the associate:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proportion of the Group's ownership	本集團擁有權所佔比例	57.69%	58.15%
Group's share of net assets attributable to owners of the associate, excluding goodwill	本集團分佔聯營公司擁有人應佔資產淨值，不包括商譽	4,555,518	4,077,631
Group's share of net assets of an unlisted subsidiary of the associate, excluding goodwill	本集團分佔聯營公司一間非上市子公司的資產淨值，不包括商譽	127,547	112,684
Goodwill on acquisition	收購獲得的商譽	1,896,920	1,912,136
Effect of fair value adjustments at acquisition	收購時的公允值調整影響	(41,449)	(24,354)
Exchange realignment	匯兌調整	13,754	224,053
Less: Equity-settled share-based payment transactions not shared by the Group	減：本集團未分佔的以權益結算的股份支付交易	22,991	27,224
Carrying amount of the investment	投資賬面值	6,575,281	6,329,374
Revenue	收入	6,020,247	5,514,210
Profit for the year	本年利潤	783,765	349,857
Other comprehensive income for the year	年度其他全面收益	1,121	1,451
Total comprehensive income for the year	年度全面收益總額	784,886	351,308

A significant shortfall in the share price of China Modern Dairy compared to the average purchase price paid by the Group for its shareholding had constituted an indication of impairment. Accordingly, the carrying amount of the investment in China Modern Dairy was subject to an impairment test based on the estimated future cash flows.

The assumptions used for the discount rate and perpetual growth rate were 11.60% (2019: 11.50%) and 3.00% (2019: 3.00%), respectively. In the opinion of the Company's directors, any reasonably possible change in the key assumptions on which the value in use is based would not cause the impairment of the Group's investment in China Modern Dairy.

22. 於聯營公司的投資 (續)

本集團於聯營公司的權益調整如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proportion of the Group's ownership	本集團擁有權所佔比例	57.69%	58.15%
Group's share of net assets attributable to owners of the associate, excluding goodwill	本集團分佔聯營公司擁有人應佔資產淨值，不包括商譽	4,555,518	4,077,631
Group's share of net assets of an unlisted subsidiary of the associate, excluding goodwill	本集團分佔聯營公司一間非上市子公司的資產淨值，不包括商譽	127,547	112,684
Goodwill on acquisition	收購獲得的商譽	1,896,920	1,912,136
Effect of fair value adjustments at acquisition	收購時的公允值調整影響	(41,449)	(24,354)
Exchange realignment	匯兌調整	13,754	224,053
Less: Equity-settled share-based payment transactions not shared by the Group	減：本集團未分佔的以權益結算的股份支付交易	22,991	27,224
Carrying amount of the investment	投資賬面值	6,575,281	6,329,374
Revenue	收入	6,020,247	5,514,210
Profit for the year	本年利潤	783,765	349,857
Other comprehensive income for the year	年度其他全面收益	1,121	1,451
Total comprehensive income for the year	年度全面收益總額	784,886	351,308

中國現代牧業的股價較本集團就其股權所支付的平均購買價顯著下跌。因此，於中國現代牧業的投資賬面值根據估計未來現金流量進行減值測試。

折現率及永續增長率分別假設為11.60% (二零一九年：11.50%) 及3.00% (二零一九年：3.00%)。本公司董事認為，根據所使用數值的主要假設中出現任何合理可能變動將不會造成本集團於中國現代牧業的投資減值。

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22. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the aggregate financial information of the Group's all other associates, extracted from their unaudited management accounts, that are not individually material:

22. 於聯營公司的投資 (續)

下表顯示本集團所有其他聯營公司(個別而言並不重大)的財務資料總述(摘錄自其未經審核管理賬目):

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司投資的賬面值總額	2,445,183	1,021,891
Share of the associates' revenues and profits:	分佔聯營公司收入及利潤:		
Revenues	收入	2,151,182	1,666,303
Profit for the year	本年利潤	41,289	61,481
Other comprehensive income for the year	本年其他全面收益	10,031	4,003
Total comprehensive income for the year	年度全面收益總額	51,320	65,484

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23. DEFERRED TAX

The movements in the deferred tax assets during the year are as follows:

23. 遞延稅項

年內遞延稅項資產變動如下：

Deferred tax arising from:	遞延稅項來自：	Tax losses	Write-down	Provision for	Impairment	Un-invoiced	Deferred	Share award	Unrealised	Others	Total
		available for offsetting future taxable profits	of inventories to net realisable value	trade receivables and other receivables	of property, plant and equipment						
		可抵銷後應課稅利潤的稅項虧損	撇減存貨至可變現淨值	其他應收款項及應收賬款及撥備	物業、廠房及設備減值	未獲得發票的預提費用	遞延收入	股票獎勵計劃	集團內交易未變現利潤	其他	總計
		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
At 1 January 2020	於二零二零年一月一日	311,180	27,184	19,899	1,302	507,077	58,921	78,439	20,483	31,614	1,056,099
Credited/(charged) to profit or loss	損益內記賬/(支賬)	222,551	(14,367)	(5,704)	—	(87,205)	18,936	1,525	49,648	31,654	217,038
Exchange alignment	匯兌調整	880	228	22	11	219	—	1,111	—	1,017	3,488
At 31 December 2020	於二零二零年十二月三十一日	534,611	13,045	14,217	1,313	420,091	77,857	81,075	70,131	64,285	1,276,625
At 1 January 2019	於二零一九年一月一日	342,297	13,689	21,741	942	458,786	151,730	22,826	28,902	713	1,041,626
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	1,680	11,661	1,566	351	12,879	—	45,620	—	29,983	103,740
Credited/(charged) to profit or loss	損益內記賬/(支賬)	(4,157)	1,526	(3,042)	—	295,426	33,178	8,787	(8,419)	124	323,423
Disposal of subsidiaries	出售子公司	(29,754)	—	(407)	—	(260,355)	(125,987)	—	—	—	(416,503)
Exchange alignment	匯兌調整	1,114	308	41	9	341	—	1,206	—	794	3,813
At 31 December 2019	二零一九年十二月三十一日	311,180	27,184	19,899	1,302	507,077	58,921	78,439	20,483	31,614	1,056,099

Management expects it is probable that taxable profits will be available against which the above tax losses and deductible temporary differences can be utilised in the coming years.

管理層預期未來年度有可能出現應課稅利潤，可用以抵扣上述稅項虧損及可扣減暫時性差異。

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23. DEFERRED TAX (continued)

Deferred tax assets have not been recognised in respect of the following items:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Tax losses arising in Mainland China (i)	於中國大陸產生的稅項虧損(i)	3,558,320	2,990,013
Deductible temporary differences	可扣減暫時性差異	390,748	625,522
		3,949,068	3,615,535

(i) The above tax losses are available for a maximum of five years for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that tax profits will be available against which the above items can be utilised. The approval of tax authorities would also be required to utilise the above deductible temporary differences of the Group.

The movements in the deferred tax liabilities during the year are as follows:

Deferred liabilities arising from:	遞延負債來自：	Fair value adjustments arising from acquisition of subsidiaries	Fair value adjustments of financial instruments	Withholding tax	Accelerated depreciation for tax purpose	Others	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020	於二零二零年一月一日	1,711,239	8,258	6,421	215,984	-	1,941,902
Charged/(credited) to profit or loss	損益內記賬/(支賬)	(2,203)	2,408	(2,798)	233,833	-	231,240
Charged to other comprehensive income	其他全面收益內記賬	-	-	-	-	60,540	60,540
Exchange alignment	匯兌調整	45,923	-	-	-	-	45,923
At 31 December 2020	於二零二零年十二月三十一日	1,754,959	10,666	3,623	449,817	60,540	2,279,605

23. 遞延稅項 (續)

遞延稅項資產並未就下列項目確認：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Tax losses arising in Mainland China (i)	於中國大陸產生的稅項虧損(i)	3,558,320	2,990,013
Deductible temporary differences	可扣減暫時性差異	390,748	625,522
		3,949,068	3,615,535

(i) 上述稅項虧損可用以抵銷公司產生虧損日後應課稅利潤最多五年。

遞延稅項資產並無就上述各項而予以確認，因為可能沒有可供上述各項動用的稅項利潤。本集團動用上述可扣減暫時性差異時，亦需取得稅務機關的批准。

年內遞延所得稅負債變動如下：

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23. DEFERRED TAX (continued)

Deferred liabilities arising from:	遞延負債來自：	Fair value adjustments arising from acquisition of subsidiaries 收購子公司產生的公允價值調整 RMB'000 人民幣千元	Fair value adjustments of financial instruments 金融工具的公允價值調整 RMB'000 人民幣千元	Withholding tax 預扣稅 RMB'000 人民幣千元	Accelerated depreciation for tax purpose 按稅法調整之加速折舊差異 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	74,247	9,994	—	121,881	206,122
Acquisition of subsidiaries (note 41)	收購子公司(附註41)	1,627,132	—	—	—	1,627,132
Charged/(credited) to profit or loss	損益內記賬/(支賬)	(7,018)	(1,736)	6,421	133,428	131,095
Disposal of subsidiaries	出售子公司	(26,138)	—	—	(39,325)	(65,463)
Exchange alignment	匯兌調整	43,016	—	—	—	43,016
At 31 December 2019	於二零一九年十二月三十一日	1,711,239	8,258	6,421	215,984	1,941,902

Pursuant to the PRC CIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China whose equity interests are directly held by overseas parent companies in respect of earnings generated from 1 January 2008.

At 31 December 2020, except for deferred tax liabilities of RMB3,623,000 (2019: RMB6,421,000) relating to the earnings earned after 31 December 2007 by certain subsidiaries with equity interests directly held by overseas non-controlling shareholders, no deferred tax liabilities relating to the earnings earned after 31 December 2007 have been recognised for withholding taxes that would be payable. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB28,531,426,000 at 31 December 2020 (2019: RMB25,295,849,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

23. 遞延稅項(續)

根據中國企業所得稅法，於中國大陸成立的外資企業向外國投資者宣派的股息須徵收10%預扣稅。有關規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後所產生的盈利。倘中國與外國投資者所屬司法權區之間訂有稅務協定，則可按較低預扣稅率徵收。本集團的適用稅率為5%或10%。因此，本集團須就該等於中國大陸成立的子公司(由海外母公司直接持有其股權)就二零零八年一月一日起產生的盈利所分派的股息計繳預扣稅。

二零二零年十二月三十一日，除有關於二零零七年十二月三十一日後由海外非控股股東持有股權的若干子公司所賺取的盈利人民幣3,623,000元(二零一九年：人民幣6,421,000元)的遞延稅項負債，並未就應付預扣稅而確認於二零零七年十二月三十一日後子公司賺取的盈利有關的遞延稅項負債。董事認為，該等子公司於可見將來分派盈利的可能性很低。二零二零年十二月三十一日，尚未就與於中國大陸子公司的投資相關的臨時性差異總額確認遞延稅項負債合共約人民幣28,531,426,000元(二零一九年：人民幣25,295,849,000元)。

概無因本公司向其股東支付股息而附帶的所得稅後果。

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24. OTHER FINANCIAL ASSETS

24. 其他金融資產

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At fair value through other comprehensive income:	以公允值計量且其變動計入其他全面收益：			
Hong Kong listed equity investment — YuanShentai	香港上市股權投資 — 原生態	(a)	108,745	45,524
Hong Kong listed equity investment — China Shengmu	香港上市股權投資 — 中國聖牧	(b)	—	60,433
Unlisted equity investment — Ningxia Shangling	非上市股權投資 — 寧夏上陵		20,026	—
			128,771	105,957
At fair value through profit or loss:	以公允值計量且其變動計入損益：			
Unlisted equity investments in AICE	投入AICE的非上市股權投資	(c)	226,458	99,094
Convertible promissory note in AICE	AICE的可換股承兌票據	(c)	226,414	102,550
Unlisted equity investment in Guangze	投入廣澤的非上市股權	(d)	470,076	—
Other unlisted equity investments	其他非上市股權投資		3,926	67,314
Short term investment deposits	短期投資存款	(e)	6,858,012	16,160,803
Long term investment deposits	長期投資存款	(e)	—	53,642
Warrants and subscription right of warrants	認股權證及認股權證認購權	(b)	—	11,187
			7,784,886	16,494,590
At amortised cost:	按攤餘成本：			
Short term entrusted loans	短期委託貸款	(d)/(f)	630,000	2,880,772
Long term entrusted loans	長期委託貸款	(d)/(f)	775,391	1,063
Long term entrusted loans due within one year	於一年內到期的長期委託貸款	(d)/(f)	37,662	1,884
Long term receivables	長期應收款項		6,883	12,542
Long term time deposits	長期定期存款	(g)/28	6,078,577	4,569,773
			7,528,513	7,466,034
Total other financial assets	其他金融資產總額		15,442,170	24,066,581
Current	流動		7,752,088	19,220,584
Non-current	非流動		7,690,082	4,845,997
			15,442,170	24,066,581

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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24. OTHER FINANCIAL ASSETS (continued)

Notes:

(a) On 25 November 2013, the Company acquired 172,275,000 shares, representing a 4.41% equity interest, in YuanShengTai Dairy Farm Limited (“YuanShengTai”), a Hong Kong listed dairy company, with approximately HK\$469,831,000, equivalent to RMB369,396,000. In January 2017, the Company’s shareholding in YuanShengTai was diluted to 3.67% due to new share placement by YuanShengTai. Management designated the equity investment as a financial asset at fair value through other comprehensive income upon initial application of IFRS 9 (2009) on 1 January 2014, as management considered it a strategic investment for the purpose of securing high quality raw milk in the long run. The fair value of the listed equity securities was determined by reference to published quotations. An increase in fair value for the year ended 31 December 2020 and an accumulated decrease in fair value as of 31 December 2020 with amounts of RMB63,221,000 (2019: RMB20,316,000) and RMB260,651,000 (2019: RMB323,872,000), respectively, had been recognised in other comprehensive income.

(b) As of 31 December 2019, the Company held 269,865,600 shares, representing approximately 4.25% equity interest in China Shengmu. The Company designated the equity investment as a financial assets at fair value through other comprehensive income upon initial application of IFRS 9 (2009) on 1 January 2014, as management considered it a strategic investment for the purpose of securing high quality raw milk in the long run.

On 23 December 2018, Inner Mongolia Mengniu, a subsidiary of the Company, and Inner Mongolia Shengmu High-tech Farming Co., Ltd. (“Shengmu High-tech”), a subsidiary of China Shengmu, entered into two entrusted loan agreements, (the “Loan Facilities”). Under the Loan Facilities as at 31 December 2019, RMB1,370,000,000 were lent out to Shengmu High-tech, which were all repaid before 31 December 2020.

24. 其他金融資產 (續)

附註：

(a) 二零一三年十一月二十五日，本公司以約469,831,000港元（相等於人民幣369,396,000元），收購一間香港上市乳業公司原生態牧業有限公司（「原生態」）172,275,000股股份，佔其4.41%股權。於二零一七年一月，由於原生態配售新股份，本公司於原生態的控股權被攤薄至3.67%。於二零一四年一月一日首次應用國際財務報告準則第9號（二零零九年）時，管理層將該項股權投資指定為以公允價值計量且其變動計入其他全面收益的金融資產，此乃由於管理層認為其屬於一項策略投資，旨在確保優質原奶的長遠供應。該等上市股權證券的公允價值乃經參考所公佈報價釐定。截至二零二零年十二月三十一日止年度公允價值增加人民幣63,221,000元（二零一九年：人民幣20,316,000元）及於二零二零年十二月三十一日公允價值累計減少人民幣260,651,000元（二零一九年：人民幣323,872,000元），已於其他全面收益確認。

(b) 於二零一九年十二月三十一日，本公司持有269,865,600股股份，相當於中國聖牧約4.25%股權。當國際財務報告準則第9號於二零一四年一月一日首次採用之後，本公司將該項股權投資定為按公允價值計入其他全面收益的金融資產，因為管理層認為這是策略投資，保證長遠優質原奶供應。

於二零一八年十二月二十三日，本公司的子公司內蒙古蒙牛及中國聖牧的子公司內蒙古聖牧高科牧業有限公司（「聖牧高科」）訂立兩項委託貸款協議（「貸款融資」）。根據該貸款融資，於二零一九年十二月三十一日，人民幣1,370,000,000被借予聖牧高科。相關貸款已於二零二零年十二月三十一日前悉數償還。

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31 December 2020 於二零二零年十二月三十一日

24. OTHER FINANCIAL ASSETS (continued)

Notes: (continued)

(b) (continued)

In consideration of Inner Mongolia Mengniu granting the above favourable Loan Facilities to Shengmu High-tech, China Shengmu has agreed to conditionally issue to Start Great Holdings Limited, a subsidiary of the Company, a total of 1,197,327,890 warrants ("Warrants") subject to the terms and conditions set out in the warrant subscription agreement dated 23 December 2018. Upon exercise, each warrant entitles the warrant holder to subscribe for one new share of China Shengmu at HK\$0.33, subject to adjustment. During the year of 2019, the Group had been granted 1,080,248,000 warrants exercised at the discretion of the Group at any time during the eighteen-month period commencing from the date of issuance of warrants and 117,079,890 subscription rights of warrants were still subjected to be granted upon fulfilling all the conditions of warrant subscription agreement. During the year of 2020, the Group had been granted 117,079,890 warrants upon the completion of the pre-determined conditions. As of 31 July 2020, the Group recognised a fair value loss of RMB11,870,000 (2019: RMB61,500,000) of the Warrants and subscription right of Warrants in other expense (note 6).

On 31 July 2020, the Group completed the exercise of 1,197,327,890 warrants for the equivalent ordinary shares of China Shengmu at the exercise price of HK\$0.33 per share with an aggregate amount of HK\$395,118,204 (approximately RMB356,966,000). Upon exercise, the Group held in aggregate 1,467,193,490 ordinary shares of China Shengmu, representing approximately 17.51% of the total number of shares issued by China Shengmu at that time. Notwithstanding that the Group's interest in China Shengmu is less than 20%, based on the reasons that the Group is the largest shareholder of China Shengmu and that it has appointed two members to China Shengmu's 9-member board of directors, the Group has determined that it has significant influence in China Shengmu. As such, The Group reclassified its equity investments in China Shengmu as investments in associates. Accordingly, an increase in fair value for the period from 1 January 2020 to 31 July 2020 and an accumulated decrease in fair value as of 31 July 2020 with amounts of RMB38,068,000 (2019: RMB23,507,000) and RMB30,000 (2019: RMB38,098,000), respectively, had been recognised in other comprehensive income. Subsequently, the accumulated decrease in fair value with an amount of RMB30,000 was reclassified to retained earnings directly upon the recognition of the Group's equity investment in China Shengmu as investments in associates.

24. 其他金融資產 (續)

附註：(續)

(b) (續)

由於內蒙古蒙牛向聖牧高科授予上述優惠貸款融資，故中國聖牧同意有條件向本公司子公司Start Great Holdings Limited發行合共1,197,327,890股認股權證（「認股權證」），受限於訂立日期為二零一八年十二月二十三日認股權證認購協議的條款及條件。待行使後，每股認股權證持有者有權以0.33港元（可予調整）認購中國聖牧一股新股份。於二零一九年內，本集團已授出1,080,248,000股認股權證（由本集團自發行認股權證日期開始後十八個月期間內，酌情於任何時間行使），並且仍需根據認股權證協議的所有條件授出117,079,890股的認股權證。於二零二零年，當先決條件達成時，本集團獲授117,079,890份認股權證。於二零二零年七月三十一日，本集團在其他開支確認認股權證及認股權證認購權公允值虧損人民幣11,870,000元（二零一九年：人民幣61,500,000元）（附註6）。

於二零二零年七月三十一日，本集團完成行使1,197,327,890份認股權證，以每股0.33港元行使價認購相同數額的中國聖牧普通股，總額395,118,204港元（約人民幣356,966,000元）。當行使後，本集團合共有1,467,193,490股中國聖牧普通股，佔當時中國聖牧已發行股份總數約17.51%。雖然本集團所持中國聖牧的股權不足20%，但由於本集團是中國聖牧的最大股東，且已委任中國聖牧的9名董事會成員中的兩名董事，故本集團確定對中國聖牧有重大影響力。因此，本集團將對中國聖牧的股權投資改列為對聯營公司的投資。因此，二零二零年一月一日至二零二零年七月三十一日期間公允值增加及截至二零二零年七月三十一日公允值累計減少分別為人民幣38,068,000元（二零一九年：人民幣23,507,000元）及人民幣30,000元（二零一九年：人民幣38,098,000元），已在其全面收益確認。其後，公允值累計減少人民幣30,000元已在本集團對中國聖牧股權投資確認為對聯營公司投資時直接改列為保留盈利。

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24. OTHER FINANCIAL ASSETS (continued)

Notes: (continued)

(b) (continued)

In connection with the above Loan Facilities and Warrants agreements, on 23 December 2018, the Group and China Shengmu also entered into a share purchase agreement, pursuant to which the Group agreed to purchase 51% of the equity interests in Inner Mongolia Mengniu Shengmu High-tech Dairy Co., Ltd. ("Shengmu High-tech Dairy"), being the liquid milk processing business segment of China Shengmu. The Group completed the business acquisition of Shengmu High-tech Dairy in April 2019. Further details of the acquisition are included in note 41 to the financial statements.

(c) As at 31 December 2019, the Group held 14,750,000 ordinary shares of AICE Holdings Limited ("AICE"), representing approximately 9.9% shares of AICE issued then. In addition, the Group also held convertible promissory note (the "2017 convertible promissory note") in the original principal amount of US\$14,000,000, with an option to convert into the ordinary shares or to receive the principal amount together with all interests at the annual rate of 5%.

During the year of 2020, the Group purchased additional convertible promissory note (the "2020 convertible promissory note", together with the 2017 convertible promissory note, the "convertible promissory notes") in the original principal amount of US\$20,000,000, with an option to convert into the ordinary shares or to receive the principal amount together with all interest at the annual rate of 4.235%.

The Group classified the investments both in ordinary shares and convertible promissory notes as financial assets at fair value through profit or loss. As of 31 December 2020, the ordinary shares and the convertible promissory notes were fair valued at RMB226,458,000 and RMB226,414,000, respectively, with fair value changes of RMB138,622,000 in total charged to profit or loss.

(d) During the year of 2020, the Group acquired 29,247,903 shares of MilkGround, at cash consideration of approximately RMB734,642,000, representing approximately 7.15% shareholdings of MilkGround. Although the Group holds less than 20% of the voting power, the Group has a representation in the board of directors of MilkGround and participates in decisions over the relevant activities of MilkGround. Accordingly, the equity investment in MilkGround is classified as investments in associates.

24. 其他金融資產 (續)

附註：(續)

(b) (續)

根據上述貸款融資及認股權證協議，於二零一八年十二月二十三日，本集團與中國聖牧訂立股份購買協議，據此，本集團同意購買中國聖牧的液態奶加工業務板塊內蒙古蒙牛聖牧高科乳業有限公司（「聖牧高科乳業」）51%股權。本集團已於二零一九年四月完成收購聖牧高科乳業的業務。進一步收購詳情載於財務報表附註41。

(c) 於二零一九年十二月三十一日，本集團持有AICE Holdings Limited（「AICE」）14,750,000股普通股，佔當時AICE已發行股份約9.9%。此外，本集團亦持有原本金14,000,000美元的可換股承兌票據（「二零一七年可換股承兌票據」），可選擇轉換為普通股或按年利率5%收取本金及所有利息。

於二零二零年期間，本集團購買原本金20,000,000美元的其他可換股承兌票據（「二零二零年可換股承兌票據」，連同二零一七年可換股承兌票據，統稱「可換股承兌票據」），可選擇轉換為普通股或按年利率4.235%收取本金及所有利息。

本集團將普通股及可換股承兌票據的投資分類為按公允值計入損益的金融資產。於二零二零年十二月三十一日，普通股及可換股承兌票據公允值分別為人民幣226,458,000元及人民幣226,414,000元，公允值變動合共人民幣138,622,000元計入損益。

(d) 於二零二零年期間，本集團以現金代價人民幣734,642,000元收購妙可藍多的29,247,903股股份，佔妙可藍多約7.15%股權。雖然本集團持有少於20%的投票權，但本集團在妙可藍多董事會有一名代表並參與妙可藍多相關活動的決策。因此，於妙可藍多的股權投資分類為於聯營公司投資。

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31 December 2020 於二零二零年十二月三十一日

24. OTHER FINANCIAL ASSETS (continued)

Notes: (continued)

- (d) (continued)
Together with the above equity investments in MilkGround, the Group also acquired a 42.88% equity interest with put options in Jilin Province Guangze Dairy Technology Co., Ltd. (吉林省廣澤乳品科技有限公司, hereafter "Guangze"), a subsidiary of MilkGround, with cash consideration of approximately RMB457,643,000. The equity investment with put options in Guangze is classified as a hybrid financial asset measured at fair value through profit or loss. As of 31 December 2020, the hybrid financial asset was fair valued at RMB470,076,000, with fair value change of RMB12,433,000 charged to profit or loss.

- (e) The Group from time to time purchases various investment deposits from commercial banks for treasury management purpose. As at 31 December 2020, the Group held investment deposits of RMB6,858,012,000 (31 December 2019: RMB16,214,445,000) with principal guaranteed.

As at 31 December 2020, the investment deposits amounting to RMB100,000,000 (2019: RMB26,722,000) were pledged to interest-bearing bank and other borrowings.

- (f) The Group granted entrusted loans to certain dairy farms and other third parties. As at 31 December 2020, included in these entrusted loans, RMB700,000,000 was lent out via COFCO Trust Company Limited, a connected party and also a related party of the Group, while other entrusted loans were lent out via banks. Annual interest rates of the above entrusted loans ranged from 3.85% to 6.565% as at 31 December 2020 (2019: 4.79% to 8.96%).

- (g) The effective interest rates of long term time deposits as at 31 December 2020 varied from 3.14% to 4.18% (2019: 4.13% to 4.18%) per annum and would mature in two to three years. As at 31 December 2020, the long term deposits amounting to RMB9,108,000 were pledged to secure letters of credit (2019: RMB90,000,000).

As at 31 December 2020, the long term time deposits amounting to RMB146,000,000 (2019: Nil) were pledged to interest-bearing bank and other borrowings.

As at 31 December 2020, the long term time deposits amounting to RMB44,892,000 (2019: Nil) were pledged to banking facilities.

24. 其他金融資產 (續)

附註：(續)

- (d) (續)
除上述妙可藍多的股權投資外，本集團亦以現金代價約人民幣457,643,000元收購妙可藍多的子公司吉林省廣澤乳品科技有限公司(下文稱「廣澤」)附帶認沽期權的42.88%股權。附帶認沽期權的投入廣澤的股權投資分類為按公允值計入損益的混合金融資產。於二零二零年十二月三十一日，混合金融資產公允值人民幣470,076,000元，公允值變動人民幣12,433,000元計入損益。

- (e) 本集團不時為庫務管理目的向商業銀行購入多項投資存款。於二零二零年十二月三十一日，本集團持有人民幣6,858,012,000元(二零一九年十二月三十一日：人民幣16,214,445,000元)設有本金保證的投資存款。

於二零二零年十二月三十一日，投資存款金額人民幣100,000,000元(二零一九年：人民幣26,722,000元)已抵押以獲取計息銀行及其他借貸。

- (f) 本集團向若干牧場及第三方授出委託貸款。其中，於二零二零年十二月三十一日，人民幣700,000,000元為通過中糧信託有限責任公司(本集團一家關連方同時也是一家關聯方)借出，其餘均通過銀行借出。截至二零二零年十二月三十一日，上述委託貸款的年利率介乎3.85%至6.565%(二零一九年：4.79%至8.96%)。

- (g) 於二零二零年十二月三十一日，長期定期存款的實際年利率介乎3.14%至4.18%(二零一九年：4.13%至4.18%)，並將於兩至三年內到期。於二零二零年十二月三十一日，人民幣9,108,000元(二零一九年：人民幣90,000,000元)長期存款已抵押以獲取信用證。

於二零二零年十二月三十一日，人民幣146,000,000元(二零一九年：零)長期定期存款已抵押以獲取計息銀行及其他借貸。

於二零二零年十二月三十一日，人民幣44,892,000元(二零一九年：零)長期定期存款已抵押以獲取銀行授信。

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25. INVENTORIES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Raw materials	原材料	2,425,018	2,499,232
Finished goods	產成品	3,087,432	2,590,712
Total inventories at the lower of cost and net realisable value	按成本與可變現淨值的較低者計價的存貨總額	5,512,450	5,089,944

The amount of write-down of inventories recognised as an expense was RMB95,929,000 (2019: RMB74,482,000), which was recognised in other expenses (note 6).

確認為開支的存貨撇減金額為人民幣95,929,000元(二零一九年:人民幣74,482,000元),並於其他費用(附註6)中確認。

26. TRADE AND BILLS RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bills receivable	應收票據	61,530	109,968
Trade receivables	應收賬款	3,023,354	3,587,559
Impairment	減值	(96,522)	(110,661)
		2,988,362	3,586,866

The Group normally allows a credit limit to its customers which is adjustable in certain circumstances. The Group closely monitors overdue balances. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables. The trade receivables are non-interest-bearing.

本集團通常授予客戶特定信貸額度,並可在若干情況下調整。本集團密切監控逾期未償還結餘。鑒於上文所述及本集團的應收賬款與大量不同類別的客戶有關,故並無重大信貸集中風險。本集團並無就其應收賬款持有任何抵押品或其他信貸提升。應收賬款並無附帶利息。

Based on the Group's accounting policy of financial assets, the Group measured bills receivable at fair value through other comprehensive income as at 31 December 2020.

根據本集團的金融資產會計政策,本集團於二零二零年十二月三十一日按以公允價值計量且其變動計入其他全面收益計量應收票據。

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26. TRADE AND BILLS RECEIVABLES (continued)

Certain trade and bills receivables of the Group with a net book value of approximately RMB12,313,000 as at 31 December 2019 have been pledged to secure the short term bank loans (note 31).

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 3 months	3個月內	2,484,058	2,990,016
4 to 6 months	4至6個月	380,879	484,937
7 to 12 months	7至12個月	73,089	95,371
Over 1 year	1年以上	50,336	16,542
		2,988,362	3,586,866

The movements in the loss allowance for impairment of trade receivables are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初	110,661	149,292
Impairment losses recognised (note 7)	已確認減值虧損(附註7)	204,231	258,301
Amount written off as uncollectible	列為不可收回而撤銷的 金額	(169,536)	(272,487)
Impairment losses reversed (note 7)	減值虧損撥回(附註7)	(48,834)	(24,445)
At end of year	於年末	96,522	110,661

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

26. 應收賬款及票據 (續)

本集團若干應收賬款及票據連同賬面淨值於二零一九年十二月三十一日約人民幣12,313,000元已抵押用於擔保短期銀行貸款(附註31)。

於報告期末，經扣除虧損撥備的應收賬款及票據按發票日期的賬齡分析如下：

應收賬款減值撥備變動如下：

於各報告日期，減值分析採用撥備矩陣進行，以計量預期信貸虧損。撥備比率根據本集團過往的信貸虧損經驗得出，經債務人特定的前瞻性因素及經濟環境校正。

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26. TRADE AND BILLS RECEIVABLES (continued)

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using the provision matrix:

As at 31 December 2020

		Less than 1 year 少於一年	1 to 2 years 一至兩年	2 to 3 years 兩至三年	Over 3 years 三年以上	Total 總計
Expect credit loss rate	預期信貸虧損率	0.85%	55.05%	85.93%	100%	3.12%
Gross carrying amount (RMB'000)	賬面總值 (人民幣千元)	2,963,221	109,850	6,816	4,997	3,084,884
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	(25,195)	(60,473)	(5,857)	(4,997)	(96,522)

26. 應收賬款及票據 (續)

下列是採用撥備矩陣計量本集團應收賬款及票據的信貸風險資料：

於二零二零年十二月三十一日

As at 31 December 2019

於二零一九年十二月三十一日

		Less than 1 year 少於一年	1 to 2 years 一至兩年	2 to 3 years 兩至三年	Over 3 years 三年以上	Total 總計
Expect credit loss rate	預期信貸虧損率	1.00%	55.02%	93.64%	100%	2.99%
Gross carrying amount (RMB'000)	賬面總值 (人民幣千元)	3,606,552	35,562	8,605	46,808	3,697,527
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	(36,228)	(19,567)	(8,058)	(46,808)	(110,661)

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**27. PREPAYMENTS, OTHER RECEIVABLES
AND OTHER ASSETS**

27. 預付款、其他應收款項及其他資產

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deposits	按金	10,187	13,684
Prepayments	預付款	1,550,984	1,521,282
Other receivables	其他應收款項	643,175	752,150
Value-added tax recoverable	可抵扣增值稅	522,997	425,085
Corporate income tax recoverable	可退企業所得稅	201,450	33,087
Long term prepayments (note a)	長期預付款(附註a)	1,418,949	499,271
Right of return assets	退貨權資產	21,199	23,511
Total prepayments, other receivables and other assets	預付款、其他應收款項及其他資產總額	4,368,941	3,268,070
Less: Long term prepayments — non-current portion (note a)	減：長期預付款 — 非即期部分(附註a)	(760,762)	(215,966)
		3,608,179	3,052,104
Impairment allowance	減值撥備	(3,321)	(24,919)
		3,604,858	3,027,185

Note:

- (a) The Group has entered into long term raw milk supply contracts with certain milking cow raising companies. In accordance with these contracts, the Group prepaid for raw milk supplies for the next two to five years.

附註：

- (a) 本集團已與若干飼養乳牛公司訂立長期原料鮮奶供貨合約。根據該等合約，本集團就未來兩至五年原料鮮奶供貨預付款項。

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28. CASH AND BANK BALANCES AND OTHER DEPOSITS

28. 現金及銀行結存及其他存款

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash and cash equivalents as stated in the consolidated statement of cash flows	列於綜合現金流量表的現金及現金等價物	9,225,493	3,798,118
Pledged deposits	保證金存款 (a)	249,521	74,186
Time deposits	定期存款	8,250,207	7,247,842
		17,725,221	11,120,146
Less: Pledged deposits for banking facilities	減：銀行融資的保證金存款 29	(249,521)	(74,186)
Less: Long term time deposits	減：長期定期存款 24	(6,078,577)	(4,569,773)
Cash and bank balances as stated in the consolidated statement of financial position	列於綜合財務狀況表的現金及銀行結存	11,397,123	6,476,187

Note:

(a) As at 31 December 2020, the Group's pledged deposits were for the following bank facilities:

附註：

(a) 於二零二零年十二月三十一日，本集團的保證金存款就以下銀行融資作出：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Pledged to secure bills payable (note 29)	抵押以獲得應付票據 (附註29)	119,521	5,861
Pledged to secure interest-bearing bank and other borrowings	抵押以獲得計息銀行及其他借貸	—	46,787
Pledged to secure letters of credit	抵押以獲得信用證	130,000	21,538
		249,521	74,186

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28. CASH AND BANK BALANCES AND OTHER DEPOSITS (continued)

Note: (continued)

(a) (continued)

At the end of the reporting period, cash and bank balances of the Group denominated in RMB amounted to approximately RMB8,649,620,000 (2019: RMB4,305,894,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at the prevailing market interest rates. Time deposits are made for varying periods of between fifty-six days and three years depending on the immediate cash requirements of the Group and earn interest at the respective time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

29. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables of the Group, based on the invoice date, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 3 months	3個月內	7,183,665	5,510,608
4 to 6 months	4至6個月	725,645	870,994
7 to 12 months	7至12個月	40,720	333,937
Over 1 year	1年以上	19,291	23,087
		7,969,321	6,738,626

The Group's trade and bills payable are unsecured, non-interest-bearing and payable on demand.

Included in the above balances, bills payable with an aggregate balance of approximately RMB231,000,000 (2019: RMB22,000,000) were secured by the pledge of certain of the Group's deposits amounting to approximately RMB119,521,000 (2019: RMB5,861,000) (note 28). Except for the above, bills payable were unsecured, non-interest-bearing and payable when due ranging from 3 to 6 months.

28. 現金及銀行結存及其他存款(續)

註：(續)

(a) (續)

於報告期末，本集團以人民幣為單位的現金及銀行結存金額為約人民幣8,649,620,000元(二零一九年：人民幣4,305,894,000元)。人民幣並非可自由兌換為其他貨幣。然而，根據中國大陸的外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行，將人民幣匯兌為其他貨幣。

銀行存款根據市場利率計息。定期存款乃視乎本集團的即時現金需求而按介乎56日至三年的不同存款期存放，以及根據定期存款利率計息。銀行結存及保證金存款乃存放於信譽良好且無近期拖欠記錄的銀行。

29. 應付賬款及票據

本集團應付賬款及票據按發票日期的賬齡分析如下：

本集團的應付賬款及票據為無抵押、免息及須應要求隨時償還。

在上述金額中，結餘總額約人民幣231,000,000元(二零一九年：人民幣22,000,000元)的應付票據以本集團若干存款為數約人民幣119,521,000元(二零一九年：人民幣5,861,000元)(附註28)作抵押。除上述者外，應付票據為無抵押及免息，並將於三至六個月內到期。

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30. OTHER PAYABLES AND ACCRUALS

30. 其他應付款項及預提費用

		Notes	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		附註		
Contract liabilities	合約負債	(a)	3,470,305	3,299,226
Refund liabilities	退款負債		34,534	40,246
Salary and welfare payables	應付薪金及福利費		1,908,387	1,512,926
Other payables	其他應付款項	(b)	6,052,690	5,955,176
			11,465,916	10,807,574

Notes:

附註：

(a) Details of contract liabilities are as follows:

(a) 合約負債詳情如下：

		31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元
Short-term advances received from customers	自客戶收取的短期墊款			
Sale of goods	商品銷售	3,470,305	3,299,226	3,332,929

Contract liabilities are short-term advances received to deliver dairy products.

合約負債為就運送奶製品收取的短期墊款。

(b) Other payables are non-interest-bearing and payable on demand.

(b) 其他應付款項為免息及須應要求償還。

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31. INTEREST-BEARING BANK AND OTHER BORROWINGS **31. 計息銀行及其他借貸**

		2020 二零二零年			2019 二零一九年		
		Maturity	Fixed rate	Floating rate	Maturity	Fixed rate	Floating rate
		到期日	固定利率	浮動利率	到期日	固定利率	浮動利率
			RMB'000	RMB'000		RMB'000	RMB'000
			人民幣千元	人民幣千元		人民幣千元	人民幣千元
Current	流動						
Short term bank loans, secured	短期銀行貸款，有抵押	—	—	—	2020	230,680	—
Short term bank loans, unsecured	短期銀行貸款，無抵押	2021	3,349,677	1,417,529	2020	9,295,529	360,070
Current portion of long term bank loans — unsecured	長期銀行貸款即期部分 — 無抵押	—	—	—	2020	—	2,776,980
Super short-term commercial papers	超短期融資券	—	—	—	2020	1,000,000	—
Lease liabilities (note 17(b))	租賃負債(附註17(b))	2021	157,187	—	2020	174,942	—
			3,506,864	1,417,529		10,701,151	3,137,050
Non-current	非流動						
US\$194,800,000 2017 exchangeable bonds (note (d))	於二零一七年發行的194,800,000美元可交換債券(附註(d))	—	—	—	2022	1,374,780	—
US\$100,000,000 1.50% 2020 exchangeable bonds (note (e))	於二零二零年發行的100,000,000美元票息率1.50%的可交換債券(附註(e))	2023	1,014,361	—	—	—	—
US dollar bonds (note (f))	美元債券(附註(f))	2023-2030	11,681,205	—	2023-2024	6,935,369	—
Medium-term notes	中期票據	2022	1,000,000	—	2022	1,000,000	—
Lease liabilities (note 17(b))	租賃負債(附註17(b))	2022-2052	324,266	—	2021-2052	324,460	—
			14,019,832	—		9,634,609	—
			17,526,696	1,417,529		20,335,760	3,137,050

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**31. INTEREST-BEARING BANK AND OTHER
BORROWINGS** (continued)

The repayment schedule of the interest-bearing bank and other borrowings is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	一年內	4,924,393	13,838,201
1 to 2 years	一至兩年	1,125,805	137,421
2 to 5 years	兩至五年	10,928,045	9,475,564
Over 5 years	五年以上	1,965,982	21,624
Total interest-bearing bank and other borrowings	計息銀行及其他借貸總額	18,944,225	23,472,810
Less: Amount due within one year included in current liabilities	減：計入流動負債的一年內到期款項	(4,924,393)	(13,838,201)
		14,019,832	9,634,609

Notes:

- (a) As at 31 December 2020 and 2019, the Group's interest-bearing bank and other borrowings were secured as follows:

31. 計息銀行及其他借貸 (續)

計息銀行及其他借貸的還款期如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	一年內	4,924,393	13,838,201
1 to 2 years	一至兩年	1,125,805	137,421
2 to 5 years	兩至五年	10,928,045	9,475,564
Over 5 years	五年以上	1,965,982	21,624
Total interest-bearing bank and other borrowings	計息銀行及其他借貸總額	18,944,225	23,472,810
Less: Amount due within one year included in current liabilities	減：計入流動負債的一年內到期款項	(4,924,393)	(13,838,201)
		14,019,832	9,634,609

附註：

- (a) 於二零二零年及二零一九年十二月三十一日，本集團的計息銀行及其他借貸抵押情況如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Secured by invest deposits and long term time deposits	以投資存款及長期定期存款抵押	326,664	26,831
Secured by property, plant, equipment and right-of-use assets	以物業、廠房、設備及使用權資產抵押	—	602,275
Secured by trade and bills receivables	以應收賬款及票據抵押	—	4,000
Secured by all assets of certain subsidiaries	以子公司全部資產抵押	116,252	96,976
Unsecured	無抵押	18,501,309	22,742,728
		18,944,225	23,472,810

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31 December 2020 於二零二零年十二月三十一日

31. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (b) The carrying amounts of the Group's interest-bearing bank and other borrowings were denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Hong Kong dollars	港元	1,346,624	2,776,980
United States dollars	美元	12,849,846	15,387,609
Australian dollars	澳元	116,620	96,976
Indonesia Rupiah	印尼盾	227,989	106,928
RMB	人民幣	4,403,146	5,104,317
		18,944,225	23,472,810

- (c) The floating annual interest rates of the short term bank loans were determined based on the interest rates announced by the People's Bank of China, Hong Kong Interbank Offered Rate and the London Interbank Offered Rate.

The fixed annual interest rates of the short term bank loans varied from 1.20% to 5.50% (2019: from 1.15% to 12.00%).

- (d) On 6 June 2017, the Company issued US\$194,800,000 2017 exchangeable bonds due 2022, which are exchangeable into 689,438,782 shares of China Modern Dairy at the initial notional exchange price of HK\$2.1995 per share. The Group classified the exchangeable bonds as financial liabilities at fair value through profit or loss. On 5 June 2020, the Company redeemed the US\$194,800,000 2017 exchangeable bonds, and a loss of repayment RMB28,219,000 was recognised in other expenses (2019: RMB77,988,000) (note 6).

31. 計息銀行及其他借貸(續)

附註：(續)

- (b) 本集團以下列貨幣計值的計息銀行及其他借貸的賬面值如下：

- (c) 短期銀行貸款的浮動年利率按中國人民銀行公佈的利率、香港銀行同業拆息及倫敦銀行同業拆息釐定。

短期銀行貸款的固定年利率介乎1.20%至5.50% (二零一九年：1.15%至12.00%)。

- (d) 於二零一七年六月六日，本公司發行194,800,000美元的於二零二二年到期的二零一七年可交換債券，其可按照初步名義交換價(每股股份2.1995港元)轉換為中國現代奶業689,438,782股股份。本集團分類可交換債券為以公允值計量且其變動計入損益的金融負債。於二零二零年六月五日，本公司贖回194,800,000美元二零一七年可交換債券，於其他費用確認償還虧損人民幣28,219,000元(二零一九年：人民幣77,988,000元)(附註6)。

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31 December 2020 於二零二零年十二月三十一日

31. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

(e) On 24 June 2020, the Company issued US\$100,000,000 exchangeable bonds due 2023, which are exchangeable into 613,877,227 shares of China Modern Dairy at the initial notional exchange price of HK\$1.2625 per share. The Group classified the exchangeable bonds as financial liabilities at fair value through profit or loss. In 2020, a net fair value loss of RMB373,723,000 was recognised in other expenses (note 6). The exchangeable bonds bear interest at the rate of 1.50% per annum, payable semi-annually in arrears.

(f) On 18 July 2019, the Company issued five-year bonds due 2024 with an aggregate principal amount of US\$500,000,000 at 99.572% of the face value to refinance the Company's existing loans. The bonds bear interest at the rate of 3.000% per annum, payable semi-annually in arrears.

On 17 June 2020, the Company issued five-year bonds due 2025 with an aggregate principal amount of US\$500,000,000 at 99.526% of the face value to refinance the Company's existing loans. The bonds bear interest at the rate of 1.875% per annum, payable semi-annually in arrears.

On 17 June 2020, the Company issued ten-year bonds due 2030 with an aggregate principal amount of US\$300,000,000 at 99.587% of the face value to refinance the Company's existing loans. The bonds bear interest at the rate of 2.500% per annum, payable semi-annually in arrears.

(g) As at 31 December 2020, the interest-bearing bank and other borrowings of RMB116,252,000 (2019: RMB96,976,000) were secured by the all assets of certain subsidiaries of the Group with carrying amount of approximately RMB1,116,994,000 (2019: RMB883,039,000) in total.

As at 31 December 2020, all assets exclude cash and cash equivalents of a subsidiary of the Group with carrying amount of approximately RMB1,271,040,000 (2019: RMB1,319,937,000) were secured for a credit line.

31. 計息銀行及其他借貸(續)

附註：(續)

(e) 於二零二零年六月二十四日，本公司發行100,000,000美元的於二零二三年到期的可交換債券，其可按照初步名義交換價(每股股份1.2625港元)轉換為中國現代奶業613,877,227股股份。本集團分類可交換債券為以公允值計量且其變動計入損益的金融負債。於二零二零年，公允值虧損淨額人民幣373,723,000元於其他費用確認(附註6)。可交換債券按年利率1.50%計息，每半年派息一次。

(f) 於二零一九年七月十八日，本公司發行於二零二四年到期的五年債券，本金總額為99.572%面值的500,000,000美元，以對本公司現有貸款重新融資。債券按年利率3.000%計息，每半年派息一次。

於二零二零年六月十七日，本公司發行於二零二五年到期的五年債券，本金總額為99.526%面值的500,000,000美元，以對本公司現有貸款重新融資。債券按年利率1.875%計息，每半年派息一次。

於二零二零年六月十七日，本公司發行於二零三零年到期的十年債券，本金總額為99.587%面值的300,000,000美元，以對本公司現有貸款重新融資。債券按年利率2.500%計息，每半年派息一次。

(g) 於二零二零年十二月三十一日，計息銀行及其他借貸人民幣116,252,000元(二零一九年：人民幣96,976,000元)以本集團若干子公司全部資產賬面總值約人民幣1,116,994,000元(二零一九年：人民幣883,039,000元)之物業作抵押。

於二零二零年十二月三十一日，本集團一家子公司以其除現金及現金等價物之外的全部資產賬面總值約人民幣1,271,040,000元(二零一九年：人民幣1,319,937,000元)之物業作抵押獲取信用額度。

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32. DERIVATIVE FINANCIAL INSTRUMENTS

32. 衍生金融工具

		Notes 附註	2020 二零二零年		2019 二零一九年	
			Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元	Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元
Interest rate swaps	利率互換合約	(a)	—	—	10,814	—
Foreign currency forward contracts	遠期外幣合約	(b)	2,175	38,395	34,009	4,346
			2,175	38,395	44,823	4,346
Portion classified as non-current:	分類為非流動部分：					
Foreign currency forward swaps	外幣遠期互換合約		—	34,742	34,009	—
Current portion	流動部分		2,175	3,653	10,814	4,346

Notes:

(a) Interest rate swaps — cash flow hedge:

As at 31 December 2019, the Group has interest rate swaps with financial institutions with an aggregate notional amount of HK\$3,100,000,000 whereby it receives a floating rate of interest on the notional amount at the Hong Kong Interbank Offered Rate (“Hibor”) monthly and pays a fixed rate of interest on the notional amount. The interest rate swaps are being used to hedge the interest rate risk in relation to an HK\$ denominated floating rate bank borrowing with a principal of HK\$3,100,000,000.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the interest rate swaps match the interest payments and the principal payments of the bank loan agreements. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the interest rate swaps are identical to the hedged risk components. To measure the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

附註：

(a) 利率互換合約 — 現金流量對沖：

於二零一九年十二月三十一日，本集團於金融機構擁有利率互換合約，總名義金額為3,100,000,000港元，據此，其每月按香港銀行同業拆息（「Hibor」）收取名義金額的浮動利率利息，並按固定利率支付名義金額的利息。利率互換合約用於對沖有關本金額為3,100,000,000港元以港元計值的浮動利率銀行借款的利率風險。

已對沖項目與對沖工具存在經濟關係，原因為利率互換合約的條款與利息付款及銀行貸款協議的本金付款相匹配。本集團為對沖關係設定1：1的對沖比率，原因為利率互換合約的相關風險與已對沖風險成分相同。為計量對沖有效性，本集團採用假設衍生工具法，並將已對沖風險產生的對沖工具公允值變動與已對沖項目公允值變動進行比較。

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32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

(a) Interest rate swaps — cash flow hedge: (continued)

Hedge ineffectiveness can arise from:

- Different interest rate curves applied to discount the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amounts of cash flows of hedged items and hedging instruments

The impacts of the hedging instruments on the statement of financial position are as follows:

32. 衍生金融工具 (續)

附註：(續)

(a) 利率互換合約 — 現金流量對沖：(續)

對沖無效可由下列各項產生：

- 應用於貼現已對沖項目的不同利率曲線及對沖工具
- 交易對手的信貸風險對對沖工具及已對沖項目的公允值變動構成不同影響
- 已對沖項目及對沖工具的預測現金流量變動

對沖工具對財務狀況表的影響如下：

		Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring hedge ineffectiveness for the year
		名義值 HK\$'000 港幣千元	賬面值 RMB'000 人民幣千元	財務狀況表項目	年內用於計量對沖無效的公允值變動 RMB'000 人民幣千元
As at 31 December 2020	於二零二零年十二月三十一日				
Interest rate swaps	利率互換合約	—	—	—	(7,998)
As at 31 December 2019	於二零一九年十二月三十一日				
Interest rate swaps	利率互換合約	3,100,000	10,814	Derivative financial instruments (assets) 衍生金融工具(資產)	(18,423)

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31 December 2020 於二零二零年十二月三十一日

32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

(a) Interest rate swaps — cash flow hedge: (continued)

The impacts of the hedged items on the statement of financial position are as follows:

		Change in fair value used for measuring hedge ineffectiveness for the year 年內用於計量對沖無效的公允值變動 RMB'000 人民幣千元	Cash flow hedge reserve 現金流量對沖儲備 RMB'000 人民幣千元
As at 31 December 2020	於二零二零年十二月三十一日		
Interest rate swaps	利率互換合約	(7,998)	—
As at 31 December 2019	於二零一九年十二月三十一日		
Interest rate swaps	利率互換合約	(18,423)	7,998

The effect of the cash flow hedge on the statement of profit or loss and the statement of comprehensive income are as follows:

現金流量對沖對損益表及全面收益表的影響如下：

		Total hedging gain/(loss) recognised in other comprehensive income 於其他全面收益確認的對沖收益/(虧損)總額			Hedge ineffectiveness recognised in profit or loss 於損益確認的對沖無效	Line item in the statement of profit or loss 損益表項目	Amount reclassified from other comprehensive income to profit or loss 自其他全面收益重新分類至損益的金額			Line item (gross amount) in the statement of profit or loss 損益表項目(總額)
		Gross amount 總額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元			Gross amount 總額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度									
Interest rate swaps	利率互換合約	(7,998)	—	(7,998)	—	N/A 不適用	—	—	—	N/A 不適用
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度									
Interest rate swaps	利率互換合約	(17,784)	—	(17,784)	—	N/A 不適用	—	—	—	N/A 不適用

32. 衍生金融工具 (續)

附註：(續)

(a) 利率互換合約 — 現金流量對沖：(續)

已對沖項目對財務狀況表的影響如下：

	Change in fair value used for measuring hedge ineffectiveness for the year 年內用於計量對沖無效的公允值變動 RMB'000 人民幣千元	Cash flow hedge reserve 現金流量對沖儲備 RMB'000 人民幣千元
As at 31 December 2020		
Interest rate swaps	(7,998)	—
As at 31 December 2019		
Interest rate swaps	(18,423)	7,998

The effect of the cash flow hedge on the statement of profit or loss and the statement of comprehensive income are as follows:

現金流量對沖對損益表及全面收益表的影響如下：

		Total hedging gain/(loss) recognised in other comprehensive income 於其他全面收益確認的對沖收益/(虧損)總額			Hedge ineffectiveness recognised in profit or loss 於損益確認的對沖無效	Line item in the statement of profit or loss 損益表項目	Amount reclassified from other comprehensive income to profit or loss 自其他全面收益重新分類至損益的金額			Line item (gross amount) in the statement of profit or loss 損益表項目(總額)
		Gross amount 總額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元			Gross amount 總額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度									
Interest rate swaps	利率互換合約	(7,998)	—	(7,998)	—	N/A 不適用	—	—	—	N/A 不適用
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度									
Interest rate swaps	利率互換合約	(17,784)	—	(17,784)	—	N/A 不適用	—	—	—	N/A 不適用

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32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

(b) Foreign currency swaps — cash flow hedge:

At 31 December 2020, the Group had the following foreign currency swap agreements in place:

- 1) A foreign currency swap agreement with notional amounts of US\$450,000,000 and HK\$3,487,500,000 whereby the Group receives a fixed rate of interest on US\$ notional amount at 3.00% p.a. and pays a fixed rate of interest on the HK\$ notional amount at 3.18% p.a. The swap is being used to hedge the foreign currency exposure of a 3% fixed rate bonds with a face value of US\$450,000,000.
- 2) A foreign currency swap agreement with notional amounts of US\$200,000,000 and HK\$1,569,800,000 whereby the Group receives a fixed rate of interest on US\$ notional amount at 4.25% p.a. and pays a fixed rate of interest on the HK\$ notional amount at 3.925% p.a. A foreign currency swap agreement in place with notional amounts of US\$100,000,000 and HK\$784,900,000 whereby the Group receives a fixed rate of interest on US\$ notional amount at 4.25% p.a. and pays a fixed rate of interest on the HK\$ notional amount at 3.94% p.a. These swaps are being used to hedge the foreign currency exposure of a 4.25% fixed rate bonds with a face value of US\$500,000,000.

There is an economic relationship between the hedged items and the hedging instrument as the terms of the foreign currency swaps contracts match the terms of the bonds. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the swap contracts are identical to the hedged risk components. To measure the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

32. 衍生金融工具 (續)

附註：(續)

(b) 外幣互換合約 — 現金流量對沖：

於二零二零年十二月三十一日，本集團有以下外幣互換協議：

- 1) 名義金額為450,000,000美元、3,487,500,000港元的外幣互換協議，據此，本集團按年利率3.00%收取美元名義金額的固定利率利息，並按年利率3.18%支付港元名義金額的固定利率利息。互換合約用於對沖面值為450,000,000美元的3%固定利率債券的外幣風險。
- 2) 名義金額為200,000,000美元、1,569,800,000港元的外幣互換協議，據此，本集團按年利率4.25%收取美元名義金額的固定利率利息，並按年利率3.925%支付港元名義金額的固定利率利息。名義金額為100,000,000美元、784,900,000港元的外幣互換協議，據此，本集團按年利率4.25%收取美元名義金額的固定利率利息，並按年利率3.94%支付港元名義金額的固定利率利息。該等互換合約用於對沖面值為500,000,000美元的4.25%固定利率債券的外幣風險。

已對沖項目與對沖工具存在經濟關係，原因為外幣互換合約的條款與債券的條款相匹配。本集團為對沖關係設定1:1的對沖比率，原因為互換合約的相關風險與已對沖風險成分相同。為計量對沖有效性，本集團採用假設衍生工具法，並將已對沖風險產生的對沖工具公允值變動與已對沖項目公允值變動進行比較。

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31 December 2020 於二零二零年十二月三十一日

32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

(b) Foreign currency swaps — cash flow hedge: (continued)

Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the forecasted sales and purchases and the hedging instruments
- Different interest rate curves applied to discount the hedged items and hedging instruments
- The counterparties' credit risks differently impacting the fair value movements of the hedging instruments and hedged items

The impacts of the hedging instruments on the statement of financial position are as follows:

32. 衍生金融工具 (續)

附註：(續)

(b) 外幣互換合約 — 現金流量對沖：(續)

對沖無效可由下列各項產生：

- 預測銷售與購買的現金流量時間及對沖工具不同
- 應用於貼現已對沖項目的不同利率曲線及對沖工具
- 交易對手的信貸風險對對沖工具及已對沖項目的公允價值變動構成不同影響

對沖工具對財務狀況表的影響如下：

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring hedge ineffectiveness for the year
	名義值 US\$'000 千美元	賬面值 RMB'000 人民幣千元	財務狀況表項目	年內用於計量對沖無效的公允價值變動 RMB'000 人民幣千元
As at 31 December 2020				
Foreign currency swaps	950,000	(34,742)	Derivative financial instruments (liabilities)	(58,874)
			衍生金融工具(負債)	

於二零二零年十二月三十一日
外幣互換合約As at 31 December 2020
Foreign currency swaps

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

(b) Foreign currency swaps — cash flow hedge: (continued)

The impacts of the hedged items on the statement of financial position are as follows:

		Change in fair value used for measuring hedge ineffectiveness for the year 年內用於計量對沖 無效的公允值變動 RMB'000 人民幣千元	Cash flow hedge reserve 現金流量對沖儲備 RMB'000 人民幣千元
As at 31 December 2020 Foreign currency swaps	於二零二零年十二月三十一日 外幣互換合約	(58,874)	(58,874)

The effect of the cash flow hedge on the statement of profit or loss and the statement of comprehensive income are as follows:

		Total hedging gain/(loss) recognised in other comprehensive income 於其他全面收益確認的 對沖收益/(虧損)總額			Hedge ineffectiveness recognised in profit or loss 於損益確認的對 沖無效	Line item in the statement of profit or loss 損益表項目	Amount reclassified from other comprehensive income to profit or loss 自其他全面收益重新分類至 損益的金額			Line item (gross amount) in the statement of profit or loss 損益表項目 (總額)
		Gross amount	Tax effect	Total			Gross amount	Tax effect	Total	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Year ended 31 December 2020	截至二零二零年 十二月三十一日 止年度	(58,874)	—	(58,874)	—	N/A 不適用	—	—	—	N/A 不適用
Foreign currency swaps	外幣互換合約	(58,874)	—	(58,874)	—	N/A 不適用	—	—	—	N/A 不適用

32. 衍生金融工具 (續)

附註：(續)

(b) 外幣互換合約 — 現金流量對沖：(續)

已對沖項目對財務狀況表的影響如下：

	Change in fair value used for measuring hedge ineffectiveness for the year 年內用於計量對沖 無效的公允值變動 RMB'000 人民幣千元	Cash flow hedge reserve 現金流量對沖儲備 RMB'000 人民幣千元
As at 31 December 2020 Foreign currency swaps	(58,874)	(58,874)

現金流量對沖對損益表及全面收益表的影響如下：

		Total hedging gain/(loss) recognised in other comprehensive income 於其他全面收益確認的 對沖收益/(虧損)總額			Hedge ineffectiveness recognised in profit or loss 於損益確認的對 沖無效	Line item in the statement of profit or loss 損益表項目	Amount reclassified from other comprehensive income to profit or loss 自其他全面收益重新分類至 損益的金額			Line item (gross amount) in the statement of profit or loss 損益表項目 (總額)
		Gross amount	Tax effect	Total			Gross amount	Tax effect	Total	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Year ended 31 December 2020	截至二零二零年 十二月三十一日 止年度	(58,874)	—	(58,874)	—	N/A 不適用	—	—	—	N/A 不適用
Foreign currency swaps	外幣互換合約	(58,874)	—	(58,874)	—	N/A 不適用	—	—	—	N/A 不適用

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32. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

- (c) In addition to the above interest rate swaps designated as hedging instruments, the Group has also entered into various foreign currency forward contracts and interest rate forward contracts to manage its exchange rate and floating interest rate exposures. These forward contracts are not designated for hedging purposes and are measured at fair value through profit or loss. A net fair value loss on foreign currency forward contracts of RMB9,825,000 was recognised in other expenses during the year (note 6). A net fair value gain on foreign currency forward contracts of RMB23,308,000 was recognised in other income and gains during 2019 (note 5). A net fair value loss on interest rate forward contracts of RMB15,695,000 was recognised in finance costs during 2019 (note 8).

To manage its price exposure to future purchase of raw materials, such as white sugar, palm oil and raw milk powder, the Group has entered into various commodity futures contracts. The Group accounted for these commodity futures contracts at fair value with changes recognised in profit or loss. During 2020, a net fair value loss of RMB4,568,000 (2019: Nil) was credited to cost of sales (note 7).

32. 衍生金融工具 (續)

附註：(續)

- (c) 除以上指定為對沖工具的利率互換外，本集團亦訂立多項遠期外幣合約及利率遠期合約以管理其匯率及浮動利率風險。該等遠期合約並非指定作對沖用途，並按公允值計入損益計量。遠期外幣合約公允值虧損淨額人民幣9,825,000元於年內確認為其他費用(附註6)。遠期外幣合約公允值收益淨額人民幣23,308,000元於二零一九年確認為其他收入及收益(附註5)。利息遠期合約公允值虧損淨額人民幣15,695,000元於二零一九年內確認為融資成本(附註8)。

為管理未來購置商品作為原材料(例如白糖、棕櫚油及原料奶粉)的價格風險，本集團已訂立多項商品期貨合約。本集團將此等商品期貨合約按公允值列賬，而公允值的變動則於損益內確認。於二零二零年內，公允值虧損淨額人民幣4,568,000元(二零一九年：零)已自銷售成本扣除(附註7)。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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33. DEFERRED INCOME

Various local government authorities have granted certain property, plant and equipment to the Group for nil consideration, have provided finance to the Group for the purchase of certain property, plant and equipment, and/or have financed the Group by way of a cash donation with certain conditions attaching to these cash donations. Both the property, plant and equipment and grants are recorded initially at fair value. These grants are initially recorded as deferred income. The grants related to property, plant and equipment are amortised to match the depreciation charge for the property, plant and equipment granted or purchased in accordance with their estimated useful lives. The cash donations with unfulfilled conditions or contingencies are only recognised in profit or loss when the Group satisfied the attached conditions. Movements of the balances during the year are as follows:

33. 遞延收入

多個地方政府當局無償向本集團授予若干物業、廠房及設備，為購買若干物業、廠房及設備向本集團提供資金及／或透過現金捐款方式（此等現金捐獻附帶若干條件）向本集團提供融資。物業、廠房及設備及補助金最初均以公允值列賬。此等補助金初步記錄為遞延收入。與若干物業、廠房及設備有關的補助金按配合獲授或購入的物業、廠房及設備的折舊計提的方式，根據其估計可使用年期攤銷。未能達到所附帶的條件或或然事件的現金捐獻將只會於本集團達到所附帶的條件時在損益內確認。年內該結餘的變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初	329,987	1,026,381
Received during the year	年內收取	140,708	167,283
Amortisation during the year (note 5)	年內攤銷(附註5)	(50,689)	(174,895)
Disposal of subsidiaries	出售子公司	—	(688,782)
At end of year	年終	420,006	329,987
Current portion	即期部分	—	50,493
Non-current portion	非即期部分	420,006	279,494
		420,006	329,987

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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34. OTHER FINANCIAL LIABILITIES

34. 其他金融負債

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Present value of redemption amount for potential acquisition of puttable non-controlling interests	可能收購可沽售非控股股東權益之贖回金額現值		
Current portion	— 即期	1,600,200	—
Non-current portion	— 非即期	—	1,600,206

Under the equity joint venture contract entered into between Inner Mongolia Mengniu and Danone Asia Pte Ltd. ("Danone Asia Pte") dated 9 August 2013, an option was granted to Danone Asia Pte to terminate the equity joint venture contract and sell the entire Danone Asia Pte's equity interests in the equity joint venture to Inner Mongolia Mengniu at the exercise price within a 15-day period at the beginning of each biennial (2-year) period from the seventh (7th) anniversary of the relevant closing date under the amended and restated framework agreement, subject to compliance with the then applicable laws and regulations (including the Listing Rules) by the Company, including the then relevant Listing Rules in connection with connected transactions. As at 31 December 2020, the Group derecognised a non-controlling interest of RMB445,788,000 (2019: RMB592,124,000) and recognised a present value of the amount payable upon exercise of the option of RMB1,600,200,000 (2019: RMB1,600,206,000) as a financial liability and accounted for the difference in equity.

根據內蒙蒙牛與Danone Asia Pte Ltd. (「Danone Asia Pte」) 訂立日期為二零一三年八月九日的合資經營合約，Danone AsiaPte獲授一項購股權，可自經修訂及重訂的框架協議相關屆滿日期滿七(7)週年起，每兩(2)年期間開始後15天內終止合資經營合約，並按行使價向內蒙蒙牛出售Danone Asia Pte於合資公司的全部股權，惟本公司必須遵守當時的適用法例及法規(包括上市規則)的規定，包括當時上市規則關於關連交易的規定。於二零二零年十二月三十一日，本集團終止確認人民幣445,788,000元(二零一九年：人民幣592,124,000元)的非控股股東權益，並確認按行使購股權時應付的金融負債現值人民幣1,600,200,000元(二零一九年：人民幣1,600,206,000元)，並將差額計入權益。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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35. SHARE CAPITAL

35. 股本

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Authorised:	法定：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元的 普通股	565,022	565,022
		Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：		
At 1 January 2020	於二零二零年一月一日	3,935,015	358,257
Shares issued under the equity- settled share option scheme	根據以股份支付的購股權 計劃發行股份 (a)	13,093	1,102
At 31 December 2020	於二零二零年 十二月三十一日	3,948,108	359,359
		Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：		
At 1 January 2019	於二零一九年一月一日	3,927,708	357,602
Shares issued under the equity- settled share option scheme	根據以股份支付的購股權 計劃發行股份 (a)	7,307	655
At 31 December 2019	於二零一九年 十二月三十一日	3,935,015	358,257

Note:

(a) Details of the Company's share option scheme and the share options issued under the scheme are included in note 38 to the financial statements.

附註：

(a) 本公司購股權計劃及根據該計劃發行的購股權的詳情載列於財務報表附註38。

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36. OTHER RESERVES

The movements of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

In accordance with the relevant PRC laws and regulations, the PRC domestic companies are required to transfer 10% of their profit after income tax, as determined under the PRC accounting standards and financial regulations, to the statutory common reserve. Subject to certain restrictions as set out in the relevant PRC laws and regulations, the statutory common reserve may be used to offset against the accumulated losses, if any.

37. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB199,762,000 and RMB199,762,000, respectively, in respect of lease arrangements for plant and equipment (2019: RMB416,967,000 and RMB416,967,000).

36. 其他儲備

本集團的儲備及本年度及過往年度的儲備變動，載於財務報表的綜合權益變動表內。

根據中國有關法律及法規的規定，中國國內公司須將除所得稅後利潤的10%（根據中國會計準則及財政法規釐定）轉撥至法定公積金。根據中國有關法律及法規所載若干限制的規定，法定公積金可被用作抵銷累計虧損（如有）。

37. 綜合現金流量報表附註

(a) 主要非現金交易

於年內，本集團就廠房及設備之租賃安排所添置任何非現金使用權資產及租賃負債分別為人民幣199,762,000元及人民幣199,762,000元（二零一九年：人民幣416,967,000元及人民幣416,967,000元）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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37. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

37. 綜合現金流量報表附註(續)

(b) 來自融資活動的負債變動

		2020									
		US\$500,000,000		US\$194,800,000		US\$100,000,000		Super			
Bank loans	4.25% bonds issued in 2018	3% bonds issued in 2019	2017 exchangeable bonds	2020 1.5% exchangeable bonds	1.875% bonds issued in 2020	2.5% bonds issued in 2020	short-term commercial papers	Medium-term notes	Lease liabilities		
	於二零一八年發行的	於二零一九年發行的	二零一七年發行的	二零二零年發行的	於二零二零年發行的	於二零二零年發行的					
	500,000,000美元	500,000,000美元	194,800,000美元	100,000,000美元	500,000,000美元	300,000,000美元					
	票息率4.25%的債券	票息率3%的債券	可交換債券	票息率1.5%的可交換債券	票息率1.875%的債券	票息率2.5%的債券	超短期融資券	中期票據	租賃負債		
	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	
At 1 January 2020	於二零二零年一月一日	12,663,259	3,469,677	3,465,692	1,374,780	—	—	—	1,000,000	1,000,000	499,402
Changes from financing cash flows	融資現金流變動	(7,826,447)	—	—	(1,435,055)	705,550	3,517,629	2,112,423	(1,000,000)	—	(188,198)
New leases	新增租賃	—	—	—	—	—	—	—	—	—	199,762
Covid-19-related rent concessions from lessors	新型冠狀病毒疫情相關之出租人租金寬免	—	—	—	—	—	—	—	—	—	(3,089)
Interest expense	利息開支	—	4,519	5,029	—	—	2,758	760	—	—	21,780
Terminate lease contract before the date expiration	於屆滿日期前終止租賃合約	—	—	—	—	—	—	—	—	—	(48,483)
Net fair value loss on exchangeable bonds	可交換債券之公允價值虧損淨額	—	—	—	28,459	373,483	—	—	—	—	—
Exchange realignment	匯兌調整	(69,606)	(223,419)	(225,733)	31,816	(64,672)	(279,697)	(168,433)	—	—	279
At 31 December 2020	於二零二零年十二月三十一日	4,767,206	3,250,777	3,244,988	—	1,014,361	3,240,690	1,944,750	—	1,000,000	481,453

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**37. NOTES TO THE CONSOLIDATED
STATEMENT OF CASH FLOWS** (continued)

**(b) Changes in liabilities arising from financing
activities** (continued)

37. 綜合現金流量報表附註 (續)

(b) 來自融資活動的負債變動 (續)

		2019 二零一九年 US\$194,800,000		2017 二零一七年 US\$194,800,000		Super short-term commercial papers	Medium-term notes	Lease liabilities
Bank loans		US\$500,000,000 4.25% bonds issued in 2018 於二零一八年 發行的	US\$500,000,000 3% bonds issued in 2019 於二零一九年 發行的	exchangeable bonds	2017 二零一七年 194,800,000美元 可交換債券	超短期融資券	中期票據	租賃負債
		500,000,000美元 票息率4.25% RMB'000 人民幣千元	500,000,000美元 票息率3% RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2018	於二零一八年 十二月三十一日	10,029,805	3,410,327	—	1,275,183	—	—	—
Effect of adoption of IFRS 16	採納國際財務報告準則 第16號之影響	—	—	—	—	—	—	388,525
At 1 January 2019	於二零一九年一月一日	10,029,805	3,410,327	—	1,275,183	—	—	388,525
Changes from financing cash flows	融資現金流變動	6,363,867	—	3,427,433	—	1,000,000	1,000,000	(263,627)
New leases	新增租賃	—	—	—	—	—	—	416,967
Interest expense	利息開支	—	4,770	1,976	—	—	—	19,153
Increase arising from acquisition of subsidiaries	收購子公司之增加	214,716	—	—	—	—	—	15,117
Decrease due to disposal of subsidiaries	由於出售子公司減少	(4,014,590)	—	—	—	—	—	(76,733)
Net fair value gain on 2017 exchangeable bonds	二零一七年可交換債券之 公允值收益淨額	—	—	—	77,988	—	—	—
Exchange realignment	匯兌調整	69,461	54,580	36,283	21,609	—	—	—
At 31 December 2019	於二零一九年 十二月三十一日	12,663,259	3,469,677	3,465,692	1,374,780	1,000,000	1,000,000	499,402

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

37. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within operating activities	於經營業務內	(141,187)	(232,767)
Within financing activities	於融資業務內	(188,198)	(263,627)
		(329,385)	(496,394)

38. SHARE OPTION SCHEME

The Company operated two share option schemes (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Share Option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers and any person or entity that provides research, development or technological support to the Group. The share option scheme adopted by the Company on 28 June 2005 (the "Old Share Option Scheme") had expired on 27 June 2015. On 3 June 2016, the Company adopted another share option scheme (the "New Share Option Scheme"), and the New Share Option Scheme will remain in force for a period of 10 years from the date of adoption.

37. 綜合現金流量報表附註(續)

(c) 租賃現金流出總額

載列於現金流動報表的租賃現金流出總額如下：

38. 購股權計劃

本公司設立的兩個購股權計劃(「購股權計劃」)，目的為激勵對本集團業務成功作出貢獻的合資格參與者，並向彼等作出獎賞。購股權計劃的合資格計劃參與者包括本公司董事(包括獨立非執行董事)、本集團之其他僱員、本集團之貨品或服務供應商、客戶以及向本集團提供研究、開發或技術支援的任何人士或實體。本公司於二零零五年六月二十八日採用的購股權計劃(「舊購股權計劃」)已於二零一五年六月二十七日到期。於二零一六年六月三日，本公司採用另一購股權計劃(「新購股權計劃」)，而新購股權計劃自該採用日期起十年內有效。

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38. SHARE OPTION SCHEME (continued)

The maximum number of shares in respect of share options currently permitted to be granted under the Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the total number of shares of the Company in issue as at the date of approval and adoption of the Share Option Scheme, provided that the Group may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in a general meeting where such limit is refreshed. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the total shares of the Company in issue at any time. Any further grant of share options in excess of these limits is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options under the Old Share Option Scheme may be accepted within 20 business days from the date of offer, upon payment of a consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than seven years from the date of offer of the share options.

The offer of a grant of share options under the New Share Option Scheme may be accepted upon payment of a consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of offer of the share options.

38. 購股權計劃 (續)

現時根據購股權計劃准予授出的購股權經行使後可予發行的股份數目最多相等於本公司在批准及採納購股權計劃當日已發行股份總數10%，惟本集團可隨時徵求股東批准將上限重新釐定為股東於有關上限獲更新的股東大會上授出有關批准當日已發行股份10%。於任何十二個月期間內，根據購股權可發行予購股權計劃內每位合資格參與者的股份數最多為於任何時間本公司已發行股份總數1%。凡再授出任何超出此上限的購股權，必須經股東於股東大會上批准。

向本公司董事、主要行政人員或主要股東或彼等任何聯繫人授出的購股權必須經獨立非執行董事事先批准。此外，於任何十二個月期間內，凡向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出的任何購股權超出於任何時間本公司已發行股份0.1%或總值（按授出日期本公司股份的收市價計算）超出5,000,000港元，必須經股東於股東大會上事先批准。

承授人於舊購股權計劃下可於授出購股權建議日起20個營業日內以支付代價合共1港元接納此建議。授出購股權的行使期由董事會決定，行使期由某一歸屬期後起計及在不遲於授出購股權建議日七年之日終止。

承授人於新購股權計劃下可於支付代價合共1港元接納此建議。授出購股權的行使期由董事會決定，行使期由某一歸屬期後起計及在不遲於授出購股權建議日五年之日終止。

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38. SHARE OPTION SCHEME (continued)

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) The Stock Exchange of Hong Kong Limited's (the "Stock Exchange") closing price of the Company's shares on the offer date of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Particulars of outstanding share options

38. 購股權計劃 (續)

購股權行使價由董事釐定，惟不可低於(i)本公司股份於授出購股權建議之日在香港聯合交易所有限公司(「聯交所」)所報的收市價(ii)本公司股份於緊接建議授出日期前五個營業日在聯交所所報的平均收市價；及(iii)股份面值最高者。

購股權持有人無權獲派股息或於股東大會上投票。

尚未行使購股權詳情

Date of grant 授出日期	Exercise period of share options (both dates inclusive) 購股權的行使期間 (包括首尾兩日)	Exercise price per share option (note e) 每份購股權的行使價(附註e) (HK\$) (港元)	Weighted average fair value per share option 每份購股權的加權平均公允值 (HK\$) (港元)
13 July 2017 二零一七年七月十三日	13 July 2018 to 12 July 2022 (note a) 二零一八年七月十三日至 二零二二年七月十二日(附註a)	14.812	3.99
7 May 2018 二零一八年五月七日	7 May 2019 to 6 May 2023 (note b) 二零一九年五月七日至 二零二三年五月六日(附註b)	26.05	7.98
24 December 2018 二零一八年十二月二十四日	1 April 2019 to 23 December 2023 (note c) 二零一九年四月一日至 二零二三年十二月二十三日 (附註c)	23.93	7.16
1 April 2020 二零二零年四月一日	1 April 2021 to 31 March 2025 (note d) 二零二一年四月一日至 二零二五年三月三十一日 (附註d)	26.54	6.42

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38. SHARE OPTION SCHEME (continued)

Particulars of outstanding share options (continued)

Notes:

- a) The share options will be vested in two equal batches with 50% of the share options granted vesting on the first and second anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of both the Group and the participants are achieved. Unless all of these targets are met, the share options will lapse. The share options have a contractual life of five years.
- b) The share options will be vested in two equal batches with 50% of the share options granted vesting on the first and second anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of both the Group and the participants are achieved. Unless all of these targets are met, the share options will lapse. The share options have a contractual life of five years.
- c) The share options will be vested in four batches with 70% of the share options granted vesting in three equal batches on 1 April 2019, 2020 and 2021, and the remaining 30% of the share options granted vesting in their entirety on 1 April 2021. In addition, the share options will only be vested if and when the pre-set performance targets of both the Group and the participants are achieved. Unless all of these targets are met, the share options will lapse. The share options have a contractual life of five years.
- d) 627,283 share options will be vested in two batches with 70% of the share options granted vesting on 1 April 2021, and the remaining 30% of the share options granted vesting in their entirety on 1 April 2022. 389,604 share options will be vested in their entirety on 1 April 2021. In addition, the share options will only be vested if and when the pre-set performance targets of both the Group and the participants are achieved. Unless all of these targets are met, the share options will lapse. The share options have a contractual life of five years.
- e) The exercise price per share option was the average closing share price for the five business days immediately preceding the grant date or the closing price of the shares on the grant date.

All the above options granted have no cash alternatives.

38. 購股權計劃 (續)

尚未行使購股權詳情 (續)

附註：

- a) 購股權將分為二等份歸屬，50%已授出購股權於由授出日期起第一及二個週年歸屬。此外，倘若達到本集團及參與者的預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。購股權之契約期為期五年。
- b) 購股權將分為二等份歸屬，50%已授出購股權於由授出日期起第一及二個週年歸屬。此外，倘若達到本集團及參與者的預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。購股權之契約期為期五年。
- c) 購股權將分為四份歸屬，70%已授出購股權於二零一九年、二零二零年及二零二一年四月一日分三等份歸屬，其餘30%已授出購股權於二零二一年四月一日全部歸屬。此外，倘若達到本集團及參與者的預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。購股權之契約期為期五年。
- d) 627,283份購股權將分為兩份歸屬，70%已授出購股權於二零二一年四月一日歸屬，其餘30%已授出購股權於二零二二年四月一日全部歸屬。389,604購股權將於二零二一年四月一日全部歸屬。此外，倘若達到本集團及參與者的預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。購股權之契約期為期五年。
- e) 每份購股權的行使價乃緊接授出日期前五個營業日的平均股份收市價或授出日期的股份收市價。

上述所有授出的購股權均並無現金替代品。

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38. SHARE OPTION SCHEME (continued) Movements of outstanding share options

Date of grant		As at 1 January 2020	Granted during the year	Exercised during the year	Lapsed/ forfeited during the year	As at 31 December 2020	Exercisable at 31 December 2020
授出日期		於二零二零年 一月一日	年內授出	年內行使	年內失效/沒收	於二零二零年 十二月三十一日	於二零二零年 十二月三十一日 可行使
13 July 2017	二零一七年 七月十三日	4,834,032	—	(2,610,129)	—	2,223,903	2,223,903
7 May 2018	二零一八年五月七日	7,384,194	—	(4,048,616)	(306,437)	3,029,141	3,029,141
24 December 2018	二零一八年 十二月二十四日	33,781,930	—	(6,434,684)	(3,710,943)	23,636,303	8,218,563
1 April 2020	二零二零年四月一日	—	1,016,887	—	—	1,016,887	—
Total	總計	46,000,156	1,016,887	(13,093,429)	(4,017,380)	29,906,234	13,471,607

Date of grant		As at 1 January 2019	Exercised during the year	Lapsed/ forfeited during the year	As at 31 December 2019	Exercisable at 31 December 2019
授出日期		於二零一九年 一月一日	年內行使	年內失效/沒收	於二零一九年 十二月三十一日	於二零一九年 十二月三十一日 可行使
13 July 2017	二零一七年七月十三日	9,236,545	(4,209,899)	(192,614)	4,834,032	4,834,032
7 May 2018	二零一八年五月七日	9,245,873	(1,130,135)	(731,544)	7,384,194	3,132,357
24 December 2018	二零一八年 十二月二十四日	37,248,880	(1,967,000)	(1,499,950)	33,781,930	6,404,290
Total	總計	55,731,298	(7,307,034)	(2,424,108)	46,000,156	14,370,679

Subsequent to the end of the reporting period, out of the total outstanding share options of 29,906,234 (2019: 46,000,156) as at 31 December 2020, 122,416 (2019: 50,949) share options had lapsed due to the unfulfilment of vesting conditions.

The Group recognised an expense of RMB52,217,000 (2019: RMB166,651,000) relating to the fair value amortisation of share options during the year (note 7).

38. 購股權計劃 (續) 尚未行使購股權變動

於二零二零年十二月三十一日尚未行使的購股權共29,906,234份(二零一九年: 46,000,156份)中, 122,416份(二零一九年: 50,949份)因未達到歸屬條件而於報告期末後失效。

本集團於年內確認有關購股權公允值攤銷的開支人民幣52,217,000元(二零一九年: 人民幣166,651,000元)(附註7)。

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38. SHARE OPTION SCHEME (continued)

Movements of outstanding share options (continued)

The average fair value of equity settled share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the significant inputs to the model used:

		2020 二零二零年 1 April 四月一日	2018 二零一八年 7 May 24 December 五月七日 十二月二十四日	2017 二零一七年 13 July 七月十三日
Dividend yield (%)	股息率(%)	0.69	0.64	0.65
Expected volatility (%)	預期波動率(%)	32.30	34.00	32.18
Historical volatility (%)	歷史波動率(%)	32.30	33.90	32.18
Risk-free interest rate (%)	無風險利率(%)	0.53	2.14	0.97
Option life (years)	購股權年期(年)	5	5	5
Spot price (HK\$ per share)	現貨價(港元/ 每股)	26.30	26.05	14.62
Exercise price (HK\$ per share)	行使價(港元/ 每股)	26.54	26.05	14.81

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The spot price is the closing price of the Company's shares at the grant date. The exercise price is the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant date.

The 13,093,429 share options (2019: 7,307,034) exercised during the year resulted in the issue of 13,093,429 (2019: 7,307,034) ordinary shares of the Company and new share capital of RMB1,102,000 (2019: RMB655,000) and share premium of RMB255,411,000 (2019: RMB123,780,000), as further detailed in note 35 to the financial statements. The weighted average share price at the date of exercise of these options was HK\$34.53 (2019: HK\$30.52).

38. 購股權計劃 (續)

尚未行使購股權變動 (續)

於年內授出以股份支付的購股權之平均公允值乃於授出日期使用二項計價模式進行估計，並已考慮有關購股權之授出條款及條件。下表載列所用模型之重大輸入數據：

預期波動率反映歷史波動率可顯示未來趨勢的假設，但不一定為實際結果。現貨價為本公司股份於授出日期的收市價。行使價為聯交所每日報價表所示緊接授出日期前五個營業日的每股股份平均收市價。

13,093,429份(二零一九年：7,307,034份)購股權於年內行使，因而已發行13,093,429股(二零一九年：7,307,034股)本公司普通股，產生新股本人民幣1,102,000元(二零一九年：人民幣655,000元)及股份溢價人民幣255,411,000元(二零一九年：人民幣123,780,000元)，詳情載於財務報表附註35。此等購股權於行使日的加權平均股價為34.53港元(二零一九年：30.52港元)。

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38. SHARE OPTION SCHEME (continued)

At the end of the reporting period, the Company had 13,471,607 (2019: 14,370,679) vested share options outstanding under the Share Option Scheme. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 13,471,607 (2019: 14,370,679) additional ordinary shares of the Company and additional share capital of RMB1,057,000 (2019: RMB1,287,000) and share premium of RMB238,517,000 (2019: RMB273,228,000) (before issue expenses).

39. SHARE AWARD SCHEME

The share award scheme of the Company was adopted by the board on 26 March 2013 (the "Adoption Date"). The purpose of the share award scheme is to provide an incentive to encourage the participants for the continual operation and development of the Group.

Subject to the terms of the share award scheme and the Listing Rules, the board may at any time make an offer to any eligible person whom it may in its absolute discretion select to accept the grant of an award over such a number of shares as it may determine (the "Participants"). Existing shares of the Company will be purchased by an independent trustee (the "Trustee") of the share award scheme from the market out of cash contributed by the Group and be held in trust for the relevant Participants until such shares are vested with the relevant Participants in accordance with the provisions of the share award scheme. The shares of the Company granted and held by the trustee until vesting are referred to as the treasury shares and each treasury share shall represent one ordinary share of the Company.

No shares shall be purchased pursuant to the share award scheme, nor any amounts paid to the Trustee for the purpose of making such a purchase, if as a result of such purchase, the number of shares administered under the share award scheme shall exceed 5% of the issued capital of the Company. The maximum number of shares which may be granted to a Participant at any one time or in aggregate may not exceed 0.5% of the issued capital of the Company at the Adoption Date.

38. 購股權計劃 (續)

於報告期末，本公司在購股權計劃項下有13,471,607份(二零一九年：14,370,679份)已歸屬未行使購股權。在本公司現時的資本結構下，全面行使餘下的購股權將導致本公司額外發行13,471,607股(二零一九年：14,370,679股)普通股、額外增加股本人民幣1,057,000元(二零一九年：人民幣1,287,000元)及股份溢價人民幣238,517,000元(二零一九年：人民幣273,228,000元)(未扣除發行開支)。

39. 股票獎勵計劃

本公司股票獎勵計劃於二零一三年三月二十六日(「採納日期」)獲董事會採納。股票獎勵計劃旨在獎勵參與者繼續為本集團的經營及發展作出貢獻。

根據股票獎勵計劃條款及上市規則，董事會可隨時向任何合資格人士作出要約，由合資格人士絕對酌情選擇接納董事會決定授出的有關股份數目之獎勵(「參與者」)。股票獎勵計劃的獨立受託人(「受託人」)以本集團出資的現金於市場上購買本公司現有股份，及以信託形式代相關參與者持有，直至該等股份根據股票獎勵計劃的條文歸屬於相關參與為止。已授出及由受託人持有直至歸屬的本公司股份稱為庫存股份，而各庫存股份應指本公司一股普通股。

概無股份根據本股票獎勵計劃獲購買，亦無向受託人支付任何款項以作出有關購買，倘因有關購買，致使本股票獎勵計劃管理的股份數目超過本公司已發行股本5%，於任何時間可能授予單一參與者的股票數目上限或總數不得超過採納日期本公司已發行股本0.5%。

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39. SHARE AWARD SCHEME (continued)

Subject to any early termination as may be determined by the board, the share award scheme shall be valid and effective for a period of 5 years commencing on the Adoption Date. On 13 July 2017, the directors of the Company approved to extend the validity period of the share award scheme for approximately another five years to 26 March 2023.

Particulars and movements of share award scheme

Date of grant	Notes	Fair value per share	As at	Granted during the year	Vesting during the year	Lapsed/	As at
			1 January 2020			forfeited during the year	31 December 2020
授出日期	附註	每股公允值 (HK\$) (港元)	於二零二零年一月一日	年內授出	年內歸屬	年內失效/沒收	於二零二零年十二月三十一日
7 May 2018	二零一八年五月七日 (b)	26.05	2,861,687	—	(2,804,684)	(57,003)	—
5 June 2019	二零一九年六月五日 (c)	28.80	6,622,058	—	(3,245,705)	(330,825)	3,045,528
22 May 2020	二零二零年五月二十二日 (d)	27.30	—	8,199,897	—	(647,500)	7,552,397
			9,483,745	8,199,897	(6,050,389)	(1,035,328)	10,597,925

39. 股票獎勵計劃 (續)

受限於董事會可能釐定的任何提早終止，股票獎勵計劃將於採納日期起計五年期間內一直有效及生效。於二零一七年七月十三日，本公司的董事同意延長股票獎勵計劃的有效期約五年至二零二三年三月二十六日。

股票獎勵計劃詳情及變動

Date of grant	Notes	Fair value per share	As at	Granted during the year	Vesting during the year	Lapsed/	As at
			1 January 2019			forfeited during the year	31 December 2019
授出日期	附註	每股公允值 (HK\$) (港元)	於二零一九年一月一日	年內授出	年內歸屬	年內失效/沒收	於二零一九年十二月三十一日
13 July 2017	二零一七年七月十三日 (a)	14.62	3,050,246	—	(2,965,186)	(85,060)	—
7 May 2018	二零一八年五月七日 (b)	26.05	6,453,689	—	(3,004,911)	(587,091)	2,861,687
5 June 2019	二零一九年六月五日 (c)	28.80	—	8,201,104	—	(1,579,046)	6,622,058
			9,503,935	8,201,104	(5,970,097)	(2,251,197)	9,483,745

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39. SHARE AWARD SCHEME (continued)

Particulars and movements of share award scheme

(continued)

Notes:

- (a) On 13 July 2017, the Company granted 6,998,575 shares under share award scheme to the Participants, representing approximately 0.2% of the issued share capital of the Company as at the adoption date. These granted shares would vest in two equal batches on the first and second anniversaries of the date of grant in accordance with certain vesting conditions.
- (b) On 7 May 2018, the Company granted 6,693,084 shares under share award scheme to the Participants, representing approximately 0.2% of the issued share capital of the Company as at the adoption date. These granted shares would vest in two equal batches on the first and second anniversaries of the date of grant in accordance with certain vesting conditions.
- (c) On 5 June 2019, the Company granted 8,201,104 shares under share award scheme to the participants, representing approximately 0.23% of the issued share capital of the Company as at the adoption date. These granted shares would vest in two equal batches on the first and second anniversaries of the date of grant in accordance with certain vesting conditions.
- (d) On 22 May 2020, the Company granted 8,199,897 shares under share award scheme to the participants, representing approximately 0.23% of the issued share capital of the Company as at the adoption date. These granted shares would vest in two equal batches on the first and second anniversaries of the date of grant in accordance with certain vesting conditions.

During the year, 1,035,328 (2019: 2,251,197) shares lapsed due to the unfulfillment of vesting condition under the share award scheme.

39. 股票獎勵計劃 (續)

股票獎勵計劃詳情及變動 (續)

附註：

- (a) 二零一七年七月十三日，本公司根據股票獎勵計劃向參與者授出6,998,575股股份，佔本公司於採納日期的已發行股本約0.2%。此等已授出的股份將分為二等份歸屬，根據若干歸屬條件由授出日期起第一及二個週年歸屬。
- (b) 二零一八年五月七日，本公司根據股票獎勵計劃向參與者授出6,693,084股股份，佔本公司於採納日期的已發行股本約0.2%。此等已授出的股份將分為二等份歸屬，根據若干歸屬條件由授出日期起第一及二個週年歸屬。
- (c) 二零一九年六月五日，本公司根據股票獎勵計劃向參與者授出8,201,104股股份，佔本公司於採納日期的已發行股本約0.23%。此等已授出的股份將分為二等份歸屬，根據若干歸屬條件由授出日期起第一及二個週年歸屬。
- (d) 二零二零年五月二十二日，本公司根據股票獎勵計劃向參與者授出8,199,897股股份，佔本公司於採納日期的已發行股本約0.23%。此等已授出的股份將分為二等份歸屬，根據若干歸屬條件由授出日期起第一及二個週年歸屬。

於年內，共1,035,328股(二零一九年：2,251,197股)股份因未能達到股票獎勵計劃的歸屬條件而失效。

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39. SHARE AWARD SCHEME (continued)

Particulars and movements of share award scheme

(continued)

The fair value of the shares granted was calculated based on the market prices of the Company's shares at the respective grant dates. No dividend will be considered. The fair value of the shares granted on 22 May 2020 was HK\$27.30 per share (5 June 2019: HK\$28.80 per share). During 2020, the Group recognised a net expense relating to the share award scheme of approximately RMB165,423,000 (2019: RMB129,582,000) in the consolidated statement of profit or loss during the year (note 7).

During the year, 6,050,389 (2019: 5,970,097) shares with a total amount of RMB76,755,000 (2019: RMB85,046,000) were vested and exercised under the share award scheme, resulting in the transfer out of RMB141,329,000 (2019: RMB101,050,000) from the share award reserve, with the difference of RMB64,574,000 (2019: RMB16,004,000) debited to the share premium account. The weighted average share price at the date of exercise of these shares was HK\$13.89 (2019: HK\$15.81).

40. A PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary, Yashili, that has material non-controlling interests are set out below:

39. 股票獎勵計劃(續)

股票獎勵計劃詳情及變動(續)

已授出股份的公允值乃基於本公司股份於各授出日期的市價計算，當中不會計及股息。二零二零年五月二十二日授出的股份的公允值為每股27.30港元(二零一九年六月五日：每股28.80港元)。二零二零年內，本集團年內於綜合損益表中確認股票獎勵計劃淨支出約人民幣165,423,000元(二零一九年：人民幣129,582,000元)(附註7)。

年內，總額為人民幣76,755,000元(二零一九年：人民幣85,046,000元)的6,050,389股(二零一九年：5,970,097股)股份已根據股票獎勵計劃歸屬及行使，導致自股票獎勵儲備轉出人民幣141,329,000元(二零一九年：人民幣101,050,000元)，差額人民幣64,574,000元(二零一九年：人民幣16,004,000元)已自股份溢價賬扣除。此等股份於行使日期的加權平均股價為13.89港元(二零一九年：15.81港元)。

40. 擁有重大非控股股東權益的部分擁有子公司

本集團擁有重大非控股股東權益的子公司雅士利的詳情如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Percentage of equity interest held by non-controlling interests:	非控股股東權益持有的股權百分比：	48.96%	48.96%
Profit for the year allocated to non-controlling interests:	非控股股東權益分佔的本年收益：	46,407	51,372
Dividends paid to non-controlling interests:	向非控股股東權益派付的股息：	—	22,833
Accumulated balances of non-controlling interest at the reporting dates:	於報告日期非控股股東權益的累計結餘：	3,865,165	3,851,100

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40. A PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiary. The amounts disclosed are before any inter-company eliminations:

40. 擁有重大非控股股東權益的部分 擁有子公司 (續)

下表列示上述子公司的簡明財務資料。所披露的金額未計任何集團內公司間的抵銷：

		Yashili 雅士利 2020 二零二零年 RMB'000 人民幣千元	Yashili 雅士利 2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	3,649,206	3,411,962
Total expenses	開支總額	(3,548,125)	(3,299,596)
Profit for the year	本年盈利	101,081	112,366
Other comprehensive income for the year	本年其他全面收益	(53,861)	43,954
Total comprehensive income for the year		47,220	156,320
Current assets	流動資產	3,602,789	3,439,743
Non-current assets	非流動資產	4,189,189	4,072,758
Current liabilities	流動負債	(2,028,886)	(1,799,336)
Non-current liabilities	非流動負債	(39,975)	(31,444)
Net cash flows from operating activities	經營活動產生的現金流量淨額	118,740	177,227
Net cash flows from/(used in) investing activities	投資活動產生/(所用)的現金流量淨額	1,067,064	(695,068)
Net cash flows from/(used in) financing activities	融資活動產生/(所用)的現金流量淨額	71,076	(64,223)
Effect of exchange rate changes on cash and cash equivalents	匯率對現金及現金等價物的影響	(14,756)	(145)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	1,242,124	(582,209)

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41. BUSINESS COMBINATION

In 2020:

Acquisition of three subsidiaries

During 2020, the Group acquired three subsidiaries from third parties. These three subsidiaries are engaged in the sale of dairy products and research and development. The acquisition was made as part of the Group's strategy to expand its market share of dairy products in Mainland China as well as strengthen research and development capacity. The total purchase considerations for these acquisitions were in the form of cash of RMB10,617,000 paid at the acquisition date. These business acquisitions gave rise to goodwill of RMB92,091,000 in total.

41. 業務合併

於二零二零年：

收購三家子公司

二零二零年，本集團自第三方收購三家子公司。該三家子公司從事乳產品銷售以及研究及開發。進行收購乃作為本集團擴充其於中國大陸乳產品市場份額及加強研究及開發能力之策略。該等收購的總收購代價於收購日期以現金形式支付人民幣10,617,000元。該等業務收購產生商譽合共人民幣92,091,000元。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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41. BUSINESS COMBINATION (continued)

In 2020: (continued)

Acquisition of three subsidiaries (continued)

The aggregate fair values of the identifiable assets and liabilities of the three subsidiaries as at the date of acquisition were as follows:

41. 業務合併(續)

於二零二零年：(續)

收購三家子公司(續)

於收購日期，三家子公司的可識別資產及負債公允值總額如下：

		Notes 附註	Fair value recognised on acquisition 收購時確認的 公允值 RMB'000 人民幣千元 (Unaudited) (未經審核)
Assets	資產		
Property, plant and equipment	物業、廠房及設備	14	10,949
Right-of-use assets	使用權資產	17	216
Construction in progress	在建工程	15	33
Other intangible assets	其他無形資產	19	7
Inventories	存貨		1,166
Trade and bills receivables	應收賬款及票據		35,305
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		2,024
Total assets	總資產		49,700
Liabilities	負債		
Trade and bills payables	應付賬款及票據		(111,941)
Other payables and accruals	其他應付款項及預提費用		(19,233)
Total liabilities	總負債		(131,174)
Total identifiable net assets at fair value	按公允值計算的可識別淨資產總額		(81,474)
Less: Trade receivables due from the three subsidiaries	減：應收三家子公司的應收賬款		(111,941)
Add: Goodwill arising on acquisition	加：收購產生的商譽	18	92,091
Add: Effective settlement of trade receivables and other receivables due from the three subsidiaries	加：應收三家子公司的應收賬款及其他應收款項的有效結算		111,941
Purchase consideration at fair value	按公允值計算的收購代價		10,617

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41. BUSINESS COMBINATION (continued)

In 2020: (continued)

Acquisition of three subsidiaries (continued)

An analysis of the cash flows in respect of the acquisition of the three subsidiaries for the year ended 31 December 2020 was as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	(10,617)
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括在投資活動產生的現金流量內的現金及現金等價物淨流出	(10,617)
Transaction costs of the acquisition included in cash flows from operating activities	包括在經營業務產生的現金流量內的收購交易成本	(200)
		(10,817)

Since the acquisition, the three subsidiaries contributed RMB138,302,000 to the Group's revenue and RMB27,347,000 to the consolidated loss of the Group for the year ended 31 December 2020.

Had the combination taken place at the beginning of 2020, the revenue of the Group and the profit of the Group for the year ended 31 December 2020 would have been RMB76,078,489,000 and RMB3,475,824,000, respectively.

In 2019:

Acquisition of Bellamy

On 5 December 2019, the Group acquired a total equity interest of 100% in Bellamy and obtained control over Bellamy, an organic infant formula and baby food provider listed on the Australian Securities Exchange. The acquisition was made as part of the Group's strategy to expand its market share of organic infant milk powder products and baby food products market.

41. 業務合併 (續)

於二零二零年：(續)

收購三家子公司 (續)

截至二零二零年十二月三十一日止年度收購該三家子公司的現金流分析如下：

自收購以來，該三家子公司為本集團截至二零二零年十二月三十一日止年度的收入貢獻人民幣138,302,000元，為本集團綜合虧損帶來人民幣27,347,000元。

倘有關合併於二零二零年年初進行，則截至二零二零年十二月三十一日止年度本集團的收入及本集團的利潤將分別為人民幣76,078,489,000元及人民幣3,475,824,000元。

於二零一九年：

收購貝拉米

於二零一九年十二月五日，本集團收購貝拉米（為於澳洲證券交易所上市的全球認可澳洲有機嬰兒配方及嬰兒食品供應商）合共100%的股權，並取得貝拉米的控制權。已作出的收購為本集團擴大有機嬰兒奶粉產品及嬰兒食品產品市場的市場份額的策略之一。

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41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of Bellamy (continued)

The purchase consideration for the acquisition was in the form of cash of RMB6,934,372,000.

The fair values of the identifiable assets and liabilities of Bellamy as at the date of acquisition were as follows:

41. 業務合併(續)

於二零一九年：(續)

收購貝拉米(續)

該收購的購買代價人民幣6,934,372,000元現金。

於收購日期，貝拉米的可識別資產及負債公允值如下：

		Notes 附註	Fair value recognised on acquisition 收購時確認的 公允值 RMB'000 人民幣千元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	14	22,008
Construction in progress	在建工程	15	7,111
Right-of-use assets	使用權資產	17	14,567
Other intangible assets	其他無形資產	19	5,417,659
Deferred tax assets	遞延稅項資產	23	103,740
Inventories	存貨		410,097
Trade and bills receivables	應收賬款及票據		148,061
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他 資產		58,831
Cash and bank balances	現金及銀行結存		481,398
Total assets	總資產		6,663,472
Liabilities	負債		
Trade and bills payables	應付賬款及票據		(132,110)
Other payables and accruals	其他應付款項及預提費用		(569,962)
Interest-bearing bank and other borrowings	計息銀行及其他借貸		(15,146)
Deferred tax liabilities	遞延稅項負債	23	(1,627,132)
Total liabilities	總負債		(2,344,350)
Total identifiable net assets at fair value	按公允值計算的可識別淨資產 總額		4,319,122
Add: Goodwill arising on acquisition	加：收購產生的商譽	18	2,615,250
Purchase consideration at fair value	按公允值計算的收購代價		6,934,372

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41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of Bellamy (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition were the same as the gross contractual amounts of trade receivables and other receivables, which amounted to RMB148,061,000 and RMB28,575,000, respectively.

The Group incurred transaction costs of RMB11,227,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of the acquisition of Bellamy for the year ended 31 December 2019 was as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	(6,934,372)
Cash and cash equivalents acquired	購買現金及現金等價物	481,398
Net outflow of cash and cash equivalents included in cash flows from investing activities	自投資業務計入現金流動的現金及現金等價物流出淨額	(6,452,974)
Transaction costs of the acquisition included in cash flows from operating activities	自經營業務計入現金流動的購買交易成本	(11,227)
		(6,464,201)

Since the acquisition, Bellamy contributed RMB88,168,000 to the Group's revenue and RMB16,076,000 to the consolidated profit of the Group for the year ended 31 December 2019.

Had the combination taken place at the beginning of 2019, the revenue of the Group and the profit of the Group for the year ended 31 December 2019 would have been RMB80,192,260,000 and RMB4,197,178,000, respectively.

41. 業務合併(續)

於二零一九年：(續)

收購貝拉米(續)

於收購日期，應收賬款及其他應收款項的公允值分別為人民幣148,061,000元及人民幣28,575,000元，與應收賬款及其他應收款項的合約總額相同。

本集團就是項收購產生交易成本人民幣11,227,000元。有關交易成本已於綜合損益表支銷並計入行政費用。

截至二零一九年十二月三十一日止年度就收購貝拉米的現金流動分析如下：

自收購以來，貝拉米為本集團截至二零一九年十二月三十一日止年度的收入貢獻人民幣88,168,000元，並為本集團綜合利潤貢獻人民幣16,076,000元。

倘有關合併於二零一九年年初進行，則截至二零一九年十二月三十一日止年度本集團的收入及本集團利潤將分別為人民幣80,192,260,000元及人民幣4,197,178,000元。

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41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of Shengmu High-tech Dairy

On 23 April 2019, the Group acquired a total equity interest of 51% in Shengmu High-tech Dairy from Shengmu High-tech Farming and Inner Mongolia Shengmu Holding Co., Ltd. ("Shengmu Holding") and obtained control over Shengmu High-tech Dairy. Shengmu High-tech Dairy is mainly engaged in the production and distribution of organic liquid milk products. The acquisition was made as part of the Group's strategy to expand its market share of organic liquid milk products in Mainland China.

The purchase consideration for the acquisition was in the form of cash with RMB105,461,000 paid on 19 July 2019, and the remaining RMB30,000,000 payable within five business days from the first anniversary date of 19 July 2019.

The Group has elected to measure the non-controlling interests in Shengmu High-tech Dairy at the non-controlling interest's proportionate share of identifiable net assets.

41. 業務合併 (續)

於二零一九年：(續)

收購聖牧高科乳業

於二零一九年四月二十三日，本集團向聖牧高科牧業及內蒙古聖牧控股有限公司（「聖牧控股」）收購聖牧高科乳業合共51%股權及取得聖牧高科乳業的控制權。聖牧高科牧業主要從事生產及分銷有機液態牛奶產品。已作出之收購為本集團策略的一部分，以擴大其有機液態牛奶產品於中國內地的市場份額。

收購的購買代價以現金方式人民幣105,461,000元於二零一九年七月十九日支付及餘下人民幣30,000,000元須於二零一九年七月十九日起計首個年度日期的五個營業日內支付。

本集團選擇按可識別資產淨值之非控股權益比例計量於聖牧高科乳業的非控股權益。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of Shengmu High-tech Dairy (continued)

The fair values of the identifiable assets and liabilities of Shengmu High-tech Dairy as at the date of acquisition were as follows:

41. 業務合併 (續)

於二零一九年：(續)

收購聖牧高科乳業 (續)

於收購日期，聖牧高科乳業的可識別資產及負債公允值如下：

		Notes 附註	Fair value recognised on acquisition 於收購獲確認的 公允值 RMB'000 人民幣千元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	14	580,800
Construction in progress	在建工程	15	14,711
Right-of-use assets	使用權資產	17	24,003
Other intangible assets	其他無形資產	19	45,655
Inventories	存貨		24,517
Trade and bills receivables	應收賬款及票據		37,161
Prepayments, other receivables and other assets	預付款、其他應收款項及 其他資產		332,817
Pledged deposits	保證金存款		108,555
Cash and bank balances	現金及銀行結存		520
Total assets	總資產		1,168,739
Liabilities	負債		
Trade and bills payables	應付賬款及票據		(519,419)
Other payables and accruals	其他應付款項及預提費用		(238,710)
Interest-bearing bank and other borrowings	計息銀行及其他借貸		(145,000)
Total liabilities	總負債		(903,129)
Total identifiable net assets at fair value	按公允值計算的可識別淨負債 總額		265,610
Less: Non-controlling interests	減：非控股股東權益		(130,149)
Purchase consideration at fair value	按公允值計算的收購代價		135,461

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31 December 2020 於二零二零年十二月三十一日

41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of Shengmu High-tech Dairy (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition were the same as the gross contractual amounts of trade receivables and other receivables, which amounted to RMB37,161,000 and RMB268,104,000, respectively.

The Group incurred transaction costs of RMB870,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of the acquisition of Shengmu High-tech Dairy for the year ended 31 December 2019 was as follows:

41. 業務合併(續)

於二零一九年：(續)

收購聖牧高科乳業(續)

於收購日期，應收賬款及其他應收款項的公允值分別為人民幣37,161,000元及人民幣268,104,000元，與應收賬款及其他應收款項的合約總額相同。

本集團就是項收購產生交易成本人民幣870,000元，有關交易成本已於綜合損益表支銷，並計入行政費用。

截至二零一九年十二月三十一日止年度就收購聖牧高科乳業的現金流動分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	(105,461)
Cash and cash equivalents acquired	購買現金及現金等價物	520
Net outflow of cash and cash equivalents included in cash flows from investing activities	自投資業務計入現金流動的現金及現金等價物淨流出	(104,941)
Transaction costs of the acquisition included in cash flows from operating activities	自經營業務計入現金流動的購買交易成本	(870)
		(105,811)

Since the acquisition, Shengmu High-tech Dairy contributed RMB492,972,000 to the Group's revenue and caused a net loss of RMB105,131,000 to the consolidated profit of the Group for the year ended 31 December 2019.

Had the combination taken place at the beginning of 2019, the revenue of the Group and the profit of the Group for the year ended 31 December 2019 would have been RMB79,287,531,000 and RMB4,156,579,000, respectively.

自收購以來，聖牧高科乳業為本集團截至二零一九年十二月三十一日止年度的收入貢獻人民幣492,972,000元，並為本集團綜合利潤帶來淨虧損人民幣105,131,000元。

倘有關合併於二零一九年年初進行，則截至二零一九年十二月三十一日止年度本集團的收入及本集團的利潤將分別為人民幣79,287,531,000元及人民幣4,156,579,000元。

31 December 2020 於二零二零年十二月三十一日

41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of other subsidiaries

During 2019, the Group acquired seven other subsidiaries from third parties. These subsidiaries are mainly engaged in the sale of dairy products. The total purchase consideration for these acquisitions was in the form of cash of RMB27,837,000 paid at the respective acquisition dates. These business acquisitions gave rise to goodwill of RMB73,033,000 in total.

The Group has elected to measure the non-controlling interests in seven other subsidiaries at the non-controlling interests' proportionate share of identifiable net assets.

41. 業務合併 (續)

於二零一九年：(續)

收購其他子公司

於二零一九年，本集團向第三方收購其他七家子公司。該等子公司主要從事銷售乳製品產品。該等收購的總購買代價為人民幣27,837,000元，並於相關收購日期以現金形式支付。該等業務收購併產生商譽合共人民幣73,033,000元。

本集團選擇按可識別資產淨值之非控股權益比例計量於其他七家子公司的非控股權益。

**NOTES TO
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31 December 2020 於二零二零年十二月三十一日

41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of other subsidiaries (continued)

The aggregate fair values of the identifiable assets and liabilities of the seven other subsidiaries as at the date of acquisition were as follows:

41. 業務合併 (續)

於二零一九年：(續)

收購其他子公司 (續)

其他七家子公司於收購日期可識別資產及負債的總公允值如下：

		Notes 附註	Fair value recognised on acquisition 收購時確認的 公允值 RMB'000 人民幣千元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	14	45,180
Right-of-use assets	使用權資產	17	43,139
Other intangible assets	其他無形資產	19	4,032
Inventories	存貨		12,866
Trade and bills receivables	應收賬款及票據		49,064
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他 資產		4,262
Cash and bank balances	現金及銀行結存		6,080
Total assets	總資產		164,623
Liabilities	負債		
Trade and bills payables	應付賬款及票據		(130,972)
Other payables and accruals	其他應付款項及預提費用		(27,131)
Interest-bearing bank and other borrowings	計息銀行及其他借貸		(54,570)
Total liabilities	總負債		(212,673)
Total identifiable net assets at fair value	按公允值計算的可識別淨負債 總額		(48,050)
Less: Non-controlling interests	減：非控股權益		2,854
Less: Trade receivables and other receivables due from seven other subsidiaries	減：來自其他七家子公司的應收 賬款及其他應收款		(137,653)
Add: Goodwill arising on acquisition	加：收購產生的商譽	18	73,033
Add: Effective settlement of trade receivables and other receivables due from seven other subsidiaries	加：來自其他七家子公司的應收 賬款及其他應收款的有效 結算		137,653
Purchase consideration at fair value	按公允值計算的收購代價		27,837

**NOTES TO
FINANCIAL STATEMENTS**
財務報表附註

31 December 2020 於二零二零年十二月三十一日

41. BUSINESS COMBINATION (continued)

In 2019: (continued)

Acquisition of other subsidiaries (continued)

The fair values of the trade receivables and other receivables as at the date of acquisition were the same as the gross contractual amounts of trade receivables and other receivables, which amounted to RMB49,064,000 and RMB1,819,000, respectively.

An analysis of the cash flows in respect of the acquisition of the seven other subsidiaries for the year ended 31 December 2019 was as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	(27,837)
Cash and cash equivalents acquired	購買現金及現金等價物	6,080
Net outflow of cash and cash equivalents included in cash flows from investing activities	自投資業務計入現金流動的現金及現金等價物流出淨額	(21,757)

Since the acquisition, seven other subsidiaries contributed RMB404,756,000 to the Group's revenue and RMB65,093,000 to the consolidated profit of the Group for the year ended 31 December 2019.

Had the combination taken place at the beginning of 2019, the revenue of the Group and the profit of the Group for the year ended 31 December 2019 would have been RMB79,320,355,000 and RMB4,221,153,000, respectively.

41. 業務合併 (續)

於二零一九年：(續)

收購其他子公司 (續)

於收購日期，應收賬款及其他應收款項的公允值分別為人民幣49,064,000元及人民幣1,819,000元，與應收賬款及其他應收款項的合約總額相同。

截至二零一九年十二月三十一日止年度就收購其他七家子公司的現金流動分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	(27,837)
Cash and cash equivalents acquired	購買現金及現金等價物	6,080
Net outflow of cash and cash equivalents included in cash flows from investing activities	自投資業務計入現金流動的現金及現金等價物流出淨額	(21,757)

自收購以來，其他七家子公司為本集團截至二零一九年十二月三十一日止年度的收入貢獻人民幣404,756,000元，並為本集團綜合利潤貢獻人民幣65,093,000元。

倘有關合併於二零一九年年初進行，則截至二零一九年十二月三十一日止年度本集團的收入及本集團利潤將分別為人民幣79,320,355,000元及人民幣4,221,153,000元。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

42. DISPOSAL OF SUBSIDIARIES

During the year, Inner Mongolia Mengniu disposed two wholly-owned companies.

The assets and liabilities of the subsidiaries from the perspective of the Group's consolidated financial statements as at disposal date are as follows:

42. 出售子公司

於年內，內蒙古蒙牛出售兩家全資擁有的公司。

於出售日期子公司自本集團的綜合財務報表的資產及負債如下：

		Note 附註	2020 二零二零年 RMB'000 人民幣千元
Non-Current assets	非流動資產		56,078
Current assets	流動資產		5,253
Gain on disposal of subsidiaries	出售子公司的收益	5	18,669
Satisfied by cash consideration	以現金代價方式繳付		80,000

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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42. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		RMB'000 人民幣千元
Cash consideration received by 31 December 2020	截至二零二零年十二月三十一日 收到的現金代價	15,000
Net inflow of cash and cash equivalents included in cash flows from disposal of subsidiaries	自出售子公司計入現金流量的現金及現金等價物流入淨額	15,000

On 19 November 2019, Inner Mongolia Mengniu, a subsidiary of the Company, disposed of 51% of the equity interests in Junlebao for a cash consideration of approximately RMB4,011,319,000.

On 28 November 2019, Inner Mongolia Mengniu and a third party injected additional capital of RMB100,000,000 and RMB150,000,000, respectively, into Tianxianpei (Shanghai) Technology Co., Ltd. ("Tianxianpei"), a previously 100% owned subsidiary of Inner Mongolia Mengniu. Upon completion of the transaction, Inner Mongolia Mengniu held a 50% equity interest in Tianxianpei and lost control of Tianxianpei. Since then, Inner Mongolia Mengniu has accounted for Tianxianpei as a joint venture using the equity method.

42. 出售子公司 (續)

就出售子公司的現金及現金等價物的淨流入分析如下：

於二零一九年十一月十九日，本公司的子公司內蒙古蒙牛以總現金代價約人民幣4,011,319,000元出售君樂寶51%股權。

於二零一九年十一月二十八日，內蒙古蒙牛及一名第三方向先前由內蒙古蒙牛100%擁有的一家子公司天鮮配(上海)科技有限公司(「天鮮配」)分別注資人民幣100,000,000元及人民幣150,000,000元的額外資本。待完成交易後，內蒙古蒙牛持有天鮮配的50%股權，並失去天鮮配的控制權。此後，內蒙古蒙牛將天鮮配作為合營企業以權益法入賬。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

42. DISPOSAL OF SUBSIDIARIES (continued)

The assets and liabilities of the subsidiaries from the perspective of the Group's consolidated financial statements as at disposal date are as follows:

	Notes 附註	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產	8,229,197
Current assets	流動資產	3,825,173
Current liabilities	流動負債	(9,155,942)
Non-current liabilities	非流動負債	(1,669,974)
		1,228,454
Less: Non-controlling interests	減：非控股權益	888,177
Attributable goodwill and trademarks with indefinite useful lives	應佔商譽及無限使用年期商標	252,960
	18	
Gain on disposal of subsidiaries	出售子公司的收益	3,418,082
	5	
Satisfied by cash consideration	以現金代價方式繳付	4,011,319

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

就出售子公司的現金及現金等價物的淨流入分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	4,011,319
Cash and cash equivalents disposed of	處置現金及現金等價物	(593,162)
Income tax paid	支付所得稅	(533,337)
Net inflow of cash and cash equivalents included in cash flows from disposal of subsidiaries	自出售子公司計入現金流量的現金及現金等價物流入淨額	2,884,820

43. PLEDGE OF ASSETS

Details of the Group's bills payable and bank loans, which are secured by the assets of the Group, are included in notes 29 and 31, respectively, to the financial statements.

43. 資產抵押

有關以本集團的資產作抵押的本集團應付票據及銀行貸款詳情，分別載於財務報表附註29及31。

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財務報表附註

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44. COMMITMENTS

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

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Contracted, but not provided for 已訂約但未撥備	1,286,410	788,680

At the end of the reporting period, the Group did not have any significant commitments.

- (b) The Group has various lease contracts that have not yet commenced as at 31 December 2020. The future lease payments for these non-cancellable lease contracts are RMB3,625,000 (2019: RMB4,339,000) due within one year, and RMB1,976,000 (2019: RMB2,135,000) due in the second to fifth years.

45. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances which are disclosed elsewhere in these financial statements, the Group had the following significant transactions with its associates and other related parties.

44. 承擔

- (a) 於報告期末，本集團有關購置及興建物業、廠房及設備的未償還資本承擔如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Contracted, but not provided for 已訂約但未撥備	1,286,410	788,680

於報告期末，本集團並無任何重大承擔。

- (b) 本集團於二零二零年十二月三十一日具有各種尚未開始之租賃合約。就該等不可註銷租賃合約的未來租賃付款為人民幣3,625,000元(二零一九年：人民幣4,339,000元)(於一年內到期)及人民幣1,976,000元(二零一九年：人民幣2,135,000元)(於第二至第五年到期)。

45. 關聯人士交易

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

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財務報表附註

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45. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

45. 關聯人士交易 (續)

(a) (續)

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
(I) Sales of liquid milk products to associates	(I) 向聯營公司銷售液態奶產品	(i)	231,821	647,624
(II) Sales of ice cream products to associates	(II) 向聯營公司銷售冰淇淋產品	(i)	20,965	23,849
(III) Sales of products to affiliates of a major shareholder of the Company	(III) 向本公司一名主要股東的聯屬公司出售產品	(i)	1,023	7,243
(IV) Sales of products to a joint venture	(IV) 向合營企業銷售產品	(i)	20,590	655
(V) Purchases of raw materials from affiliates of a major shareholder of the Company	(V) 向本公司一名主要股東的聯屬公司購買原材料	(i)	561,829	491,357
(VI) Purchases of raw materials from associates	(VI) 向聯營公司購買原材料	(i)	7,591,692	6,064,223
(IX) Purchases of utilities, rental and outsourcing services from an associate	(VII) 向聯營公司購買水電、租賃及外包服務	(i)	—	1,096
(X) Purchase of equipment from an associate	(VIII) 向聯營公司購買設備	(i)	—	5,403

Note:

- (i) The considerations were determined with reference to the prevailing market prices/rates and the prices charged to third parties.

附註：

- (i) 價格是經參考當時市場價格／費率及收取第三方的價格釐定。

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財務報表附註

31 December 2020 於二零二零年十二月三十一日

45. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel of the Group

Key management compensation is detailed in notes 9 and 10 to the financial statements.

The related party transactions in respect of items (a)(III) and (a)(V) above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(c) Year-end balances arising from related party transactions are as follows:

Trade and bills receivables from:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	28,364	218,730
A joint venture	合營企業	1,835	601
Affiliates of a major shareholder of the Group	本集團一名主要股東的聯屬公司	481	2,200
		30,680	221,531

Prepayments, other receivables and other assets from:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	—	8,333
A joint venture	合營企業	—	201
Affiliates of a major shareholder of the Group	本集團一名主要股東的聯屬公司	648	6,083
		648	14,617

45. 關聯人士交易 (續)

(b) 本集團的主要管理人員的報酬

主要管理人員報酬詳情載於財務報表附註9及10。

上述(a)(III)及(a)(V)項中的關聯方交易亦屬於上市規則第14A章所界定的持續關連交易。

(c) 關聯人士交易產生的年末結餘如下：

應收賬款及票據：

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45. RELATED PARTY TRANSACTIONS (continued)

(c) (continued)

Trade and bills payables to:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	797,604	529,209
A joint venture	合營企業	107	—
Affiliates of a major shareholder of the Group	本集團一名主要股東的 聯屬公司	85,102	137,718
		882,813	666,927

Other payables and accruals to:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	—	4,184
A joint venture	合營企業	215	88
Affiliates of a major shareholder of the Group	本集團一名主要股東的 聯屬公司	—	60
		215	4,332

As at 31 December 2019, except for certain prepayments, other receivables and other assets from associates of approximately RMB8,333,000 with a fixed interest rate of 4.8% per annum, the above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to or by independent third parties.

45. 關聯人士交易 (續)

(c) (續)

應付賬款及票據：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	797,604	529,209
A joint venture	合營企業	107	—
Affiliates of a major shareholder of the Group	本集團一名主要股東的 聯屬公司	85,102	137,718
		882,813	666,927

其他應付款項及預提費用：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Associates	聯營公司	—	4,184
A joint venture	合營企業	215	88
Affiliates of a major shareholder of the Group	本集團一名主要股東的 聯屬公司	—	60
		215	4,332

二零一九年十二月三十一日，除若干預付款項、按金及其他應收聯營公司款項約人民幣8,333,000元按4.8%的固定年利率計息外，上述結餘為無抵押、不計息及須於要求時償還，信貸條款與給予或獲自獨立第三方的條款相若。

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45. RELATED PARTY TRANSACTIONS (continued)**(d) Other outstanding balances with associates**

As at 31 December 2020, the Group had entrusted loans of RMB11,029,000 (31 December 2019: RMB35,560,000) due to certain associates included in “Interest-bearing bank and other borrowings”. The Group obtained those loans from certain associates via banks. The balances are unsecured and interest-free (31 December 2019: Nil).

As at 31 December 2019, the Group had entrusted loans of RMB1,000,000,000 and RMB500,000,000 due from China Modern Dairy and Inner Mongolia Fuyuan International Industrial Co., Ltd., respectively, included in “Other financial assets”. The Group loaned out the money via banks. The entrusted loans are unsecured and secured by diary cows, respectively, with annual interest rates of 4.79% and 6.09%, respectively.

45. 關聯人士交易 (續)**(d) 與聯營公司其他結餘**

於二零二零年十二月三十一日，本集團擁有應付若干聯營公司的委託貸款人民幣11,029,000元（二零一九年十二月三十一日：人民幣35,560,000元），並已計入「計息銀行及其他借貸」。本集團透過銀行從若干聯營公司取得該等貸款。結餘為無抵押，且無利息（二零一九年十二月三十一日：零）。

於二零一九年十二月三十一日，本集團分別擁有應收中國現代牧業及內蒙古富源國際實業有限公司委託貸款人民幣1,000,000,000元及人民幣500,000,000元，並已計入「其他金融資產」。本集團透過銀行借出該款項。該委託貸款分別為無抵押及以乳牛抵押，年利率為4.79%及6.09%。

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46. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

		2020 二零二零年			Total	2019 二零一九年			Total
		Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income		Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	
		攤餘成本 RMB'000 人民幣千元	按公允價值計量且其變動計入損益 RMB'000 人民幣千元	按公允價值計量且其變動計入其他全面收益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	攤餘成本 RMB'000 人民幣千元	按公允價值計量且其變動計入損益 RMB'000 人民幣千元	按公允價值計量且其變動計入其他全面收益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Trade and bills receivables	應收賬款及票據	2,926,832	—	61,530	2,988,362	3,476,898	—	109,968	3,586,866
Financial assets included in prepayments, other receivables and other assets	計入預付款、其他應收款項及其他資產的金融資產	639,854	—	—	639,854	658,852	—	—	658,852
Other financial assets	其他金融資產	7,528,513	7,784,886	128,771	15,442,170	7,534,635	16,494,590	105,957	24,135,182
Equity investments	股權投資	—	230,384	128,771	359,155	—	166,408	105,957	272,365
Unlisted equity investment in Guangze with put options	附帶認沽期權的廣澤非上市股權投資	—	470,076	—	470,076	—	—	—	—
Convertible promissory note	可換股承兌票據	—	226,414	—	226,414	—	102,550	—	102,550
Warrants	認股權證	—	—	—	—	—	11,187	—	11,187
Entrusted loans	委託貸款	1,443,053	—	—	1,443,053	2,883,719	—	—	2,883,719
Long term time deposits	長期定期存款	6,078,577	—	—	6,078,577	4,569,773	—	—	4,569,773
Investment deposits	投資存款	—	6,858,012	—	6,858,012	—	16,214,445	—	16,214,445
Long term receivables	長期應收款項	6,883	—	—	6,883	81,143	—	—	81,143
Derivative financial instruments	衍生金融工具	—	2,175	—	2,175	—	34,009	10,814	44,823
Pledged deposits	保證金存款	249,521	—	—	249,521	74,186	—	—	74,186
Cash and bank balances	現金及銀行結餘	11,397,123	—	—	11,397,123	6,476,187	—	—	6,476,187
Cash and cash equivalents	現金及現金等價物	9,225,493	—	—	9,225,493	3,798,118	—	—	3,798,118
Time deposits with original maturity more than three months	原到期日超過三個月的定期存款	2,171,630	—	—	2,171,630	2,678,069	—	—	2,678,069
		22,741,843	7,787,061	190,301	30,719,205	18,220,758	16,528,599	226,739	34,976,096

46. 按類別劃分的金融工具

於報告期末，各分類的金融工具的賬面值如下：

金融資產

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46. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Financial liabilities

46. 按類別劃分的金融工具 (續)

金融負債

		2020 二零二零年				2019 二零一九年		
		Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total	Amortised cost	Fair value through profit or loss	Total
		攤餘成本	其變動計入損益	按公允價值計量且其變動計入其他全面收益	總計	攤餘成本	其變動計入損益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade and bills payables	應付賬款及票據	7,969,321	—	—	7,969,321	6,738,626	—	6,738,626
Financial liabilities included in other payables and accruals	計入其他應付款項及預提費用的金融負債	6,052,690	—	—	6,052,690	5,954,229	—	5,954,229
Interest-bearing bank and other borrowings excluding exchangeable bonds	計息銀行及其他借貸(不包括可交換債券)	17,929,864	—	—	17,929,864	21,598,628	—	21,598,628
Exchangeable bonds	可交換債券	—	1,014,361	—	1,014,361	—	1,374,780	1,374,780
Derivative financial instruments	衍生金融工具	—	3,653	34,742	38,395	—	4,346	4,346
Long term payables	長期應付款項	—	—	—	—	947	—	947
Other financial liabilities	其他金融負債	1,600,200	—	—	1,600,200	1,600,206	—	1,600,206
		33,552,075	1,018,014	34,742	34,604,831	35,892,636	1,379,126	37,271,762

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

47. 金融工具的公允值及公允值層級

公允值

金融資產及負債的公允值為市場參與者於現時進行的交易(強迫或清算銷售除外)中可出售資產及轉讓負債的金額。

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47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value (continued)

The following methods and assumptions were used to estimate the fair values:

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

The fair values of the non-current portion of other financial assets, long term pledged deposits, long term receivable, the non-current portion of interest-bearing bank loans and other non-current financial liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values of exchangeable bonds and unlisted equity investment in Guangze with put option are measured using valuation technical methods and by reference to quoted prices. The fair value of the convertible promissory note is measured using market approach methods.

The fair values of listed equity investments are based on quoted market prices.

The Group enters into derivative financial instruments with various counterparties, principally established commodity trading exchanges or financial institutions with good credit ratings. Derivative financial instruments, including commodity futures contracts, an interest rate swap, forward currency contracts and interest rate forward contracts, are measured using quoted prices from financial institutions with which the interest rate swap, forward currency contracts and interest rate forward contracts are entered into. The carrying amounts of the interest rate swap, forward currency contracts and interest rate forward contracts are the same as their fair values.

47. 金融工具的公允值及公允值層級 (續)

公允值 (續)

下文載列用於估計公允值的方法及假設：

現金及現金等價物、保證金存款的即期部分、應收賬款及票據、應付賬款及票據、其他金融資產、計入預付款、其他應收款項及其他資產的金融資產、計入其他應付款項及預提費用的金融負債、流動計息銀行貸款及其他貸款的公允值因短期內到期而與賬面值相若。

其他金融資產的非流動部分、長期保證金存款、長期應收款項、計息銀行貸款的非流動部分以及其他非流動金融負債的公允值乃採用類似條款、信貸風險及餘下到期日的工具現時可獲得的利率折現預期未來現金流量的方式計算。可交換債券以及附帶認沽期權的廣澤非上市股權投資的公允值乃使用估值技術方法及經參考報價計量。可換股承兌票據的公允值乃使用市場法計量。

上市股權投資的公允值乃基於市場報價。

本集團與多名對手方訂立衍生金融工具，主要為成熟知名的商品貿易交易所或信貸評級良好的金融機構。商品期貨合約、利率互換合約、遠期外幣合約及利率遠期合約等衍生金融工具，乃使用與其訂立有關利率互換合約、遠期外幣合約及利率遠期合約的金融機構的報價計量。利率互換合約、遠期外幣合約及利率遠期合約的賬面值與公允值相同。

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47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value (continued)

The following table shows the valuation techniques used in the determination of fair values of investment deposits, an unlisted equity investment in Guangze with put options and an unlisted equity investment in AICE which fall within level 3 of the fair value hierarchy, as well as the significant unobservable inputs used in the valuation.

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 輸入數據對公允值的影響
Investment deposits 投資存款	Discounted cash flow method 折現現金流量法	Expected yield 預期收益率	1.60% to 5.21% (2019: 1.30% to 6.10%) 1.60%至5.21% (二零一九年：1.30%至6.10%)	10% (2019: 10%) increase (decrease) in expected yield would result in increase (decrease) in fair value by RMB3,077,000 (2019: RMB27,499,000) 預期收益率增加(減少)10%(二零一九年：10%)將導致公允值增加(減少)人民幣3,077,000元 (二零一九年：人民幣27,499,000元)
		Discount rate 折現率	1.60% to 5.21% (2019: 1.30% to 6.10%) 1.60%至5.21% (二零一九年：1.30%至6.10%)	10% (2019: 10%) increase (decrease) in discount rate would result in decrease (increase) in fair value by RMB3,075,000 (2019: RMB27,434,000) 折現率增加(減少)10%(二零一九年：10%)將導致公允值減少(增加)人民幣3,075,000元 (二零一九年：人民幣27,434,000元)
Unlisted equity investment in Guangze with put options 附帶認沽期權的廣澤非上市股權投資	Discounted cash flow method 折現現金流量法	Discount rate 折現率	8.072% to 8.204% 8.072%至8.204%	10% increase (decrease) in discount rate would result in decrease (increase) in fair value by RMB126,000 折現率增加(減少)10%將導致公允值減少(增加)人民幣126,000元
Unlisted equity investment in AICE 投入AICE的非上市股權投資	Market approach 市場法	Discount for lack of control 無控制權折價	25.20%–30.80% 25.20%–30.80%	10% increase (decrease) in DLOC would result in decrease (increase) in fair value by RMB8,209,000 無控制權折價增加(減少)10%將導致公允值減少(增加)人民幣8,209,000元

47. 金融工具的公允值及公允值層級 (續)

公允值(續)

下表載列釐定投資存款、附帶認沽期權的廣澤非上市股權投資及AICE非上市股權投資公允值所用的估值技術(屬於公允值層級的第三級)及估值所用的重大不可觀察輸入數據。

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47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value (continued)

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

47. 金融工具的公允值及公允值層級 (續)

公允值(續)

本集團金融工具(除賬面值與公允值合理相若的金融工具外)的賬面值及公允值如下:

		Carrying amounts 賬面值		Fair values 公允值	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Financial assets	金融資產				
Long term entrusted loans	長期委託貸款	775,391	1,063	765,680	1,060
Long term receivables	長期應收款項	6,883	12,542	6,060	11,395
Long term time deposits	長期定期存款	6,078,577	4,569,773	6,071,628	4,471,835
		6,860,851	4,583,378	6,843,368	4,484,290

		Carrying amounts 賬面值		Fair values 公允值	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Financial liabilities	金融負債				
Other non-current financial liabilities	其他非流動金融負債	—	1,600,206	—	1,600,206
Interest-bearing bank and other borrowings — non-current portion excluding exchangeable bonds and lease liabilities	計息銀行及其他借貸 — 非流動部分 (不包括可交換債券及租賃負債)	12,681,205	7,935,369	11,673,652	7,591,958
		12,681,205	9,535,575	11,673,652	9,192,164

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47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

Assets measured at fair value:

47. 金融工具的公允值及公允值層級 (續)

公允值層級

本集團採用以下層級釐定及披露金融工具的公允值：

- 第一級：根據相同資產或負債於活躍市場的報價(未經調整)計量公允值
- 第二級：公允值基於估值技術計量，當中對所記錄的公允值有重大影響的所有輸入數據可直接或間接觀察得到
- 第三級：公允值基於估值技術計量，當中對所記錄的公允值有重大影響的任何輸入數據並非基於可觀察的市場數據(非可觀察輸入數據)

按公允值計量的資產：

		2020 二零二零年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Listed equity investments	上市股權投資	108,745	—	20,026	128,771
Unlisted equity investments	非上市股權投資	—	—	230,384	230,384
Unlisted equity investment in Guangze with put options	附帶認沽期權的廣澤非 上市股權投資	—	—	470,076	470,076
Convertible promissory note	可換股承兌票據	—	—	226,414	226,414
Investment deposits	投資存款	—	—	6,858,012	6,858,012
Derivative financial instruments	衍生金融工具	—	2,175	—	2,175
Bills receivable	應收票據	—	61,530	—	61,530
		108,745	63,705	7,804,912	7,977,362

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**47. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS** (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

47. 金融工具的公允值及公允值層級

(續)

公允值層級 (續)

按公允值計量的資產: (續)

		2019 二零一九年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Listed equity investments	上市股權投資	105,957	—	—	105,957
Unlisted equity investments	非上市股權投資	—	—	166,408	166,408
Convertible promissory note	可換股承兌票據	—	—	102,550	102,550
Warrants and subscription rights of warrants	認股權證及認股權證之認 購權	—	11,187	—	11,187
Investment deposits	投資存款	—	—	16,214,445	16,214,445
Derivative financial instruments	衍生金融工具	—	44,823	—	44,823
Bills receivable	應收票據	—	109,968	—	109,968
		105,957	165,978	16,483,403	16,755,338

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**47. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS** (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value: (continued)

47. 金融工具的公允值及公允值層級
(續)

公允值層級 (續)

按公允值計量的負債： (續)

		2020 二零二零年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Derivative financial instruments	衍生金融工具	—	38,395	—	38,395
2020 exchangeable bonds	二零二零年可交換債券	—	1,014,361	—	1,014,361
		—	1,052,756	—	1,052,756
		2019 二零一九年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Derivative financial instruments	衍生金融工具	—	4,346	—	4,346
2017 exchangeable bonds	二零一七年可交換債券	—	1,374,780	—	1,374,780
		—	1,379,126	—	1,379,126

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**47. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS** (continued)

Fair value hierarchy (continued)

Assets for which fair values are disclosed:

47. 金融工具的公允值及公允值層級

(續)

公允值層級 (續)

有披露公允值的資產：

		2020 二零二零年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Long term entrusted loans	長期委託貸款	—	765,680	—	765,680
Long term receivables	長期應收款項	—	6,060	—	6,060
Long term time deposits	長期定期存款	—	6,071,628	—	6,071,628
		—	6,843,368	—	6,843,368
		2019 二零一九年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Long term entrusted loans	長期委託貸款	—	1,060	—	1,060
Long term receivables	長期應收款項	—	11,395	—	11,395
Long term time deposits	長期定期存款	—	4,471,835	—	4,471,835
		—	4,484,290	—	4,484,290

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**47. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS** (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed:

		2020 二零二零年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸				
— non-current portion excluding exchangeable bonds and lease liabilities	— 非流動部分(不包括 可交換債券及 租賃負債)	—	11,673,652	—	11,673,652
		—	11,673,652	—	11,673,652

		2019 二零一九年			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other non-current financial liabilities	其他非流動金融負債	—	1,600,206	—	1,600,206
Interest-bearing bank and other borrowings	計息銀行及其他借貸				
— non-current portion excluding zero coupon exchangeable bonds and lease liabilities	— 非流動部分 (不包括零息可交 換債券及租賃負 債)	—	7,591,958	—	7,591,958
		—	9,192,164	—	9,192,164

47. 金融工具的公允值及公允值層級
(續)

公允值層級(續)

有披露公允值的負債：

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Group's principal financial instruments, other than derivatives, comprise cash and cash equivalents, trade and bills receivables and payables, other receivables and payables, long term receivables balances with related parties, interest-bearing bank and other borrowings and long term payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also entered into derivative transactions, mainly interests rate swaps, forward currency swaps and interest rate forward contracts. The purpose is to manage the exchange rate and floating rate exposures arising from the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors and senior management meet periodically to analyse and formulate measures to manage the Group's exposure to these risks. Generally, the Group adopts prudent strategies on its risk management.

(i) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group closely monitors its interest rate risk by performing periodic reviews and evaluations of its debt portfolio and gearing ratio. The interest rates and terms of repayment of the bank loans of the Group are disclosed in note 31 to the financial statements. The Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. In the opinion of the directors, the Group has no significant interest rate risk.

48. 財務風險管理目標及政策

財務風險管理

本集團的主要金融工具(衍生工具除外)包括現金及現金等價物、應收及應付賬款及票據、其他應收及應付款項、與關聯人士的長期應收結餘、計息銀行及其他借貸及長期應付款項。該等金融工具旨在為本集團的營運籌集資金。本集團擁有各式各樣直接來自其業務的其他金融資產及負債，例如應收賬款及應付賬款。

本集團亦訂立衍生交易，主要為利率互換合約、遠期貨幣掉期及利率遠期合約，目的為管理本集團業務所產生的匯率及浮動利率風險。

來自本集團金融工具的主要風險有利率風險、外幣風險、信貸風險、流動性風險及股本價格風險。董事會及高級管理人員定期舉行會議，分析本集團所承受的風險，並制定用以管理風險的措施。本集團一般採納審慎的策略管理風險。

(i) 利率風險

本集團承受的市場利率變動風險主要有關本集團的浮息借貸。本集團定期檢討和評估其債務組合及資本負債比率，對其利率風險進行密切注視。本集團的銀行貸款利率及還款期於財務報表附註31披露。本集團訂立利率互換合約，據此，本集團同意於固定期間，按照協定名義本金金額計算的固定及浮動利率金額的差額進行兌換。董事認為，本集團並無重大利率風險。

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**48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES** (continued)

Financial risk management (continued)

(i) Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

		Increase/ (decrease) in basis points 基點增加/ (減少)	Increase/ (decrease) in profit before tax 稅前利潤增加/ (減少) RMB'000 人民幣千元
2020	二零二零年		
Hong Kong dollars	港元	50	(2,223)
Hong Kong dollars	港元	(50)	2,223
United States dollars	美元	50	(7,006)
United States dollars	美元	(50)	7,006
2019	二零一九年		
RMB	人民幣	50	(8,836)
RMB	人民幣	(50)	8,836
Hong Kong dollars	港元	50	(10,962)
Hong Kong dollars	港元	(50)	10,962
United States dollars	美元	50	(2,064)
United States dollars	美元	(50)	2,064
New Zealand dollars	新西蘭元	50	(3)
New Zealand dollars	新西蘭元	(50)	3

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(i) 利率風險 (續)

下表列示在所有其他變數維持不變的情況下，本集團稅前利潤(透過浮息借貸的影響)對利率合理可能變化的敏感度：

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(ii) Foreign currency risk

The Group's businesses are principally located in Mainland China and substantially all transactions are conducted in RMB, except for the purchases of imported machinery and equipment and sales of dairy products to Hong Kong, Australia and Macau. As at 31 December 2020, substantially all of the Group's assets and liabilities were denominated in RMB except for the cash and bank balances of approximately RMB2,320,973,000 (2019: RMB1,922,970,000), RMB210,395,000 (2019: RMB121,798,000), RMB9,597,000 (2019: RMB5,491,000), RMB3,309,000 (2019: RMB15,614,000), RMB49,514,000 (2019: RMB104,420,000), RMB35,978,000 (2019: 1,769,000), and RMB4,781,000 (2019: 8,051,000) which were denominated in United States dollars, Hong Kong dollars, Danish Krone, Indonesian Rupiah, Australian dollars, Euro, and New Zealand dollar, respectively, pledged deposits of approximately RMB188,000 (2019: RMB47,833,000), RMB111,320,000 (2019: RMB4,431,000) and RMB1,447,000 (2019: RMB15,000) which were denominated in United States dollars, New Zealand dollars and Euro, respectively, and the interest-bearing bank and other borrowings of approximately RMB1,346,624,000 (2019: RMB2,776,980,000), RMB12,849,846,000 (2019: RMB15,387,609,000), RMB227,989,000 (2019: RMB106,928,000) and RMB116,252,000 (2019: RMB96,976,000) which were denominated in Hong Kong dollars, United States dollars, Indonesian Rupiah and Australian dollars, respectively. 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.

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(ii) 外幣風險

本集團的業務主要位於中國大陸，除購置進口機器及設備及向香港、澳洲、澳門出售乳製品外，絕大部分交易均以人民幣為本位貨幣。於二零二零年十二月三十一日，除了現金及銀行結存約人民幣2,320,973,000元（二零一九年：人民幣1,922,970,000元）、人民幣210,395,000元（二零一九年：人民幣121,798,000元）、人民幣9,597,000元（二零一九年：人民幣5,491,000元）、人民幣3,309,000元（二零一九年：人民幣15,614,000元）、人民幣49,514,000元（二零一九年：人民幣104,420,000元）、人民幣35,978,000元（二零一九年：人民幣1,769,000元）及人民幣4,781,000元（二零一九年：人民幣8,051,000元）分別以美元、港元、丹麥克朗、印尼盾、澳元、歐元及新西蘭元計值，保證金存款約人民幣188,000元（二零一九年：人民幣47,833,000元）、人民幣111,320,000元（二零一九年：人民幣4,431,000元）及人民幣1,447,000元（二零一九年：人民幣15,000元）分別以美元、新西蘭元及歐元計值，計息銀行及其他借貸約人民幣1,346,624,000元（二零一九年：人民幣2,776,980,000元）、人民幣12,849,846,000元（二零一九年：人民幣15,387,609,000元）、人民幣227,989,000元（二零一九年：人民幣106,928,000元）及人民幣116,252,000元（二零一九年：人民幣96,976,000元）分別以港元、美元、印尼盾及澳元計值之外，本集團絕大部分資產及負債均以人民幣為單位。人民幣兌外幣的匯率若有波動，可能影響本集團的經營業績，但董事認為外幣風險在管理層的控制之中。

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**48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES** (continued)

Financial risk management (continued)

(ii) Foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rates as compared to United States dollars, Hong Kong dollars, Euro, New Zealand dollars, Australian dollars, Indonesian Rupiah and Danish Krone, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and equity:

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Increase/ (decrease) in profit before tax 稅前利潤 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity 權益增加/ (減少) RMB'000 人民幣千元
2020	二零二零年	5	237,895	535,558
		(5)	(237,895)	(535,558)
2019	二零一九年	5	112,245	427,706
		(5)	(112,245)	(427,706)

(iii) Credit risk

The cash and bank balances, as well as the pledged deposits, of the Group are mainly deposited with state-owned commercial banks in Mainland China.

The majority of the Group's sales are conducted on a cash basis. The Group has implemented policies to ensure that sales of products are made to distributors, who wish to trade on credit terms, with an appropriate credit history which is subject to periodic reviews. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(ii) 外幣風險 (續)

下表列示在所有其他變數維持不變的情況下，本集團稅前利潤(因貨幣資產及負債的公允值變動導致)及權益對人民幣兌美元、港元、歐元、新西蘭元、澳元、印尼盾及丹麥克朗的匯率合理可能變化的敏感度：

(iii) 信貸風險

本集團的現金及銀行結存及保證金存款，主要存於中國大陸的國有商業銀行。

本集團大部分的銷售均按現金基準進行。本集團已實施政策以確保產品是售予擁有適當信貸紀錄並有意以除賬形式進行交易的經銷商，並就其信貸紀錄進行定期的覆檢。本集團一直持續監察應收款項的結餘，本集團並無重大壞賬風險。

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(iii) Credit risk (continued)

Maximum exposure and year-end staging as at 31 December 2020

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2020. The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

As at 31 December 2020

		12-month ECLs		Lifetime ECLs		
		12個月預期 信貸虧損		存續預期信貸虧損		
		Stage 1	Stage 2	Stage 3	Simplified	
		第一階段	第二階段	第三階段	簡化方法	
		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
Trade and bills receivables (note a)	應收賬款及票據 (註a)	—	—	—	3,084,884	3,084,884
Financial assets included in prepayments, other receivables and other assets (note b)	計入預付款、其他應收款項及其他資產的金融資產 (註b)					
— Normal	— 正常	643,176	—	—	—	643,176
— doubtful	— 可疑	—	—	—	—	—
Entrusted loans	委託貸款	1,443,053	—	—	—	1,443,053
Pledged deposits	保證金存款					
— Not yet past due	— 尚未逾期	249,521	—	—	—	249,521
Long term receivable	長期應收款項	6,883	—	—	—	6,883
Cash and cash equivalents	現金及現金等價物					
— Not yet past due	— 尚未逾期	9,225,493	—	—	—	9,225,493
Time deposits	定期存款	8,250,207	—	—	—	8,250,207
		19,818,333	—	—	3,084,884	22,903,217

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(iii) 信貸風險 (續)

於二零二零年十二月三十一日的最大風險範圍及年末階段分類

下表載列二零二零年十二月三十一日本集團基於信貸政策的信貸品質及最大信貸風險範圍(除非無須不必要成本或努力即可取得其他資料,否則主要根據過往的數據)及年末階段分類。呈列的金額為金融資產的總賬面值及金融擔保合約的信貸風險範圍。

於二零二零年十二月三十一日

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**48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)**

Financial risk management (continued)

(iii) Credit risk (continued)

Maximum exposure and year-end staging as at 31

December 2020 (continued)

As at 31 December 2019

		12-month ECLs 12個月預期 信貸虧損		Lifetime ECLs 存續預期信貸虧損		
		Stage 1 第一階段 RMB'000 人民幣千元	Stage 2 第二階段 RMB'000 人民幣千元	Stage 3 第三階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	RMB'000 人民幣千元
Trade and bills receivables (note a)	應收賬款及票據 (註a)	—	—	—	3,586,866	3,586,866
Financial assets included in prepayments, other receivables and other assets (note b)	計入預付款、其他 應收款項及其他 資產的金融資產 (註b)					
— Normal	— 正常	658,852	—	—	—	658,852
— doubtful	— 可疑	—	—	—	—	—
Entrusted loans	委託貸款	2,883,719	—	—	—	2,883,719
Pledged deposits	保證金存款					
— Not yet past due	— 尚未逾期	74,186	—	—	—	74,186
Long term receivable	長期應收款項	81,143	—	—	—	81,143
Cash and cash equivalents	現金及現金等價物					
— Not yet past due	— 尚未逾期	3,798,118	—	—	—	3,798,118
Time deposits	定期存款	7,247,842	—	—	—	7,247,842
		14,743,860	—	—	3,586,866	18,330,726

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(iii) 信貸風險 (續)

於二零二零年十二月三十一日的最大

風險範圍及年末階段分類 (續)

於二零一九年十二月三十一日

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(iii) Credit risk (continued)

Maximum exposure and year-end staging as at 31 December 2020 (continued)

- (a) For trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 26 to the financial statements.
- (b) The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Maximum exposure as at 31 December 2020

The credit risk of the Group's other financial assets, which comprise deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

Except for the above, the Group has no significant concentration of credit risk, with exposure spreading over a number of counterparties.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 26 to the financial statements.

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(iii) 信貸風險 (續)

於二零二零年十二月三十一日的最大風險範圍及年末階段分類 (續)

- (a) 就本集團採用簡化方法計算減值的應收賬款及票據，根據撥備矩陣的資料披露於財務報表附註26。
- (b) 當計入預付款、其他應收款項及其他資產的金融資產尚未逾期，且沒有資料顯示該等金融資產的信貸風險自初始確認後大幅上升，則其信貸品質被視為「正常」。否則，該等金融資產的信貸品質被視為「可疑」。

於二零二零年十二月三十一日的最大風險範圍

由於交易方違約產生由按金及其他應收款項構成的本集團其他金融資產的信貸風險最高限額相等於此等資產的賬面值。

除上述者外，本集團的風險涉及多名對手方，因而並無重大的集中信貸風險。

有關本集團因應收賬款而須面對的信貸風險的其他量化數據，披露於財務報表附註26。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(iv) Liquidity risk

The Group closely monitors its liquidity risk by performing periodic reviews and evaluations of its liquidity with regard to the industry characteristics, market conditions, business strategies and changes in the Group's state of affairs and adjusting the current and non-current portions of the Group's debt portfolio on a proper and timely basis. In addition, the Group aims to ensure a continuity of funds and flexibility through the use of various means of financing and by keeping committed credit lines available.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2020 based on contractual undiscounted payments.

		2020 二零二零年			
		Less than 1 year 一年以內 RMB'000 人民幣千元	1 to 5 years 一至五年 RMB'000 人民幣千元	More than 5 years 五年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease Liabilities	租賃負債	192,628	326,388	26,020	545,036
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他借貸(除租賃負債)	4,782,403	10,394,624	1,347,293	16,524,320
Trade and bills payables	應付賬款及票據	7,969,321	—	—	7,969,321
Financial liabilities included in other payables and accruals, excluding current portion of long term payables	計入其他應付款項及預提費用的金融負債，不包括長期應付款項的即期部分	6,052,691	—	—	6,052,691
Other financial liabilities	其他金融負債	1,634,634	—	—	1,634,634

48. 財務風險管理目標及政策(續)

財務風險管理(續)

(iv) 流動性風險

本集團定期根據行業特點、市場環境、業務戰略及本集團財務狀況的變化，對本集團的流動性進行檢討及審視，適當並及時調整本集團負債結構的即期及非即期部分，以監控流動性風險。此外，本集團亦透過利用不同的融資方式及保持一定的承諾信貸額度以確保資金的連續性及靈活性。

下表概述於二零二零年十二月三十一日根據合約無折讓付款的本集團金融負債的到期情況。

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**48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES** (continued)

Financial risk management (continued)

(iv) *Liquidity risk* (continued)

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(iv) *流動性風險* (續)

		2019 二零一九年			
		Less than 1 year 一年以內 RMB'000 人民幣千元	1 to 5 years 一至五年 RMB'000 人民幣千元	More than 5 years 五年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease Liabilities	租賃負債	193,391	325,674	26,278	545,343
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他 借貸(不包括 租賃負債)	13,802,750	10,424,037	—	24,226,787
Trade and bills payables	應付賬款及票據	6,738,626	—	—	6,738,626
Financial liabilities included in other payables and accruals, excluding current portion of long term payables	計入其他應付款 項及預提費用 的金融負債， 不包括長期應 付款項的即期 部分	5,954,229	—	—	5,954,229
Long term payables	長期應付款項	947	—	—	947
Other financial liabilities	其他金融負債	—	1,719,250	—	1,719,250

31 December 2020 於二零二零年十二月三十一日

**48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES** (continued)**Financial risk management** (continued)**(v) Equity price risk**

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group was exposed to equity price risk arising from individual equity investments classified as equity investments at fair value through other comprehensive income (note 24) as at 31 December 2020.

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, for the equity investments, the impact is deemed to be on the financial assets revaluation reserve and no account is given for factors such as impairment which might impact the consolidated statement of profit or loss.

		Carrying amount of equity investments 股本投資的賬面值 RMB'000 人民幣千元	Change in equity 股本變動 RMB'000 人民幣千元
2020			
二零二零年			
Hong Kong listed equity investments	香港上市股本投資	108,745	5,437

48. 財務風險管理目標及政策 (續)**財務風險管理** (續)**(v) 股本價格風險**

股本價格風險為股票指數水平及個別證券價值變動導致股本證券公允值下降的風險。於二零二零年十二月三十一日，本集團面對的股本價格風險來自分類為以公允值計量且其變動計入其他全面收益的股本投資(附註24)的個別股本投資。

下表顯示在其他所有可變因素維持不變且未計入任何稅務影響的情況下，按股本投資於報告期末的賬面值計算，股本投資公允值每變動5%時的敏感度。就本分析而言，對於股本投資，視為對金融資產重估儲備造成影響，並無計及可能影響綜合損益表的因素，例如減值。

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management (continued)

(v) Equity price risk (continued)

2019 二零一九年	Carrying amount of equity investments 股本投資的 賬面值 RMB'000 人民幣千元	Change in equity 股本變動 RMB'000 人民幣千元
Hong Kong listed equity investments	香港上市股本投資 105,957	5,298

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 31 December 2019.

48. 財務風險管理目標及政策 (續)

財務風險管理 (續)

(v) 股本價格風險 (續)

2019 二零一九年	Carrying amount of equity investments 股本投資的 賬面值 RMB'000 人民幣千元	Change in equity 股本變動 RMB'000 人民幣千元
Hong Kong listed equity investments	香港上市股本投資 105,957	5,298

資本管理

本集團資本管理的基本目標乃維持本集團持續經營的能力及保持穩健的資本比率，以支持其業務及提高股東價值。

本集團管理其資本架構，並因應經濟環境的變化及相關資產的風險特徵作出調整。為維持或調整資本架構，本集團可能會調整派付予股東的股息、股東的資本回報或發行新股。截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度，有關資本管理的目標、政策或程序並無變動。

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the capital plus net debt. Net debt includes interest-bearing bank and other borrowings, trade and bills payables, other payables and accruals, long term payables and other financial liabilities, less cash and bank balances and long term time deposits, and excludes disposal groups. Capital represents equity attributable to owners of the Company. The gearing ratios as at the end of reporting periods were as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	18,944,225	23,472,810
Trade and bills payables	應付賬款及票據	7,969,321	6,738,626
Other payables and accruals	其他應付款項及預提費用	11,465,916	10,807,574
Other financial liabilities-current	其他金融負債 — 流動	1,600,200	—
Other financial liabilities-non current	其他金融負債 — 非流動	—	1,600,206
Less: Cash and bank balances	減：現金及銀行結存	(11,397,123)	(6,476,187)
Less: Long term time deposits	減：長期定期存款	(6,078,577)	(4,569,773)
Net debt	淨負債	22,503,962	31,573,256
Equity attributable to owners of the Company	本公司擁有人應佔權益	32,982,642	29,132,284
Adjusted capital	經調整資本	32,982,642	29,132,284
Capital and net debt	資本與淨負債	55,486,604	60,705,540
Gearing ratio	資本負債比率	40.56%	52.01%

49. EVENTS AFTER THE REPORTING PERIOD

On 13 December 2020, Inner Mongolia Mengniu and MilkGround entered into a Share Subscription Agreement, pursuant to which MilkGround has conditionally agreed to issue and Inner Mongolia Mengniu has conditionally agreed to subscribe no more than 100,976,102 shares at a price of RMB29.71 per share.

48. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團以資本負債比率監控資本，資本負債比率即淨負債除以資本總額加上淨負債之和。淨負債包括計息銀行及其他借貸、應付賬款及票據、其他應付款項及預提費用、長期應付款項，以及其他金融負債，減現金及銀行結存及長期定期存款，並不包括處置組。資本指本公司擁有人應佔權益。於報告期末的資本負債比率如下：

49. 報告期後事項

於二零二零年十二月十三日，內蒙古蒙牛與妙可藍多簽訂股份認購協議，據此，妙可藍多及內蒙古蒙牛分別有條件同意以每股股份人民幣29.71元的價格發行及認購不超過100,976,102股股份。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2020 於二零二零年十二月三十一日

50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

50. 本公司財務狀況表

報告期末有關本公司財務狀況表的資料如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	47	65
Investments in subsidiaries	於子公司的投資	13,274,282	13,637,745
Investment in associates	於聯營公司的投資	2,751,368	2,928,354
Derivative financial instruments	衍生金融工具	—	34,009
Non-current financial assets	非流動金融資產	108,745	45,525
Loans to subsidiaries	貸款予子公司	3,158,428	8,087,928
Total non-current assets	總非流動資產	19,292,870	24,733,626
CURRENT ASSETS	流動資產		
Derivative financial instruments	衍生金融工具	—	10,813
Prepayments, other receivables and other assets	預付款、其他應收款項及其他資產	283,140	258,406
Loans to subsidiaries	貸款予子公司	3,333,843	4,507,596
Pledged deposits	保證金存款	—	46,787
Cash and bank balances	現金及銀行結存	2,203,935	1,884,119
Total current assets	總流動資產	5,820,918	6,707,721
CURRENT LIABILITIES	流動負債		
Loan from subsidiaries	來自子公司的貸款	10,693	—
Other payables and accruals	其他應付款項及預提費用	134,268	157,790
Interest-bearing bank and other borrowings	計息銀行及其他借貸	1,346,624	10,750,596
Derivative financial instruments	衍生金融工具	—	3,955
Total current liabilities	總流動負債	1,491,585	10,912,341
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債)淨額	4,329,333	(4,204,620)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	23,622,203	20,529,006
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	13,695,566	9,310,149
Deferred tax liabilities	遞延稅項負債	3,624	6,422
Derivative financial instruments	衍生金融工具	34,742	—
Total non-current liabilities	總非流動負債	13,733,932	9,316,571
NET ASSETS	淨資產	9,888,271	11,212,435
EQUITY	權益		
Issued capital	已發行股本	359,359	358,257
Treasury shares held under share award scheme	股票獎勵計劃下持有的庫存股份	(42,908)	(132,735)
Reserves	儲備	9,571,820	10,986,913
TOTAL EQUITY	總權益	9,888,271	11,212,435

Chen Lang
陳朗
Director
董事

Jeffrey, Minfang Lu
盧敏放
Director
董事

NOTES TO FINANCIAL STATEMENTS 財務報表附註

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50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

50. 本公司財務狀況表 (續)

附註：

本公司儲備概述如下：

		Share premium	Contributed surplus	Foreign currency translation differences	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated Losses	Share option reserve/share award reserve	Hedging reserve	Total
		股份溢價	實繳盈餘	貨幣換算儲備	按公允值計入其他全面收益的金融資產	累計虧損	股權儲備/股份獎勵儲備	對沖儲備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			Note (a)						
			附註 (a)						
At 1 January 2020	於二零二零年一月一日	11,772,915	387,574	122,055	(323,872)	(1,189,571)	209,814	7,998	10,986,913
Loss for the year	本年虧損	-	-	-	-	(451,082)	-	-	(451,082)
Other comprehensive loss for the year:	本年其他全面虧損：								
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定為以公允值計量且其變動計入其他全面收益的股本投資的公允值變動，扣除稅項	-	-	-	63,221	-	-	-	63,221
Exchange differences between functional currency and presentation currency	功能貨幣及呈報貨幣的匯兌差額	-	-	(564,234)	-	-	-	-	(564,234)
Cash flow hedges, net of tax	現金流量對沖，扣除稅項	-	-	(1,614)	-	-	-	(66,872)	(68,486)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	(565,848)	63,221	(451,082)	-	(66,872)	(1,020,581)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	255,411	-	-	-	-	56,027	-	311,438
Fair value amortisation of equity-settled share option arrangements	以股份支付的購股權安排的公允值攤銷	-	-	-	-	-	457	-	457
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	75,121	-	-	-	-	(75,121)	-	-
Fair value amortisation of share award scheme	股票獎勵計劃的公允值攤銷	-	-	-	-	-	254	-	254
Dividends paid to owners of the Company	已向本公司擁有人派付股息	(706,661)	-	-	-	-	-	-	(706,661)
At 31 December 2020	於二零二零年十二月三十一日	11,396,786	387,574	(443,793)	(260,651)	(1,640,653)	191,431	(58,874)	9,571,820

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50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (continued)

A summary of the Company's reserves is as follows: (continued)

		Share premium	Contributed surplus	Foreign currency translation differences	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Share option reserve/share award reserve	Hedging reserve	Total
		股份溢價 RMB'000 人民幣千元	實繳盈餘 RMB'000 人民幣千元 Note (a) 附註 (a)	貨幣換算儲備 RMB'000 人民幣千元	按公允價值計入其他全面收益的 金融資產 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	股權儲備/股份 獎勵儲備 RMB'000 人民幣千元	對沖儲備 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	12,324,120	387,574	(117,189)	(344,188)	(903,767)	90,192	26,421	11,463,163
Loss for the year	本年虧損	-	-	-	-	(285,804)	-	-	(285,804)
Other comprehensive loss for the year:	本年其他全面虧損：								
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定為以公允價值計量且其變動計入其他全面收益的股本投資的公允價值變動，扣除稅項	-	-	-	20,316	-	-	-	20,316
Exchange differences between functional currency and presentation currency	功能貨幣及呈報貨幣的匯兌差額	-	-	238,605	-	-	-	-	238,605
Cash flow hedges, net of tax	現金流量對沖，扣除稅項	-	-	639	-	-	-	(18,423)	(17,784)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	239,244	20,316	(285,804)	-	(18,423)	(44,667)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	123,780	-	-	-	-	152,773	-	276,553
Fair value amortisation of equity-settled share option arrangements	以股份支付的購股權安排的公允價值攤銷	-	-	-	-	-	80	-	80
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	33,983	-	-	-	-	(33,983)	-	-
Fair value amortisation of share award scheme	股票獎勵計劃的公允價值攤銷	-	-	-	-	-	752	-	752
Dividends paid to owners of the Company	已向本公司擁有人派付股息	(708,968)	-	-	-	-	-	-	(708,968)
At 31 December 2019	於二零一九年十二月三十一日	11,772,915	387,574	122,055	(323,872)	(1,189,571)	209,814	7,998	10,986,913

Note:

(a) The contributed surplus of the Company represents the difference between the then combined net asset value of the subsidiaries acquired pursuant to the group reorganisation and the nominal value of the shares of the Company issued in exchange therefor.

51. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 24 March 2021.

50. 本公司財務狀況表 (續)

註：(續)

本公司儲備概述如下：(續)

		Share premium	Contributed surplus	Foreign currency translation differences	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Share option reserve/share award reserve	Hedging reserve	Total
		股份溢價 RMB'000 人民幣千元	實繳盈餘 RMB'000 人民幣千元 Note (a) 附註 (a)	貨幣換算儲備 RMB'000 人民幣千元	按公允價值計入其他全面收益的 金融資產 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	股權儲備/股份 獎勵儲備 RMB'000 人民幣千元	對沖儲備 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	12,324,120	387,574	(117,189)	(344,188)	(903,767)	90,192	26,421	11,463,163
Loss for the year	本年虧損	-	-	-	-	(285,804)	-	-	(285,804)
Other comprehensive loss for the year:	本年其他全面虧損：								
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定為以公允價值計量且其變動計入其他全面收益的股本投資的公允價值變動，扣除稅項	-	-	-	20,316	-	-	-	20,316
Exchange differences between functional currency and presentation currency	功能貨幣及呈報貨幣的匯兌差額	-	-	238,605	-	-	-	-	238,605
Cash flow hedges, net of tax	現金流量對沖，扣除稅項	-	-	639	-	-	-	(18,423)	(17,784)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	239,244	20,316	(285,804)	-	(18,423)	(44,667)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	123,780	-	-	-	-	152,773	-	276,553
Fair value amortisation of equity-settled share option arrangements	以股份支付的購股權安排的公允價值攤銷	-	-	-	-	-	80	-	80
Transfer of share option reserve upon exercise of share options	行使購股權時轉出購股權儲備	33,983	-	-	-	-	(33,983)	-	-
Fair value amortisation of share award scheme	股票獎勵計劃的公允價值攤銷	-	-	-	-	-	752	-	752
Dividends paid to owners of the Company	已向本公司擁有人派付股息	(708,968)	-	-	-	-	-	-	(708,968)
At 31 December 2019	於二零一九年十二月三十一日	11,772,915	387,574	122,055	(323,872)	(1,189,571)	209,814	7,998	10,986,913

附註：

(a) 本公司的實繳盈餘指根據集團重組所收購子公司的當時合併資產淨值與本公司為換取上述合併資產淨值所發行股份的面值間的差額。

51. 批准財務報表

董事會已於二零二一年三月二十四日批准及授權刊發財務報表。

FINANCIAL SUMMARY

財務概要

The following is a summary of the published audited financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries for the respective years.

下列為中國蒙牛乳業有限公司(「本公司」)及其子公司於下列各年度已發佈的經審核財務報表概要。

RESULTS

業績

		Year ended 截至止年度				
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Revenue	收入	76,034,844	79,029,856	68,977,066	60,155,622	53,779,339
Profit/(loss) before tax from continuing operations	來自持續經營業務的稅前利潤/(虧損)	4,154,786	5,605,447	3,852,722	2,624,961	(461,386)
Income tax expense	所得稅支出	(653,193)	(1,309,532)	(649,001)	(594,283)	(351,379)
Profit/(loss) for the year from continuing operations	來自持續經營業務的 本年利潤/(虧損)	3,501,593	4,295,915	3,203,721	2,030,678	(812,765)
Profit/(loss) for the year from discontinued operation	來自已終止經營業務的 本年利潤/(虧損)	—	—	—	—	—
Profit/(loss) for the year	本年利潤/(虧損)	3,501,593	4,295,915	3,203,721	2,030,678	(812,765)
Attributable to:	以下各方應佔：					
Owners of the Company	本公司擁有人	3,525,044	4,105,437	3,043,030	2,047,839	(751,155)
Non-controlling interests	非控股股東權益	(23,451)	190,478	160,691	(17,161)	(61,610)
Proposed dividend	擬派股息	1,058,093	712,238	710,915	471,283	349,327
Earnings per share attributable to ordinary equity holders of the Company (RMB) (note (i))	本公司普通股擁有人應佔每股盈利(人民幣)(附註(i))					
For profit for the year	本年利潤					
— Basic	— 基本	0.897	1.049	0.779	0.526	(0.193)
— Diluted	— 攤薄	0.892	1.046	0.778	0.526	(0.193)

FINANCIAL SUMMARY

財務概要

ASSETS, LIABILITIES AND EQUITY

資產、負債及權益

		At 31 December 於十二月三十一日				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	總資產	80,146,240	78,537,405	66,457,257	58,138,731	49,124,427
Total liabilities	總負債	42,898,681	45,190,068	35,992,978	31,031,608	23,620,699
Equity attributable to owners of the Company	本公司擁有人應佔權益	32,982,642	29,132,284	25,212,364	22,604,273	20,844,913
Non-controlling interests	非控股股東權益	4,264,917	4,215,053	5,251,915	4,502,850	4,658,815

Note:

附註：

(i) The calculation basis for the earnings per share attributable to ordinary equity holders of the Company is set out in note 13 to the consolidated financial statements.

(i) 本公司普通股擁有人應佔每股盈利的計算基準載於綜合財務報表附註13。



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

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

Stock Code 股份代號 : 2319

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