



China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司

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

Stock Code 股份代號: 1117



ANNUAL REPORT 年報 2022



连续九年荣获世界食品品质评鉴大会

— 金奖 —



天生要強，
與自己較勁。

Born to be strong and go beyond ourselves.

CORPORATE PROFILE

公司簡介

China Modern Dairy Holdings Limited (the “**Company**” or “**Modern Dairy**” together with its subsidiaries, the “**Group**”) is the leading dairy farming operator and raw milk producer in the People’s Republic of China (the “**PRC**”). Modern Dairy operates 41 dairy farming companies in the PRC with dairy cows over 400,000 heads and annualized milk yield of over 2.36 million tons. The Group is a leading dairy farming operator and raw milk producer in terms of herd size in the PRC. The Company initiated the production model of “Zero-distance Integration of Forage Grass Planting, Cows Breeding and Milk Processing within Two Hours”, which is the first in the PRC that applies integrated production model with SGS certification. Modern Dairy’s products have been awarded the Gold Prize of Monde Selection which is generally regarded as the “Nobel Prize” in the food industry, for the past nine consecutive years.

中國現代牧業控股有限公司(「**本公司**」或「**現代牧業**」)連同其附屬公司「**本集團**」，為中華人民共和國(「**中國**」)乳牛畜牧營運商及原料奶生產商的翹楚。現代牧業於中國經營41家乳牛牧場公司，擁有逾40萬頭乳牛，年化產奶量達236萬噸以上。按畜群大小計算，就畜群規模，本集團是中國乳牛畜牧營運商及原料奶生產商的行業翹楚。本公司首創「種養加一體化、零距離2小時」的生產模式，是中國首家一體化生產模式並通過SGS認證的企業。現代牧業的產品於過去九年連續在素有食品業「諾貝爾獎」之稱的世界食品品質評鑒大會中獲得金獎。



“Raise healthy cows, safeguard each and every drop of milk”

「牧育健康牛，守護每一滴好牛奶」

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HIGHLIGHTS

摘要

YEAR ENDED 31 DECEMBER

截至12月31日止年度

		2022 2022年	2021 2021年	Change 變動
(All amounts in Renminbi ("RMB") millions unless otherwise stated) (除特別列明外，所有金額以人民幣(「人民幣」)百萬元列示)				
FINANCIAL DATA		財務數據		
Revenue	收入	12,295	7,078	+73.7%
Cash EBITDA ^(Note 1)	現金EBITDA ^(附註1)	2,740	2,434	+12.6%
Adjusted Net Profit ^(Note 2)	經調整淨利潤 ^(附註2)	950	925	+2.7%
Net Asset Value Per Share (RMB) ^(Note 3)	每股資產淨值(人民幣元) ^(附註3)	1.42	1.37	+3.6%
KEY OPERATING DATA		主要經營數據		
Total Raw Milk Sold (ten thousand tons)	生鮮奶總銷量(萬噸)	233	159	+46.5%
Herd Size (heads)	畜群規模(頭)	405,358	353,793	+14.6%
Average Milk Yield (tonnes/head • year)	平均成乳牛單產(噸/頭•年)	12.2	11.3	+8.0%

Notes:

- (1) Cash EBITDA is defined as earnings before finance costs and tax having added back: i) depreciation and amortisation charged to profit and loss; ii) other gains and losses, net; iii) impairment losses under expected credit loss model, net of reversal; and iv) loss arising from changes in fair value less costs to sell of dairy cows.
- (2) The adjusted net profit is defined as net profit after excluding the gains and losses arising from foreign exchanges and derivative financial instruments.
- (3) Equity attributable to owners of the Company at the year end divided by the number of ordinary shares in issue as at 31 December 2022 and 31 December 2021, respectively.

附註：

- (1) 現金EBITDA定義為在加回以下項目後的除融資成本及稅項前盈利：i)計入損益的折舊與攤銷；ii)其他收益及虧損淨額；iii)預期信貸虧損模型下減值虧損，扣除撥回；及iv)乳牛公平值變動減乳牛銷售成本產生的虧損。
- (2) 經調整淨利潤定義為撇除外匯及衍生金融工具損益後的淨利潤。
- (3) 本公司擁有人應佔權益除以年末(定義為截至2022年12月31日及截至2021年12月31日)已發行普通股股數。

DIVIDEND

The Board recommended the payment of final dividend of RMB0.0142 per ordinary share (2021: RMB0.026).

股息

董事會建議派發期末股息每股普通股人民幣0.0142元(2021年: 人民幣0.026元)。

HIGHLIGHTS:

With the corporate vision of “deploy the whole industry chain, innovate with digital intelligence, and be a global dairy farming leader” and focusing on the core business of raw milk, the Group continues to improve the layout of the entire industrial chain and control more high-quality resources, which will not only bring new contributions to the performance of the Company, but will also help the Group to reduce costs and increase efficiency in the core business of raw milk, and thus enhance the Group’s core competitiveness.

Strong Growth in Core Business: As the core business of the Group, the raw milk business has a solid and resilient foundation for development, and its herd size, AMY, total milk yield and sales revenue have all recorded substantial growth. As of 31 December 2022, the Group had invested and operated in 41 dairy farming companies in the PRC, and the number of dairy cows reached 405,358 heads, representing an increase of 51,565 heads over the previous year and a yoy increase of 14.6%. The average AMY per milkable dairy cow reached an industry-leading 12.2 tons this year, representing a yoy increase of 8.0%, which was better than expected and is expected to continue to grow. Total milk yield reached 2.36 million tons, representing a significant yoy increase of 46.6%. The sales revenue of raw milk amounted to RMB9,945 million, representing a yoy increase of 42.0%.

Rapid Development of New Business: During the year, the Group successfully acquired Aiyangniu Technology, and our business has since expanded to the operation of an internet platform for livestock industry, which together with the feed and forage segment from Fuyuan International, contributed RMB2.35 billion in the sales revenue of feed to the Group this year. Aiyangniu Technology and Fuyuan International have strengthened the vertical and horizontal layout of the Group’s industrial chain, maximized synergies, and brought new momentum to the Group’s development.

亮點摘要：

本集團以「佈局產業鏈 數智創新 做全球牧業引領者」為企業願景，緊緊圍繞原料奶核心業務，不斷完善全產業鏈佈局，掌控更多優質資源，在帶來新業績貢獻的同時，助力本集團原料奶核心業務降本增效，提升本集團核心競爭力。

核心業務增長強勁：作為本集團核心業務，原料奶業務發展基本盤穩固且韌性十足，畜群規模、單產、總產奶量、原料奶銷售收入均錄得大幅增長。於2022年12月31日，本集團在中國投資及營運合共41個牧場公司，飼養405,358頭乳牛，較去年同期增加51,565頭，同比增長14.6%。於本年度，每頭成乳牛的平均年產量達12.2噸，處於行業領先地位，同比增長8.0%，取得超預期增長，且預期將持續保持增長；總產奶量達236萬噸，同比增長46.6%；原料奶銷售收入錄得人民幣99.45億元，同比增長42.0%。

新業務發展迅速：年內本集團成功收購愛養牛科技，業務自此擴展至畜牧業互聯網平台運營。連同富源國際飼料業務板塊，本年度為本集團貢獻了飼料銷售收入人民幣23.50億元。愛養牛科技及富源國際不但強化了本集團在產業鏈上的縱向佈局，亦為本集團帶來了發展新動力，讓協同效益得以最大化。



HIGHLIGHTS

摘要

Recognition Received for ESG Performance: We adhere to ecological priority, actively participate in the international ESG rating system and strengthen ESG management, and have received high recognition for our ESG Performance. During the year, Modern Dairy ranked first among Chinese companies in the Global FAIRR Protein Producer Index. Our first-ever CDP climate questionnaire received a “B-” rating, which was better than the industry average. Modern Dairy was selected as an excellent case in the report titled “Corporate Carbon Neutral Target Setting, Actions and Global Cooperation” released by United Nations Global Compact. We won the Best ESG Award from the Institutional Investor magazine for the first time, and our ESG governance has been recognized by the industry.

Rating with Stable Outlook: Modern Dairy has again been assigned a “BBB” investment grade rating by Standard & Poor’s during the year, with a stable outlook, which could help the Company to secure more competitive financing terms and lower the finance cost. Modern Dairy was the first dairy farming company in the PRC to have been assigned such a credit rating, which fully confirms the affirmation of the international credit rating agency for the Company and even China’s large-scale farming model, and establishes a good image for the industry in the international capital market.

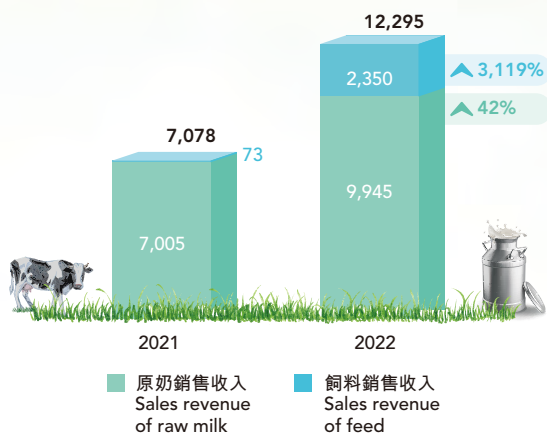
Excellent Product Quality: Modern Dairy always give priority to product quality, and has established high-quality raw milk development strategies to pursue excellent quality. During the year, the main quality indicators of the Group’s raw milk, such as protein content, fat content, somatic cell count and microbial count, improved again over the same period last year. For nine consecutive years, our branded pure milk has won the Gold Award at the Monde Selection, signifying that our high-quality raw milk and business philosophy have been widely recognized and favoured by the industry and community.

ESG表現備受認可：我們堅持生態優先，積極參與國際ESG評級體系，強化ESG管理，取得了備受認可的表現。於本年度，現代牧業在全球FAIRR蛋白質生產商指數的中國企業中位列第一；首次填報的CDP氣候問卷便獲得了「B-」評級，優於行業平均水平；現代牧業作為優秀案例入選UNGC發佈的《企業碳中和目標設定、行動及全球合作》報告；首獲《機構投資者》雜誌最佳ESG獎，ESG治理水平獲行業認可。

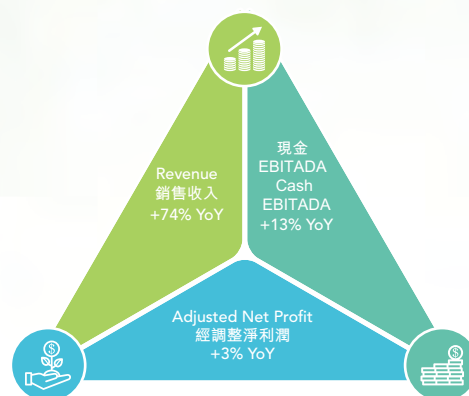
評級展望穩定：現代牧業於本年度再次獲標準普爾給予「BBB」投資級的信用評級，評級展望為穩定，投資級的信用評級有助於本公司取得更具有競爭力的融資條款以降低融資成本。現代牧業為首家獲得該評級的中國奶牛養殖企業，充分印證了國際信用評級機構對本公司乃至中國規模化養殖模式的肯定，為業界在國際資本市場樹立了良好形象。

產品質量卓越：現代牧業始終將產品質量放在首位，確立原料奶高質量發展戰略，追求卓越品質。於本年度，本集團原料奶的蛋白質含量、脂肪含量、體細胞數量、微生物數量等主要質量指標在同期高質量的基礎上再次提升。同時現代牧業品牌純牛奶連續九年獲世界食品品質評鑒大會金獎，標誌着我們的優質原奶及經營理念獲得行業及社會各界的廣泛肯定及青睞。

Segment Sales (RMB million) 分部銷售(人民幣百萬元)



Key Financial Indicators 主要財務指標



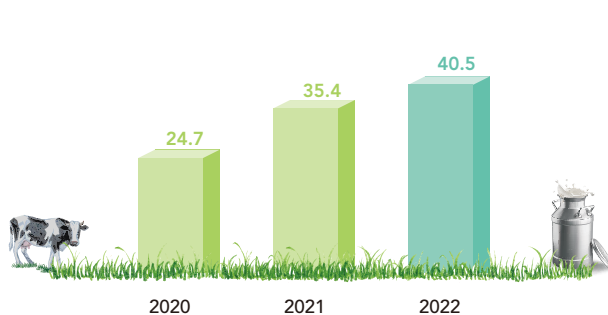
Production of Raw Milk ('0,000 tons) 原奶產量(萬噸)



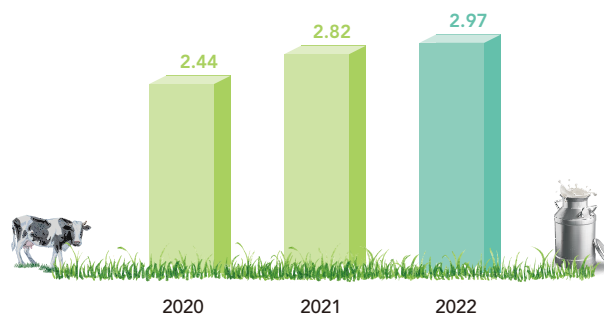
Unit Yield per Milkable Cow (ton/head/year) 成乳牛單產(噸/頭·年)



Herd Size ('0,000 heads) 牛群規模(萬頭)

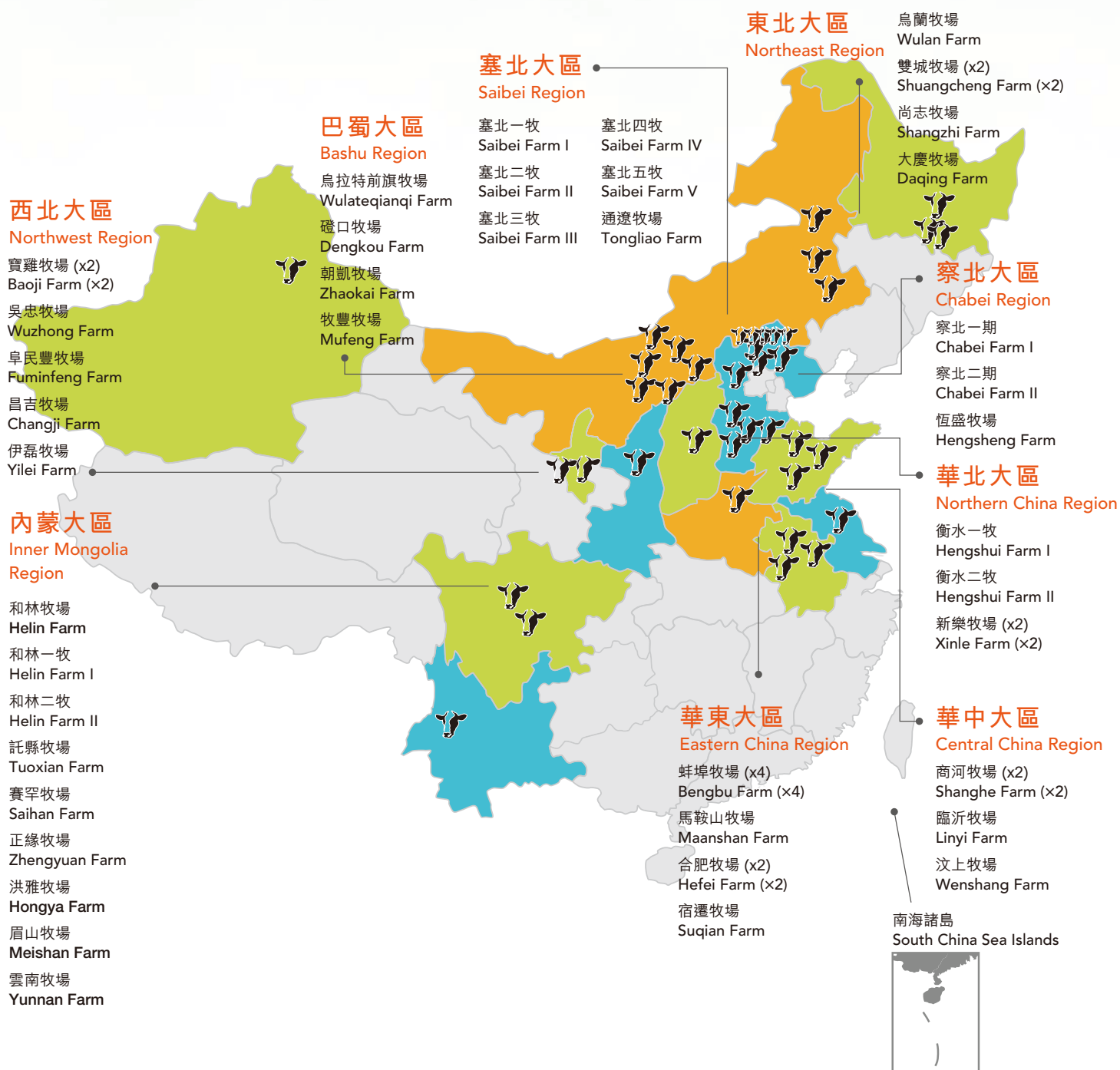


Unit Cost of Sales of Raw Milk (RMB/kg) 公斤奶銷售成本(人民幣/公斤)



FARM MAP

牧場位置圖



Note: Approximate of herd size: x2 = 20,000 heads; x4 = 40,000 heads
 註：牛群約數：x2 = 2萬頭；x4 = 4萬頭

企業文化全景圖

CORPORATE CULTURE PANORAMA



使命

Mission

牧育健康牛

Raise healthy cows,

守護每一滴好奶

safeguard each and every drop of milk

願景

Vision

佈局產業鏈 數智創新

Deploy the whole industry chain, innovate with digital intelligence,

做全球牧業引領者

and be a global dairy farming leader

核心價值觀

Core Values

1

安全健康第一
Safety and health come first

敬畏生命 棄漠視風險
健康防疫 棄麻痺大意
質量優先 絕不妥協
節能減碳 棄跑冒滴漏

1

Respect life and never neglect risks.
Fight the virus, be healthy, be cautious.
Quality comes first, never be
compromised.
Save energy, reduce carbon footprint and
waste.

2

高效執行
高標準
Execute with high
standards and efficiency

尊重科學 創新領先
主動擔當 說到做到
棄放空炮 等靠要
快速反應 注意細節

2

Respect science and lead innovation.
Be proactive and responsible, and be
true to our words.
Make concrete steps and be proactive.
Respond quickly and be attentive to
details.

3

讓牛人綻放
Unleash our potentials

敢用牛人 不論資排輩
重獎牛人 棄平均主義
善於賦能 彼此成就
棄只挑毛病 相互拆台

3

Value talents from all walks of life.
Reward talents based on merits.
Good at empowering and be successful
together.
Say no to bias and backstabbing.

4

誠信立事
正直立本
Be honest and credible

堅持原則 幹實事
棄逐利盲從 搞投機
公平公正 棄暗箱操作
用事實和資料說話

4

Uphold principles and be pragmatic.
Stop speculation and opportunism.
Be fair and open.
Speak with truth and substance.

企業精神

Enterprise Spirit

天生要強 與自己較勁

Born to be strong and go beyond ourselves



PRODUCTS OF THE GROUP AND ASSOCIATES

集團及聯營公司產品



DREAMCAP 30-MINUTE-BEFORE-SLEEP MILK

夢幻蓋睡前30分牛奶

Have a glass of milk before going to bed and fall asleep easily. Supplement GABA needed by human body, drinking at night will help calm emotions, relieve stress, improve sleep quality.

一睡前一杯奶，輕鬆說晚安。補充人體所需GABA，晚上喝有助於平復情緒，緩解壓力，提升睡眠質量。

DREAMCAP DNA MILK

夢幻蓋DNA牛奶

A2 genotype dairy cows, screened by DNA detection, containing rare A2β casein which is naturally compatible with human body and facilitates nutrient absorption.

The supply is limited due to its scarcity.

DNA檢測層層篩選A2基因型奶牛，含有珍稀A2β酪蛋白，自然親和人體，有助於營養吸收，數量稀少，限量供應。



DREAMCAP ZERO LACTOSE MILK

夢幻蓋軟牛奶

Innovative EHT enzymatic hydrolysis technology to promote good absorption of nutrients.

Zero lactose is stomach friendly, suitable for the constitution of Chinese people.

創新EHT酶水解技術，促進營養好吸收。0乳糖，腸胃友好，適合中國人體質。



PREMIUM-PACKAGED PURE MILK

尊貴裝純牛奶

The pure milk is awarded the Gold Award of Monde Selection for nine consecutive years, produced by self-owned farms with high-quality milk sources.

自家牧場，優質奶源，連續九年榮獲世界食品品質評鑒大會金獎的純牛奶。



GOLD AWARD HIGH CALCIUM MILK

金獎高鈣牛奶

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

It has won the Gold Award of Monde Selection for

three consecutive years.

高鈣源自好牧場，現代牧業高鈣奶每100毫升含鈣125毫克，特別加入維生素D，促進鈣的吸收，營養豐富，純正香濃，連續三年榮獲世界食品品質評鑒大會金獎。



GOLD AWARD PURE MILK

金獎純牛奶

It is produced by self-owned farms with high-quality milk sources. It has won the Gold Award of Monde Selection for four consecutive years and is a partner of China's aerospace industry as well. Gold medal winner, quality of aerospace.

自家牧場，優質奶源，連續四年榮獲世界食品品質評鑒大會金獎，中國航天事業合作夥伴，航天品質，金獎之選。



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

THREE ZERO SKIMMED MILK 三零脫脂牛奶

Zero fat, light with nutrient value. Zero lactose, easy to absorb. Have a sweet and fresh taste and light experience with good nutrition absorption. It has won the Gold Award of Monde Selection for three consecutive years. 零脂肪，輕享好營養；零乳糖，營養好吸收。在獲取營養健康的同時，感受清甜美味，輕盈體驗。連續三年榮獲世界食品品質評鑒大會金獎。



HOLSTEIN PURE MILK 荷斯坦純牛奶

Finely selected high-quality Holstein milk source, containing 3.2 grams of high-quality milk protein per 100ml, supplement nutrition every day, taste mellow and rich. 甄選優質荷斯坦奶源，每100毫升含3.2克優質乳蛋白，補充營養每一天，味道香醇，口感濃厚。



HOLSTEIN HIGH CALCIUM MILK 荷斯坦高鈣牛奶

Holstein high calcium milk, from a good selection of Holstein cows, contains 125mg of calcium per 100ml. Vitamin D is added to facilitate calcium absorption. The milk is nutritious, pure and rich in taste. 甄選優質荷斯坦奶源，每100毫升含125毫克高鈣，含維生素D促進鈣吸收，營養豐富，純正香濃。

SPECIAL MILK

特調牛奶

Ecolean packaging design with 60-day self life. It contains 3.5 grams of high-quality milk protein per 100ml with special aroma. 愛克林環保壺設計，擁有60天保質期。每100毫升含3.5克優質乳蛋白，散發特調醇香。



REFRIGERATED PURE MILK 冰箱裝純牛奶

It takes merely 2 hours from the farms to the processing line to maintain the fresh taste and nutrition. Good cows make good milk with good taste. 擠奶完成後到開始加工只需2小時，保持新鮮口感與營養，好牛好奶好口感。



WELL-PACKAGED PURE MILK 精裝純牛奶

Strictly select high-quality Holstein dairy cows from all over the world and carefully nurture "five-good" dairy cows to produce pure milk with five-star quality and excellent nutrition and taste. 全球嚴選優質荷斯坦奶牛，用心養育五好奶牛，生產五星品質，營養口味俱佳的純牛奶。

MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮

Premium Products

- The “Premium Pure Milk” product of Modern Dairy won the Gold Award at the Monde Selection for nine consecutive years, and its product quality has been recognized internationally again.

優質產品

- 現代牧業尊貴純牛奶連續九年榮膺世界食品品質評鑒大會金獎，產品品質再獲國際認可。



Low Carbon Farming White Paper

- The Group participated in the 13th China Dairy Industry Conference and reached a strategic cooperation with the National Dairy Industry Technology System on low-carbon farming, and officially released the 2022 white paper on the evaluation results of Modern Dairy high-quality milk project.

低碳養殖白皮書

- 集團參加第十三屆中國奶業大會並與國家奶牛產業技術體系就低碳養殖達成戰略合作，及正式發佈2022年現代牧業優質乳工程評價成果白皮書。



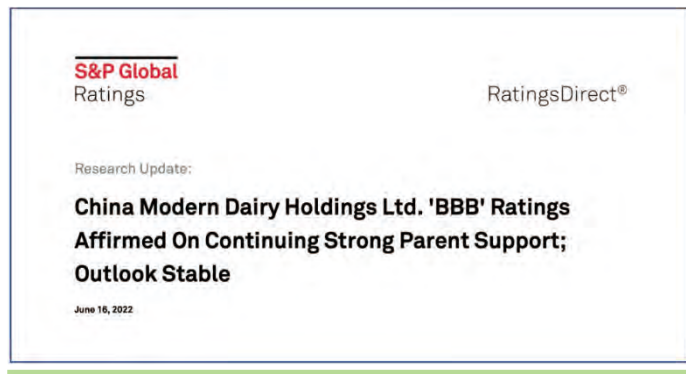
MAJOR AWARDS AND ACHIEVEMENTS 主要獎項及殊榮

Quality Financing

- Modern Dairy was again assigned a “BBB” investment grade rating by Standard & Poor’s, with a stable outlook. Modern Dairy became the first dairy farming company in the world having been assigned such a credit rating, which fully affirmed the recognition received by the Company and China’s large-scale farming model from international credit rating agencies, and it also established a positive image for the industry.

優質融資

- 現代牧業再次獲標準普爾給予「BBB」投資級的信用評級，評級展望為穩定。現代牧業作為全球首家獲得該評級的奶牛養殖企業，充分印證了國際信用評級機構對本公司乃至中國規模化養殖模式的肯定，亦為業界樹立了良好形象。



National Nutrition Program Meritorious Enterprise Award

- Modern Dairy was awarded the “Quality Milk Project for National Nutrition Program”, and Mr. Sun Yugang, CEO of Modern Dairy, was presented the “Quality Milk Project for National Nutrition Program Award of Merit” as well.

國民營養計劃功臣企業獎

- 現代牧業榮膺「優質乳工程助力國民營養計劃功臣企業獎」，總裁孫玉剛先生獲冠予「優質乳工程助力國民營養計劃功臣獎」。



MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮

One of the Group's dairy farm – Tongliao Farm, under the careful care of employees, the average yield of its milkable cows exceeded 45 kg for 30 consecutive days, and another Shuangcheng Farm, the total daily production of fresh raw milk exceeded than 550 tons.

集團其一牧業 – 通遼牧場，在員工的悉心照顧下，其奶牛平均單產連續30日突破45公斤，另一雙城牧場，日總產生鮮原料奶更突破550噸。



FAIRR Protein Producer Index

- Ranked No. 1 among Chinese companies in the global FAIRR protein producer index, and for the first time filled out the CDP climate questionnaire and received a B- rating, which is better than the global industry average.

FAIRR蛋白質生產商指數

- 位列全球FAIRR蛋白質生產商指數中國企業排名第一，另首次填報CDP氣候問卷獲得B-評級，優於全球行業平均水平。





Saibei Farm / 塞北牧場

CEO'S STATEMENT

總裁報告書



SUN Yugang,
孫玉剛
Chief Executive Officer
總裁

Dear Shareholders,

On behalf of the board of directors of China Modern Dairy Holdings Ltd. and its subsidiaries, I am pleased to present the annual results of Modern Dairy for the year ended 31 December 2022 to the shareholders.

尊敬的各位股東：

本人謹代表中國現代牧業控股有限公司與其附屬公司董事會，欣然向各位股東呈報現代牧業截至二零二二年十二月三十一日止年度的全年業績。

The year 2022 was an extraordinary and challenging year, and also a memorable year full of pride for Modern Dairy. For the country, it was a year of exceptional and historical significance which witnessed the success organizing of the Beijing Winter Olympic and Paralympic Winter Games and the 20th National Congress of the Communist Party of China. For the industry, it was a year of building on past achievements and launching a new journey, when China's dairy industry entered another development cycle with the vigorous support of the country by favourable policies. For Modern Dairy, it was a year of forging ahead with enterprise spirit and fortitude, when Modern Dairy, with the concerted efforts of all employees and the leadership of the Board and the management, overcame cost pressure, further expanded business reach, maintained steady performance and led the Group to a new journey, despite the shock of COVID-19 pandemic, the global economic turmoil and various challenges.

During the year under review, all employees of Modern Dairy, promoting the spirit "Born to be strong and go beyond ourselves", relying on the new advantages of scale farming and whole industry chain model and keeping firm determination, continuously improved the deployment of industry chain and achieved leapfrog development of the Group. During the year, the Group acquired Inner Mongolia Aiyangniu Technology Co., Ltd. ("**Aiyangniu Technology**") and extended the business reach to the e-commerce platform of animal husbandry industry. Meanwhile, Inner Mongolia Fuyuan International Industrial (Group) Co. Ltd. ("**Fuyuan International**"), merged into the Group in 2021 with businesses covering animal husbandry, feeds and US-sourced forage. With the acquisition of Aiyangniu Technology and Fuyuan International, the Group further strengthened the horizontal and vertical deployment in the industry chain to maximise the synergy, thus injecting a new momentum to the Group's development and generating a new source of revenue.

2022年是極不平凡、極具挑戰的一年，也是一個值得所有現代牧業人為之驕傲並銘記的一年。回首這一年，於國家是意義非凡、載入史冊的一年，我們見證了北京冬奧會、冬殘奧會的成功舉辦，迎來了中國共產黨的二十大勝利召開；於行業是繼往開來、接續奮鬥的一年，中國奶業獲得了國家的利好政策支持，步入了發展的全新週期；於現代牧業是踔厲奮發、勇毅前行的一年，在疫情多輪衝擊及全球經濟動蕩等眾多挑戰之下，現代牧業全體員工在董事會和經營管理層的帶領下，持續攻克成本壓力、拓寬產業外延、穩固業績基本盤，迎來了集團發展的新徵程。

於回顧年內，全體現代牧業人充分發揚「天生要強與自己較勁」的精神，依託規模化養殖和全產業鏈模式的新優勢，銳意進取，不斷完善產業鏈佈局，推動集團實現跨越式發展。年內，本集團完成收購內蒙古愛養牛科技有限公司（「**愛養牛科技**」），將業務觸角成功擴展至畜牧業電子商務平台。此外，本集團於2021年併入的內蒙古富源國際實業(集團)有限公司（「**富源國際**」），其業務涵蓋牧業、飼料及美國草業等板塊。通過收購愛養牛科技及富源國際，進一步強化了本集團的縱橫產業鏈佈局，使協同效益最大化，為本集團帶來了發展新動力，貢獻了新盈利亮點。



CEO'S STATEMENT

總裁報告書

During the year, as we enhanced internal cultivation and braved thorny paths, we accomplished all the tasks and targets set by the Board and maintained high-quality development amid the great tide of industry development, with dairy herd reaching 405 thousand heads and output of raw milk breaking 2.36 million tons. During the year, as we expanded to new fields and tackled challenges, new businesses got into full swing and become new energies that strongly boosted the Group's development, witnessing the leading position of Liangyuan Technology, further improvement of Aiyangniu's profitability to a higher level, cross-domain efforts to establish private-label forage and feeds brands, extended reach to the breeding business to build core competitiveness and breakthroughs in both scale and performance of the beef cattle business. During the year, as we focused on quality and strengthened brand construction, we became the model and benchmark of the industry, with the UHT pure milk rewarded by the Gold Award for nine consecutive years. During the year, as we pursued green development and enhanced efforts to achieve "carbon peaking and carbon neutrality", we recorded carbon emissions that were far below the average emission level of the industry, becoming a leader in this aspect among China-based farms. During the year, as we promoted innovation driven by digital intelligence and development powered by cutting-edge technology, we enabled the whole industry's technological advancement and upgrading by sharing standardised farming experience via the digital intelligence platform. During the year, as we invigorated the organisation and valued talents, we expanded the career development path for talents of great capacity with the four-wheel-drive leadership model and the diamond professionalism model, which were the first of their kind in the industry. During the year, we were active in the capital market and highly recognised by the industry for our comprehensive strength in terms of business performance and corporate governance, honoured the Triple A Country Awards by The Asset Magazine for the first time, assigned the BBB rating by Standard & Poor's again, rated as the first among China-based enterprises of the FAIRR Protein Producer Index for the world's 60 protein producers, graded as "B—" in CDP Climate Change Questionnaire, which was the first submission of questionnaire for the Company and indicated a performance that was better than the average of the industry.

這一年，我們強練內功，披荊斬棘，奶牛存欄突破40.5萬頭，原料奶總產量衝破236萬噸，圓滿完成董事會下達的各項任務目標，繼續保持了在行業發展大潮中的高質量發展；這一年，我們開拓新域，攻堅克難，糧源科技領先行業，愛養牛盈利能力再上新台階，跨領域成立自有草業、飼料品牌，涉足育種業務構建自我核心競爭力，肉牛規模業績取得雙突破……新業務全力揚帆，為集團發展厚植新生能量；這一年，我們立足品質，鑄就品牌，常溫純牛奶實現金獎九連冠，樹立行業示範與標桿；這一年，我們堅持綠色發展，助推「雙碳」目標實現，碳排放強度遠低於行業平均水平，領先中國牧場；這一年，我們數智創新，技術引領，通過數智化平台轉化輸出標準化養殖經驗，帶動整個行業的技術進步和升級；這一年，我們激活組織，優選人才，行業首發四驅領導力模型和鑽石專業力模型，為牛人職業發展拓寬道路；這一年，我們活躍於資本市場，經營指標及企業管治等綜合實力頗受業界認可，首獲《財資》雜誌3A國家獎，再獲標普BBB評級，在全球60家動物蛋白生產商中位列全球FAIRR蛋白質生產商指數中國企業第一，首次填報CDP氣候問卷便獲得了「B-」評級，優於行業平均水平。

Efforts will always pay off and hardships will make one stronger! All of the honours in 2022 delivered a satisfactory answer that profoundly impressed all people, and the fruitful achievements were highly recognised by the Board and the society. I would like to take this opportunity to extend my gratitude to the Board, the management and all employees for their dedication and contribution in the past year. The achievement of Modern Dairy is the outcome of all employees' hard work and concerted efforts with the enterprising spirit and the unity and cooperation of all people of the Group with the shared aspiration. We are a team that is brave to face challenges and has the ability to win the tough fight, and I feel genuinely proud for such a team.

As the blueprint has been drawn, all sails are set for the journey. The year 2023 is the first year for promoting the spirit of the 20th National Congress of the Communist Party of China and the critical year for Modern Dairy to steadily advance the "Five-Year Lead Plan". The Group will take "ensuring growth of total output and security of cash flows" as the core target, follow the five major strategies of "focusing on main course, developing new businesses, ensuring cash flows, enabling stronger performance and developing high-quality talent resources", adopt "Three JIAN" as the guideline, comprehensively implement the business strategy of "Three Breakthroughs, Four-pronged Collaboration", uphold the "Four XIN" culture, actively cultivate a second growth engine, further improve the whole-chain deployment and promote the business to steady and healthy growth, with commitment to the beginning aspiration, the strenuous effort to various aspects, relentless pursuit of innovation, firm determination to go beyond the limit, the focus on "growth driven by cost advantage" and the courage to seek further improvement and breakthrough.

With the strategies set and the goals clarified, I believe that in the journey of 2023, all employees of Modern Dairy will unit together and act in concert and Modern Dairy will sweep away all obstacles and reap plentiful rewards, creating greater value for employees, shareholders and the industry by products of better quality and better business performance and making contribution to the sound development of China's dairy industry!

Sun Yugang
Chief Executive Officer

功不唐捐，玉汝於成！回望2022年，件件榮譽匯聚成濃墨重彩的喜人答卷，累累戰果獲得了董事會以及各方的一致好評！在此誠摯感謝董事會、管理團隊及全體員工在過去一年的辛勤勞動與全力付出，現代牧業的成績，離不開全體員工的拼搏實幹、和衷共濟，離不開集團上下同心而聚，同行致遠！我們的團隊是一只能打硬仗能打勝仗的團隊，我也由衷為這樣的團隊感到驕傲和自豪！

宏圖繪就，千帆競發。2023年是貫徹落實中國共產黨二十大精神的開局之年，是穩步推進「五年領跑計劃」的攻堅之年。本集團將以「保總產增長、現金流安全」為核心目標，圍繞「聚焦主航道、拓展新業務、保障現金流、驅動強績效、做優人才源」五大策略，以三「JIAN」為行動綱領，全面貫徹「闖三關，四協同」的運營策略，賡續四「XIN」文化，始終不忘初心、深耕匠心、突破創新、堅定信心，打破桎梏，聚焦「成本領先驅動」，勇於進取，不斷突破，積極尋求第二增長曲線，進一步完善全產業鏈佈局，推進經營業績持續向好！

戰略已定，目標已明。我深信，在2023年的新徵程中，全體現代牧業員工必將上下同心、同頻共振，現代牧業必將所向披靡、滿載而歸，用更加優質的產品、倍加靚麗的業績為員工、為股東、為行業創造更大的價值，為中國奶業健康發展貢獻自身力量！

總裁
孫玉剛



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The board of Directors (the “**Board**”) of China Modern Dairy Holdings Limited (“**Modern Dairy**” or the “**Company**”) is pleased to present the audited annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2022 (the “**year/2022**”).

INDUSTRY OVERVIEW

Dairy industry is an important part of modern agriculture and food industry, an indispensable industry for a healthy China and our strong nation, a representative industry of food safety, a landmark industry of agricultural modernization and a strategic industry for the coordinated development of primary, secondary and tertiary industries. In 2022, China’s milk production reached 39.32 million tons, representing a year-on-year (“**yoy**”) increase of 6.8%. In the first three quarters, the pass rate of supervision and random inspection of dairy products in China reached 99.83%, which is higher than the overall level of the food industry. In 2022, facing the pressure of rising commodity prices, labor costs and transportation costs, China’s dairy industry overcame many difficulties and challenges and became one of the few industries that bucked the trend under the pandemic.

To promote the high-quality development of the dairy industry, it is necessary to accelerate the adjustment of the industry structure and the transformation and upgrading of enterprises. According to the 14th Five-Year Plan for Promoting Agricultural and Rural Modernization issued by the State Council of China in February 2022, China will implement the Five-Year Action Plan for cattle and sheep farming with the aim to vigorously developing grass-fed animal husbandry, and shall also strengthen the construction of milk source bases and optimize the structure of dairy products. The Ministry of Agriculture and Rural Affairs issued the Action Plan for Improving the Competitiveness of Dairy Industry for the 14th Five-Year Plan Period, which provided that by 2025, the national milk production would reach approximately 41 million tons, and the proportion of large-scale breeding (with more than 100 heads) would reach approximately 75%.

Environmental protection has also become a topic of concern in the dairy industry in recent years, and carbon reduction is the top priority. In 2021, the “dual-carbon” goal was officially included in the government work report of the State Council of PRC, that is to achieve carbon peaking by 2030 and to achieve carbon neutrality by 2060. In light of such trends and requirements, in 2022, dairy companies took measures in various aspects such as carbon reduction in upstream farming, new factories, product innovation, recycling, and have achieved certain breakthroughs. This was not only in line with the “promoting green development of agriculture” policy proposed in the Central Document No.1 (the Opinions of the Central Committee of the Communist Party of China and the State Council on Comprehensively Promoting the Key Tasks of Rural Revitalization in 2023) issued in February 2023, but also a good start for the dairy industry’s road to environmental protection and carbon reduction.

中國現代牧業控股有限公司(「**現代牧業**」或「**本公司**」)之董事會(「**董事會**」)欣然提呈本公司及其附屬公司(「**本集團**」)截至2022年12月31日止年度(「**本年度/2022年**」)之經審核年度業績。

行業概覽

奶業是現代農業和食品工業的重要組成部分，是健康中國、強壯民族不可或缺的產業，是食品安全的代表性產業，是農業現代化的標誌性產業和一二三產業協調發展的戰略性產業。2022年中國牛奶產量達3,932萬噸，同比增長6.8%。前三季度中國乳製品監督抽檢合格率達到99.83%，高於食品行業總體水平。2022年面對上漲的大宗商品價格、人力勞動成本、運輸成本價格上漲的壓力，中國奶業克服重重困難和挑戰，成為疫情之下為數不多且逆勢上揚的行業之一。

推進奶業高質量發展，必須加快推進行業結構調整和企業轉型升級。2022年2月，國務院關於印發《「十四五」推進農業農村現代化規劃》的通知：實施牛羊發展五年行動計劃，大力發展草食畜牧業。加強奶源基地建設，優化乳製品產品結構。農業農村部印發《「十四五」奶業競爭力提升行動方案》，要求到2025年，全國奶類產量達到約4,100萬噸，百頭以上規模養殖比重達到約75%。

環保也是近年乳業所特別關注的議題，而減碳，則是重中之重。2021年「雙碳」目標被正式寫入中國國務院政府工作報告，2030年前實現碳達峰，2060年前實現碳中和。面對這樣的趨勢和要求，2022年乳企在上游養殖減碳、新設工廠、產品創新、回收利用等諸多方面採取措施，得到了一定的突破，不僅與2023年2月出台的「中央一號文件」《中共中央國務院關於做好2023年全面推進鄉村振興重點工作的意見》提出的「推進農業綠色發展」相契合，也為乳業環保低碳之路開了個好頭。

BUSINESS REVIEW

The Group is mainly engaged in the dairy farming business (producing and selling quality raw milk to dairy operators) and the processing and sales of feeds business. After the Group acquired Fuyuan International in November 2021, the Group successfully acquired Aiyangniu Technology in June 2022. These two companies and their businesses had also been incorporated into the Group accordingly. Since then, the Group's business operations have extended to the sales of feeds and the operation of livestock internet platform. In addition, during the year, the Group successfully established a company with Inner Mongolia Rixin Investment (Group) Co., Ltd. ("**Rixin Investment**") to invest in and build farms in Inner Mongolia, so as to revitalize the local dairy industry and support the development of local economy.

With the mission of "raising healthy cows, safeguarding each and every drop of milk" and on the basis of expanding and strengthening its own business, the Group is committed to laying out the industrial chain vertically and horizontally, empowering innovation with digital intelligence and setting a benchmark for the industrial peers and paving the way for the industrial peers.

While developing new businesses, the Group will continue to provide customer base with high-quality fresh raw milk and provide high-end, high-quality and reliable milk sources to dairy manufacturers, thereby helping such manufacturers to give back to consumers by producing healthy and diversified products. Currently, the Group's industrial chain basically runs through the upstream and downstream farming business, and the livestock internet platform connects the feeds sector both vertically and horizontally. The interaction between existing and new business segments have been leading synergies to the Group.

OPERATIONAL PERFORMANCE

Thanks to the concerted efforts of the management and all employees of the Company and the continued implementation of the "Five-Year Lead Plan", the Group has achieved a significant increase in major operating indicators. As at 31 December 2022, the Group raised dairy cows of over 405 thousand heads with an increase of 51 thousand heads yoy, and the increase in herd size is in line with the Group's overall herd expansion strategies. The total milk production for the year hit 2.36 million tons (2021: 1.61 million tons), representing a yoy growth of 46.6%. The annual milk yield ("**AMY**") per milkable cow amounted to 12.2 tons (2021: 11.3 tons), representing a yoy growth of 8.0%, which exceeds expectations and is expected to continue to grow.

業務回顧

本集團主要從事奶牛養殖業務(為奶業運營商生產和銷售優質原料奶)以及飼料加工銷售業務。繼2021年11月本集團收購富源國際後，2022年6月另一成功收購愛養牛，兩家公司及旗下業務板塊也相繼納入本集團系內。自此，本集團的業務板塊亦延伸至飼草料銷售及畜牧業互聯網平台運營。另外，年內，本集團成功與內蒙古日信投資(集團)有限公司(「日信投資」)成立公司於內蒙古的投資建牧場，藉以振興當地奶業，助力當地經濟發展。

本集團素以「牧育健康牛，守護每一滴好奶」為使命，致力於在做大做強本業的基礎上，縱橫佈局產業鏈，數智賦能創新，樹立標竿，為同業開路。

本集團一如既往，在開拓新業務的同時，為客戶群提供優質生鮮原料奶，向乳品生產商提供高端優質可靠奶源，助力生產商出品健康多元化產品回饋消費者。目前本集團產業鏈已基本貫通上下游養殖業務，畜牧業互聯網平台縱橫聯繫飼草料板塊，新舊板塊互動，發揮協同效益。

經營表現

本集團持續推進「五年領跑計劃」，在管理層及上下員工的努力下，本集團主要營運指標錄得明顯提升。於2022年12月31日，本集團牛群規模達40.5萬頭，同比增加5.1萬頭，符合本集團整體擴群策略。年度總產奶量達236萬噸(2021年：161萬噸)，同比增長46.6%。每頭成乳牛年產量達12.2噸(2021年：11.3噸)，同比增長8.0%，取得超預期增長，且預期將持續保持增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year, the Group's sales revenue recorded RMB12,295.1 million (2021: RMB7,078.5 million), representing a yoy increase of 73.7%. Among which, the sales revenue of raw milk amounted to RMB9,945.1 million (2021: RMB7,005.0 million), representing a yoy increase of 42.0%. The Group entered into the business of sales of feeds after completing the acquisition of Fuyuan International in November 2021, and it recorded a sales revenue of RMB2,350.0 million (2021: RMB73.5 million) in the feed sales business during the year.

DAIRY FARMS

Leveraging on the world's first model of "integration of forage planting, cow breeding and milk processing", Modern Dairy is currently a leading dairy farming operator and raw milk producer in the PRC in terms of herd size and volume of annual production. With farms spreading across the nation, we are equipped with unique geographical advantages. Most of our dairy farms are located at regions with fine climate and ample feed supply, and are adjacent to processing plants of dairy products to ensure that procedures from the milking to processing could be completed in the shortest time and the nutritional value and freshness could be maintained at the highest level.

The Group continues to renovate the cowshed equipment and improve the ventilation system; adjust the feed formula and increase the frequency of feeding; enhance the dryness level of the bedding materials and improve the bedding comfortability by applying drying technologies; and increase the frequency of sink cleaning to ensure healthy drinking water. By doing so, the Group continuously improves and enhances comfortability for milkable cows so as to raise milk production.

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

於本年度，本集團錄得銷售收入人民幣12,295.1百萬元(2021年：人民幣7,078.5百萬元)，同比增長73.7%。其中原料奶銷售收入達人民幣9,945.1百萬元(2021年：人民幣7,005.0百萬元)，同比增長42.0%。本集團於2021年11月完成收購富源國際，自此集團開始飼料銷售業務。於本年度，飼料銷售業務錄得銷售收入人民幣2,350.0百萬元(2021年：人民幣73.5百萬元)。

牧場概況

依託全球首創的「牧草種植、奶牛養殖、牛奶加工一體化」模式，就畜群規模和年產量，現代牧業是目前中國乳牛畜牧營運商及原料奶生產商的行業翹楚。作為全國性牧場，我們具備得天獨厚的地理優勢，牧場多處於優良氣候及飼料供應充足的區域，加上臨近乳品加工廠，可確保原料奶從擠奶到加工能於最短時間內完成並保持其最高營養價值及鮮度。

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

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



• Bengbu Farm 蚌埠牧場

Herd Scale

畜群規模

		2022 2022年 Heads 頭	2021 2021年 Heads 頭
Dairy cows	乳牛		
Milkable cows	奶牛	199,793	184,304
Heifers and calves	小乳牛及小牛	205,565	169,489
Total	總計	405,358	353,793

As at 31 December 2022, the Group invested and operated a total of 41 dairy farming companies with 405,358 dairy cows in mainland China (2021: 353,793 heads), representing a yoy increase of 14.6%. The Group is a leading dairy farming operator and raw milk producer in terms of herd size in the PRC. The proportion of milkable cows to the total number of dairy cows decreased by 2.8 percentage points to 49.3% in 2022 (2021: 52.1%) yoy, mainly due to the significant increase in the number of the Group's heifers and calves in the stage of expansion, resulting in the decrease of the proportion of milkable cows. The Group will continue to optimize and adjust the herd structure so as to achieve sustainable, healthy and stable development.

於2022年12月31日，本集團在中國內地投資及營運合共41個牧場公司，飼養共405,358頭乳牛（2021年：353,793頭），同比增長14.6%，按畜群大小計算，本集團是中國領先的乳牛畜牧公司及原料奶生產商。2022年，成乳牛佔乳牛總數比例為49.3%（2021年：52.1%），同比減少2.8個百分點，主要是本集團處於階段性擴張期，後備牛群規模增長相對較多，使得成乳牛佔比出現下降。本集團將不斷優化調整牛群結構，實現可持續及健康穩定的發展。

Milk Yield

During the year, the Group recorded AMY of 12.2 tons per milkable cow (2021: 11.3 tons), representing a yoy increase of 8.0%. The total annual milk production of the Group grew 46.6% yoy to 2.36 million tons (2021: 1.61 million tons). The increase in milk yield was attributable to effective herd management, genetic improvement over generations, and an increase in the number of cows reaching peak stage of lactation. Milk yield is affected by a number of factors, including the frequency of lactation, breed, comfort level, health, genetics and feed mix. The Company has been conducting research on each factor, inviting foreign and domestic cow experts to regularly station and give guidance at the farms, and through interactive sharing amongst industry experts and staff training, to improve milk yield and cow health.

產奶量

於本年度，本集團錄得成乳牛的年化單產平均每頭為12.2噸（2021年：11.3噸），同比增加8.0%。本集團年總產奶量達236萬噸（2021年：161萬噸），同比增加46.6%。產奶量的提升受益於有效的畜群管理、一代代改善乳牛基因以及更多奶牛達泌乳高峰期。產奶量亦受多項因素所影響，其中包括奶牛的泌乳胎次、品種、生活舒適程度、健康情況、基因及飼料結構等。本公司對每項因素亦不斷進行研究，邀請國內外牛隻專家定期駐牧場指導，透過行業內專家相互交流，培訓人才等方式，提升產奶量及牛隻健康。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Quality of Raw Milk

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

OVERVIEW OF OPERATING STRATEGIES

Based on the broad outlook of the dairy industry and the current market situation, we will implement the business strategy of “1 Focus, 3 Shifts, 3 Focuses”. One focus: to focus on cost leadership strategy and bring into play our core competitive advantages in cost reduction and efficiency. Three shifts: Firstly, we will shift from a single strong dairy industry to a full value chain and further improve the layout of the whole industry chain. Secondly, we will shift from simply building our own farms to diversifying our farming operation model and efficiently integrating industry resources. Thirdly, we will shift from upgrading the processing side to upgrading the raw milk side, and increase the production of specialty milk. Three focuses: focus on scientific standardisation of dairy feeding management; focus on promoting the process of digital intelligence innovation and focus on promoting low-carbon green transformation development.

Focus on Cost-lead Strategies

In response to the huge pressure on the farming industry brought about by the continued rise in the prices of major bulk materials in recent years, we need to adopt a three-pronged approach. The first is to expand the size of the herd and continue to improve yields, thereby diluting unit costs. Secondly, we will strengthen cost management, and through accurate grasp of market trends, close linkage adjustment between formula and market price of materials, and implementation of precision feeding and effective farms management, we will smooth out the impact of rising feed prices, reduce the unit cost of one kilogram of raw milk sold, and continue to maintain unit feed cost of one kilogram of raw milk output at the leading level in the industry. Thirdly, we will increase our operational management efforts, tap potential and cut costs, vigorously implement benchmarking improvements, save other cash costs and improved efficiency. We are committed to our cost leadership strategy, adhering to the concept of “all costs can be reduced”, and will continue to dig deeper to reduce unit costs so as to achieve our industry-leading cost strategy.

原奶質量

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

營運策略概覽

基於奶業的廣泛前景和當前市場形勢，我們將實施「1聚焦3轉變3著重」的經營策略。一個聚焦：聚焦成本領先戰略，發揮降本增效核心競爭力優勢。三個轉變：一是從單一做強奶業向打造全價值鏈轉變，進一步完善全產業鏈佈局。二是從單純的自建牧場向牧場運營模式多樣化轉變，高效整合行業資源。三是從加工端升級向原奶端升級轉變，增加特色奶生產。三個著重：著重科學規範奶牛飼育管理；著重推進數智化創新進程；著重促進低碳綠色轉型發展。

聚焦成本領先戰略

針對近年來主要大宗物料價格持續攀升，給養殖業帶來的巨大壓力，我們要三管齊下。一是擴大牛群規模，繼續提升單產，從而攤薄單位成本。二是加強成本費用管理，通過準確把握市場節點、配方與物料市價緊密聯動調整、精準飼餵高效牧場管理，平抑飼料價格上漲的影響，降低公斤奶銷售成本，持續保持公斤奶飼料成本處於行業領先水平。三是加大經營管理力度，挖潛節流，大力推行對標改善，節約其他現金成本，提升效益。堅定走成本領先戰略，秉承著「一切成本皆可降」的理念，繼續深挖潛力，降低單位成本，從而實現成本行業領先戰略。



Further Improving the Whole Industrial Chain

In 2022, the whole industrial chain had been basically completed. We will continue to develop new fields such as digital intelligence platform, feed business, grass farming, breeding and beef cattle industry to form a whole industry chain layout with raw milk as the core which is multi-faceted and multi-services. Through the four diversifications of “business diversification, customer diversification, product diversification and service diversification”, the Group has been able to cope with and mitigate the fluctuations of the raw milk market cycle and enhance its anti-risk capability.

Promote the Diversification of Ranching Operation Mode

Actively promote the light asset operation model, implement leasing operation, entrusted management, technology export, etc., implement the diversification of ranch operation model, innovation and transformation, efficient integration of industry resources, reduce ranch capital expenditure, enhance return on assets, and effectively export the Company’s advanced management experience. At the same time, provide high-quality employment for rural workers and help revitalise the countryside.

Accelerate the Share of Specialty Milk Matching

Customise the layout of farms according to market demand and increase the proportion of specialty milk production. Change the past situation of upgrading dairy products at the processing end and shift to upgrading raw milk end in a timely manner. Actively develop speciality milks, including A2, organic milk and selenium-rich milk, to match the dairy upgrade, raise the integrated milk price, improve the gross margin of the raw milk business and enhance profitability.

Focus on Scientific Standardisation of Dairy Cows Feeding Management

We actively carry out scientific feeding and breeding actions, improve breeding techniques, enhance cow survival rate and improve overall cow health; continue to optimise cow genetics and enhance herd fitness; improve barn environment and raise feeding standards, benchmarking with advanced farms at home and abroad to achieve sustainable and stable improvement in unit yield. We insist on the concept of “good cows naturally produce good milk” and attach great importance to the quality of raw milk, with the quality of raw milk passing rate at 100% as an important measurement target for raw milk quality and a lifeline for the long-term development of the Company.

進一步完善全產業鏈

2022年全產業鏈基本構建完成，我們要在做好奶業主業的同時，開展多種經營，繼續開拓數智平台、飼料業務、草業、育種、肉牛產業等新領域，形成以原奶為核心，多方面、多軍種大兵團作戰的全產業鏈佈局，通過「經營多樣化、客戶多樣化、產品多樣化、服務多樣化」四個多樣化，應對和減弱原奶市場週期波動，增強集團抗風險能力。

推進牧場運營模式多樣化

積極推行輕資產運營模式，實施租賃經營、委託管理、技術輸出等，實施牧場運行模式多樣化，創新轉型，高效整合行業資源，降低牧場資本開支，提升資產回報率，有效輸出公司先進管理經驗。同時，提供農村勞動高質量就業，助力鄉村振興。

加快特色奶匹配佔比

根據市場需求進行定制化牧場佈局，加大特色奶產量佔比。改變過去乳製品升級在加工端的狀況，及時轉向原奶端升級。積極開發特色奶，包括A2、有機奶、富硒奶等，匹配乳業升級，提升綜合奶價，提高原奶業務的毛利率，增強盈利能力。

著重科學規範奶牛飼育管理

積極開展科學飼育行動，改良育種技術，提升奶牛存活率，提高奶牛整體健康水平；持續優化牛隻基因，增強牛群體質；改善牛舍環境，提高飼養水平，向國內外先進牧場對標，實現單產的持續穩定提升。堅持「好牛自然產好奶」理念，高度重視原奶產品質量，將原奶合格率保持在100%作為原奶產品質量的重要衡量目標與企業長遠發展的生命線。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Focus on Advancing the Digital Intelligence Innovation Process

We strive to create digital intelligent pastures. Give full play to the Aiyangniu platform to disintermediate procurement and transparently compare prices among multiple parties, effectively reducing procurement costs. Make good use of the Yunyangniu platform to provide targeted AIoT intelligent solutions to realise the systematic integration of cows from breeding, feeding, health management to milk production modules. With its competitive advantages in IoT services, big data analysis and artificial intelligence analysis, it will integrate into the ecological sharing platform of Aiyangniu Technology and promote the digital vision of Modern Dairy to be implemented as soon as possible.

Focus on Promoting Green and Low Carbon Transformation

We consider green and low-carbon transformational development as a major factor in the dairy industry. Through the Sustainability Committee, ESG elements are integrated into the corporate governance structure to enhance the importance and implementation of ESG work. Based on resource recycling, we have built a green recycling industry chain of “forage cultivation – dairy cows breeding – manure treatment – biogas power generation – manure return to the field”. Each self-built farm is equipped with a large biogas power generation facility and a comprehensive biogas fertiliser utilisation facility, resulting in carbon emissions well below the industry average and ahead of domestic farms. Specific quantitative carbon emission targets and implementation steps are set to reduce carbon emissions by 7%, 15% and 20% by 2025, 2030 and 2035 respectively, with 2021 as the base year.

著重推進數智化創新進程

努力打造數字化智慧牧場。充分發揮愛養牛平台作用，採購去中間化，透明化多方比價，有效地降低採購成本。運用好雲養牛平台，提供有針對性AIoT智能解決方案，實現牛隻從繁殖、飼餵、健康管理到產奶模塊的系統性集成，憑藉其在物聯網服務、大數據分析、人工智能分析等方面的競爭優勢，融入愛養牛科技的生態共享平台，促進現代牧業數字化願景盡快落地。

著重促進綠色低碳轉型發展

視綠色低碳轉型發展為乳業企業之大者。通過可持續發展委員會，將ESG元素融入公司治理架構，提高對ESG工作的重視和執行力。立足資源循環利用，構建「飼草種植 – 奶牛養殖 – 糞污處理 – 沼氣發電 – 糞肥還田」綠色循環產業鏈。每個自建牧場都配備大型沼氣發電設施和沼肥綜合利用設施，使碳排放強度遠低於行業平均水平，領先國內牧場。設定具體的碳排放定量目標和實施步驟，以2021年為基準年，在2025、2030和2035年目標實現碳排放強度分別降低7%、15%和20%。



ENVIRONMENTAL PROTECTION AND EPIDEMIC PREVENTION

The Company's various milk quality indicators are better than the EU standards. Food safety indicators are set in the raw milk production process, and the whole process is strictly monitored to ensure that the raw milk quality meets the standards. Since Mengniu increased its stake in the Company, the Group and Mengniu have enhanced cooperation in product testing, unified inspection standards and processes, improved testing efficiency and product quality. The Group strictly complies with relevant laws and regulations for epidemic prevention management, conducts health rating management for dairy cows, cautiously controls the environment of farms, refines the management of farms, provides epidemic prevention and protection for dairy cows, and establishes quarantine and health check plans for cows, to ensure the health of cows.

During the year, the overall operation of the Group was basically not affected by the COVID-19 pandemic. Our farms, in general, have piled up sufficient feed inventory level, which is enough to feed cows for 20-30 days, and inventories can also be deployed in the case of emergencies. In addition, most of our farms are adjacent to the raw milk processing factories of our downstream customers, which can deliver milk directly to the relevant factories, and can greatly ensure the quality of raw milk. As a product promoted by the state, milk enjoys the convenience of green channels. The Ministry of Agriculture and the Ministry of Transportation of the PRC both guarantee the transportation of green agricultural products. The Company's management adjusted operation strategies in time and allocated resources flexibly when facing external uncertainties. Through increasing AMY, reducing operating costs, improving efficiency and conducting appropriate herd expansion, we were able to enhance the quality of our raw milk. The Group will continue to adhere to the fundamental principles of safe and quality production, provide each of its dairy cows with the best living environment, utilize the most natural scientific breeding methods and feeding techniques to allow our dairy cows to produce the highest quality pasture milk, and give back to consumers.

環境保護與疫控

本公司的各項牛奶品質指標均優於歐盟標準，在原奶生產過程中設置食品安全指標，全程進行監控，確保原奶優質達標。自蒙牛增持本公司後，本集團與蒙牛加強在產品檢測的協同，統一檢驗標準和流程，提高檢測效率，繼續提高產品質量。本集團嚴格遵守相關法律法規的要求進行防疫管理，對奶牛進行健康評級管理，嚴控牧場環境，細化牧場出入管理、生產區防疫防護管理，為奶牛制定檢疫和健康檢查計劃，保障奶牛的健康。

於本年度內，本集團整體運營基本沒有受到新冠疫情的影響。旗下牧場一般備有足夠餵飼牛只20-30天的飼料庫存量，在緊急情況亦可調配庫存。另外，集團旗下牧場多為鄰近下遊客戶的原奶加工廠，原奶可直接運達有關工廠，大大保障了原奶的品質。牛奶作為國家保供產品，享有綠色通道之便，國家農業部以及交通運輸部均對綠色農產品的運輸加以保障。本公司管理層在面對外圍不確定因素適時調整營運策略，靈活調配資源，通過提升單產、降本增效，並適度擴群，提高原奶品質。本集團將一如既往貫徹恪守安全品質生產的大原則，為每頭乳牛提供最好的生活環境，以最天然的科學養殖方法及餵飼工藝，讓乳牛生產最優質的牧場奶，回饋消費者。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

ISSUE OF DOMESTIC SHORT-TERM DEBENTURES

In November 2022, Modern Farming (Group) Co., Ltd., a non-wholly owned subsidiary of the Company obtained approval from the National Association of Financial Market Institutional Investors and successfully issued domestic short-term debentures of the principal amount of RMB100 million at 4.00% per annum in the PRC. Such subsidiary has been rated an AA rating by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd. (上海新世紀資信評估投資服務有限公司). The proceeds will be used for repayment of bank loans and as general working capital of the issuer and its subsidiaries.

FINANCIAL OVERVIEW

Sales Revenue

Business Analysis

The following table sets forth the details of the consolidated revenue for the years ended 31 December:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Raw milk business	原料奶業務	9,945,090	7,005,012
Feeds sales business	飼料銷售業務	2,350,001	73,458
Consolidated revenue	合併收入	12,295,091	7,078,470

During the year, the Group's sales revenue increased by 73.7% yoy to RMB12,295.1 million (2021: RMB7,078.5 million). The increase was mainly due to the significant increase in sales volume of raw milk, and the significant increase in the sales revenue of feeds sales as the Group is developing its feeds sales business following the acquisition of Fuyuan International.

發行境內短期融資券

於2022年11月，本公司的非全資附屬公司現代牧業(集團)有限公司獲中國銀行間市場交易商協會批准，並成功在境內以年利率4.00%發行本金額為人民幣1億元的境內短期融資券。有關附屬公司獲上海新世紀資信評估投資服務有限公司評級為AA級。是次所得款項將被用作償還銀行貸款以及作為發行人及其附屬公司的一般營運資金。

財務概況

銷售收入

業務分析

下表載列截至該年12月31日止年度合併收入明細：

於本年度，本集團的銷售收入錄得人民幣12,295.1百萬元(2021年：人民幣7,078.5百萬元)，同比增長73.7%。收入增長主要由於本集團原料奶銷量同比大幅增長，同時本集團於收購富源國際後全面發展飼料銷售業務，相應銷售收入大幅增長所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Raw Milk Business

The following table sets forth the details of sales revenue, sales volume and ASP of raw milk for the years indicated:

		2022 2022年			2021 2021年		
		Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/ton 人民幣元/噸	Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/ton 人民幣元/噸
Raw milk	原料奶	9,945,090	2,327,351	4,273	7,005,012	1,586,857	4,414

The Group's total revenue of the sales of raw milk increased by 42.0% yoy to RMB9,945.1 million during the year (2021: RMB7,005.0 million). The increase was mainly due to the significant increase in sales volume of raw milk.

ASP of raw milk has a slight decrease by 3.2% yoy to RMB4.27/kg during the year (2021: RMB4.41/kg). This was mainly caused by the fact that most of the acquired farms were located in the northern regions where milk prices were lower than those in the southern regions, which leads to the change in the yoy regional sales volume shares; and the slight decrease in milk prices due to the weak consumption this year caused by the epidemic.

Total sales volume of raw milk increased by 46.5% yoy to approximately 2.33 million tons during the year (2021: 1.59 million tons), mainly due to the rise in AMY per milkable cow and the contribution of sales volume of raw milk from newly acquired farms.

Feeds-Sales Business

During the year, the feeds-sales business newly acquired and developed recorded a sales revenue of RMB2,350.0 million (December 2021: RMB73.5 million), a gross profit of RMB171.9 million (December 2021: RMB14.6 million), maintaining good profitability, and the feeds-sales business will continue to contribute profits to the Group.

原料奶業務

下表載列所示年度的原料奶的銷售收入、銷售量及平均售價詳情：

於本年度，原料奶銷售總收入為人民幣9,945.1百萬元(2021年：人民幣7,005.0百萬元)，同比增長42.0%，主要是由於本集團原料奶銷量同比大幅增長。

於本年度，原料奶平均售價為人民幣4.27元/公斤(2021年：人民幣4.41元/公斤)，同比略降3.2%。主要受所併購牧場多處於北方地區奶價低於南方，同比區域性銷量佔比結構變化影響；及受疫情影響消費疲軟造成奶價微降所致。

於本年度，原料奶總銷量約為233萬噸(2021年：159萬噸)，同比增加46.5%。主要是由於每頭奶牛的年產奶量上升以及已完成併購牧場的原奶銷量貢獻。

飼料銷售業務

於本年度內，新近收購及發展的飼料銷售業務錄得銷售收入人民幣2,350.0百萬元(2021年12月：人民幣73.5百萬元)，毛利額人民幣171.9百萬元(2021年12月：人民幣14.6百萬元)。飼料銷售業務具有較好的盈利能力，其將為本集團持續貢獻利潤。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

COST OF SALES

The Group's cost of sales primarily consisted of cost of raw milk and feeds sales. The following table sets forth the breakdown of the cost of sales of our products for the years indicated:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Raw milk business	原料奶業務	6,850,047	4,470,101
Feeds sales business	飼料銷售業務	2,178,065	58,894
Total cost of sales	合計銷售成本	9,028,112	4,528,995

銷售成本

本集團銷售成本主要包括原料奶成本和飼料銷售成本。下表載列本集團產品於所示年度的銷售成本明細：

Raw Milk Business

The following table sets forth the breakdown of the cost of sales of the raw milk business for the years indicated:

原料奶業務

下表載列原料奶業務於所示年度的銷售成本明細：

		2022 2022年		2021 2021年	
		RMB'000 人民幣千元	% 百分比	RMB'000 人民幣千元	% 百分比
Raw Milk Business	原料奶業務				
Direct materials	直接材料	5,582,216	80.6%	3,453,182	77.2%
Labor cost	勞工成本	450,017	6.5%	304,030	6.8%
Utilities	公用事業費用	175,814	2.5%	123,525	2.8%
Depreciation of property, plant and equipment	物業、廠房及設備折舊	280,129	4.0%	231,078	5.2%
Other costs of farms	畜牧場其他開支	435,488	6.4%	358,286	8.0%
Sub-total	小計	6,923,664	100.0%	4,470,101	100.0%
Less: Inter-segment offset	減：內部分部間抵消	(73,617)		-	
Consolidated total	合併合計	6,850,047		4,470,101	

During the year, direct materials (mainly forage) cost of the raw milk business amounted to RMB5,582.2 million (2021: RMB3,453.2 million), representing a yoy growth of 61.7%, mainly due to the increase of feed prices and the increase in the number of lactating cows.

於本年度，原料奶業務的直接材料(主要為飼草料)成本為人民幣5,582.2百萬元(2021年：人民幣3,453.2百萬元)，同比增長61.7%，主要是由於飼料價格的上漲以及泌乳牛規模增長。



MANAGEMENT DISCUSSION AND ANALYSIS

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Since the beginning of 2022, the international situation has been complicated, and the world economic growth has been slowing down. The feed prices have significantly increased, globally and domestically, as the frequent and scattered domestic outbreaks of the pandemic have caused a serious impact on the stability of the economy. The Group implemented various measures to enhance and streamline the procurement process and adopt a consolidated procurement platform so as to reduce purchasing costs. The Company has lowered operating costs through improving the formula, adjusting the feed mix, enhancing the health of cows, raising AMY per milkable cow, broadening sources of income and reducing expenditure, which effectively alleviated the impact arising from the increase in the prices of certain feeds. During the year, the Group successfully kept unit cost of sales of raw milk before inter-segment offset at RMB2.97/kg (2021: RMB2.82/kg), representing a yoy increase of RMB0.15/kg. Out of which, the feed cost per kg of raw milk amounted to RMB2.33/kg (2021: RMB2.11/kg), representing a yoy increase of RMB0.22/kg which was mainly due to the rise in feed prices.

2022年年初以來，國際形勢複雜嚴峻，世界經濟增長放緩態勢明顯。國內疫情多發散發，對經濟穩定運行造成了嚴重衝擊，國內外飼料價格大幅上升。本集團多措並舉，加強和簡化採購流程及借助統一採購平台措施，降低採購成本；通過優化飼餵配方、調整飼料結構、持續提升牛隻健康和每頭奶牛的平均年化產量，開源節流降低運營成本，有效平抑了部分飼料價格上漲帶來的影響。於本年度，本集團於內部分部間抵消前的原料奶的單位銷售成本人民幣2.97元/公斤(2021年：人民幣2.82元/公斤)，同比增加人民幣0.15元/公斤。其中公斤原料奶飼料成本為人民幣2.33元/公斤(2021年：人民幣2.11元/公斤)，同比增加人民幣0.22元/公斤，主要為飼料價上漲所致。

Gross Profit and Profitability

The following table sets forth the breakdown of gross profit and gross profit margin of our business for the years indicated:

毛利及盈利能力

下表載列本集團業務於所示年度的毛利及毛利率明細：

		2022 2022年		2021 2021年	
		Gross profit 毛利	Gross profit margin 毛利率	Gross profit 毛利	Gross profit margin 毛利率
		RMB'000 人民幣千元		RMB'000 人民幣千元	
Raw milk business	原料奶業務	3,095,043	31.1%	2,534,911	36.2%
Feeds sales business	飼料銷售業務	171,936	7.3%	14,564	19.8%
Total	合計	3,266,979	26.6%	2,549,475	36.0%

The Company's financial performance is highly correlated with market prices and costs of raw milk and also affected by the milk yield of each milkable cow. In general, when milk prices increase, the Company's profitability will increase correspondingly under normal operation condition. When milk yield improves, the unit cost of sales of raw milk will correspondingly decrease relatively.

本公司的財務表現與市場奶價及成本呈高相關性，亦受每頭成乳牛的產奶量影響。一般而言，在正常營運下，當奶價上升，本公司的盈利能力亦會同時增加；當產奶量提高，原料奶的單位銷售成本便會相對減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year, gross profit of the Group's raw milk business amounted to RMB3,095.0 million (2021: RMB2,534.9 million), representing an increase of 22.1% yoy, which was mainly due to the increase in the sales volume of raw milk. Gross profit margin of the Group's raw milk business stood at 31.1% (2021: 36.2%), representing a drop of 5.1 ppt yoy, mainly due to the rise in feed prices and the drop in the ASP of raw milk. The gross profit of the Group's feeds sales business was RMB171.9 million (December 2021: RMB14.6 million), showing relatively good profitability.

Losses Arising from Changes in Fair Value Less Costs to Sell of Dairy Cows

As at 31 December 2022, the biological assets of the Group were valued at RMB10,631.2 million (31 December 2021: RMB9,404.9 million) by an independent qualified professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, representing an increase of 13.0% yoy, mainly due to the increase of herd size.

Losses arising from changes in the fair value of dairy cows less costs to sell dairy cows were RMB988.2 million as at 31 December 2022 (31 December 2021: RMB956.0 million), representing an increase of 3.4% yoy.

Gains Arising on Initial Recognition of Raw Milk at Fair Value Less Costs to Sell at the Point of Harvest

During the year, the gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest amounted to RMB2,887.5 million (2021: RMB2,378.4 million), representing an increase of 21.4% yoy, mainly due to the increase in sales volume of raw milk.

International Financial Reporting Standards requires that raw milk harvested was initially measured at fair value less costs to sell, and the difference between the fair value less costs to sell and the actual costs incurred was booked to profit or loss account.

本年度，本集團原料奶業務的毛利為人民幣3,095.0百萬元(2021年：人民幣2,534.9百萬元)，同比增加為22.1%，主要是由於原料奶銷售數量增加所致。本集團原料奶業務的毛利率為31.1%(2021年：36.2%)，同比減少5.1個百分點主要由於飼料成本上漲及原料奶平均售價下降所致。本集團飼料銷售業務毛利為人民幣171.9百萬元(2021年12月：人民幣14.6百萬元)，具有較好的盈利能力。

乳牛公平值變動減乳牛出售成本產生的虧損

於2022年12月31日，本集團的生物資產獲獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司評估為人民幣10,631.2百萬元(2021年12月31日：人民幣9,404.9百萬元)，同比增長13.0%，主要是由於牛群規模的增長。

於2022年12月31日，乳牛公平值變動減乳牛出售成本所產生的虧損為人民幣988.2百萬元(2021年12月31日：人民幣956.0百萬元)，同比增加3.4%。

於原料奶收穫時按公平值減銷售成本初始確認產生的收益

於本年度，於原料奶收穫時按公平值減銷售成本初始確認產生的收益為人民幣2,887.5百萬元(2021年：人民幣2,378.4百萬元)，同比增長21.4%，主要是由於原料奶銷售數量增加所致。

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



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other Income

During the year, other income amounted to RMB201.6 million (2021: RMB123.8 million) which mainly consisted of government grants and interest income, of which interest income accounted for RMB60.4 million (2021: RMB46.1 million), while the government grants amounted to RMB109.9 million (2021: RMB64.1 million). Government grants mainly consisted of subsidies for agricultural projects and subsidies for the operations of the Group.

其他收入

於本年度，其他收入為人民幣201.6百萬元(2021年：人民幣123.8百萬元)，主要包括政府補貼、利息收入等，其中利息收入為人民幣60.4百萬元(2021年：人民幣46.1百萬元)，政府補貼為人民幣109.9百萬元(2021年：人民幣64.1百萬元)。政府補貼主要包括對農業項目的補貼及對本集團營運提供補助。

Operating Expenses

經營開支

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Selling and distribution costs	銷售及分銷成本	369,887	183,732
Administrative expenses	行政開支	730,203	379,065
Total operating expenses	經營開支總額	1,100,090	562,797

The total operating expenses was RMB1,100.1 million during the year (2021: RMB562.8 million), representing an increase of RMB537.3 million or 95.5% yoy. The analysis is as follows:

於本年度，經營開支總額為人民幣1,100.1百萬元(2021：人民幣562.8百萬元)，同比增加人民幣537.3百萬元，同比增長95.5%。分析如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- **Selling and distribution costs**

The analysis of selling and distribution costs is as follows:

- **銷售及分銷開支**

銷售及分銷開支分析如下：

		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Transportation costs and others	運輸費及其他	352,349	179,090
Taxes and surcharges	稅金及附加	17,538	4,642
Total selling and distribution costs	銷售及分銷開支總額	369,887	183,732

Selling and distribution costs mainly consisted of transportation costs for sales of raw milk, transportation costs and other expenses (mainly salaries and other daily expenses of the sales department) for sales of feeds, as well as taxes and surcharges related expenses. During the year, selling and distribution costs stood as RMB369.9 million (2021: RMB183.7 million), representing an increase of RMB186.2 million. Among which, the transportation costs for sales of raw milk amounted to RMB207.5 million (2021: RMB157.5 million), with an increase of RMB50.0 million or 31.7% yoy, mainly due to the comprehensive impact of the Group's increase in sales volume of raw milk and the decrease in unit transportation costs; and the transportation and other expenses for sales of feed amounted to RMB144.8 million (2021: RMB21.6 million), mainly due to the significant growth in sales of feeds this year resulting in an increase in the selling expenses.

銷售及分銷開支主要包括原奶銷售業務的運輸費用、飼料銷售業務的運輸費用及其他費用(主要為銷售部門的薪酬及其他日常開支費用等)，以及稅金及附加費用。於本年度，本集團錄得銷售及分銷開支為人民幣369.9百萬元(2021年：183.7百萬元)，同比增加人民幣186.2百萬元，其中原奶銷售業務的運輸費用人民幣207.5百萬元(2021年：人民幣157.5百萬元)，同比增加人民幣50.0百萬元，增長31.7%，主要是由於本集團原料奶銷售量增長及單位運輸費用降低綜合影響所致；飼料銷售業務的運輸費用及其他費用人民幣144.8百萬元(2021年：人民幣21.6百萬元)，主要是由於本集團本年度飼料銷售業務規模大幅增長帶來銷售費用的增長。



- **Administrative expenses**

Administrative expenses mainly included remuneration of management staff (including equity-based share award expenses) and depreciation charges of office building, staff quarters and facilities, and other daily administrative expenses. During the year, administrative expenses amounted to RMB730.2 million (2021: RMB379.1 million), representing an increase of RMB351.1 million or 92.6% yoy, which was mainly due to: 1) the impact of the different periods in which the administrative expenses were accounted for in the Group's consolidated financial statements in the corresponding years arising from the companies acquired by the Group; 2) with the expansion of the Group's business scale, the number of management personnel has been increased to match the Group's strategic development needs, and corresponding administrative expenses having increased; and 3) during the year, the Group comprehensively upgraded and optimized the performance incentive and employee welfare system, continuously motivated employees to create good performance for the Group, and corresponding management remuneration has increased. During the year, the Group has achieved a significant increase in major operating indicators, which was far beyond expectations and had brought satisfactory incentive results. The Group is committed to establishing a sound talent development and incentive system to safeguard the realization of the Group's strategic objectives.

- **行政開支**

行政開支主要包括管理人員薪酬(含以股權結算的股份獎勵開支)及辦公樓、職工宿舍與設施折舊費用及其他日常行政開支費用等。於本年度，本集團錄得行政開支人民幣730.2百萬元(2021年：人民幣379.1百萬元)，同比增加人民幣351.1百萬元，增長92.6%，主要是由於：1)本集團併購公司的行政開支在相應年度計入本集團合併財務報表的期間段不同所帶來的影響；2)隨着本集團業務規模的擴大，為匹配集團的戰略發展需要，增加了管理人員數量，相應行政開支增長；3)本集團於本年度全面升級優化了績效激勵與員工福利體系，持續激勵員工為本集團創造良好業績，相應管理人員薪酬費用增長。於本年度，本集團主要生產運營指標取得大幅增長，遠超預期，達到了令人滿意的激勵效果。本集團致力於建立健全人才發展與激勵體系，為本集團戰略目標的實現保駕護航。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

預期信貸虧損模型下減值虧損，扣除撥回

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Impairment losses recognised in respect of:	就下列各項確認的減值虧損：		
Trade receivables	應收貿易賬款	1,965	-
Other receivables	其他應收款項	30	476
Total	合計	1,995	476

Other Gains and Losses, Net

During the year, net losses arising from other gains and losses amounted to RMB376.7 million (2021: net gains of RMB51.1 million) mainly consisting of net amount of foreign exchange (gains)/losses, fair value (gain)/loss on derivative financial instruments, impairment provision for fixed assets. The breakdown of other gains and losses is as follows:

其他收益及虧損淨額

於本年度，本集團錄得其他收益及虧損所產生的虧損淨額為人民幣376.7百萬元(2021年：收益淨額人民幣51.1百萬元)，主要包括外匯(收益)/虧損淨額、衍生金融工具的公平值(收益)/虧損、固定資產減值準備等。其他收益及虧損明細如下：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Other gains and losses, net:	其他收益及虧損淨額：		
Net foreign exchange loss/(gain)	外匯虧損(收益)/淨額	377,346	(84,287)
(Gains)/loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)/虧損	(15,322)	9,659
Gains on termination of lease agreements	終止租賃協議的收益	(3,652)	-
Loss on disposal of other intangible assets	處置其他無形資產的虧損	165	-
Impairment losses of property, plant and equipment	物業、廠房及設備減值虧損	1,895	-
Fair value gain on structured deposits	結構性存款的公允價值收益	(2,465)	(1,821)
Fair value loss/(gain) on derivative financial instruments	衍生金融工具的公平值虧損/(收益)		
Foreign currency forward contracts	外匯遠期合約	2,172	1,999
Foreign currency option contracts	外匯期權合約	(53,321)	90,884
Capped and floored cross currency swap	封頂封底交叉貨幣掉期	69,844	(67,537)
		18,695	25,346
Total	合計	376,662	(51,103)



Finance Costs

During the year, finance costs amounted to RMB379.6 million (2021: RMB198.1 million), representing an increase of RMB181.5 million or 91.6% yoy, mainly due to the combined effects of the different consolidation periods of the companies acquired by the Group in the corresponding years and the increase in financing scale.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group's cash EBITDA amounted to RMB2,740.2 million during the year (2021: RMB2,434.3 million), representing a yoy growth of 12.6%. The cash EBITDA margin was 22.3% (2021: 34.4%), with a yoy decrease of 12.1 ppt.

Taking into account the above factors, profit attributable to owners of the Company amounted to RMB562.5 million during the year (2021: RMB1,018.8 million), with a decrease by 44.8% yoy.

During the year, basic earnings per Share of the Company (the "Share") was RMB7.16 cents (2021: RMB14.43 cents per Share). Diluted earnings per Share was RMB7.13 cents (2021: RMB14.39 cents per Share).

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 December 2022, the net gearing ratio, which was calculated on the basis of the amount of total interest-bearing borrowings less cash and deposit assets as a percentage of the total equity, was 85.2% (31 December 2021: 56.1%) with a yoy increase of 29.1 ppt.

As at 31 December 2022, the Group's available and unutilized credit facilities were approximately RMB5,759.9 million (31 December 2021: RMB5,618.0 million). Having considered (i) cash flow forecast from operating activities of continuing operation; (ii) existing financial resources and gearing level of the Group, the Directors believe that the Group's financial resources are sufficient to meet its debt repayment, day-to-day operations, contracted capital expenditures as at 31 December 2022.

Operating Activities

During the year, the Group's net cash inflow generated from operating activities amounted to RMB1,577.1 million (2021: net cash inflow of RMB1,868.7 million), which decreased by RMB291.6 million yoy.

財務開支

於本年度，財務開支為人民幣379.6百萬元(2021年：人民幣198.1百萬元)，同比增加人民幣181.5百萬元，增加91.6%。主要是由於本集團併購公司在相應年度併表期間不同及融資規模增長綜合影響所致。

本公司擁有人應佔溢利

於本年度，本集團的現金EBITDA為人民幣2,740.2百萬元(2021年：人民幣2,434.3百萬元)，同比增加12.6%。現金EBITDA利潤率22.3%(2021年：34.4%)，同比減少12.1個百分點。

經計及上述因素後，於本年度，本公司擁有人應佔溢利為人民幣562.5百萬元(2021年：人民幣1,018.8百萬元)，同比減少44.8%。

於本年度，每股本公司股份(「股份」)基本盈利為人民幣7.16分(2021年：每股人民幣14.43分)。每股攤薄盈利為人民幣7.13分(2021年：每股人民幣14.39分)。

流動資金、財務資源及槓桿比率

於2022年12月31日，淨槓桿比率(按有息借款總額減現金及存款類資產佔總權益百分比基準計算)為85.2%(2021年12月31日：56.1%)，同比增加29.1個百分點。

於2022年12月31日，本集團的可動用及未動用信貸融資額度約人民幣5,759.9百萬元(2021年12月31日：人民幣5,618.0百萬元)。經考慮(i)持續經營業務的經營活動預測現金流量；(ii)本集團的現有財務資源及槓桿水平，董事相信，本集團有充足財務資源清還債務，為其日常業務營運及於2022年12月31日的已訂約資本開支提供資金。

經營活動

於本年度內，本集團的經營活動所產生的現金流量淨流入為人民幣1,577.1百萬元(2021年：淨流入人民幣1,868.7百萬元)，同比減少人民幣291.6百萬元。



MANAGEMENT DISCUSSION AND ANALYSIS

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Investing Activities

During the year, the Group's net cash outflow from investing activities amounted to RMB3,991.5 million (2021: net cash outflow of RMB2,873.8 million), which is increased by RMB1,117.7 million yoy, mainly due to the increase of the breeding cost in biological assets and the increase in payment of consideration in relation to the equity acquisition.

Financing Activities

During the year, the Group's net cash inflow generated from financing activities amounted to RMB2,588.2 million (2021: net cash inflow of RMB1,639.7 million), which is increased by RMB948.5 million yoy, mainly due to the increase of the financing scale.

INTEREST-BEARING BORROWINGS

As at 31 December 2022, the total interest-bearing borrowings of the Group was RMB12,470.9 million (2021: RMB8,494.7 million), representing a yoy increase of 46.8%.

Details are set out as below:

投資活動

於本年度內，本集團的投資活動現金流量淨流出為人民幣3,991.5百萬元(2021年：淨流出人民幣2,873.8百萬元)，同比增加人民幣1,117.7百萬元，主要是由於生物資產規模增長帶來的培育開支增長以及支付收購股權對價款增長所致。

融資活動

於本年度內，本集團的融資活動所產生的現金流量淨流入為人民幣2,588.2百萬元(2021年：淨流入人民幣1,639.7百萬元)，同比增加人民幣948.5百萬元，主要是由於融資規模增長所致。

有息借款

於2022年12月31日，本集團的有息借款總額為人民幣12,470.9百萬元(2021年：人民幣8,494.7百萬元)，同比增加46.8%。

各項借款分析如下：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Borrowings:	借款：		
Bank borrowings	銀行借款	8,583,585	4,666,016
Other borrowings	其他借款	293,819	637,004
Long term bonds	長期債券	3,493,016	3,191,719
Short term debenture	短期融資券	100,522	-
		12,470,942	8,494,739
Carrying value repayable:	應償還賬面值：		
Within one year	一年以內	4,989,334	2,846,348
Between one to two years	一至二年內	1,852,203	1,252,000
Between two to five years	二至五年內	4,955,736	4,326,143
Over five years	五年以上	673,669	70,248
		12,470,942	8,494,739



MANAGEMENT DISCUSSION AND ANALYSIS

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The following is an analysis of the respective borrowings:

- Bank borrowings**

During the year, the annual interest rate of bank borrowings varied from 1.65% to 8.16% (2021: from 1.21% to 7.26%).

The table below sets forth the short-term and long-term bank borrowings as at 31 December 2022:

各項借款分析如下：

- 銀行借款**

於本年度內，銀行借款的年利率變幅為1.65%至8.16%(2021年：1.21%至7.26%)。

下表列載於2022年12月31日的短期及長期銀行借款：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Bank borrowings:	銀行借款：		
Unsecured borrowings	無抵押借款	7,071,053	4,064,347
Secured borrowings	有抵押借款	1,512,532	601,669
		8,583,585	4,666,016
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年以內	4,831,164	2,380,683
Between one to two years	一年至兩年內	1,772,370	1,234,489
Between two to five years	兩年至五年內	1,453,997	980,596
Over five years	五年以上	526,054	70,248
		8,583,585	4,666,016



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• Other borrowings

During the year, the annual interest rate of other borrowings varied from 3.59% to 12.00% (2021: from 3.85% to 12.00%).

The table below sets forth the short-term and long-term other borrowings as at 31 December 2022:

• 其他借款

於本年度內，其他借款的年利率變幅為3.59%至12.00%(2021年：3.85%至12.00%)。

下表列載於2022年12月31日的短期及長期其他借款：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Other borrowings:	其他借款：		
Unsecured borrowings	無抵押借款	268,403	557,217
Secured borrowings	有抵押借款	25,416	79,787
		293,819	637,004
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年以內	22,704	433,676
Between one to two years	一年至兩年內	79,833	17,511
Between two to five years	兩年至五年內	43,667	185,817
Over five years	五年以上	147,615	-
		293,819	637,004

• Long term bonds

• 長期債券

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年以內	34,944	31,989
Between two to five years	兩年至五年內	3,458,072	3,159,730
		3,493,016	3,191,719



GROUP STRUCTURE

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

CAPITAL STRUCTURE

As at 31 December 2022, the total number of ordinary shares in issue of the Company was 7,915,662,048 shares (31 December 2021: 7,915,662,048 shares).

As at 31 December 2022, the net assets attributable to owners of the Company amounted to approximately RMB11,264.1 million (31 December 2021: approximately RMB10,864.9 million), the net borrowings of the Group (total interest-bearing borrowings less cash and deposit assets) amounted to approximately RMB9,921.7 million (31 December 2021: approximately RMB6,236.4 million).

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 31 December 2022, no buildings and equipment of the Company (31 December 2021: nil) were pledged as security for the Group's borrowings.

As at 31 December 2022, biological assets with carrying value of RMB831.8 million (31 December 2021: RMB770.4 million), time deposits of RMB131.4 million (31 December 2021: RMB127.0 million), trade receivables of RMB19.7 million (31 December 2021: RMB7.25 million) and properties of RMB127.0 million (31 December 2021: RMB112.1 million) were pledged as security for the Group's borrowings.

Except as disclosed above, the Group did not have any significant contingent liabilities as at 31 December 2022 and 2021.

CAPITAL COMMITMENTS

As at 31 December 2022, the Group's capital commitments in relation to the acquisition of property, plant and equipment amounted to RMB261.8 million (31 December 2021: RMB244.5 million) with a increase of RMB17.3 million yoy, mainly due to the increase of newly built dairy farms.

本集團架構

除本報告披露者外，於本年度，本集團架構並無發生任何重大變動。

資本架構

於2022年12月31日，本公司已發行普通股股份總數為7,915,662,048股(2021年12月31日：7,915,662,048股)。

於2022年12月31日，本公司擁有人應佔淨資產約為人民幣11,264.1百萬元(2021年12月31日：約人民幣10,864.9百萬元)，本集團淨借款(有息借款總額減現金及存款類資產)約為人民幣9,921.7百萬元(2021年12月31日：約人民幣6,236.4百萬元)。

或然負債及資產抵押

於2022年12月31日，本公司無樓宇及設備(於2021年12月31日：無)被抵押作本集團借款的擔保。

於2022年12月31日，生物資產的賬面值為人民幣831.8百萬元(2021年12月31日：人民幣770.4百萬元)、定期存款人民幣131.4百萬元(2021年12月31日：人民幣127.0百萬元)、應收賬款人民幣19.7百萬元(2021年12月31日：人民幣7.25百萬元)以及不動產人民幣127.0百萬元(2021年12月31日：人民幣112.1百萬元)已抵押作本集團借款的擔保。

除上文所披露者外，於2022年及2021年12月31日，本集團並無任何重大或然負債。

資本承諾

於2022年12月31日，本集團有關收購物業、廠房及設備的資本承諾為人民幣261.8百萬元(2021年12月31日：人民幣244.5百萬元)，同比增加人民幣17.3百萬元，主要是由於本集團新建牧場資本承擔增加。



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MATERIAL ACQUISITIONS AND DISPOSALS

Acquisition of Aiyangniu Technology

The acquisition of 75% equity interest in Aiyangniu Technology was approved at the extraordinary general meeting of the Company held on 8 June 2022. Aiyangniu Technology is principally engaged in the operation of animal husbandry e-commerce platform, animal husbandry service cloud platform, animal husbandry service business, sale of feedstuffs, additives and veterinary medicine, and trade consulting of agricultural and livestock products in the PRC. The Group believes that the acquisition of Aiyangniu Technology can further leverage the industrial chain synergy advantages of the Group as a leading dairy enterprise, and enable the provision of services such as digital technology, supply chain finance, breeding technology and other services through the ecological sharing platform to upstream and downstream customers, enhancing the Group's profitability.

The acquisition of 75% equity interest in Aiyangniu Technology was completed on 28 June 2022. For details of the acquisition, please refer to the announcement of the Company dated 15 March 2022 and the circular dated 15 May 2022.

Entry into an Entity Incorporation Agreement with Rixin Investment

On 22 June 2022, Modern Farming (Group) Co., Ltd. ("**Modern Farming**") and Rixin Investment entered into an agreement to establish a company for investment in the new dairy farms in Inner Mongolia of the PRC. The shareholding of the company is held as to 51% by Modern Farming and 49% by Rixin Investment. The registered capital of the company is RMB1 billion and each of Modern Farming and Rixin Investment commits to contribute RMB510,000,000 and RMB490,000,000, respectively, in the capital of the company.

With the support of the PRC government and favourable national policies, setting up dairy farms by investing in such kind of company could reduce short-term capital expenditure and improve the cash flow of the Company, and the contribution of extra herd size thereafter will further strengthen the Group's dairy farming business and enhance the Group's competitiveness in terms of economies of scale, product quality and pricing of fresh raw milk. Since it is agreed that Mengniu Group will purchase the qualified raw milk from the company's invested new dairy farms, the proceeds from the sales of raw milk will have a positive contribution to the Group's revenue and profitability.

重大收購及出售

收購愛養牛科技

有關收購愛養牛科技75%股權，已於本公司2022年6月8日召開的股東特別大會上獲批。愛養牛科技主要在中國從事畜牧業電子商務平台、畜牧業服務雲平台、畜牧業服務業的營運、銷售飼料、添加劑及獸藥和農畜產品交易諮詢。本集團相信收購愛養牛科技可進一步發揮本集團作為奶業領軍企業的產業鏈協同優勢，通過生態共用平台向上下游提供數字科技、供應鏈金融、養殖技術等服務，以提升本集團的盈利能力。

收購愛養牛科技75%股權已於2022年6月28日完成。有關是次收購詳情，請參考本公司日期為2022年3月15日的公告及2022年5月15日的通函。

與日信投資訂立共組公司協定

2022年6月22日，現代牧業(集團)有限公司(「現代牧業(集團)」)與日信投資訂立協議共同成立公司，以投資中國內蒙古的新建牧場。該公司股份由現代牧業(集團)持有51%及由日信投資持有49%。該公司的註冊資本為人民幣10億元，現代牧業(集團)及日信投資分別承諾向該公司的股本出資人民幣5.1億元及人民幣4.9億元。

在中國政府支持及國家有利政策下，通過共同投資公司設立牧場可減少短期資本支出，並改善本公司現金流量，後續額外所增牧群將進一步鞏固本集團的奶牛養殖業務，並提升本集團在規模效益、產品質量及原料奶定價方面的競爭力。由於蒙牛集團已同意向該公司所投新建牧場採購合格原料奶，出售原料奶所得款項將對本集團的收入及盈利能力作出正面貢獻。



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For details of entering into the agreement, please refer to the announcement of the Company dated 22 June 2022.

有關成立該公司的協定詳情，請參考本公司日期為2022年6月22日的公告。

Save as disclosed, during the year, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

除所披露者外，本集團年內並無任何重大收購或出售附屬公司、聯營公司或合營公司。

SIGNIFICANT INVESTMENTS

Saved as disclosed elsewhere in this report, the Group had no significant investments during the year.

重大投資

除本報告其他部分所披露外，於本年度內，本集團並無重大投資。

PLANS FOR MATERIAL INVESTMENTS OR CAPITAL

Saved as disclosed elsewhere in this report, the Group does not have any concrete plans for material investments and capital assets.

重大投資或資本計劃

除本報告其他部分所披露者外，本集團並無任何重大投資及資本資產的具體計劃。

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as otherwise disclosed in this report, our Directors have confirmed that, as of 31 December 2022, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

基於上市規則的持續披露責任

除本報告另有披露外，董事確認截至2022年12月31日，本公司未有基於香港聯合交易所有限公司證券上市規則(「上市規則」)第13.13至第13.19條需要披露的事項。

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed elsewhere in this report, no other material events occurred during the year and up to the date of this report.

匯報期後事項

除本報告其他部分所披露外，於本年度內及截至本報告日期，概無發生其他重大事項。

FINANCIAL MANAGEMENT POLICIES

The Group mainly operates its business in mainland China, and the foreign exchange risks related to its operations are not significant. Even so, the Group still strictly monitors and controls potential financial risks. The Group's major financial instruments include equity instruments at FVTOCI, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, bank borrowings, other borrowings, long term bonds, short term debenture and derivative financial instruments. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk.

財務管理政策

本集團主要於中國內地經營業務，與營運有關的外匯風險並不重大，雖然如此，本集團嚴密把持潛在的財務風險。本集團的主要金融工具包括按公允價值計量且其變動計入的權益工具、貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、銀行借款、其他借款、長期債券、短期債券及衍生金融工具、風險與這些金融工具相關的包括市場風險(貨幣風險和利率風險)、信用風險和流動性風險。



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The Group was primarily subject to foreign currency risk from the movement of the exchange rates between RMB against USD. We manage the foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and may enter into foreign currency option contracts or capped and floored cross currency swap, when necessary, to manage its foreign exchange exposure.

We manage the interest rate risk (if any) by performing regular reviews of the Group's net interest rate exposures and may enter into interest rate swap contracts, when necessary, to manage its interest rate exposure.

For credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action if necessary is taken to recover overdue debts.

The management believes the risks associated with the financial instruments were properly managed and didn't pose material impact to the Group's operation.

HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

As at 31 December 2022, the Group had approximately 8,455 employees (31 December 2021: 6,772 employees) in the PRC and Hong Kong. As a result of continuous expansion of the Group's business scale, the number of employees increased during the year, and the total staff costs of the Group amounted to (excluding equity-settled share award expense) approximately RMB976.0 million (2021: RMB639.3 million).

本集團主要可能需面對承受人民幣兌美元匯率變動的外匯風險。我們通過定期審查集團的淨外匯風險，並可能在必要時簽訂外幣期權合約或上下限交叉貨幣掉期來管理其外匯風險。

我們通過定期審查集團的利率風險淨敞口，並可能在必要時訂立利率掉期合約以管理其利率風險(如有)。

就信貸風險而言，本集團管理層已委派一個團隊負責釐定信貸限額及信貸審批。在接納任何新客戶前，本集團使用內部信用評分系統評估潛在客戶的信用質量，並按客戶界定信用額度。每年審查兩次客戶的交易額度和評分，本監控程式已行之有效，在必要時將採取跟進行動以收回逾期債務如適用。

管理層認為與金融工具相關的風險已得到妥善管理，對本集團的經營沒有構成重大影響。

人力資源及僱員薪酬

於2022年12月31日，本集團於中國及香港擁有約8,455名僱員(2021年12月31日：6,772名)。由於本集團業務規模的不斷擴大，相應僱員數量增長，於年內本集團總員工成本(不含以股權結算的股份獎勵開支)約為人民幣976.0百萬元(2021年：人民幣639.3百萬元)。



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Employees in Hong Kong are provided with retirement benefits, under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance.

A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly administered pension insurance plans on a mandatory basis. Payments to defined contribution retirement benefit under the state-managed retirement benefit schemes in the PRC (the “**State-managed Retirement Benefit Schemes**”) are charged as an expense when employees have rendered service entitling them to the contribution. The PRC employees of the Group are eligible members of the State-managed Retirement Benefit Schemes operated by the government of the PRC. The employees of the PRC subsidiaries of the Company are required to contribute in accordance with employee pension insurance and other insurance benefits requirements on monthly basis to the State-managed Retirement Benefit Schemes to fund the benefits. The only obligation of the Group with respect to the State-managed Retirement Benefit Schemes is to make the required contributions under the schemes.

In 2022, based on the needs of business development, the Group formulated a human resources strategy consisted of five key initiatives, i.e. reshaping cultural strength, upgrading organizational management, accelerating echelon construction, deepening talent recruitment and innovating performance incentives. Its industry-first “four-wheel drivers” leadership model and “diamond” professional power model, through attracting, retaining and cultivating the Company’s elite professionals, aimed to create capable generalists, build a first-class talent supply chain system and realize the talent-driven strategy. Moreover, the Group strictly abided by various relevant laws and regulations and offered standardized salary, performance evaluation policies and diversified welfare policies to attract and retain employees, striving to provide all employees with the remuneration and benefits they deserve and being committed to achieving the Group’s strategic goals together.

本集團透過強制性公積金計劃為在香港的僱員提供退休福利，並提供人壽保險及醫療保險。

界定供款計劃屬退休金計劃，由本集團向公開管理的退休金保險計劃作出強制性固定供款。向中國的國家管理退休福利計劃（「**國家管理退休福利計劃**」）項下界定供款退休福利所作的供款於僱員已提供可使其享有供款的服務時作為開支扣除。本集團的中國僱員為中國政府營辦的國家管理退休福利計劃的合資格成員。本公司於中國的附屬公司的員工須按員工養老保險及其他險金的要求每月向國家管理退休福利計劃作出供款以撥付有關福利。本集團於國家管理退休福利計劃的唯一責任為根據有關計劃作出規定的供款。

本集團2022年度基於業務發展需求，為之匹配合適的人力資源戰略，圍繞「**重塑文化力量、升級組織管理、加速梯隊建設、深化人才招聘、革新績效激勵**」五項重點舉措，行業首發四驅領導力模型和鑽石專業力模型，通過吸引、保留、培養公司精英型專才，打造有本事有能力的通才，建設一流的人才供應鏈體系，實現人才驅動戰略。另外，本集團嚴格遵守各種相關法律法規，並提供規範化的薪酬、績效政策以及多樣化的福利政策以吸引和保留員工，努力為全體員工提供應當享有的薪酬與福利，致力於共同實現集團的戰略目標。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SOCIAL RESPONSIBILITY

Upholding the principle of “safety and quality come first”, the Group is proactive when it comes to fulfilling its social responsibility. The Group devotes great effort to strike a balance between business growth and social responsibility, so as to convey the Group’s care and blessing to all stakeholders. The Group is committed to improving the quality of its products by providing consumers with a commitment to provide healthy, safe, nutritious and high-quality dairy products. Meanwhile, it adheres to the production principle of energy conservation and environmental protection.

The Group actively promotes the economic development of the surrounding areas where the farms are located and increases the income of local residents. The Group actively implements the precise poverty alleviation policy, responds to the call of poverty alleviation, and is devoted to poverty alleviation within the industry and society. Firstly, the contracts of silage planting were signed with local farmers in the farming areas to reduce the impact of natural disasters on crop harvest and simultaneously solve the local employment problem. The Group’s farms provide multiple jobs throughout the country, effectively alleviating the pressure of surplus rural labor force and increasing the income of local farmers. The Group also undertakes social responsibility and promotes local economic development through measures such as making direct donation of materials, money and paying visits to nursing homes. During the year, the Group has made charitable and other donations amounted to approximately RMB6.71 million.

PROSPECTS

2023 is a crucial year for the Group to steadily advance the “Five-Year Lead Plan”. With the vision of “deploy the whole industry chain, innovate with digital intelligence, and be a global dairy farming leader”, the Group will promote continuous growth in production and strengthen cash flow management, and will also focus on the five major strategies (i.e., main channel, new business, cash flow, strong performance and talent pool) to promote the continuous improvement of operating performance.

社會責任

本集團積極履行社會責任，秉持安全質量為先的原則，努力在發展業務與社會責任之間取得平衡，讓廣大持份者感受到本集團傳遞的關愛和幸福。本集團踐行為消費者提供健康安全、營養豐富、品質優異乳品的承諾，致力提升產品質量，同時秉承實現節能環保的生產原則。

本集團積極帶動牧場所在週邊經濟發展，增加當地居民收入。本集團積極落實精準扶貧政策，響應扶貧號召，做好行業扶貧，社會扶貧。首先，主動與牧場所在地農戶簽訂青貯種植合同，減少自然災害對百姓農作物收穫的影響。同時解決當地人員就業問題，本集團的牧場在全國各地提供多個崗位，有效緩解農村剩餘勞動力壓力，增加當地農民收入。本集團也以直接捐贈物資、捐贈金錢、探訪養老院等多種方式，承擔社會責任，促進當地經濟發展。年內，本集團作出的慈善及其他捐款約為人民幣6.71百萬元。

展望

2023年是穩步推進本集團「五年領跑計劃」的攻堅之年。本集團在「佈局產業鏈，數智創新，做全球牧業引領者」的願景下，將促產量持續增長，強化現金流管理，圍繞「聚焦主航道、擴展新業務、優化現金流、驅動強績效、做優人才源」五大策略，以推進經營業績持續向好。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

We expect that the dairy herd of the Group could reach more than 500,000 heads by 2025, with an annual output of 3.6 million tons of raw milk. Modern Dairy will rely on the dairy farming business to create a market-oriented feeds module, increase its share in the feeds market, strengthen and expand the feed center of Liangyuan Technology and Aiyangniu Technology platform and accelerate the development of the beef cattle industry, and it will also further improve the layout of the entire industrial chain and improve the Company's comprehensive business capabilities, so as to develop itself into an integrated dairy farming group operating through the entire industry chain.

The Group will implement the business strategy of "1 Focus, 3 Shifts, 3 Focuses". Focus on cost leadership strategy and bring into play our core competitive advantages in cost reduction and efficiency, shift from a single strong dairy industry to a full value chain and further improve the layout of the whole industry chain, from simply building our own farms to diversifying our farming operation model and efficiently integrating industry resources, from upgrading the processing side to upgrading the raw milk side, and increasing the production of specialty milk. Focus on scientific standardization of dairy feeding management, promoting the process of digital intelligence innovation and promoting low-carbon green transformation development.

2023 is the first year to implement the spirits of the 20th National Congress of the Communist Party of China, and it is also the year when China officially grows its way out of the COVID-19 pandemic. Social and economic activities have basically returned to normal, and the people are gearing up for a new journey. Driven by demand for milk sources, policy guidance and technology, the Group will have a bright future for development. In the future, Modern Dairy will continue to actively undertake the responsibility of revitalizing the national dairy industry through leading the industry towards a sustainable development model of digital intelligence innovations and low-carbon environmental protection, and will also keep improving the ecology of the whole industry chain to build itself into one of the world's leading and socially responsible dairy farming groups.

我們預期至2025年本集團奶牛存欄可達至50萬頭以上，爭取年產鮮奶達360萬噸的目標。現代牧業將依託奶牛養殖，創立飼草模塊市場化、拓寬做實飼料市場、做強做大糧源科技、做大做精愛養牛平台業務、加快發展肉牛產業，進一步完善全產業鏈佈局，提高公司綜合業務能力，將現代牧業建設成為全產業鏈運營的一體化牧業集團公司。

本集團將實施「1聚焦3轉變3著重」的經營策略。聚焦成本領先戰略，發揮降本增效核心競爭力優勢；從單一做強奶業向打造全價值鏈轉變，進一步完善全產業鏈佈局；從單純的自建牧場向牧場運營模式多樣化轉變，高效整合行業資源；從加工端升級向原奶端升級轉變，增加特色奶生產；著重科學規範奶牛飼育管理；著重推進數智化創新進程及著重促進低碳綠色轉型發展。

2023年是中國共產黨二十大精神開局之年，亦是中國正式走出新冠疫情陰霾之年，社會及經濟活動已基本復常，民眾正抖擻精神，迎接新征程。在奶源需求拉動、政策引領和技術驅動下，本集團的發展前景將甚為廣闊。未來，現代牧業將繼續積極承擔國家奶業振興之責，引領行業邁向數智創新、勵行低碳環保的可持續發展模式，並繼續完善全產業鏈生態，打造全球領先及具社會責任的牧業集團之一。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. SUN Yugang, aged 42, is an executive Director of the Company and chief executive officer of the Group. Mr. Sun was a manager of the finance and investment department of Inner Mongolia Mengniu Dairy (Group) Co., Ltd. between May 2002 and March 2007. Mr. Sun was the chief financial officer, executive director and vice president of the Company from March 2007 to September 2016 and the non-executive director of the Company from October 2016 to March 2017. Concurrently, Mr. Sun worked for Hebei Yinong Network Technology Co., Ltd.* (河北宜農網絡科技有限公司) as a director, vice president and chief financial officer from October 2016 to August 2018 and for Jiangsu Yuguan Modern Agricultural Technology Co., Ltd.* (江蘇裕灌現代農業科技有限公司) as a vice president and chief financial officer from August 2018 to October 2019. Mr. Sun re-joined the Group in November 2019 as an executive Director of the Group. He was promoted to the chief executive officer of the Group on 30 June 2022. Mr. Sun graduated from Inner Mongolia Finance and Economics College, majoring in accounting. Mr. Sun has extensive management and operation experience in corporate finance, international financing, corporate governance, investment, mergers and acquisitions and the dairy industry.

Mr. ZHU Xiaohui, aged 52, has been appointed as a non-executive Director of the Company and the vice president of the Group on 1 July 2021, and has been re-designated as an executive Director of the Company and the chief financial officer of the Group on 30 November 2021. Mr. Zhu joined Fuyuan International in August 2014 and served as the vice president of Fuyuan International from August 2014 to December 2018, the senior vice president of Fuyuan International from December 2018 to June 2019 and the vice president and the secretary of the board of directors of Fuyuan International since March 2020. Prior to joining Fuyuan International, Mr. Zhu had spent approximately 18 years with COFCO Group and approximately 4 years with Dalian Wanda Group Inc., Ltd serving as senior management positions. Mr. Zhu has over 30 years of experience in corporate governance, financial management, financing, investment, mergers and acquisitions, and management of large enterprises, and also has extensive operation and management experience in the dairy farming industry. Mr. Zhu graduated from Guangdong University of Foreign Studies with a bachelor's degree in international business administration and the University of International Business and Economics with a master's degree in business administration.

執行董事

孫玉剛先生，42歲，為本公司執行董事兼本集團的總裁。孫先生於2002年5月至2007年3月期間為內蒙古蒙牛乳業(集團)股份有限公司財務及投資部經理。孫先生於2007年3月至2016年9月期間為本公司首席財務官、執行董事及副總裁，於2016年10月至2017年3月期間為本公司非執行董事。孫先生於2016年10月至2018年8月期間同時為河北宜農網絡科技有限公司董事、副總裁及財務總監，並於2018年8月至2019年10月期間為江蘇裕灌現代農業科技有限公司副總裁及財務總監。孫先生於2019年11月重新加入本集團擔任本集團執行董事。彼於2022年6月30日獲晉升為集團總裁。孫先生畢業於內蒙古財經學院，主修會計。孫先生於企業財務、國際融資、企業管治、投併購及乳品業擁有豐富的管理及運營經驗。

朱曉輝先生，52歲，於2021年7月1日獲委任為本公司非執行董事兼本集團副總裁，並於同年11月30日調任為本公司執行董事兼本集團首席財務官。朱先生於2014年8月加入富源國際，自2014年8月至2018年12月任富源國際副總裁，自2018年12月至2019年6月任富源國際高級副總裁，自2020年3月起任富源國際副總裁兼董事會秘書。加入富源國際前，朱先生曾於中糧集團任高級職位約18年，於大連萬達集團股份有限公司任職高管約4年。朱先生於企業管治、財務管理、融資及投併購以及大型企業管理方面擁有逾30年經驗，亦於牧業擁有豐富的經營及管理經驗。朱先生畢業於廣東外語外貿大學及對外經濟貿易大學，分別獲授國際企業管理學士學位及工商管理碩士學位。

* For identification purposes only



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. ZHAO Jiejun, aged 46, joined the Group as a non-executive Director of the Company in January 2019 and was appointed as the vice chairman of the board of directors of the Company in July 2021. He was redesignated to the chairman of the board of directors of the Company on 1 February 2023. Mr. Zhao is currently the vice president and the head of milk sourcing and animal husbandry industry chain business unit of Mengniu Group, and is responsible for strengthening and collaborating the management of animal husbandry industry segment. Mr. Zhao has served successively as regional manager, sales director, general manager of operation and general manager of planning and logistics of Mengniu Group. Mr. Zhao also currently serves as a non-executive director of China Shengmu Organic Milk Limited (stock code: 1432. HK). Mr. Zhao has almost 20 years of experience in the dairy industry and, with profound leadership, he specializes in both sales management and supply chain management. Mr. Zhao has in-depth knowledge of the PRC dairy market and great foresight in the PRC dairy industry. Mr. Zhao graduated from Beijing University of Aeronautics and Astronautics with a master's degree in information engineering and management.

Mr. ZHANG Ping, aged 58, joined the Group as a non-executive Director of the Company in March 2016. Mr. Zhang Ping joined Mengniu Group in 2014 and was appointed as an executive director of China Mengniu Dairy Company Limited (stock code: 2319.HK) in December 2021. He is currently a vice president and the chief financial officer of Mengniu Group. Mr. Zhang Ping is also a non-executive director of Yashili International Holdings Ltd (stock code: 1230. HK) and China Shengmu Organic Milk Limited (stock code: 1432. HK), and a director of Shanghai Milkground Food Tech Company Limited (stock code: 600882.SH) which is listed on the Shanghai Stock Exchange. Mr. Zhang Ping is also a director of a number of Mengniu's subsidiaries, including its major subsidiaries Inner Mongolia Mengniu Dairy (Group) Company Limited and Inner Mongolia Tegaoxin Dairy Co., Ltd.* (內蒙古特高新乳製品有限公司). He has over 33 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 Ping 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 Ping graduated from the Beijing Information Science and Technology University with a Master's Degree in Management Engineering.

* For identification purposes only

非執行董事

趙傑軍先生，46歲，於2019年1月加入本集團出任本公司的非執行董事，於2021年7月彼獲委任為本公司董事會副主席，並於2023年2月1日再調任為本公司董事會主席。趙先生現為蒙牛集團副總裁，奶源及牧業產業鏈負責人，並強化協同牧業板塊管理。趙先生歷任蒙牛集團銷售大區經理、銷售總監、營運總經理及規劃及物流總經理。趙先生目前亦擔任中國聖牧有機奶業有限公司(股份代號：1432.HK)的非執行董事。趙先生在乳製品行業擁有近20年經驗，具有強大的領導力，精通銷售管理及供應鏈管理。趙先生對中國的乳製品市場有深入瞭解，並對中國乳製品行業有敏銳的洞察力。趙先生畢業於北京航空航天大學，取得信息工程與管理碩士學位。

張平先生，58歲，於2016年3月加入本集團出任本公司的非執行董事。張平先生於二零一四年加入蒙牛集團，並於2021年12月獲委任為中國蒙牛乳業有限公司(股份代號：2319.HK)的執行董事。現任蒙牛集團副總裁兼首席財務官。張平先生亦為雅士利國際控股有限公司(股份代號：1230.HK)以及中國聖牧有機奶業有限公司(股份代號：1432.HK)的非執行董事，及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(股份代號：600882.SH)之董事。張平先生亦是蒙牛多家附屬公司，包括主要附屬公司內蒙古蒙牛乳業(集團)股份有限公司及內蒙古特高新乳製品有限公司的董事。彼於快速消費品行業累積超過33年經驗，專責營運、財務及審計之管理以及風險監控。張平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。張平先生於北京信息科技大學管理工程學專業畢業，取得研究生學歷。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. CHEN Yiyi, aged 49, joined the Group as a non-executive Director in February 2023. Mr. Chen is also a vice president and head of strategic management of Mengniu Group, and is responsible for the strategic and investment management. Before joining Mengniu Group, Mr. Chen worked for many well-known international companies such as Nestle SA, International Paper Co, Tetra Pak Sidel, China Resources Enterprise and listed companies in Hong Kong and Mainland China for 25 years serving as the national commercial manager, North Asia regional director, vice chief strategy officer, president and executive director and other senior management positions. Having served in the fast-moving consumer goods industry such as dairy and retail industry for many years, Mr. Chen has had extensive experience in industrial operation integration, strategic planning management, corporate cooperation and mergers and acquisitions and industry-wide vision and international business experience. Mr. Chen graduated from Fudan University with Bachelor's degree in law.

Ms. GAN Lu, aged 40, joined the Group as a non-executive Director of the Company in April 2020. Ms. Gan is the chief investment officer of Beijing Hosen Capital Management, LLP ("**Hosen Capital**"), one of the first private equity management institutions registered with the China National Development and Reform Commission pursuant to the new equity investment regulations. Ms. Gan is also the person-in-charge of the office of Hosen Capital in Hong Kong. Ms. Gan joined Hosen Capital in 2018. Ms Gan has over 13 years experience in the financial and investment sectors. Before joining Hosen Capital, Ms. Gan worked for the Hong Kong office of New Hope Group Co., Ltd, for four years as head of its Hong Kong office and chief investment officer of its financial division. Ms. Gan also worked for China International Capital Corporation Limited (CICC) in Beijing and Hong Kong for six years as the head of the Hong Kong operations support coordination department. Ms. Gan graduated from The University of Hong Kong with a master's degree in business administration.

陳易一先生，49歲，於2023年2月加入本集團擔任非執行董事。陳先生同時為蒙牛集團副總裁，集團戰略管理負責人，負責戰略和投資管理。加入蒙牛集團前，陳先生25年來先後服務於雀巢、國際紙業、利樂西得樂、華潤創業等多家知名國際企業及香港和內地上市公司，並分別擔任全國商務經理、北亞區總監、戰略副總裁，總裁及執行董事等高級管理職務。陳先生在快消品包括乳業及零售業服務多年，在產業運營整合、戰略規劃管理及企業合作併購領域擁有豐富的經驗，具備全行業視野和國際業務經驗。陳先生畢業於復旦大學，擁有法學學士學位。

甘璐女士，40歲，於2020年4月加入本集團出任本公司的非執行董事。甘女士為北京厚生投資管理中心(「**厚生投資**」)(根據新股權投資法規向中國國家發展改革委委員會登記的首批私募股權管理機構之一)的投資總監。甘女士亦是厚生投資香港辦公室的負責人。甘女士於2018年加入厚生投資。甘女士在金融投資領域擁有逾十三年經驗。加入厚生投資前，甘女士曾在新希望集團有限公司香港辦公室任其香港辦公室負責人兼金融事業部投資總監工作四年。甘女士亦曾在中國國際金融股份有限公司北京和香港分部工作六年，擔任香港營運支持協調部負責人。甘女士畢業於香港大學，獲工商管理碩士學位。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Li Shengli, aged 57, is an independent non-executive Director of the Company. Mr. Li is currently an independent non-executive director of AUSTASIA GROUP PTE. LTD. (stock code: 2425. HK). Mr. Li graduated from Shihezi Agricultural College with a bachelor's degree in animal husbandry and veterinary science in July 1987. He then obtained his doctorate degree in animal nutrition science from China Agricultural University in July 1996. Since 2003, Mr. Li has been with China Agricultural University, working as an assistant professor and professor in multiple times. Mr. Li is currently the vice-director (Animal Nutrition) of the State Key Laboratories, director of the Sino-US Dairy Research Center of China Agricultural University, director of the Sino-Dutch Dairy Development Center, chief scientist in national dairy products industry technology system, a specialist to the China School Milk Programme and a specialist in the Cattle and Poultry Research Centre of Beijing Sanyuan Breeding Technology Co., Ltd. Mr. Li is a specialist to the Working Committee of National Dairy Herd Improvement Programme (DHI) of the Dairy Association of China and the chairman of China Institute of Animal Husbandry and Veterinary Cattle Chapter. Up to 17 June 2021, Mr. Li was an independent non-executive director of China Zhongdi Dairy Holdings Company Limited (delisted, prior stock code: 1492. HK). In 2007, Mr. Li obtained a patent on Rubeili (乳倍利), a type of high-energy and high-protein supplementary feed for dairy cows. Mr. Li was awarded the second prize and a prize of the Beijing Science and Technology Award in 2000 and 2007, respectively, and was recognized by the Beijing Municipal Government as "Top 10 Scientists with Contribution to the Economic Development in Rural Villages of Beijing" in 2009. He also received the first prize for advancement in science and technology awarded by the Education Department in 2012, the first prize for Chinese Agricultural Science awarded by the Ministry of Agriculture in 2013 and the second prize of National Scientific and Technological Progress Award in 2014.

獨立非執行董事

李勝利先生，57歲，為本公司的獨立非執行董事。李先生目前擔任澳亞集團有限公司(股份代號：2425.HK)的獨立非執行董事。李先生於1987年7月在石河子農學院畢業，持有畜牧獸醫科學的學士學位。彼繼而於1996年7月獲頒發中國農業大學的動物營養學博士學位。自2003年以來，李先生一直在中國農業大學多次擔任副教授及教授。李先生現為國家重點實驗室(動物營養學)副主任、中國農業大學中美乳品研究中心主任、中荷奶業發展中心主任、國家奶牛產業技術體系首席科學家、國家學生飲用奶計劃專家及北京三元種業科技股份有限公司畜牧研究院專家。李先生為中國奶業協會全國奶牛生產性能測定工作委員會專家及中國畜牧獸醫學會養牛分會理事長。截止2021年6月17日李先生曾擔任中國中地乳業控股有限公司(已退市，前股份代號：1492.HK)的獨立非執行董事。於2007年，李先生獲得乳倍利專利，而乳倍利為餵飼乳牛所用的一種高能量及高蛋白質補充劑。李先生於2000年及2007年分別獲頒發北京市科學技術獎的二等獎及獎項，於2009年獲北京市政府評選為「對北京農村經濟發展作出貢獻的「十佳」科學家」，並於2012年獲得教育部科技進步一等獎，2013年獲得農業部中華農業科技獎一等獎及2014年獲得國家科技進步二等獎。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. LEE Kong Wai Conway, aged 68, is an independent non-executive Director of the Company. Mr. Lee is currently an independent non-executive director of West China Cement Limited (stock code: 2233. HK), Chaowei Power Holdings Limited (stock code: 0951. HK), GOME Retail Holdings Limited (stock code: 0493. HK), NVC International Holdings Limited (stock code: 2222. HK), Yashili International Holdings Limited (stock code: 1230. HK), GCL New Energy Holdings Limited (stock code: 0451. HK), and Guotai Junan Securities Limited Co., Ltd (stock code: 2611. HK, 601211. SH, a company listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange). Mr. Lee was the independent non-executive director of Tibet Water Resources Ltd. (stock code: 1115. HK) until February 2020. Mr. Lee has been also appointed as an independent non-executive director of Intchains Group Limited (a company listed on NASDAQ Stock Market, stock code: ICG) since March 2023. In addition, he was an independent non-executive director of China Rundong Auto Group Limited (delisted, prior stock code: 1365. HK) until December 2020 and WH Group Limited (stock code: 0288. HK) until June 2022. Mr. Lee is a member of the Institute of Chartered Accountants in England and Wales, The Chartered Accountants, Australia and New Zealand, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Macau Society of Certified Practising Accountants. Mr. Lee was a member of Chinese People's Political Consultative Conference of Hunan Province from 2008 to 31 December 2017. Mr. Lee has over 30 years of experience in public accounting and auditing, corporate finance, merger and acquisition and initial public offerings. From September 1980 to September 2009, Mr. Lee served as a partner of Ernst & Young and held key leadership positions in his development of the firm in China.

李港衛先生，68歲，為本公司的獨立非執行董事。李先生現時為中國西部水泥有限公司(股份代號：2233.HK)、超威動力控股有限公司(股份代號：0951.HK)、國美零售控股有限公司(股份代號：0493.HK)、雷士國際控股有限公司(股份代號：2222.HK)、雅士利國際控股有限公司(股份代號：1230.HK)、協鑫新能源控股有限公司(股份代號：0451.HK)、國泰君安證券股份有限公司(股份代號：2611.HK，601211.SH)(在香港聯交所及上海證券交易所上市)的獨立非執行董事。直至2020年2月彼為西藏水資源有限公司(股份代號：1115.HK)的獨立非執行董事，另外，李先生於2023年3月獲委任為聰鏈集團公司(在美國納斯達克證券市場上市，股份代號：ICG)的獨立非執行董事。直至2020年12月彼為中國潤東汽車集團有限公司(已退市前股份代號：1365.HK)的獨立非執行董事，以及直至2022年6月彼為萬洲國際有限公司(股份代號：0288.HK)的獨立非執行董事。李先生為特許會計師公會－英格蘭及威爾斯會員、澳大利亞及新西蘭特許會計師公會會員、英國特許會計師公會會員、香港會計師公會會員及澳門註冊會計師公會會員。從2008年至2017年12月31日止，李先生為中國人民政治協商會議湖南省委員。李先生於執業會計及審核、公司財務、合併及收購以及首次公開發售方面積逾30年經驗。於1980年9月至2009年9月，李先生曾任安永合夥人，並於其會計師行在中國的發展擔任重要的領導職位。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. CHOW Ming Sang, aged 50, has been appointed as an independent non-executive Director of the Company on 1 July 2021. Mr. Chow was the general manager of the Risk and Control Department of the Tahoe Group (the shares of which are listed on the Shenzhen Stock Exchange with stock code: 000732. SZ) from October 2018 to June 2019, overseeing the company's risk management and corporate governance of all business sectors like residential, commercial, hotel, education, insurance, medical, estate management and ageing care. Mr. Chow is currently the managing director of Beijing Xinshi Anye Management Consulting Co., Ltd. and an independent non-executive director of Teamway International Group Holdings Limited (stock code: 1239. HK) and Redco Healthy Living Company Limited (stock code: 2370. HK). He was an independent non-executive director of China Rundong Auto Group Limited (delisted, prior stock code: 1365. HK) until August 2020.

Mr. Chow obtained his bachelor degree in Business Administration (Accounting) from Hong Kong University of Science and Technology in 1995. Mr. Chow is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and a Certified Internal Auditor. Mr. Chow has over 27 years working experience in various industries in auditing, corporate governance and risk management advisory where he was the advisory partner of Ernst & Young (China) Advisory Limited since 2007 and was responsible for managing the Risk Advisory sub-service line's strategic growth and development in various regions of Mainland China since 2011. From 2014 to 2016, Mr. Chow became the Committee member of The Internal Controls General Standards Committee of The Ministry of Finance (PRC) (中國財政部內部控制標準委員會委員), the only Hong Kong resident and Big Four partner being appointed as a committee member. Mr. Chow is also involved in promoting innovation where he acts as start-up coach of over 20 incubators and accelerators in China and Hong Kong to assist young entrepreneurs in enhancing their business from financial and strategic development perspectives.

周明笙先生，50歲，於2021年7月1日被委任為本公司獨立非執行董事。周先生於2018年10月至2019年6月擔任泰禾集團(其股份於深圳證券交易所上市，股份代號：000732.SZ)的風險控制部總經理，監督該公司在住宅、商業、酒店、教育、保險、醫療、物業管理及養老等所有業務領域的風險管理和企業管治。周先生現時擔任北京信實安業管理諮詢有限公司董事總經理、Teamway International Group Holdings Limited(股份代號：1239.HK)以及力高健康生活有限公司(股份代號：2370.HK)獨立非執行董事。直至2022年8月彼亦擔任中國潤東汽車集團有限公司(已退市，前股份代號：1365.HK)獨立非執行董事。

周先生於1995年獲得香港科技大學工商管理(會計)學士學位。周先生為香港會計師公會資深會員、英國特許公認會計師公會資深會員及註冊內部審計師。周先生於審計、企業管治及風險管理諮詢等多個行業擁有逾27年工作經驗，其自2007年起擔任安永(中國)企業諮詢有限公司的諮詢合夥人，自2011年起負責管理中國大陸多個地區風險諮詢分部的戰略增長及發展。自2014年至2016年，周先生擔任中國財政部內部控制標準委員會委員，為唯一獲委任為該委員會委員的香港人士及四大會計師事務所合夥人。周先生亦參與推動創新，在中國及香港擔任20多家創業孵化基地的創業導師，協助年輕創業者從財務和戰略發展角度提升業務。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. GUO Wenju, aged 52, is the secretary of the Party Committee of the Group. Mr. Guo joined the Group in July 2021. He served as the deputy secretary of the Party Committee in Mengniu Group from March 2010 to June 2017, and served as the deputy secretary of the Party Committee and secretary of the disciplinary committee in Mengniu Group from July 2017 to December 2020. In 2017, he obtained a master's degree from the graduate school of the Central Party School.

Mr. HAN Chunlin, aged 50, is the vice president and general manager of the second operation center of the Group. Mr. Han is also a director of Modern Farming (Group) Co., Ltd. and Helinger Modern Farming Co., Ltd., both of which are subsidiaries of the Company. Mr. Han joined the Group in September 2008 and was appointed as executive director of the Company on 14 November 2008 until 1 April 2020. From February 2006 to July 2008, Mr. Han served as the deputy general manager of marketing in Crayon Xiaoxin (Fujian) Food Co., Ltd. From January 1999 to September 2004, Mr. Han worked as a marketing manager in the liquid milk department of Inner Mongolia Mengniu. Before that, Mr. Han worked as the branch manager of the milk powder department of Inner Mongolia Yili Industrial Group Co., Ltd. from July 1994 to January 1999. Mr. Han has over 17 years of experience in the Chinese catering industry and has extensive experience in marketing and ranching operations. Mr. Han obtained a bachelor's degree in biology from Inner Mongolia University, China in July 1994, and a master's degree in agricultural promotion from China Agricultural University in 2015.

Mr. ZHANG Xue, aged 55, is the vice president of the Group, the chief engineer of the technical department of the Group. Before joining the Group in 2021, Mr. Zhang has been working in ranch technical positions and ranch management for more than 20 years. From November 2014 to November 2016, Mr. Zhang served as the chief livestock pastor and assistant vice president of Fuyuan International; from December 2016 to November 2019, he served as the vice president of Fuyuan International, and from November 2019 to August 2021, he worked for Fuyuan International as the chief operating officer, responsible for the overall technical and operational work of Fuyuan International. He obtained a doctorate degree in animal nutrition from the Bingen Institute, Germany in 2001.

高級管理層

郭文舉先生，52歲，為本集團黨委書記，郭先生於2021年7月加入本集團。2010年3月至2017年6月在蒙牛集團擔任黨委副書記，2017年7月至2020年12月在蒙牛集團擔任黨委副書記、紀委書記。2017年獲中央黨校研究生院碩士學位。

韓春林先生，50歲，為本集團副總兼運營二中心總經理。韓先生亦為本公司附屬公司現代牧業(集團)有限公司及和林格爾現代牧業有限公司的董事，韓先生於2008年9月加盟本集團並於同年11月14日獲委任為本公司執行董事直至2020年4月1日止。韓先生於2006年2月至2008年7月期間在蠟筆小新(福建)食品有限公司出任營銷副總經理。於1999年1月至2004年9月，韓先生於內蒙古蒙牛的液態奶部門出任營銷經理。在此之前，韓先生於1994年7月至1999年1月在內蒙古伊利實業集團股份有限公司的奶粉部門出任分廠經理。韓先生於中國飲食業積逾17年經驗，有豐富營銷及牧場營運經驗。韓先生於1994年7月獲中國內蒙古大學頒發生物學士學位，韓先生於2015年獲中國農業大學頒發農業推廣碩士學位。

張學先生，55歲，為本集團副總裁、集團技術部總工程師。張先生於2021年加入本集團，在此之前一直從事牧場技術崗位和牧場管理工作20餘年。2014年11月至2016年11月擔任富源國際總畜牧師、助理副總裁；2016年12月至2019年11月任富源國際副總裁，2019年11月至2021年8月任富源國際首席運營官，負責富源國際技術和運營全面工作。2001年獲得德國賓根學院動物營養專業博士學位。



BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. SONG Weizheng, aged 42, is the vice president of the Group and the person in charge of purchasing and sales. Mr. Song joined the Group in January 2020 and was in-charge-of the procurement center of the Group, and in August 2021, he was in charge of procurement and sales. Before joining the Group, Mr. Song worked in Mengniu Group from December 2001 to December 2019 as the head of the quality inspection department, the head of the production department, the manager of the milk source department, the general manager of the milk source region, and the general manager of the big dairy unified procurement. Mr. Song has extensive experience in procurement and sales. Mr. Song obtained a master's degree in bioengineering from Inner Mongolia University in July 2010.

Ms. YUAN Li, aged 47, is the vice president and head of human resources & administration of the Group. Ms. Yuan joined the Group in July 2021. Before joining the Group, she served as manager, deputy director, director of operation management department, project director of sharing center, and general manager of human resources center of milk source business department of Mengniu Group Headquarters Human Resources Center. She has participated in and successfully led important projects such as organizational reform at all levels, human resources system construction, mechanism innovation, and process optimization of Mengniu Group for many times. She has rich theoretical and practical experience in the field of human resources management. Ms. Yuan obtained a master's degree from Inner Mongolia University of Technology in 2014.

宋維政先生，42歲，為本集團副總裁，採銷負責人。宋先生於2020年1月加入本集團，分管集團採購中心工作，2021年8月分管採購和銷售工作。加入本集團前宋先生於2001年12月至2019年12月於蒙牛集團任職質檢處長，生產處長，奶源部經理，奶源大區總經理，大牧業統採總經理等職務，對採銷有豐富經驗。宋先生於2010年7月獲得內蒙古大學生物工程碩士學位。

袁麗女士，47歲，為本集團副總裁、人力及行政負責人。袁女士於2021年7月加入本集團。加入本集團前歷任蒙牛集團總部人力資源中心人事薪酬部經理、副總監、運營管理部總監、共享中心項目總監、奶源事業部人力資源中心總經理等職務。曾多次參與並成功主導過蒙牛集團各級組織變革、人力資源體系構建及機制革新、流程優化等重要項目，在人力資源管理領域具有豐富的理論和實踐經驗。袁女士2014年獲內蒙古工業大學碩士學位。



CORPORATE GOVERNANCE REPORT

企業管治報告

The board (the “**Board**”) of directors (the “**Director(s)**”) of China Modern Dairy Holdings Ltd. (the “**Company**”) and the management of the Company and its subsidiaries (collectively, the “**Group**”) are committed to upholding a high standard of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholder(s)**”) and the Company as a whole.

CORPORATE GOVERNANCE PRACTICES

The Stock Exchange of Hong Kong Limited has announced amendments to Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) which has been applied to corporate governance reports for financial years commencing on or after 1 January 2022. Appendix 14 of the Listing Rules has been restructured and renamed from “Corporate Governance Code and Corporate Governance Report” to “Corporate Governance Code” and the code provision numbers are updated. As such, the code provision numbers mentioned in this report are referring to the code provision numbers in the predecessor Appendix 14 to the Listing Rules unless otherwise stated.

The Company has adopted the code provisions set out in the Corporate Governance Code (“**CG Code**”) contained in the Listing Rules as its own code of corporate governance practices. Throughout the year ended 31 December 2022, and up to the date of this report, the Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has been in compliance with all applicable code provisions of the CG Code, except for the deviation from code provisions C.1.6 which provides that non-executive Directors should attend general meetings and develop a balanced understanding of the views of the shareholders of the Company. One non-executive Director was not able to attend the annual general meeting and the extraordinary general meeting of the Company both of which were held on 8 June 2022 due to other business engagements.

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

中國現代牧業控股有限公司(「本公司」)董事(「董事」)會(「董事會」)及本公司及其附屬公司(統稱「本集團」)管理層致力於維持高標準之企業管治，以維護本公司股東(「股東」)及本公司之整體利益為目標。

企業管治常規

香港聯合交易所有限公司已宣佈對香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四進行修訂，修訂適用於2022年1月1日或之後開始的財政年度的企業管治報告。上市規則附錄十四已獲重組，並從「企業管治守則及企業管治報告」更名為「企業管治守則」，守則條文編號亦已更新。因此，除另有說明外，本報告所提及守則條文編號乃為上市規則前附錄十四的守則條文編號。

本公司已採納上市規則所載企業管治守則(「企業管治守則」)的守則條文作為其本身的企業管治常規守則。於截至2022年12月31日止整個年度，直至本報告日期，董事會已審閱本公司的企業管治常規，並信納本公司已遵守企業管治守則的所有適用守則條文，惟守則條文第C.1.6條的偏離除外，該條規定非執行董事應出席股東大會，對本公司股東的意見有公正的了解。一名非執行董事由於其他公務而無法出席本公司於2022年6月8日舉行的股東週年大會及同日股東特別大會。

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



CONSTITUTIONAL DOCUMENTS

Adoption of the New Memorandum and Articles of Association

By a special resolution passed at the 2022 annual general meeting dated 8 June 2022, the second amended and restated memorandum and articles of association of the Company (the “**Articles of Association**”) were adopted. The purpose of the adoption was to, among others, conform with the Core Shareholders Protection Standards as set out in the amended Appendix 3 to the Listing Rules effective from 1 January 2022 and the relevant changes to the applicable laws of the Cayman Islands and the Listing Rules. Other minor amendments to the Articles were also made for corresponding as well as housekeeping changes. For the full text of the proposed Articles of Association, please refer to the Articles of Association and announcement of the Company both released on and dated 8 June 2022.

THE BOARD

Role of Directors

The Company is headed by the Board which assumes the responsibility for leadership and control and be collectively responsible for promoting the success of the Company by directing and supervising the Company’s affairs. The Board is accountable to the shareholders of the Company (“**Shareholders**”) for managing the Company in a responsible and effective manner. Every Director is committed to act in the best interest of the Company and to contribute their expertise and knowledge to the Company. The Board formulate strategic and holistic strategies, and monitors the Group’s performance on behalf of the Shareholders.

The Board determines the objectives, strategies and policies of the Group. In addition, the Board monitors and controls operating and financial performance in pursuit of the Group’s strategic objectives. The day-to-day management of the Group’s business is delegated to the chief executive officer and the management of the Group under the supervision of the executive Directors of the Company. In addition, the Board has also delegated various responsibilities to the board committees of the Company (the “**Board Committees**”). Matters reserved for the Board and Board Committees are those affecting the Group’s overall strategic policies, financial objectives, dividend policy, changes in accounting policies, material acquisition and disposal of assets, investments and other significant matters.

組織章程文件

採納新訂之組織章程大綱及細則

經2022年股東週年大會上通過的日期為2022年6月8日的特別決議案，本公司第二次經修訂及重訂之組織章程大綱及細則(「**組織章程細則**」)已獲採納。採納旨在(其中包括)符合上市規則經修訂附錄三所載自2022年1月1日起生效的核心股東保障水平以及開曼群島適用法律及上市規則的相關變動。此外，亦對細則進行其他細微修訂，以符合相應及內部管理變動。有關建議的組織章程細則全文，請參閱本公司於2022年6月8日發佈並且日期為同日的組織章程細則及公告。

董事會

董事之角色

本公司以負責領導及監控的董事會為首，並共同負責指導並監督本公司事務以促使本公司成功發展。董事會向本公司股東(「**股東**」)負責，以負責任及有效之方式管理本公司。每名董事均致力為本公司之最佳利益行事並以其專業技能及知識為本公司作出貢獻。董事會規劃戰略性及整體策略，並代表股東監察本集團之表現。

董事會決定本集團的目標、策略及政策。此外，董事會監察及控制本集團在實踐策略性目標時的經營及財務表現。本集團的總裁及管理層獲授權在本公司執行董事監督下負責本集團業務的日常管理。此外，董事會亦授權本公司董事委員會(「**董事委員會**」)履行不同職責。保留予董事會及董事委員會的事項包括影響本集團整體策略性政策、財務目標、股息政策、會計政策的變動、重大資產收購及出售、投資及其他重大事項。



CORPORATE GOVERNANCE REPORT

企業管治報告

For the year, the Board has established the Group's Corporate Culture Panorama which aligns with the Group's mission, vision, core value and strategy. Leading by enterprise spirit "Born to be strong and go beyond ourselves", the Directors and the management team promote the corporate culture, sharing the same vision and philosophy, together we strive for the better future of the Company.

As at 31 December 2022, the Board comprised nine Directors, including two executive Directors, namely, Mr. Sun Yugang, Mr. Zhu Xiaohui, four non-executive Directors, namely, Mr. Lu Minfang, Mr. Zhao Jiejun, Mr. Zhang Ping and Ms. Gan Lu, and three independent non-executive Directors, namely, Mr. Li Shengli, Mr. Lee Kong Wai, Conway, and Mr. Chow Ming Sang.

All Directors are aware of their collective and individual responsibilities to the Shareholders and have exercised their duties of care, skill and diligence. Comprehensive directors and officers liability insurance coverage is in place to provide protection to the Company, the Directors and senior management.

The Company has maintained on its website (www.moderndairyir.com) (the "Company Website") and the website of Hong Kong Exchange and Clearing Limited (www.hkexnews.hk) (the "HKEX Website") an updated list of its Directors identifying their roles and functions. Composition of the Board, by category of directors, is explicitly identified in all the Company's corporate communications.

There was no financial, business, family, or other material relationship between the Directors of the Company and in particular, between the Chairman of the Board of the Company and the Chief Executive Officer.

The biographical details of the Board members are set out in the "Biographies of Directors and Senior Management" on pages 46 to 53 of this annual report.

年內，董事會已制定本集團的企業文化全景圖，銜接著集團的使命、願景、核心價值及策略。本著「天生要強•與自己較量」的企業精神行事，董事會及管理層推動企業文化，集團上下一心為共同的願景與理念，為公司的未來共同奮鬥。

於2022年12月31日，董事會由九名董事組成：兩名執行董事(孫玉剛先生及朱曉輝先生)、四名非執行董事(盧敏放先生、趙傑軍先生、張平先生及甘璐女士)及三名獨立非執行董事(李勝利先生、李港衛先生及周明笙先生)。

全體董事均知悉彼等對股東所須承擔之共同及個別責任，彼等均以謹慎、專業及盡責之態度履行其董事職責。本公司已購買全面董事及管理人員責任保險，為本公司、董事及高級管理人員提供保障。

本公司已在其網站(www.moderndairyir.com) (「公司網站」)和香港交易及結算所有限公司網站(www.hkexnews.hk) (「香港交易所網站」)上備存經更新的董事名單並明確其角色和職能。董事會的組成(按董事類別)已在本公司的所有公司通訊中有明確表述。

本公司董事之間(尤其是本公司董事會主席與首席執行官之間)概無財務、業務、家族或其他重大關係。

董事會成員之履歷詳情載於本年報第46至53頁「董事及高級管理層履歷」。



Non-executive Directors

The non-executive Directors and the independent non-executive Directors give the Board the benefit of their skills, expertise, varied background and experiences. Through active participation in Board meetings and serving on various Board Committees, the non-executive Directors and the independent non-executive Directors bring in independent judgment and make valuable contributions to the effective direction and strategic decision making of the Group.

Each of the non-executive Directors is appointed for a specific term of 3 years, subject to retirement by rotation under the Articles of Association.

Independence of Independent Non-executive Directors

Each of the independent non-executive Directors is appointed for a specific term of 3 years, subject to retirement by rotation under the Articles of Association. Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang, two of the independent non-executive Directors, have the appropriate accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Board has received from each independent non-executive Director a written annual confirmation of their independence and is satisfied with their independence in accordance with the Listing Rules. The Company considers that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules. The number of independent non-executive Directors of the Company is three and represents at least one-third of the Board as required under Rules 3.10(1) and 3.10A of the Listing Rules.

Mr. Lee Kong Wai, Conway holds eight listed issuer directorships as the date of this annual report. As advised by Mr. Lee that he is a full time professional director and has high attendance for all kind of board meetings, such that the Company believes Mr. Lee can devote sufficient time to the Board and each of Board Committee he engaged with listed issuers and in compliance with Appendix 14 C.1.6 to the Listing Rules. Furthermore, although Mr. Li Shengli and Mr. Lee Kong Wai, Conway have served as independent non-executive Directors for more than 9 years. As independent non-executive Directors with in-depth understanding of the Company's operations and business, Mr. Li Shengli and Mr. Lee Kong Wai have expressed objective views and given independent guidance to the Company over the years, and they continue demonstrating a firm commitment to their roles. The Board considers that the long service of Mr. Li Shengli and Mr. Lee Kong Wai, Conway would not affect their exercise of independent judgement and is satisfied that Mr. Li Shengli and Mr. Lee Kong Wai, Conway have the required character, integrity and experience to continue fulfilling the role of independent non-executive Directors.

非執行董事

非執行董事及獨立非執行董事之技能、專業知識、不同的背景及經驗為董事會帶來裨益。透過積極參與董事會會議及為董事會轄下各委員會服務，非執行董事及獨立非執行董事均對本集團之業務方向及策略性決策帶來獨立判斷及作出寶貴貢獻。

各非執行董事有指定任期為期三年，須根據組織章程細則輪值退任。

獨立非執行董事之獨立性

各獨立非執行董事有指定任期為期三年，須根據組織章程細則輪值退任。兩名獨立非執行董事李港衛先生及周明笙先生擁有上市規則第3.10(2)條規定之適當會計或相關財務管理專業技能。董事會已接獲各獨立非執行董事就彼等之獨立性所作之書面年度確認，並根據上市規則信納彼等之獨立性。本公司認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立指引。本公司之獨立非執行董事之人數為三名和至少為董事會之三分之一，均符合上市規則第3.10(1)及3.10A條規定。

李港衛先生於本年報日出任八家上市發行人董事職位。誠如李先生告知彼為全職專業董事並於各種董事會會議具高出席率，因此本公司相信李先生可將足夠的時間投入到上市發行人的董事會及各個董事委員會中，並遵守上市規則附錄14第C.1.6條。此外，儘管李勝利先生及李港衛先生已擔任獨立非執行董事超過9年。多年來，李勝利先生和李港衛先生作為獨立非執行董事對公司業務和業務有深入了解，對本公司表達了客觀的看法，給予了獨立的指導並繼續表現對本公司的堅定支持。董事會認為李勝利先生及李港衛先生的長期服務不會影響其作出獨立判斷，並信納李勝利先生及李港衛先生具有要求的品格，正直並具有繼續履行獨立非執行董事職責的經驗。



CORPORATE GOVERNANCE REPORT

企業管治報告

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 Company's policies and practices on compliance with legal and regulatory requirements;
- (c) to review and monitor the training and continuous professional development of Directors and senior management;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (e) to review existing employee incentive schemes of the Company; and
- (f) to review the Company's compliance with Appendix 14 to the Listing Rules (CG Code) and Appendix 27 (Environmental, Social and Governance Reporting Guide).

During the year, the Board has fulfilled 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之企業管治政策及履行企業管治職責，其中包括：

- (a) 制定及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察本公司遵守法律及監管規定的政策及常規；
- (c) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (d) 制定、檢討及監察適用於僱員及董事的操守守則及合規手冊(如有)；
- (e) 檢討本公司現有僱員激勵計劃；及
- (f) 檢討本公司是否符合上市規則附錄14(企業管治守則)及附錄27(環境、社會及管治報告指引)。

年內，董事會已通過檢討本公司的企業管治常規履行企業管治職能。



Chairman of the Board (“Chairman”) and Chief Executive Officer (“CEO”)

The Chairman is responsible for ensuring that the Board is functioning properly, with good corporate governance practices and procedures. The Chairman also steers the Board and the Company towards its corporate goals.

The CEO is responsible for the effective implementation of the overall strategies and initiatives adopted by the Board as well as the daily operation of the Group. For the year, the Chairman of the Board was Mr. Lu Minfang, and the CEO was Mr. Sun Yugang, the executive Director, who was promoted by the Board from acting CEO to CEO of the Group with effect from June 30, 2022. Mr. Lu Minfang resigned as non-executive Director and Chairman of the Board, and Mr. Zhao Jiejun, the non-executive Director was promoted by the Board as the Chairman of the Board, both changes took effect from February 1, 2023.

With the support of the CEO and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues brought up at Board meetings and that they receive adequate and reliable information in relation to matters discussed at Board meetings and also other affairs of the Group on a monthly basis in order to enable the Directors to assess the Group’s performance, position and prospects in sufficient details.

COMPANY SECRETARY

Mr. Li Kwok Fat, has been the company secretary and financial controller of the Company since 2016. During the year, Mr. Li undertook not less than 15 hours of the relevant professional training to update his skills and knowledge. The company secretary is responsible for facilitating the Board process, as well as communication among Board members, with Shareholders and management.

All Directors have access to the advice and service of the Company Secretary to ensure that the Board procedures, all applicable rules and regulations are followed.

董事會主席(「主席」)及總裁(「總裁」)

主席負責確保董事會按良好之企業管治常規及措施正常運作。主席亦引領董事會及本公司向企業目標邁進。

總裁負責有效實施董事會採納之整體策略及創新措施以及本集團之日常營運。年內，董事會主席為盧敏放先生，集團總裁為孫玉剛先生(執行董事，於2022年6月30日獲董事會從本集團執行總裁晉升為集團總裁)。盧敏放先生於2023年2月1日辭任非執行董事及董事會主席，同日非執行董事趙傑軍先生獲董事會晉升為董事會主席。

在總裁及公司秘書之支持下，主席尋求確保全體董事正確了解關於在董事會會議上提出之事宜，並每月獲得有關於董事會會議上討論之事宜及本集團其他事務之充足和可靠之資料，以使董事能詳細評估本集團的表現、狀況及前景。

公司秘書

李國發先生自二零一六年起擔任本公司的公司秘書及財務總監。年內，李先生接受不少於15小時的相關專業培訓以更新其技能及知識。公司秘書負責促進董事會程序以及董事會成員之間、與股東及管理層的溝通。

全體董事均可獲得公司秘書的建議與服務，以確保遵守董事會程序、所有適用規則與法規。



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD PROCEDURES

During the year ended 31 December 2022, the Board has held four meetings to discuss the overall strategy as well as the operations and financial performance of the Group. The Directors participated in person or through electronic means of communication. Details of the Directors' attendance at the Board and Board Committee meetings and the annual general meeting and extraordinary general meeting of the Company held on 8 June 2022 are set out as follows:

董事會程序

截至2022年12月31日止年度，董事會舉行四次會議，討論整體策略以及本集團之業務及財務表現。董事可親身或透過電子通訊方式與會。董事出席董事會、董事委員會會議及本公司於2022年6月8日舉行的股東週年大會及股東特別大會情況的詳情載列如下：

Name of Director	董事姓名	Number of Board meetings, Board Committee meetings and general meetings attended/held during the year				
		General Meeting 股東大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors		執行董事				
Mr. Sun Yugang (Chief Executive Officer) ^{Note 1}	孫玉剛先生(總裁) ^{附註1}	2/2	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Zhu Xiaohui (Chief Financial Officer)	朱曉輝先生(首席財務官)	2/2	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Non-executive Directors		非執行董事				
Mr. Lu Minfang (Chairman of the Board) ^{Note 2}	盧敏放先生(董事會主席) ^{附註2}	1/2	4/4	N/A 不適用	N/A 不適用	1/1
Mr. Zhang Ping	張平先生	2/2	4/4	3/3	2/2	N/A 不適用
Mr. Zhao Jiejun (Vice Chairman of the Board) ^{Note 2}	趙傑軍先生(董事會副主席) ^{附註2}	2/2	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Ms. Gan Lu	甘璐女士	2/2	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors		獨立非執行董事				
Mr. Li Shengli	李勝利先生	2/2	4/4	N/A 不適用	2/2	N/A 不適用
Mr. Lee Kong Wai, Conway	李港衛先生	2/2	4/4	3/3	N/A 不適用	1/1
Mr. Chow Ming Sang	周明笙先生	2/2	4/4	3/3	2/2	1/1

Notes:

- Mr. Sun Yugang was promoted to CEO of the Group on 30 June 2022.
- Mr. Lu Minfang resigned as non-executive Director and Chairman of the Board on 1 February 2023 and Mr. Zhao Jiejun was redesignated as the Chairman of the Board on the same date.

附註：

- 孫玉剛先生於2022年6月30日獲晉升為本集團總裁。
- 盧敏放先生於2023年2月1日辭任非執行董事及董事會主席，同日趙傑軍先生獲調任為董事會主席。



The Board and each Director have separate and independent access to the Company's senior management for information and may make inquiries if necessary. Directors of the Company who considers it necessary to seek independent professional advice in order to perform his/her duties as a Director of the Company may convene, or request the Company Secretary to convene, a meeting of the Board to approve the consultation of independent legal or other professional advisor for advice at Company's expenses. For regular Board meetings, an agenda and accompanying board papers of the meeting are sent to all Directors before the proposed date of a meeting. Additional Board meetings, if necessary, are arranged and held as and when required. During the year, the Chairman met with the non-executive Directors and the independent non-executive Directors without the presence of other executive Directors to exchange views on matters concerning the business development, management and corporate governance of the Group.

The Board should regularly review the contribution required from a Director to perform his/her responsibilities to the Company, and whether the Director is spending sufficient time performing them. The Board recognizes the importance and benefits of conducting regular evaluation of its performance. An internal Board evaluation would conduct annually in the form of questionnaire or other methods with the aim of soliciting valuable feedback, improving the effectiveness and enhancing accountability of the Board.

Every Director is entitled to access the advice and services of the Company Secretary with a view to ensure that the Board procedures, and all applicable rules and regulations, are complied with. All minutes are kept by the Company Secretary and are open for inspection by any Director during normal office hours with reasonable advance notice.

董事會及各董事可個別及獨立地向本公司高級管理層索取資料並可必要時作出查詢。本公司董事在履行其作為本公司董事之職責而認為需尋求獨立專業建議時可召開或要求公司秘書召開董事會會議，以批准向獨立法律或其他專業顧問徵求意見，費用由本公司承擔。就例行董事會會議而言，會議之議事日程及隨附之董事會文件將於會議預定日期前送呈全體董事。於需要時會安排及舉行附加董事會會議(如需要)。年內，主席在其他執行董事未出席的情況下與非執行董事及獨立非執行董事會面，就本集團的業務發展、管理及企業管治等事宜交換意見。

董事會須定期檢討董事履行對本公司的責任所作出的貢獻及有否投入足夠的時間。董事會深明對其績效進行定期評估的重要性及裨益。董事會每年均會以問卷形式或其他方式進行董事會內部評估，旨在徵求寶貴的反饋意見，以提高董事會的效率並加強問責性。

各董事均有權為確保遵守董事會程序以及所有適用規則及規例而獲得公司秘書之建議及服務。所有會議記錄均由公司秘書保存，並可於提供合理之事先通知後在任何正常辦公時間內供任何董事查閱。



CORPORATE GOVERNANCE REPORT

企業管治報告

Appointment, Re-election of Directors and Removal

In accordance with the CG Code and the Articles of Association, all Directors (including independent non-executive Directors) are subject to retirement by rotation once every three years. Each Director 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 17.18 of the articles of association of the Company. 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 following annual general meeting or the following general meeting of the Company after the appointment and be subject to election at such meeting pursuant to Article 17.2 of the Articles of Association. 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 annual general meeting.

DIVERSITY POLICY

The Board has adopted board diversity policy (available on the Company Website), which sets out the approach to diversity of Board members. In determining the Board's composition, the Company considers a range of diversity elements, including but not limited to gender, age, cultural and education, professional experience, skills and knowledge. All appointments of the Board will be made based on meritocracy and objective criteria while taking into full account of the interest of Board's diversity. The Company highly recognizes the benefits of having a diverse Board with various insights from different perspectives. The Nomination Committee has primary responsibility for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board.

董事之委任、重選及罷免

根據企業管治守則及組織章程細則，全體董事(包括獨立非執行董事)均須每三年輪值退任一次。各董事已與本公司訂立為期三年的委任函。根據本公司組織章程細則第17.18條，董事須於本公司各屆股東週年大會輪值退任及重選。獲委任為董事會新增成員或填補董事會臨時空缺的董事，將須於獲委任後的本公司下屆股東週年大會或下屆股東大會上由股東重選並根據組織章程細則第17.2條的規定在該次會議上進行選舉。另外，倘提名重選的獨立非執行董事在本公司任職超過九年，其重選將須於股東週年大會上通過獨立決議案批准後方可作實。

多元化政策

董事會已採納董事會多元化政策(可於公司網站上查閱)，其中載有董事會成員多元化之方針。本公司在釐定董事會成員組合時，會從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並以客觀準則考慮人選，充分顧及董事會多元化的裨益。本公司高度認同多元化董事會的好處，該董事會擁有來自不同角度的各種見解。提名委員會主要負責物色及提名合適的合資格人選成為董事會成員，以供董事會批准。



As at date of this report, the Board comprises nine Directors with one lady and eight gentlemen with different backgrounds and professionalism. Three of the Directors are independent non executive Directors, each of whom promoting a critical review and control of the board management process. Having reviewed the board diversity policy and the Board's composition, the Nomination Committee considered that the requirements of the board diversity policy had been met and no measurable objective had been set to implement the board diversity policy.

In 2022, the Company's gender ratio of the workforce (including senior management) is 67.32%:32.68% (male to female), maintaining a good and healthy gender ratio of the workforce. The Company endeavours to eliminate gender discrimination, supports gender equality, and protects the legal rights and benefits of female employees. The Company follows all internationally recognised human rights policies stated in the United Nations Universal Declaration of Human Rights, the International Bill of Human Rights and other core conventions of the International Labor Organization. The Company treats employees with different nationalities, ethnicities, races, genders, religious beliefs and cultural backgrounds equally and fairly, prohibits the employment and use of child labour, respects and protects the legitimate rights and interests of all employees. For details, please refer to the Company's ESG Report.

The Board will from time to time review the diversity policy, as appropriate, to ensure its effectiveness.

於本報告日期，董事會由一名女士及八名男士各具不同背景及專業的九名董事所組成，當中，三名為獨立非執行董事，彼等負責促進董事會管理過程中的批判性檢討及監控角色。經檢討董事會多元化政策及董事會組成後，提名委員會認為董事會多元化政策的要求已達到，並無設定可衡量的目標以執行董事會多元化政策。

2022年，本公司員工性別比例為67.32%：32.68%（男女比例），保持了良好、健康的員工性別比例。本公司致力消除性別歧視，支持性別平等，保護女性員工的合法權益。本公司遵循聯合國《世界人權宣言》、《國際人權公約》和國際勞工組織核心公約等國際公認的人權政策，堅持平等對待不同國籍、民族、種族、性別、宗教信仰和文化背景的員工，堅決禁止僱傭和使用童工，尊重和保護所有員工的合法權益，詳情請參考本公司ESG報告。

董事會將不時檢討多元化政策，以確保其有效性。



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CONTINUOUS PROFESSIONAL DEVELOPMENT

According to the code provision C.1.4 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant. The Company shall be responsible for arranging suitable training for all Directors at the Company's expense. The Group continuously updates the Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices. For newly appointed Director, an induction package will be given to ensure that he has a proper understanding of the operations, business and governance policies of the Group.

A summary of training received by the Directors for the year ended 31 December 2022 according to the records provided by the Directors is as follows:

持續專業發展

根據企業管治守則之守則條文第C.1.4條規定，全體董事應參與持續專業發展，發展及更新其知識及技能，以確保彼等向董事會作出知情及恰當之貢獻。本公司應負責為全體董事安排適當之培訓，費用由本公司承擔。本集團持續向董事提供上市規則及其他適用監管規定的最新發展的更新資料，以確保合規和增強董事對良好企業管治常規的意識。對於新委任董事，本集團將提供入職培訓，以確保其適當了解本集團之經營、業務及管治政策。

根據董事所提供的記錄，董事於截至2022年12月31日止年度所接受的培訓概述如下：

Directors	董事	Attending briefings, seminars, conference and/or reading materials relevant to the director's duties and responsibilities 出席說明會、研討會、會議及／或閱覽有關董事職責的讀物
Executive Directors	執行董事	
Mr. Sun Yugang (<i>Chief Executive Officer</i>)	孫玉剛先生(總裁)	✓
Mr. Zhu Xiaohui (<i>Chief Financial Officer</i>)	朱曉輝先生(首席財務官)	✓
Non-executive Directors	非執行董事	
Mr. Lu Minfang (<i>Chairman of the Board</i>)	盧敏放先生(董事會主席)	✓
Mr. Zhang Ping	張平先生	✓
Mr. Zhao Jiejun (<i>Vice Chairman of the Board</i>)	趙傑軍先生(董事會副主席)	✓
Ms. Gan Lu	甘璐女士	✓
Independent Non-executive Directors	獨立非執行董事	
Mr. Li Shengli	李勝利先生	✓
Mr. Lee Kong Wai, Conway	李港衛先生	✓
Mr. Chow Ming Sang	周明笙先生	✓



BOARD COMMITTEES

In order to oversee particular aspects of the Group, the Company had established five Board Committees under the Board, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, Sustainability Committee, and the Strategy and Development Committee with the defined terms of reference in line with the CG Code. Except the terms of reference of Sustainability Committee and the Strategy and Development Committee, the terms of reference are published on the HKEX Website and Company Website. The Board Committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice in appropriate circumstances upon request. Details of these Board committees including their composition, major responsibilities and functions and work performed are as follows:

Remuneration Committee

The chairman of the Remuneration Committee is Mr. Li Shengli and other members are Mr. Zhang Ping and Mr. Chow Ming Sang. The Remuneration Committee is chaired by an independent non-executive Director and the majority being independent non-executive Directors of the Company.

The primary functions of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration for all the Directors and senior management of the Group, and make recommendations of the remuneration packages for all the executive Directors, non-executive Directors and the senior management to the Board.

The Company's emolument policy is to ensure that the remuneration offered to employees including executive Directors and senior management of the Group is based on the skills, knowledge, responsibilities and involvement in the Company's and the Group's affairs, and to uphold a fair and competitive remuneration assessment mechanism. The remuneration packages are also determined by reference to the Company's performance and profitability, remuneration level in the industry and the prevailing market conditions. The emolument policy for independent non-executive Directors, mainly comprising Directors' fees, is subject to annual assessment with reference to the market standard. Individual Directors and senior management would not be involved in deciding their own remuneration. The Remuneration Committee has been provided with sufficient resources to discharge its duties.

董事委員會

為監督本集團在特定方面的事務，本公司已於董事會轄下設立五個董事委員會，即審核委員會、薪酬委員會、提名委員會、可持續發展委員會以及戰略及發展委員會，界定職權範圍與企業管治守則相符。除可持續發展委員會以及戰略及發展委員會的職權範圍外，職權範圍於香港交易所網站及公司網站內公佈。董事委員會獲提供足夠資源以履行其職務，並能在適當情況下應要求尋求獨立專業意見。有關該等董事委員會之詳情(包括其組成、主要責任及職能)及所進行之工作如下：

薪酬委員會

薪酬委員會主席為李勝利先生，其他成員為張平先生及周明笙先生。薪酬委員會由獨立非執行董事出任主席，其大部分成員為本公司獨立非執行董事。

薪酬委員會之基本職能乃就本集團全體董事及高級管理層之本公司薪酬政策及結構向董事會提供建議，就所有執行董事、非執行董事及高級管理層之薪酬組合向董事會提供建議。

本公司之薪酬政策旨在確保向僱員(包括本集團執行董事及高級管理層)提供之薪酬乃基於其技能、知識、職責及參與本公司及本集團事務而釐定，並堅持公平競爭的薪酬考核機制。薪酬組合亦參照本公司之業績及盈利狀況、行業薪酬水平以及當前市場狀況而釐定。獨立非執行董事之薪酬政策(主要包括董事袍金)須參照市場標準每年進行評估。個別董事及高級管理層不會參與其各自薪酬之釐定。薪酬委員會已獲提供足夠資源履行其職責。



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During the year, the Remuneration Committee has held two meetings and reviewed, discussed and approved the remuneration for the executive Directors and senior management of the Group to ensure that the level of remuneration is linked to their level of responsibilities undertaken, reviewed the remuneration policy and made recommendation to the Board for the remuneration for the non-executive Directors for its approval. Remuneration Committee has also reviewed the remuneration policy and employee incentive schemes of the Company, as well as reviewing and approving matters relating to share scheme of the Company under chapter 17 of Listing Rules.

The remuneration of the members of the senior management by band for the year ended 31 December 2022 is set out below:

年內，薪酬委員會舉行兩次會議，並審閱、討論及批准本集團執行董事及高級管理層之酬金以確保薪酬水平與彼等承擔的責任水平掛鉤並審閱薪酬政策，並就非執行董事之薪酬向董事會提供建議以供其審批。薪酬委員會亦審閱本公司的薪酬政策及僱員激勵計劃及審視和批准與上市規則第17章規定本公司的股份計劃有關的事項。

高級管理層成員截至2022年12月31日止年度之酬金範圍如下：

Remuneration bands (HK\$) 酬金範圍(港元)	Number of persons 成員人數
0-5,500,000	0
5,500,001-6,000,000	1
6,000,001-6,500,000	1
6,500,001-7,000,000	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 12 and 13 to the consolidated financial statements.

根據上市規則附錄16須就董事酬金以及五名最高薪酬人士披露之進一步詳情，載於綜合財務報表附註12及13。

Audit Committee

As at 31 December 2022, the Audit Committee comprised two independent non-executive Directors, namely, Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang and one non-executive Director, Mr. Zhang Ping. Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang possess the relevant professional qualifications required under the Listing rules. The chairman of the Audit Committee is Mr. Lee Kong Wai, Conway.

審核委員會

於2022年12月31日，審核委員會由兩名獨立非執行董事李港衛先生及周明笙先生以及一名非執行董事張平先生組成。李港衛先生及周明笙先生擁有上市規則所規定的相關專業資格。審核委員會主席為李港衛先生。



The primary responsibilities of the Audit Committee are to oversee the Group's financial reporting system, risk management system and internal control procedures, and to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with the applicable standard. The Audit Committee has been provided with sufficient resources to discharge its duties.

審核委員會的主要職責為監察本集團之財務申報系統、風險管理系統及內部監控程序，並按適用標準審閱及監察外聘核數師之獨立性及客觀性以及審核程序之有效性。審核委員會已獲提供足夠資源履行其職責。

The Audit Committee held three meetings during the year. Major work completed by the Audit Committee during the year includes:

審核委員會於年內舉行三次會議。審核委員會於年內完成的重要工作包括：

- reviewed the Group's annual report, interim financial information and annual consolidated financial statements;
 - reviewed significant accounting and audit issues;
 - reviewed the external auditor's qualifications, independence and performance;
 - reviewed the external auditor's management letter and the management's response;
 - reported to the Board on matters relating to the Audit Committee under the CG Code;
 - assisted the Board to evaluate on the effectiveness of financial reporting procedures and internal control system;
 - reviewed the adequacy and effectiveness of the Group's systems of internal control and risk management and the effectiveness of the internal audit function, including advising on identification of connected parties and formulating relevant policies;
 - reviewed the connected and continuing connected transactions entered into by the Group or subsisting during the financial year before recommending them to the Board for approval;
 - reviewed the strategies for the development of environmental, social and governance of the Group;
 - reviewed the utilisation of annual caps on certain continuing connected transactions of the Group; and
- 審閱本集團的年報、中期財務資料及年度綜合財務報表；
 - 審閱主要會計及核數事宜；
 - 審閱外聘核數師的資格、獨立性及表現；
 - 審閱外聘核數師的管理函件及管理層回應；
 - 根據企業管治守則向董事會報告有關審核委員會的事宜；
 - 協助董事會評估財務申報流程及內部監控系統的有效性；
 - 審閱本集團內部監控及風險管理系統的合適性及有效性以及內部審計職能的有效性，包括就有關關連人士之識別以及相關政策的制定提供意見；
 - 審閱於財政年度由本集團訂立或存續之關連及持續關連交易後再向董事會作出建議以供批准；
 - 審閱本集團環境、社會及管治發展策略；
 - 審閱本集團若干持續關連交易之年度上限使用度；及



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- reviewed adequacy and effectiveness of the Group's systems of anti-corruption policy and whistle-blowing mechanism, 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.

Nomination Committee

Currently, the Nomination Committee comprises one non-executive Director Mr. Zhao Jiejun and two independent non-executive Directors, namely, Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang. Mr. Zhao Jiejun was redesignated by the Board as the chairman of the Nomination Committee along with the resignation of Mr. Lu Minfang who resigned on 1 February 2023.

The primary duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; assess the independence of independent non-executive directors; and make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive. The Nomination Committee has been provided with sufficient resources to discharge its duties.

During the year, the Nomination Committee held one meetings and has reviewed and recommended the structure, diversity, size and composition (including skills, knowledge and experience) of the Board. It reviewed the independence of the independent non-executive Directors. It also made recommendations to the Board on retiring Directors for re-election at the annual general meeting held on 8 June 2022.

The terms of reference of the nomination committee are available on the Company Website and the HKEX Website.

- 審閱本集團反貪污政策及舉報機制的充分性及有效性及審閱本公司僱員及與本公司有往來的人員可以私下使用的安排，以對財務報告、內部控制或其他事項中可能存在的不當行為提出疑慮。

提名委員會

目前，提名委員會由一名非執行董事趙傑軍先生以及兩名獨立非執行董事李港衛先生及周明笙先生組成。趙傑軍先生獲董事會調任為提名委員會主席以接任於2023年2月1日退任的盧敏放先生。

提名委員會之主要職責為最少每年檢討董事會之架構、規模及組成(包括技巧、知識及經驗)及就任何建議變動向董事會作出推薦建議，以補足本公司之企業策略；物色適當之合資格人士成為董事會成員及進行甄選或就甄選獲提名董事擔任董事職務向董事會作出推薦建議；評估獨立非執行董事之獨立性；以及就委任或重新委任董事及董事繼任計劃(特別是董事會主席及總裁)向董事會作出推薦建議。提名委員會已獲提供足夠資源履行其職責。

年內，提名委員會舉行一次會議，並檢討董事會之架構、多元性、規模及組成(包括技能、知識及經驗)及作出推薦建議。其亦檢討獨立非執行董事之獨立性，並就於2022年6月8日舉行的股東週年大會上重選的退任董事向董事會提出推薦建議。

提名委員會的職權範圍可於公司網站及香港交易所網站查閱。



Nomination Policy

The Company adopted a nomination policy for directorship (the “**Nomination Policy**”, available on the Company Website) in 2018 which supplemental to the Terms of Reference of the Nomination Committee of the Board (the “**Nomination Committee**”). It aims at setting out the processes and criteria for the nomination of a candidate for directorship in the Company and ensures that all nominations of Board members are fair and transparent in order to facilitate the constitution of the Board with a balance of skills, experience and diversity of perspectives that is appropriate to the requirements of the Company’s business.

Strategy and Development Committee

The Strategy and Development Committee comprised one executive Director, Mr. Sun Yugang, three non-executive Directors, namely, Mr. Zhao Jiejun, Mr. Chen Yiyi and Ms. Gan Lu, and one independent non-executive Director, Mr. Li Shengli. The Strategy and Development Committee is chaired by Mr. Zhao Jiejun.

The principal duties of the Strategy and Development Committee include advising on long-term development strategies and significant investments of the Group, and conducting studies and making recommendations on important matters that would affect the development of the Company.

Sustainability Committee

The Board has established the Sustainability Committee on August 24, 2022. The principal responsibilities of the Sustainability Committee include evaluating and making decisions on the Group’s sustainability, environmental, social and governance development strategies, reviewing the Group’s sustainability strategies, objectives and risk identification and monitoring the performance of implementing ESG strategies.

提名政策

本公司於2018年採納董事提名政策(「**提名政策**」, 可於公司網站上查閱), 補充董事會提名委員會(「**提名委員會**」)職權範圍。其旨在列明提名本公司董事候選人之程序及標準, 並確保董事會成員的所有提名屬公平及透明, 從而促進構建董事會, 以平衡符合本公司業務規定的技能、經驗及多元發展。

戰略及發展委員會

戰略及發展委員會由一名執行董事(孫玉剛先生)、三名非執行董事(即趙傑軍先生、陳易一先生及甘璐女士)及一名獨立非執行董事(李勝利先生)組成。趙傑軍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包括就本集團的長期發展策略及重大投資, 及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

董事會於2022年8月24日成立可持續發展委員會。可持續發展委員會的主要職責包括評估及決策本集團的可持續發展、環境、社會及管治發展策略; 審議本集團可持續發展戰略、目標及風險識別; 監督ESG策略落實績效。



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Members of the Sustainability Committee comprise Mr. Sun Yugang and Mr. Zhu Xiaohui (executive Directors), Mr. Zhang Ping (non-executive Director) and Mr. Li Shengli and Mr. Lee Kong Wai, Conway (independent non-executive Directors). Mr. Zhang Ping was appointed as the chairman of the Sustainability Committee.

AUDITOR'S REMUNERATION

The Group's external auditors are Deloitte Touche Tohmatsu. The Audit Committee is responsible for the appointment of external auditors and reviewing the non-audit services (including any potential conflict of interest) performed by the external auditors. The amount of fees charged by the auditor generally depends on the scope and volume of the auditor's work. For the year, the remuneration to the auditor of the Company were approximately RMB3.00 million (2021: RMB2.60 million) for audit services and RMB1.79 million for non-audit services, including RMB1.40 million for interim review and RMB0.39 million for other service (2021: RMB1.89 million, including RMB0.75 million for interim review, RMB0.95 million for other assurance service and RMB0.19 million for other service).

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE ACCOUNTS

The Directors acknowledge their responsibility to prepare the consolidated financial statements that give a true and fair view of the state of affairs of the Group. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. In preparing the consolidated financial statements for the year ended 31 December 2022, the requirements of the International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRSs") issued by the International Accounting Standards Board and the applicable laws were complied with.

The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as going concern. The Board has prepared the consolidated financial statements on a going concern basis.

The reporting responsibilities of external auditors of the Company are disclosed in "Independent Auditor's Report" on pages 117 to 122 of this annual report.

可持續發展委員會成員由執行董事孫玉剛先生及朱曉輝先生、非執行董事張平先生及獨立非執行董事李勝利先生及李港衛先生組成。張平先生獲委任為可持續發展委員會主席。

核數師酬金

本集團的外聘核數師為德勤•關黃陳方會計師行。審核委員會負責委任外聘核數師及審閱外聘核數師提供的非審核服務(包括任何潛在利益衝突)。核數師之酬金一般根據核數師之工作範疇及數量而釐定。年內，就本公司核數師提供之核數服務酬金約為人民幣3.00百萬元(2021年：人民幣2.60百萬元)及非審核服務酬金人民幣1.79百萬元(包括中期審閱的人民幣1.40百萬元及其他服務的人民幣0.39百萬元(2021年：人民幣1.89百萬元(包括中期審閱的人民幣0.75百萬元、其他鑒證服務的人民幣0.95百萬元及其他服務的人民幣0.19百萬元))。

董事與核數師關於賬目之責任

董事確認彼等有責任編製真實公允地反映本集團狀況之綜合財務報表。同時，董事亦負責確保選擇及貫徹應用適當之會計政策；及所作之判斷及估計為審慎合理。於編製截至2022年12月31日止年度之綜合財務報表時，已遵守國際會計準則理事會頒佈之國際財務報告準則、國際會計準則及詮釋(統稱「國際財務報告準則」)之規定及適用法例。

董事會並不知悉與可能對本集團持續經營能力造成重大疑問之事件或狀況有關之任何重大不明朗因素。董事會已按持續經營基準編製綜合財務報表。

本公司外聘核數師之報告責任於本年報第117至122頁「獨立核數師報告」內披露。



Pursuant to code provision D.1.2 of the CG Code, the management of the Company has provided all members with monthly updates giving a fair and understandable assessment of the Company's performance, financial position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge his duties under Rule 3.08 and Chapter 3 of the Listing Rules during the year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for annually reviewing the effectiveness of the risk management and internal control system of the Group. The scope of the review is determined and recommended by the Audit Committee. The review covers all material controls, including financial, operational and compliance controls and risk management functions. Such review also considers the adequacy of resources, qualifications and experience of the staff of the Company in relation to its accounting and financial reporting function, and their training programmes and budget. Risk management and internal control review reports are circulated to the Audit Committee members and the Board in accordance with the approved scope.

During the year, the Group has complied with Code Provision D.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. The major features of the risk management and internal control systems are set out as below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- Evaluation: Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitoring of the residual risks.

根據企業管治守則的守則條文第D.1.2條，本公司管理層已於年內每月向全體成員提供最新資料，就本公司之表現、財務狀況及前景詳細提供公正及易於理解之評估，使全體董事會及各董事能根據上市規則第3.08條及第3章履行其職責。

風險管理及內部監控

董事會負責每年檢討本集團風險管理及內部監控系統之有效性。檢討範圍由審核委員會決定及建議。該檢討涵蓋所有重要監控範圍，包括財務監控、運作監控、合規監控及風險管理職能。該檢討亦考慮本公司會計及財務報告部門之人力資源是否充裕以及是否有足夠具備所需資格及經驗之員工、員工培訓計劃及預算。根據已批准之範疇，將風險管理及內部監控檢討報告傳送予審核委員會成員及董事會。

年內，本集團已遵守企業管治守則的守則條文第D.2條，建立適當及有效的風險管理及內部監控系統。風險管理及內部監控系統的主要特點載於下文：

風險管理系統

本集團採納的風險管理系統管理與其業務及營運相關的風險。該系統包括以下階段：

- 識別：識別風險歸屬、業務目標及可能影響目標實現的風險。
- 評估：分析風險的可能性及影響，並據此評估風險組合。
- 管理：考慮風險回應措施，確保與董事會有效溝通並持續監控剩餘風險。



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The Board together with senior management monitor and assess risk regularly, boost related management standards and evaluate investment projects. Based on the risk assessments conducted for the year under review, no significant risk was identified.

Internal Control System

The Company has in place an internal control system. The framework of the system enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

- **Control Environment:** A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- **Risk Assessment:** A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- **Control Activities:** Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- **Information and Communication:** Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- **Monitoring:** Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

Internal Audit

Internal audit is an independent function reporting to the Audit Committee and senior management of the Group. It provides an independent and objective assurance to safeguard the Group's operations. It effectuates a systematic and disciplined approach to evaluate and improve the Group's process on risk management, internal control and governance. The risk based audit plans ensure that high risk areas of the Group's operations and resources are specifically attended to ad hoc reviews are conducted on areas of concern where necessary.

董事會連同高級管理層定期監控及評估風險，推進相關管理標準及評估投資項目。基於就回顧年度所作風險評估，並無識別重大風險。

內部監控系統

本公司設有內部監控系統。該系統框架使本集團能夠實現有關運營有效性及效率、財務報告可靠性以及遵守適用法律及法規的目標。該框架的組成部分列示如下：

- **監控環境：**為於本集團進行內部監控提供基礎的一套準則、程序及架構。
- **風險評估：**為識別及分析風險以實現本集團目標制定動態而反覆更新的程序，為釐定如何管理風險提供基礎。
- **監控活動：**根據政策及程序確立的行動，以確保管理層減低風險以致達成目標的指示獲得履行。
- **資訊及溝通：**為本集團提供進行日常監控所需資訊的內部及外部溝通。
- **監控：**持續及獨立評估以確定內部監控的各組成部分是否存在及運作正常。

內部審核

內部審核為向審核委員會及本集團高級管理層報告的獨立職能，提供獨立及客觀核證以保障本集團的營運。其採取有序自律的方法評估及改善本集團的風險管理、內部監控及管治。審核計劃以風險作基礎，確保重點關注本集團營運及資源中的高風險領域。必要時會就關注範疇進行特別檢討。



The Board, through the Audit Committee, reviews the adequacy of resources, training programmes, budget, qualifications and experience of the accounting, internal audit and financial reporting staff in accordance with the requirements of the Listing Rules. The Audit Committee and the Board review the effectiveness of the risk management and internal control systems of the Group and fulfill the requirement of the CG Code regarding risk management and internal control systems in general. During the year, the internal audit department has conducted audit on farms at different regions of the Group and reported to the senior management. The internal audit department of the Group has also reviewed the connected transaction of the Group and report to Audit Committee.

Based on the internal control reviews conducted for the year, no significant control deficiency was identified, and the financial internal control system, and risk management system, procedures and policies are in place.

The Audit Committee is satisfied that the risk management system and internal control system maintained by the Group are sufficient to provide reasonable, but not absolute, assurance that the Group's assets are safeguarded against loss from unauthorized use or disposition, and that transactions are properly authorized and proper accounting records are properly maintained.

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

董事會根據上市規則規定透過審核委員會檢討資源、培訓課程、預算、會計資格及經驗、內部審核及財務報告員工是否充足。審核委員會及董事會檢討本集團風險管理及內部監控系統的成效，並大致符合與風險管理及內部監控系統有關的企業管治守則規定。年內，內部審核部門已就本集團不同區域的牧場進行審核並向高級管理層報告。本集團內部審核部門亦就本集團的關連交易作出審閱並向審核委員會報告。

根據於年內進行的內部監控審閱，並無發現任何重大監控缺陷，財務及內部監控，風險管理系統、程序和政策均行之有效。

審核委員會信納本集團所保持的風險管理系統與內部監控系統足以提供合理但非絕對的保證，即保障本集團的資產免遭未經授權使用或處置所帶來的損失、交易經正式授權以及妥善存置適當的會計記錄。

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進行了詳細規定。

- 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
- 問責及處理措施



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The senior management has reviewed the risk management and internal control system of the Group for the year and considered them to be effective and adequate.

The Group will continue to enhance the system to cope with the changes in the business environment.

DIVIDEND POLICY

The Company adopted a dividend policy on 17 December 2018 (the “**Dividend Policy**”). Under the Dividend Policy, the declaration and payment of dividends shall be determined at the sole discretion of the Board. The Company’s ability to distribute dividends will depend on, among others, the profits, operating results, cash flow, financial condition, contractual restrictions, capital requirements and other factors of the Company which the Directors consider relevant, and the interests of the shareholders of the Company. The remaining profit will be used for the development and operation of the Group.

The Company’s distribution of dividends shall also comply with any restrictions under the applicable laws of the Cayman Islands, the laws of Hong Kong, the Listing Rules and the Articles of Association of the Company, as well as subject to the approval of shareholders of the Company.

MECHANISMS ENSURING INDEPENDENT VIEWS AVAILABLE TO THE BOARD

The Company has put in place a mechanism as set out below to ensure independent views and input are available to the Board during the year.

Composition of the Board and Board Committees

The Board endeavours to ensure the appointment of at least three independent non-executive directors (“**INED(s)**”) and at least one-third of its members being INEDs (or such higher threshold as may be required by the Listing Rules from time to time). Apart from complying with the requirements prescribed by the Listing Rules as to the composition of certain Board committees, INEDs will be appointed to other Board committees as far as practicable to ensure independent views are available.

高級管理層已檢討本集團於年內的風險管理及內部監控系統，並認為其有效且充足。

本集團將繼續改進該系統以應對業務環境之變化。

股息政策

本公司已於2018年12月17日採納股息政策(「**股息政策**」)。根據股息政策，股息宣派及派付應由董事會全權酌情決定。本公司分派股息的能力將取決於(其中包括)本公司的溢利、經營業績、現金流量、財務狀況、合約限制、資本要求及董事認為相關的其他因素以及本公司股東的利益。餘下溢利將用於本集團發展及營運。

本公司分派股息亦受限於開曼群島適用法例、香港法例、上市規則及本公司組織章程細則項下的任何限制，並須經本公司股東批准。

確保董事會獲得獨立觀點的機制

年內本公司已設立有關機制如下，以確保董事會可獲取獨立意見和信息。

董事會及董事委員會的組成

董事會致力確保委任至少三名獨立非執行董事(「**獨立非執行董事**」)及至少三分之一的成員為獨立非執行董事(或上市規則可能不時規定的更高門檻)。除了遵守上市規則對若干董事委員會的組成規定外，獨立非執行董事將在切實可行的情況下獲委任至其他董事委員會，以確保獲得獨立意見。



Independence Assessment

The Nomination Committee must strictly adhere to the Nomination Policy and the independence assessment criteria as set out in the Listing Rules with regard to the nomination and appointment of INEDs. Each INED is also required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may materially affect his/her independence.

The Nomination Committee is mandated to assess annually the independence of all INEDs by reference to the independence criteria as set out in the Listing Rules to ensure that they can continually exercise independent judgement.

Compensation

No equity-based remuneration (e.g. share options or grants) with performance related elements will be granted to INEDs as this may lead to bias in their decision making and compromise their objectivity and independence.

The Board reviews the implementation and effectiveness of the above mechanisms on an annual basis.

ANTI-CORRUPTION POLICY

The Company attaches great importance to the construction of clean government and anti-corruption work. We have established management systems and set up the discipline inspection office to implement various requirements on anti-corruption work to strictly manage corruption issues and ensure that every member of the Company adheres to the bottom line of business ethics. The Company has perfected the anti-corruption policy, strictly prohibits the employees from accepting any form of rebates, agency fees, facilitation fees and gifts, and strictly prohibits management personnel from taking advantage of their positions to seek personal benefits for relatives and specific related persons to prevent conflicts of interest. The Company strengthens the supervision and inspection of high-risk nodes and fields, encourages internal mutual supervision, and continues to carry out training to deepen the awareness of integrity.

獨立性評估

提名委員會必須嚴格遵守上市規則所載有關獨立非執行董事提名及委任的提名政策及獨立性評估標準。倘其個人資料有任何可能對其獨立性產生重大影響的變動，則各獨立非執行董事亦須在切實可行範圍內盡快通知本公司。

提名委員會獲授權每年參考上市規則所載的獨立性準則評估所有獨立非執行董事的獨立性，以確保彼等能夠持續作出獨立判斷。

報酬

不會向獨立非執行董事授予與業績相關的基於股權的薪酬(例如購股權或贈款)，因為這可能會導致其決策出現偏見並損害其客觀性及獨立性。

董事會每年均會檢討上述機制的執行及成效。

反貪污政策

本公司高度重視廉政建設及反腐敗反貪污工作，建立管理體系，設立紀檢辦公室貫徹落實關於反腐敗工作的各項要求，嚴格管理貪污腐敗問題，保證公司每一位成員堅守商業道德底線。公司完善反腐敗政策，嚴令禁止公司員工接受任何形式的回扣、中介費、好處費、禮品等饋贈，並要求管理層人員不得利用職務便利為親屬及特定關係人謀取私利，防止利益衝突發生。公司針對高風險節點及領域強化監督檢查工作，並鼓勵內部互相監督，並持續開展培訓，深化廉潔意識。



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Whistle-blowing Mechanism

The Group always upholds the practice of integrity and law-abiding spirit among the Group from all levels. All employees are well aware and supported about the importance of anti-corruption. The Group has along well established whistle-blowing policy so encourage and allow employees to raise concerns about possible improprieties in matters of financial reporting, compliance, and other malpractices at the earliest. Employees can raise concerns, in confidence, about possible improprieties such as misconduct and malpractice in any matter related to the Group. Complaints received will be handled in a prompt and fair manner. The policy aims at protecting the whistle-blowers from unfair dismissal, victimisation, and unwarranted disciplinary actions. Anti-corruption-related trainings are conducted annually among all farms and subsidiaries. During the year, all employees have received anti-corruption training, including seminars, online training and publicity articles. The Group will reviewed the mechanism and whistle-blowing policy annually and to ensure its effectiveness.

COMMUNICATION WITH SHAREHOLDERS

Effective Communication

The Company discloses relevant information to Shareholders through the Company's annual report and consolidated financial statements, the interim report, as well as the annual general meeting. The section under "CEO's Statement" and "Management Discussion and Analysis" of the annual report facilitate the Shareholders' understanding of the Company's activities. The annual general meeting allows the Directors to meet and communicate with the Shareholders. The Company's consolidated financial statements and each of the required disclosure of information are dispatched within the prescribed period imposed by laws and regulations.

To manage its relationship with the investment community, the Group meets regularly with the press and financial analysts and participates frequently in other conferences and presentations.

To further promote effective communication, the corporate website is maintained to disseminate Company announcements and other relevant financial and non-financial information electronically on a timely basis.

Shareholders may at any time send their written enquiries and concerns to the Company, either by post or facsimiles, together with his/her contact details, such as postal address, email address or fax number, via the company secretary whose contact details are as follows:

舉報機制

本集團始終在其各級秉承誠信守法的精神。所有僱員均深知並支持反腐敗的重要性。本集團制定了完善的舉報政策，鼓勵並允許僱員儘早對財務報告、合規及其他不當行為方面可能存在的不當行為提出疑慮。僱員可以私下舉報可能存在的不當行為，例如與本集團有關的任何事項中的不當行為及瀆職行為。收到的投訴將得到迅速及公平的處理。該政策旨在保護舉報人免遭不公平的解僱、傷害及不正當的紀律處分。每年對所有牧場及附屬公司進行反腐敗相關培訓。年內，所有僱員均接受了反腐敗培訓，包括研討會、在線培訓及宣傳文章。本集團將每年檢討該機制及舉報政策，以確保其有效性。

與股東溝通

有效溝通

本公司透過本公司之年報及綜合財務報表、中期報告以及股東週年大會向股東披露有關資料。年報中「總裁報告書」以及「管理層討論及分析」兩節幫助股東了解本公司之業務。股東週年大會讓董事可與股東會面及溝通。本公司之綜合財務報表及各項規定之資料披露於法律及法規規定之限期內發出。

為管理與投資群體之關係，本集團定期與媒體及財務分析人員會面，並經常參與其他會議及發佈會。

為進一步促進有效溝通，本公司已設立公司網站，以電子方式及時發佈本公司公告以及其他有關財務及非財務之資料。

股東可隨時通過公司秘書以郵寄或傳真方式將其書面查詢及疑慮連同聯繫方式(例如郵寄地址、電子郵件地址或傳真號碼)發送至本公司，其聯繫方式如下：



The Company Secretary

China Modern Dairy Holdings Ltd.
Room A, 32/F., COFCO Tower
262 Gloucester Road
Causeway Bay, Hong Kong
Telephone: (852) 2851-0525
Fax: (852) 2851-6980

公司秘書

中國現代牧業控股有限公司
香港銅鑼灣
告士打道262號
中糧大廈32樓A室
電話：(852) 2851-0525
傳真：(852) 2851-6980

SHAREHOLDERS RIGHTS

Procedure for Shareholders to Convene an Extraordinary General Meeting

Pursuant to the Articles of Association, any one or more Shareholders holding not less than one-tenth of the issued share capital of the Company carrying the right of voting at general meetings may require an extraordinary general meeting by a written requisition to the Board or the Company Secretary either via personal delivery or mail (Attn: Board of Directors/Company Secretary, at Room A, 32nd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong "Hong Kong Principal Office") or via email (info@moderndairyir.com). The Board shall proceed duly within 21 days from the date of deposit of the requisition to convene a general meeting to be held within a further 21 days.

股東權利

股東召開股東特別大會之程序

根據組織章程細則，凡持有有權於股東大會上投票之本公司已發行股本不少於十分之一之任何一名或多名股東，可透過個人遞交或郵寄(收件人：董事會／公司秘書，地址為香港銅鑼灣告士打道262號中糧大廈32樓A室(「香港總辦事處」))或透過電郵(info@moderndairyir.com)向董事會或公司秘書遞交召開股東特別大會之書面要求。董事會須於有關要求提交日期起計21日內，正式召開股東大會，而有關大會須於其後21日內舉行。

Procedures for Director's Nomination and Election by Shareholders

If a shareholder wishes to propose a person other than a retiring director for election as a director at a general meeting, the shareholder should lodge at Hong Kong Principal Office, (a) a written notice signed by such shareholder (other than the proposed person) duly qualified to attend and vote at the meeting of his/her intention to propose such person for election; and (b) a written notice by the proposed person indicating his/her willingness to be elected together with the personal information of the proposed person as required by Rule 13.51(2) of the Listing Rules and consent of publication of his/her personal information. The period during which the aforesaid notice may be given shall be seven days (or such other period as determined and announced by the Board). Such period will commence on the day after the dispatch of the notice of general meeting and end no later than seven days prior to the date of such general meeting. The Company would take appropriate actions and make necessary arrangements, once valid notice is received.

股東提名及選舉董事的程序

如股東擬於股東大會提名退任董事以外的人士參選董事，有關股東須遞交(a)由正式合資格出席該次大會及於大會上投票的股東(被提名人士以外的人士)簽署確認表明有意提名該人士參選；及(b)該被提名人士簽署確認有意參選的書面通知連同根據上市規則第13.51(2)條被提名人士的個人資料及刊發其個人資料的同意書至香港總辦事處。可發出上述通知的期間須為七日(或由董事會決定及宣佈的其他期間)。有關期間將於股東大會通告寄發翌日開始，及最遲於有關股東大會日期前七日完結。本公司於接獲有效請求書後，將採取適當行動及作出必要安排。



CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Sending Enquiries to the Board

Shareholders may send their enquiries requiring the Board's attention to the Company Secretary at the Company's Hong Kong Office. The Company Secretary forwards communications relating to matters within the Board's purview to the Board.

Procedures for Making Proposals at Shareholder's Meeting

Shareholders are welcomed to suggest proposals relating to the operations, strategy and/or management of the Group to be discussed at general meetings. Proposals shall be sent to the Board pursuant to the following address via personal delivery, mail or courier to: Attention: Shareholder Communication, Board of Directors, Hong Kong Office.

The Board may, in its sole discretion, consider if such proposals are appropriate and shall be put forward to the Shareholders for approval at next annual general meeting or at an extraordinary general meeting to be convened by the Board, as appropriate.

Voting by Way of Poll

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the annual general meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote of the annual general meeting pursuant to article 14.6 of the Articles of Association. The relevant details of the proposed resolutions, including biographies of each Director standing for re-election, will be included in the circular to Shareholders dispatched together with this annual report. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the code of conduct regarding securities transactions by Directors adopted by the Company during the year.

向董事會作出查詢之程序

股東可將要求董事會處理之查詢寄交於本公司香港辦事處之公司秘書。公司秘書將有關屬於董事會權限範圍內事宜之通訊轉交董事會。

於股東大會作出提呈之程序

本公司歡迎股東提呈有關本集團業務、策略及／或管理之建議於股東大會上討論。有關建議須透過個人遞交、郵寄或速遞按以下地址寄交董事會，收件人為香港辦事處董事會股東通訊。

董事會可全權酌情考慮該等建議是否適當，並於下屆股東週年大會或將由董事會召開之股東特別大會(如適當)上提呈股東批准。

投票表決

根據上市規則第13.39(4)條，股東在股東週年大會上之所有表決必須按股數投票方式進行。根據組織章程細則第14.6條，股東週年大會主席將會要求以投票方式對會上提呈之每項決議案進行表決。隨同本年報寄發之股東通函將載有所提呈決議案之有關詳情，包括參加膺選連任之各董事之履歷。本公司將按上市規則第13.39(5)條規定的方式公佈投票表決結果。

董事進行之證券交易

本公司已採納一套有關董事進行之證券交易之行為守則，其條款嚴謹程度不遜於載於上市規則附錄10的上市發行人董事進行證券交易的標準守則所載之規定標準。經向全體董事作出特定查詢後，全體董事確認，彼等於本年度已遵守本公司就董事進行之證券交易之行為守則所載之規定標準。



INVESTOR RELATIONS

The Company adopts a proactive policy in promoting investor relations and communications. When the Company announces its interim and annual results, management will normally meet with institutional investors, financial analysts and financial media, provide briefings on the business progress and recent developments of the Company. The Company has regularly participated in investor summits and conferences to enhance communication with the investment community. Investors are welcomed to send their enquiries to our investor relation at info@moderndairyir.com or browse the Company's website (<http://www.moderndairyir.com>) for latest update information of the Group. Therefore, the Company has reviewed the implementation and effectiveness of the above shareholders' communication policy conducted during the year and is satisfied that the policy has been implemented effectively.

投資者關係

本公司採取積極政策促進投資者關係與溝通。在本公司公佈其中期及年度業績時，管理層一般會與機構投資者、金融分析師及金融媒體會晤，提供有關本公司業務進展與近期發展的簡要介紹。本公司已定期參加投資者峰會及會議，以加強與投資社區的交流。本公司歡迎投資者致函info@moderndairyir.com詢問我們的投資者關係或瀏覽本公司網站(<http://www.moderndairyir.com>)了解本集團的最新更新資料。因此，本公司於年內已檢討以上股東溝通政策的實施和有效性，並滿意該政策已得到有效執行。



REPORT OF THE DIRECTORS

董事會報告書

The board of directors of the Company (the “**Board**”) is pleased to present its report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2022 (the “**year**” or “**2022**”) which were approved by the Board on 28 March 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries is production and sale of raw milk to customers for processing into dairy products, and trading, production, and the sales of feeds business which was incorporated into the Group after the acquisition of Fuyuan International last year and started generating significant revenue to the Group during the year.

The particulars of the subsidiaries are set out in note 47 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The results of the Group for the year and the state of affairs of the Company and the Group as at that date are set out in the consolidated financial statements and the notes on pages 123 to 306.

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 faced 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”. “Corporate Governance Report”) and in the notes to the financial statements.

本公司董事會(「**董事會**」)欣然提呈其報告連同本公司及其附屬公司(統稱為「**本集團**」)截至2022年12月31日止年度(「**本年度**」或「**2022年**」)之經審核綜合財務報表，該等報表於2023年3月28日已獲董事會批准。

主要業務

本公司的主要業務為投資控股，而其附屬公司的主要業務為向客戶生產及銷售原料奶以供加工為奶類產品以及交易、生產及銷售飼料(去年收購富源國際後併入本集團，於年內開始為本集團帶來可觀的收入)。

附屬公司的詳情載於綜合財務報表附註47。

綜合財務報表

本集團於年內的業績及本公司和本集團於該日的財務狀況載於第123至306頁之綜合財務報表及其附註。

業務回顧

本集團的業務回顧載於本年報的「總裁報告書」、 「管理層討論及分析」、「企業管治報告」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。



Other than financial performance, the Group believes that a high standard of corporate social responsibility is essential for building up a good corporate and social relationship and motivating staff and creating a sustainable return to the Group. We are committed to contributing to the sustainability of the environment and community in which we conduct business and where our stakeholders live.

SHARE CAPITAL

Details of the movement in the share capital of the Company during the year are set out in note 35 to the consolidated financial statements.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's main operations are carried out by the Company's subsidiaries operating in the PRC while the Company itself is incorporated in Cayman Islands its shares listed on Hong Kong Stock Exchange. The Group's operations are mainly regulated by the applicable laws and regulations of Cayman Islands, Hong Kong and PRC. For the year ended 31 December 2022 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.

CORPORATE GOVERNANCE

In view of the Board, the Company has applied the principles and complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules the year under review. Details of the Company's work in corporate governance during the year are disclosed in the "Corporate Governance Report" on pages 54 to 79 of this annual report.

除財務表現外，本集團認為高標準的企業社會責任對建立良好的企業社會關係及激勵員工以及為本集團創造可持續回報至關重要。我們致力於促進我們的業務及利益相關者所在地的環境及社區的可持續發展。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註35。

遵守法律及法規

本集團的主要營運由本公司在中國營運的附屬公司進行，而本公司本身於開曼群島註冊成立，其股份在聯交所上市。本集團的營運主要受開曼群島、香港及中國的適用法律法規監管。於截至2022年12月31日止年度及直至本報告日期，董事會並不知悉任何不遵守相關法律及法規並對本公司造成重大影響的情況。

有關本集團遵守相關法律及法規的進一步詳情，請參閱本報告的討論及「企業管治報告」。

企業管治

董事認為，本公司已於回顧年度應用原則並遵守上市規則附錄十四所載的企業管治守則全部守則條文。有關本公司年內企業管治工作的詳情，於本年報第54至79頁的「企業管治報告」中披露。



REPORT OF THE DIRECTORS 董事會報告書

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group strictly endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental technologies to ensure our products meet the required standards and ethics. A discussion on the Group's environmental policies and performance is contained in the Environmental, Social and Governance Report ("**ESG Report**") prepared in accordance with the ESG Reporting Guide of Stock Exchange will be released separately in April 2023.

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

Save as disclosed in this report, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year, except that the trustee of the share award scheme of the Company, pursuant to the rules of which, purchased on the open market a total of 9,200,000 (2021: 36,526,000 shares) ordinary shares of the Company as restricted shares at a consideration of approximately HK\$10,962,000 (equivalent to RMB9,073,000) (2021: HK\$54,689,000 (equivalent to RMB45,468,000)).

PROPOSED FINAL DIVIDEND

The Board has recommended the payment of a final dividend of RMB0.0142 (2021: RMB0.026) per ordinary share for the year ended 31 December 2022. Upon shareholders' approval at the forthcoming annual general meeting of the Company, which will be held on Tuesday, 6 June 2023 (the "**2023 AGM**"), the proposed final dividend will be paid on or about Friday, 30 June 2023 to shareholders whose names appear on the register of members of the Company on Wednesday, 14 June 2023. Currently, the Company is not aware of any arrangement under which a Shareholder has waived or agreed to waive any dividends.

No interim dividend was paid during the year (2021: nil).

環境保護政策及表現

本集團竭力嚴格遵守有關環境保護的法律及法規及採用有效的環保技術，以確保我們的產品符合規定的標準及規範。根據聯交所的環境、社會及管治報告指引編製的環境、社會及管治報告（「**ESG報告**」）中包含了有關本集團環境政策及表現的討論，並將於2023年4月另行發佈。

購買、出售或贖回本公司之上市證券

除在本報告披露外，於年內，本公司或其任何附屬公司概無購買、贖回或出售本公司之上市證券，惟本公司之股份獎勵計劃之受託人根據計劃之規則於公開市場購買合共9,200,000股(2021年：36,526,000股)本公司普通股作為限制性股份，代價約為10,962,000港元(相當於人民幣9,073,000元)(2021年：54,689,000港元(相當於人民幣45,468,000元))。

擬派期末股息

董事會建議派發截至2022年12月31日止年度的期末股息每股普通股人民幣0.0142元(2021年：人民幣0.026元)。待將於2023年6月6日(星期二)舉行的應屆本公司股東週年大會(「**2023年股東週年大會**」)上獲股東批准後，擬派期末股息將於2023年6月30日(星期五)或前後派付予於2023年6月14日(星期三)名列本公司股東名冊的股東。目前，本公司並不知悉股東已根據任何安排放棄或同意放棄任何股息。

於年內並無派發中期股息(2021年：無)。



CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 1 June 2023 to Tuesday, 6 June 2023, both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at 2023 AGM. In order to be eligible to attend and vote at 2023 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 31 May 2023.

The register of members of the Company will be closed from Monday, 12 June 2023 to Wednesday, 14 June 2023, both days inclusive, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at the same address as set out above not later than 4:30 p.m. on Friday, 9 June 2023.

DONATIONS

Charitable and other donations made by the Group during the year amounted to approximately RMB6.71 million (2021: RMB0.35 million).

RELATIONSHIPS WITH EMPLOYEES

The employees of the Group are one of the most important assets and stakeholders of the Group and their contribution and support are values at all times. The Group regularly reviews compensation and benefits policies accordingly to industry benchmark as well as the individual performance of employees. Other fringe benefits, mandatory provident fund, share options, restricted share award, employee partnership program and cash-based incentive award are provided to retain loyal employees with the aim to form a professional staff and management team that can bring the Group to different levels of success.

暫停辦理股份過戶登記

本公司將於2023年6月1日(星期四)至2023年6月6日(星期二)(包括首尾兩日)期間暫停辦理股份過戶登記，以確定股東出席2023年股東週年大會並於會上投票的資格。為符合資格出席2023年股東週年大會並於會上投票，所有過戶文件連同相關股票須不遲於2023年5月31日(星期三)下午四時三十分送交本公司股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖)，以進行登記。

本公司將於2023年6月12日(星期一)至2023年6月14日(星期三)(包括首尾兩日)暫停辦理股份過戶登記以釐定股東獲派建議末期股息之資格。為確立獲派建議末期股息的資格，所有股份過戶文件連同有關股票須不遲於2023年6月9日(星期五)下午四時三十分遞交至本公司股份過戶登記分處香港中央證券登記有限公司的上述相同地址，以進行登記。

捐款

本集團於年內作出的慈善及其他捐款約為人民幣6.71百萬元(2021年：人民幣0.35百萬元)。

與僱員的關係

本集團僱員為本集團最重要資產及持份者之一，彼等的貢獻及支持一直為本集團帶來重要價值。本集團根據行業標準及僱員之個別表現定期檢討補償及福利政策，並提供其他額外福利、強制性公積金、購股權、限制性獎勵股份、員工合夥人計劃及以現金為基礎的獎勵以挽留忠誠僱員，旨在組成一支專業的員工及管理團隊，為公司達成不同層面的成功。



REPORT OF THE DIRECTORS 董事會報告書

RELATIONSHIPS WITH SUPPLIERS

The Company adopts an open, fair and impartial procurement policies, and takes the lead in formulating industry standards as a win-win approach for a healthy development of the dairy industry. The quality and safety of feed are always our primary consideration. We have established long-term cooperation relationship with a number of suppliers, and strived to ensure that they are in compliance with our undertaking on quality and ethics. We require the suppliers to observe our undertaking on integrity. We have stringent requirements in supplier selection and that they must satisfy the qualification requirements in quality, safety, nutrients, historical record and overall performance etc. and pass our constant examination and evaluation before becoming our qualified suppliers.

RELATIONSHIPS WITH CUSTOMERS

To provide high quality products and services to customers are always our mission. Customers' need and demand are always our top consideration. With the increase of income and the popularization of health concepts, the demand of dairy products is increasingly augmented with a growing tendency for diversified products.

We, together with Mengniu Group expand the sales network and increase sale forms, setting up outlets in large supermarkets. By doing so, we hope to gradually develop customers, deliver our fresh milk products in time, and meet consumers' demand.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all loss or liabilities (to the fullest extent permitted by the Companies Law of the Cayman Islands) which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability coverage for the Directors and officers of the Company.

REMUNERATION OF THE DIRECTORS

The remuneration of each Director is determined with reference to the duties, responsibilities, performance of the Directors, the results of the Group and the prevailing market rate.

Details of the remuneration of the Directors are set out in note 12 to the consolidated financial statements.

與供應商的關係

本公司採納公開、公平、公正的採購政策，引領制定行業標準，為乳業健康發展締造雙贏途徑。飼料的品質和安全是我們的一貫首要的考慮因素，我們已與多家供應商建立了長期合作關係，並盡力確保其遵守我們對質素及道德的承諾，並要求供應商遵守我們的廉潔承諾。我們對供應商的選擇要求是嚴格的，供應商必須要滿足品質、安全、營養成分、歷史記錄、整體業績等方面的資格要求，且必須經過我們常設的評估，方可成為我們合格的供應商。

與客戶的關係

為客戶提供高品質的產品和服務是我們的使命，客戶的需要和需求始終是我們的首要考慮因素。隨著我國居民收入水準的提高和健康觀念的普及，奶製品需求量日益增大，需求形式的多樣性也更加明顯。

我們與蒙牛集團也拓寬銷售網絡、豐富銷售形式，於大型超市參與商超促銷。我們希望能藉此舉逐步培養客戶，保證奶品及時送達、新鮮到家，滿足消費者需求。

獲准許的彌償條文

根據本公司的組織章程細則，每名董事有權就其於或因履行職責或其他有關事宜而可能蒙受或產生的所有損失或責任(在開曼群島公司法許可的最大範圍內)，自本公司的資產中獲得彌償。本公司已為董事及本公司主要行政人員購買適當之董事及主要行政人員責任保險。

董事的薪酬

各董事的薪酬乃參考董事的職務、責任、表現及本集團的業績以及現行市價而釐定。

董事的薪酬詳情載於綜合財務報表附註12。



CORPORATE GOVERNANCE PRACTICES

Details of the Company's corporate governance practices are set out in page 54 of this annual report.

DISTRIBUTABLE 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 127 and note 49 to the consolidated financial statements. The Company's distributable reserves, calculated in accordance with the Companies Law of Cayman Islands, amounted to approximately RMB7,762.63 million as at 31 December 2022 (2021: RMB8,210.86 million).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 307 to 308.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

INTEREST-BEARING BORROWINGS

Particulars of the interest-bearing borrowings of the Group as at 31 December 2022 are set out in notes 28, 29, 30 and 31 to the consolidated financial statements of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

The turnover attributable to the Group's primary customers, Mengniu Group, accounted for approximately 74.8% (2021: 84.5%) of the Group's total turnover for the year. The Group's five largest customers contributed in aggregate 81.6% (2021: 97.0%) of the Group's total turnover for the year.

During the year, the five largest suppliers of the Group in aggregate represented 15.2% (2021: 11.6%) of the Group's total purchases. Purchases from the largest supplier accounted for approximately 5.5% (2021: 2.8%) of the Group's total purchases.

企業管治常規

本公司的企業管治常規詳情載於本年報第54頁。

可分派儲備

本集團及本公司於年內的儲備變動詳情載於第127頁綜合權益變動表及綜合財務報表附註49。於2022年12月31日，本公司的可分派儲備按開曼群島公司法計算約為人民幣7,762.63百萬元(2021年：人民幣8,210.86百萬元)。

財務摘要

本集團於過去五個財政年度的業績及資產和負債摘要載於第307至308頁。

物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註16。

有息借款

本集團於2022年12月31日之有息借款詳情載於本年報綜合財務報表附註28、29、30及31。

主要客戶及供應商

年內，本集團主要客戶蒙牛集團應佔營業額佔本集團總營業額約74.8%(2021年：84.5%)。年內，本集團五大客戶合共佔本集團總營業額81.6%(2021年：97.0%)。

年內，本集團五大供應商合共佔本集團總採購額的15.2%(2021年：11.6%)。最大供應商的採購額佔本集團總採購額約5.5%(2021年：2.8%)。



REPORT OF THE DIRECTORS 董事會報告書

Save as disclosed under the paragraph headed “Continuing Connected Transactions” and the interest in Mengniu of Mr. Lu Minfang, Mr. Zhang Ping, Mr. Zhao Jiejun and Chen Yiyi as disclosed in the section headed “Directors’ and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures” below of this report, none of the Directors or any of their associates or any shareholder (which, to the best knowledge of the Directors, owns more than 5% of the Company’s share capital) had any beneficial interest in the Group’s top five largest customers and suppliers.

DIRECTORS

The Directors during the year ended 31 December 2022 and up to the date of this report were:

Executive Directors

Mr. Sun Yugang (*Chief Executive Officer*)
Mr. Zhu Xiaohui (*Chief Financial Officer*)

Non-executive Directors

Mr. Lu Minfang (*Chairman of the Board*, resigned on 1 February 2023)
Mr. Zhao Jiejun (*Vice Chairman of the Board*, re-designated as Chairman of the Board on 1 February 2023)
Mr. Zhang Ping
Mr. Chen Yiyi (appointed on 1 February 2023)
Ms. Gan Lu

Independent Non-executive Directors

Mr. Li Shengli
Mr. Lee Kong Wai, Conway
Mr. Chow Mang Sang

By virtue of Article 17.2 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Mr. Chen Yiyi had been appointed by the Board as a non-executive Director on 1 February 2023. As such, Mr. Chen Yiyi shall be eligible to offer himself for re-election at the 2023 AGM.

In accordance with Article 17.18 of the Articles of Association of the Company, Mr. Zhao Jiejun, Mr. Li Shengli and Lee Kong Wai, Conway will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming 2023 AGM as at the date of this report.

除本報告「持續關連交易」一段所披露者以及下文「董事及主要行政人員於股份、相關股份及債券的權益及淡倉」一節所披露盧敏放先生、張平先生、趙傑軍先生及陳易一先生於蒙牛的權益外，董事、彼等的任何聯繫人或任何股東（據董事所深知擁有本公司股本5%以上者）概無擁有本集團五大客戶及供應商的任何實益權益。

董事

於截至2022年12月31日止年度及直至本報告日期，擔任董事之人士如下：

執行董事

孫玉剛先生（總裁）
朱曉輝先生（首席財務官）

非執行董事

盧敏放先生（董事會主席，於2023年2月1日辭任）
趙傑軍先生（董事會副主席，於2023年2月1日獲調任為董事會主席）
張平先生
陳易一先生（於2023年2月1日獲委任）
甘璐女士

獨立非執行董事

李勝利先生
李港衛先生
周明笙先生

根據組織章程細則第17.2條，董事會有權不時及隨時委任任何人士為董事以填補臨時空缺或加入董事會。如此獲委任的任何董事僅應出任至本公司下屆股東週年大會並屆時符合資格膺選連任。陳易一先生於2023年2月1日獲董事會委任為非執行董事。因此，陳易一先生應符合資格於2023年股東週年大會上膺選連任。

根據本公司組織章程細則第17.18條，於本報告日期，趙傑軍先生、李勝利先生及李港衛先生將於即將舉行之2023年股東週年大會上輪值告退，惟彼等符合資格且願意膺選連任。



Long Servicing INEDs

Mr. Li Shengli and Mr. Lee Kong Wai, Conway have served as independent non-executive Directors for more than 9 years and re-election of each of them will be subject to a separate resolution to be approved by the Shareholders pursuant to the Listing Rules. The Board considers that the long service of Mr. Li Shengli and Mr. Lee Kong Wai, Conway would not affect their exercise of independent judgement and is satisfied that Mr. Li Shengli and Mr. Lee Kong Wai, Conway have the required character, integrity and experience to continue fulfilling the role of independent non-executive Directors.

Further, Mr. Lee Kong Wai, Conway has been holding 8 listed company directorships including the directorship as an independent non-executive Director of the Company. Mr. Lee Kong Wai, Conway attended all the meetings of the Board and the Board committees held in the past year. Mr. Lee Kong Wai, Conway has remained responsible for his performance functions and discharged his duties to the Company through active participation on the Board and by bringing balance of views as well as knowledge, experience and expertise. With Mr. Lee Kong Wai, Conway's extensive experience and knowledge, particularly on corporate governance acquired and developed from his background and past experience as set out in the biographical information, he is fully aware of the responsibilities and expected time involvements as an independent non-executive Director. Mr. Lee Kong Wai, Conway has confirmed that he will continue to devote sufficient time for the discharge of his functions and responsibilities as an independent non-executive Director of the Company. Based on the foregoing, the Board believes that Mr. Lee Kong Wai, Conway's position outside the Company will not affect him in maintaining his current role in, and his functions and responsibilities for, the Company

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

Biographical details of the Directors and the senior management of the Group as at the date of this annual report are set out on pages 46 to 53.

Directors' Services Contracts

None of the Directors being proposed for re-election at the 2023 AGM has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

非執行董事長期服務

李勝利先生及李港衛先生已擔任獨立非執行董事超過9年，而彼等各自的重選將須待股東根據上市規則批准獨立決議案後方可作實。董事會認為，李勝利先生及李港衛先生的長期服務不影響其作出獨立判斷並信納李勝利先生及李港衛先生具備繼續履行獨立非執行董事職責所需的品格、誠信及經驗。

另外，李港衛先生擔任8家上市公司的董事，包括擔任本公司獨立非執行董事。李港衛先生出席了過去一年舉行的所有董事會會議及董事委員會會議。李港衛先生通過積極參與董事會並帶來平衡的觀點以及知識、經驗及專業知識，繼續負責其績效職能並履行其對本公司的職責。李港衛先生的經驗及知識豐富，尤其是從其背景及過往經驗中獲得及發展的企業管治經驗及知識(如履歷資料所載)，李港衛先生完全了解作為獨立非執行董事的責任及預期時間。李港衛先生已確認，彼將繼續投入充足時間履行其作為本公司獨立非執行董事的職能及責任。基於上述內容，董事會認為，李港衛先生在本公司以外的職位不會影響彼維持其目前在本公司的角色以及其在本公司的職能及責任。

本公司認為根據上市規則第3.13條所載的標準，所有獨立非執行董事均屬獨立，且已收到各獨立非執行董事獨立性確認書。

董事及高級管理層之履歷詳情

本集團董事及高級管理層於本年報日期之履歷詳情載於本年報第46至53頁。

董事服務合約

擬於2023年股東週年大會重選的董事，概無與本公司或其任何附屬公司訂立不可於一年內在免付賠償的情況下(法定賠償除外)終止的服務合約。



REPORT OF THE DIRECTORS 董事會報告書

RELATED PARTIES TRANSACTION

Save as disclosed under the paragraph headed “Continuing Connected Transaction” from page 99 to 108 in this report, none of the “Related Parties Transactions” as disclosed in note 46 to the consolidated financial statements for the year under review constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

DIRECTORS’ INTERESTS – LONG AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2022, the interests and short positions of the Directors and the chief executives of the Company and their respective associates in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

Long Positions in the Shares and Underlying Shares of the Company

關聯方交易

除下文載於本報告第99至108頁「持續關連交易」一段所披露外，概無「關聯方交易」(於回顧年度綜合財務報表附註46披露)構成上市規則下須予披露非豁免關連交易或非豁免持續關連交易。

董事權益 – 於股份、相關股份及債券的好倉及淡倉

於2022年12月31日，董事及本公司主要行政人員及彼等各自的聯繫人於本公司或其相聯法團(定義見證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯交所的權益及淡倉如下：

於本公司股份及相關股份的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares or underlying Shares 股份或相關股份數目	Approximate percentage of shareholding interest 股權概約百分比
Mr. Sun Yugang 孫玉剛先生	Beneficial owner 實益持有人	6,428,287	0.08%
Mr. Zhu Xiaohui 朱曉輝先生	Beneficial owner 實益持有人	3,535,593	0.04%



Interest in Associated Corporation

Long positions in the shares of the associated corporation are set out below:

於相聯法團的權益

於相聯法團股份的好倉如下：

Name of Director	Name of associated corporation	Number of shares in associated corporation	Approximate percentage of shareholdings interest
董事姓名	相聯法團名稱	於相聯法團的股份數目	股權概約百分比
Mr. Lu Minfang ^{Note 1} 盧敏放先生 ^{附註1}	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	20,515,046	0.52%
Mr. Zhao Jiejun 趙傑軍先生	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	3,411,619	0.09%
Mr. Zhang Ping 張平先生	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	3,090,357	0.08%
Mr. Chen Yiyi ^{Note 2} 陳易一先生 ^{附註2}	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	2,224,120	0.06%

Notes:

1. Mr. Lu Mingang has resigned as non-executive Director on 1 February 2023.
2. Mr. Chen Yiyi was appointed as non-executive Director on 1 February 2023.
3. Mr. Lu Minfang was the non-executive Directors until 1 February 2023, Mr. Zhang Ping and Mr. Zhao Jiejun are non-executive Directors of the Company. Mr. Lu Minfang is an executive director and chief executive officer of Mengniu Group. Mr. Zhang Ping is the executive director and chief financial officer of Mengniu Group. Mr. Zhao Jiejun is the vice president and the head of milk sourcing and animal husbandry industry chain business unit of Mengniu Group. Mr. Chen Yiyi, a non-executive Director, is also a vice president and head of strategy management of Mengniu Group, and is responsible for the strategic and investment management of Mengniu Group. As at the date of this report, Mengniu holds 56.36% of the issued share capital of the Company.

附註：

1. 盧敏放先生已於2023年2月1日辭任非執行董事。
2. 陳易一先生於2023年2月1日獲委任為非執行董事。
3. 盧敏放先生(直至2023年2月1日)、張平先生及趙傑軍先生均為本公司的非執行董事。盧敏放先生為蒙牛集團的執行董事兼總裁。張平先生為蒙牛集團的執行董事兼首席財務官。趙傑軍先生為蒙牛集團副總裁，及奶源及牧業產業鏈負責人。非執行董事陳易一先生亦為蒙牛集團副總裁，集團戰略管理負責人，負責戰略和投資管理。於本報告日期，蒙牛持有本公司已發行股本56.36%。



REPORT OF THE DIRECTORS 董事會報告書

Saved as disclosed above, as at 31 December 2022, none of the Directors and the chief executives of the Company and their respective associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT 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.

CONVERTIBLE SECURITIES, WARRANTS, OPTIONS OR SIMILAR RIGHTS

There is no conversion or subscription rights under any convertible securities, warrants or options or similar rights issued or granted by the Company or any of its subsidiaries during the year or subsisted at the end of the year. In addition, no equity-linked agreements were entered into by the Company, or existed during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Director named in the paragraphs below have interests in businesses, which are considered to compete or likely to compete, either directly or indirectly, with the businesses of the Group during the year.

As mentioned above, each of Mr. Lu Minfang (resigned as non-executive Director and Chairman of the Board subsequently on 1 February 2023), Mr. Zhao Jiejun and Mr. Zhang Ping held offices in Mengniu during the year. Mengniu is a substantial shareholder of the Company and is engaged in the dairy industry. In addition, Mr. Lu Minfang, Mr. Zhao Jiejun and Mr. Zhang Ping are the directors of China Shengmu Organic Milk Limited (stock code: 1432.HK) which operates dairy farming business. Mr. Li Shengli was also one of the independent non-executive directors of China Zhongdi Dairy Holdings Company Limited (delisted, prior stock code: 1492.HK), which operates dairy farming business. Mr. Li Shengli is currently also an independent non-executive director of Australia Asia Group Limited (stock code: 2425.HK). It is also engaged in the dairy industry.

除上文所披露者外，於2022年12月31日，董事及本公司主要行政人員及彼等各自的聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的任何權益及淡倉，或根據標準守則須知會本公司及香港聯交所的任何權益及淡倉。

董事於交易、安排或合約的權益

概無任何本公司或其任何附屬公司屬於其中一方而董事擁有直接或間接重大權益並於本年度結束時或本年度任何時間仍然生效與本集團業務有關之重大交易、安排或合約。

可換股證券、認股權證、購股權或類似權利

於本年度內及本年度結束時，本公司及其任何附屬公司概無發行或授出任何附帶兌換或認購權的可換股證券、認股權證或購股權或類似權利。此外，本公司概無訂立或於本年度存續的股權掛鈎協議。

董事於競爭業務的權益

於本年度內，下段所列董事於多項業務中擁有權益，該等業務被視為與本集團業務直接或間接構成或可能構成競爭。

如上文所述，盧敏放先生(已於2023年2月1日辭任本公司非執行董事及董事會主席)、趙傑軍先生及張平先生各自於年內在蒙牛任職。蒙牛為本公司的主要股東，並從事乳品行業。此外，盧敏放先生、趙傑軍先生及張平先生為中國聖牧有機奶業有限公司(股份代號：1432.HK)的董事，牧場經營為該集團的主要業務。李勝利先生也曾是中國中地乳業控股有限公司(已除牌，前股份代號：1492.HK)其中一位獨立非執行董事，牧場經營為該集團的主要業務。李勝利先生目前亦是澳亞集團有限公司(股份代號：2425.HK)的獨立非執行董事。其亦從事乳品行業。



The above-mentioned competing business is managed by separate entities with independent management and administration. The Directors are of the view that the Group is capable of carrying on its businesses independently of, and at arm's length basis, the businesses of these entities. When making decisions, the relevant Directors, in performance of his duty as Director, have acted and will continue to act in the best interests of the Group.

Save as disclosed above, none of the Directors or their respective associates had any interest in any company or business which competes or may compete with the business of the Group during the year.

MANAGEMENT CONTRACTS

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

EQUITY-LINKED AGREEMENTS

Save for the share incentive scheme as set out below, the Company has not entered into any equity-linked agreement during the year ended 31 December 2022.

SHARE OPTIONS

Share Option Scheme adopted on 17 November 2011 ("Share Option Scheme I")

The Company unconditionally adopted a share option scheme on 17 November 2011, which expired on 16 November 2014. All the outstanding share options were cancelled as a result of the acceptance of the mandatory cash offer made by Mengniu which was completed on 21 March 2017.

Share Option Scheme adopted on 5 June 2014 ("Share Option Scheme II")

The Company unconditionally adopted a share option scheme on 5 June 2014, which was terminated on 9 September 2016. All the outstanding share options were cancelled as a result of the acceptance of the mandatory cash offer made by Mengniu which was completed on 21 March 2017.

上述競爭性業務由具有獨立管理及行政的不同實體管理。董事認為本集團能夠獨立於該等實體公平地經營其業務。作出決策時，相關董事就履行其作為董事的職責方面已經並將繼續以本集團的最佳利益行事。

除上文所披露者外，於年內概無董事或彼等各自的聯繫人在與本集團業務構成或可能構成競爭的任何公司或業務中擁有任何權益。

管理合約

於年內，本集團並無訂立亦不存在任何有關整體或任何重大業務部分管理及行政之合約。

股本掛鈎協議

除下文所載的股權激勵計劃外，本公司於截至2022年12月31日止年度並無訂立任何股本掛鈎協議。

購股權

於2011年11月17日採納的購股權計劃(「購股權計劃I」)

本公司於2011年11月17日無條件地採納一項購股權計劃，其於2014年11月16日屆滿。由於由蒙牛提出的強制性現金要約獲接納，所有尚未行使購股權獲註銷。該現金要約於2017年3月21日完成。

於2014年6月5日採納的購股權計劃(「購股權計劃II」)

本公司於2014年6月5日無條件採納一項購股權計劃，其於2016年9月9日終止。由於由蒙牛提出的強制性現金要約獲接納，所有尚未行使購股權獲註銷。該現金要約於2017年3月21日完成。



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Share Option Scheme adopted on 30 September 2016 (“Share Option Scheme III”)

The Company unconditionally adopted a share option scheme on 30 September 2016. All the outstanding share options were cancelled as a result of the acceptance of the mandatory cash offer made by Mengniu which was completed on 21 March 2017 and no new share option has been granted under Share Option Scheme III since.

As at the date of this report, there was no outstanding share options under the Share Option Scheme I, Share Option Scheme II and Share Option Scheme III.

SHARE AWARD SCHEMES

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

Share Award Scheme I

As at 31 December 2022, there were no outstanding awarded shares being unvested (2021: nil). For the avoidance of doubt, any restricted share granted prior to 26 March 2018, shall for all purposes continue to be administered and take effect in accordance with the rules of Share Award Scheme I.

Share Award Scheme II

As the total contributed amount of the Share Award Scheme I has reached its limit in 2017, the Company adopted Share Award Scheme II on 26 March 2018.

於2016年9月30日採納的購股權計劃(「購股權計劃III」)

本公司於2016年9月30日無條件採納一項購股權計劃。由於由蒙牛提出的強制性現金要約獲接納，所有尚未行使購股權獲註銷。該現金要約於2017年3月21日完成。自此，購股權計劃III項下並無授予新的購股權。

於本報告日期，購股權計劃I、購股權計劃II及購股權計劃III項下並無尚未行使的購股權。

股份獎勵計劃

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

股份獎勵計劃I

於2022年12月31日，概無發行在外尚未歸屬的獎勵股份(2021年：無)。為免生疑問，2018年3月26日之前所授予的任何限制性股份將繼續按照股份獎勵計劃I規則繼續管理和生效。

股份獎勵計劃II

由於股份獎勵計劃I的供款總額已於2017年達到上限，所以本公司於2018年3月26日採納股份獎勵計劃II。



(a) The purpose of the Share Award Scheme II

The purpose of the Share Award Scheme II is to recognise and motivate the contribution of certain members of management of the Group and to provide incentives and help the Group in retaining its existing members of management and to provide them with a direct economic interest in attaining the long-term business objectives of the Group.

(b) Eligible Participants

The eligible participants include all members of the middle and senior management of any member of the Group.

(c) Maximum number of shares available under the Share Award Scheme II

The maximum number of Shares which may be purchased by the scheme trustee each year is set at 1% of the number of issued ordinary shares of the Company at the preceding annual general meeting.

The maximum number of share award that may be granted under the Share Award Scheme II in aggregate shall be such number of Shares held or to be held by the scheme trustee from time to time.

As at 31 December 2022, the total number of Shares held by the scheme trustee was 53,345,422, and 56,642,000 Shares had been granted or agreed to be granted.

The Share Award Scheme II shall be subject to the administration of the Board and the scheme trustee in accordance with the scheme rules and the trust deed between the Company and the scheme trustee. The scheme trustee is an independent third party to the Company.

(d) Maximum entitlement of each eligible participant under the Share Award Scheme II

There is no specific limit on the maximum entitlement of each participant under the Share Award Scheme II. Accordingly, the maximum entitlement of each participant is subject to the limits imposed under the Listing Rules.

(a) 股份獎勵計劃II的目的

股份獎勵計劃II旨在表揚及激勵本集團若干管理層成員的貢獻，提供獎勵及協助本集團挽留其現有管理層成員，並為彼等提供實現本集團長期業務目標的直接經濟利益。

(b) 合資格參與者

合資格參與者包括本集團任何成員公司的所有中高級管理人員。

(c) 股份獎勵計劃II項下可獲得的最高股份數目

計劃受託人每年可購買的股份數目上限為本公司於上屆股東週年大會上已發行普通股數目的1%。

根據股份獎勵計劃II可授出的股份獎勵總數最多為計劃受託人不時持有或將持有的股份數目。

於2022年12月31日，計劃受託人持有的股份總數為53,345,422股，且已授予或同意授予56,642,000股股份。

根據計劃規則及本公司與計劃受託人之間的信託契約，股份獎勵計劃II須由董事會及計劃受託人管理。計劃受託人為本公司的獨立第三方。

(d) 股份獎勵計劃II項下每名合資格參與者的最高配額

股份獎勵計劃II項下每名參與者的最高配額並無特定限制。因此，每名參與者的最高配額受限於上市規則所施加的限制。



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(e) Vesting and Payment

Subject to the terms and condition of the Share Award Scheme II, upon fulfillment of all vesting conditions (if any) as specified in the scheme rules of the Share Award Scheme II (the “**Scheme Rules**”) and the grant notice (as the case may be), the respective awarded shares (the “**Awarded Shares**”) held by the scheme trustee pursuant to the provision of the Scheme Rules shall vest in such selected participants (the “**Selected Participants**”) on such date(s) determined in accordance with the vesting schedule as set out in the grant notice or otherwise as communicated by the Company to the Selected Participant. The Awarded Shares will be transferred to such Selected Participant (or his nominee) by the scheme trustee on the vesting date.

Within the 12 months following the vesting date (the “**Lock-up Period**”), a Selected Participant may only dispose of up to fifty percent (50%) of the Awarded Shares vested to such Selected Participant on the Vesting Date (the “**Vested Shares**”); and subject to the above, a Selected Participant may dispose of his/her remaining Vested Shares at any time following the expiry of Lock-Up Period.

Selected Participants are not required to pay purchase price for the Awarded Shares granted under the Share Award Scheme II.

(f) Period of the Share Award Scheme II

The Share Award Scheme II shall be effective from the adoption date, being 26 March 2018, and shall continue in full force and effect for an initial term of ten (10) years.

(e) 歸屬及付款

根據股份獎勵計劃II的條款及條件，待股份獎勵計劃II的計劃規則(「**計劃規則**」)及授出通知(視情況而定)所列的所有歸屬條件(如有)達成後，計劃受託人根據計劃規則的規定持有的相應獎勵股份(「**獎勵股份**」)應於根據授出通知中所載的歸屬時間表或本公司向有關經選定參與者(「**經選定參與者**」)傳達的其他方式確定的日期向經選定參與者歸屬。獎勵股份將於歸屬日期由計劃受託人轉讓予經選定參與者(或其代名人)。

於歸屬日期後的12個月內(「**禁售期**」)，經選定參與者最多僅能出售於歸屬日期歸屬於該經選定參與者的獎勵股份(「**歸屬股份**」)的百分之五十(50%)；以及根據上述規定，經選定參與者可於禁售期屆滿後隨時出售其剩餘的歸屬股份。

經選定參與者毋須為根據股份獎勵計劃II授出的獎勵股份支付購買價。

(f) 股份獎勵計劃II的期限

股份獎勵計劃II自採納日期(即2018年3月26日)起生效，並將於十(10)年的初始期限內繼續完全有效。



MOVEMENT OF THE SHARE AWARD DURING THE YEAR 本年度股份獎勵的變動

Details of the awarded Shares and their movements during the year are set out below: 年內獎勵股份詳情及變動如下：

Type of Grantees 獲授予人類別	Name of Grantee or Type 股份承授人名稱或類別	Date of Grant 授出日期	No. of Share Award Outstanding as of 1.1.2022 於2022年1月1日尚未歸屬股份獎勵		During the Year 於本年度			No. of Share Award Outstanding as at 31.12.2022 於2022年12月31日尚未歸屬的股份獎勵	Share Award Vesting Date 股份獎勵歸屬日期			Average Purchase Price of Share Awards (vested) 股份獎勵平均購買價(已歸屬部分)(HKS) (港元)	Closing Price Immediately Before the Date of Grant 緊接授予日期前的收盤價(HKS) (港元)	Weighted Average Closing Price Immediately Before the Vesting Date 緊接歸屬日期前的加權平均收盤價(HKS) (港元)
			Granted 已授予	Vested 已歸屬	Cancelled/ Lapsed 已註銷/ 失效	One-off vesting: 100%	By batch: First 50%		By batch: Second 50%					
Directors 董事	Sun Yugang 孫玉剛	25/3/2021	900,000		(900,000)		0	31/3/2022	N/A不適用	N/A不適用	1.345	1.88	1.31	
		12/4/2022		4,994,000			4,994,000	N/A不適用	12/4/2023	12/4/2024	N/A不適用	1.24	N/A不適用	
	Zhu Xiaohui 朱曉輝	9/12/2021	700,000		(700,000)		0	31/3/2022	N/A不適用	N/A不適用	1.345	1.30	1.31	
		12/4/2022		2,997,000			2,997,000	N/A不適用	12/4/2023	12/4/2024	N/A不適用	1.24	N/A不適用	
	Gao Lina (Note *) 高麗娜(註*)	25/3/2021	1,500,000		(750,000)	(750,000)	0	31/3/2022	N/A不適用	N/A不適用	1.345	1.88	1.31	
Other Grantees 其他獲授予人	Five highest paid individuals in aggregate (excluding Directors) 五名最高薪酬人士合計(不包括董事)	25/3/2021	1,400,000		(1,400,000)		0	31/3/2022	N/A不適用	N/A不適用	1.345	1.88	1.31	
		9/12/2021	2,100,000		(2,100,000)		0	31/3/2022	N/A不適用	N/A不適用	1.345	1.30	1.31	
		12/4/2022		12,087,000			12,087,000	N/A不適用	12/4/2023	12/4/2024	N/A不適用	1.24	N/A不適用	
	Other employees 其他僱員	25/3/2021	19,140,000		(17,554,991)	(1,585,009)	0	31/3/2022	N/A不適用	N/A不適用	1.345	1.88	1.31	
		9/12/2021	5,765,000		(5,733,829)	(31,171)	0	31/3/2022	N/A不適用	N/A不適用	1.345	1.30	1.31	
		12/4/2022		32,149,000			32,149,000	N/A不適用	12/4/2023	12/4/2024	N/A不適用	1.24	N/A不適用	
		25/11/2022		4,415,000			4,415,000	N/A不適用	12/4/2023	12/4/2024	N/A不適用	0.94	N/A不適用	
			31,505,000	56,642,000	(29,138,820)	(2,366,180)	56,642,000							

Note * : Ms. Gao Lina resigned as Director on July 1, 2021.

註* : 高麗娜女士於2021年7月1日辭去董事職務。

The fair values of Award Shares were determined based on the market price of the Company's shares at the grant date.

獎勵股份的公平值此乃根據本公司股份在授予日的市場價格釐定。

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For details of the Share Award Scheme II, please refer to the Company's announcement dated 27 March 2018. The related accounting policy for the fair values of the share-based payments and further details of the share award schemes are also set out in note 3 and 37 to the consolidated financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than as disclosed under the section headed "Pre-IPO Management Options", "Share Options" and "Share Award Schemes" above, at no time during the Reporting Year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executives of the Company to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other corporate.

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

Mr. Chow Ming Sang, an independent non-executive Director of the Board, was appointed as an independent non-executive director of Redco Healthy Living Company Limited, a company listed in Hong Kong (stock code: 2370.HK) with effect from 14 March 2022.

Mr. Lee Kong Wai, Conway, an independent non-executive Director of the Board, resigned as an independent non-executive director of WH Group Limited, a company listed in Hong Kong (stock code: 288.HK) with effect from 1 June 2022. Mr. Lee has also been appointed as an independent non-executive director of Intchains Group Limited (a company listed on NASDAQ Stock Market, stock code: ICG) since March 2023.

Mr. Li Shengli was appointed as an independent non-executive director of Australia Asia Group (stock code: 2425.HK) on December 5, 2022.

Save for disclosed above, there were no changes in the information of Directors since the date of the 2022 annual report of the Company and the Company's announcement, in relation to, among others, the resignation, appointment and re-designation of Directors, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

有關股份獎勵計劃II之詳情，請參閱本公司日期為2018年3月27日的公告。有關以股份支付的付款的公平值的相關會計政策以及股份獎勵計劃之進一步詳情分別載於綜合財務報表附註3及37。

董事購買股份或債券之權利

除上文「首次公開發售前管理層購股權」、「購股權」及「股份獎勵計劃」各節所披露者外，本公司或其任何附屬公司於本匯報年度任何時間概無作出任何安排，使董事或本公司主要行政人員有權認購本公司或其任何相聯法團(定義見證券及期貨條例)之證券，或透過收購本公司或任何其他法團之股份或債券而獲益。

根據上市規則第13.51B(1)條作出的董事資料更新

董事會獨立非執行董事周明笙先生於2022年3月14日獲委任為力高健康生活有限公司(一間於香港上市的公司，股份代號：2370. HK)的獨立非執行董事。

董事會獨立非執行董事李港衛先生於2022年6月1日辭任萬洲國際有限公司(一間於香港上市的公司，股份代號：288. HK)的獨立非執行董事。李先生於2023年3月亦獲委任為聰鏈集團有限公司(在美國納斯達克證券市場上市，股份代號：ICG)的獨立非執行董事。

李勝利先生於2022年12月5日獲委任為澳亞集團(股份代號：2425. HK)的獨立非執行董事。

除上述所披露者外，自本公司2022年年報日期以及本公司就(其中包括)董事辭任、委任及調任等事宜發佈的公告後，董事的資料概無任何變更，所以根據上市規則第13.51B(1)條並無須予披露事項。

概無其他資料須根據上市規則第13.51B(1)條予以披露。



DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

As at 31 December 2022 the interests or short positions of substantial Shareholders, other than the Directors or the chief executives of the Company and their respective associates, in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be maintained under Section 336 of the SFO were as follows:

根據證券及期貨條例的股東須予披露權益及淡倉

於2022年12月31日，主要股東(董事或本公司主要行政人員及彼等各自的聯繫人除外)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第336條須登記於登記冊的權益或淡倉如下：

Name of substantial shareholders	Capacity/Nature of interest	Number of Shares	Percentage of the Company's issued Share Capital ⁽³⁾ 佔本公司已發行股本百分比 ⁽³⁾
主要股東名稱	身份／權益性質	股份數目	
China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	Beneficial interest 實益權益	1,246,079,369 (L) ⁽¹⁾	15.74%
	Interest in controlled corporation (through Future Discovery Limited) 受控制法團權益 (透過Future Discovery Limited)	3,214,962,513 (L) ⁽²⁾	40.62%
Central Huijin Investment Ltd. 中央匯金投資有限責任公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益 (透過中銀國際金融產品有限公司)	542,053,596 (L)	6.85%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益 (透過澳門南通信託投資有限公司)	542,053,596 (S)	6.85%
Bank of China Limited 中國銀行股份有限公司	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益 (透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%
	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益 (透過中銀國際金融產品有限公司)	542,053,596 (L)	6.85%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益 (透過澳門南通信託投資有限公司)	542,053,596 (S)	6.85%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益 (透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%



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Name of substantial shareholders	Capacity/Nature of interest	Number of Shares	Percentage of the Company's issued Share Capital ⁽³⁾ 佔本公司已發行股本百分比 ⁽³⁾
主要股東名稱	身份／權益性質	股份數目	
BOC International Holdings Limited 中銀國際控股有限公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益 (透過中銀國際金融產品有限公司)	542,053,596 (L) 542,053,596 (S)	6.85% 6.85%
BOCI Financial Products Limited 中銀國際金融產品有限公司	Beneficial interest 實益權益	542,053,596 (L) 542,053,596 (S)	6.85% 6.85%
New Hope Dairy Co., Ltd. 新希望乳業股份有限公司	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.03%
New Century Ltd.	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.03%
Liu Chang	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.03%
GGG Holdings Limited	Beneficial interest 實益權益	635,345,763 (L)	8.03%

Notes:

- (1) Among which up to 613,877,227 shares of the Company have been lent to BOCI Financial Products Limited pursuant to a securities lending agreement dated 17 June 2020 entered into between Mengniu as lender and BOCI Financial Products Limited as borrower. As at 31 December 2022, the number of Shares that had been lent to BOCI Financial Products has decreased to 542,053,596.
- (2) Future Discovery Limited is a subsidiary of Mengniu.
- (3) Based on 7,915,662,048 Shares in issue as at 31 December 2022.
- (4) (S) Indicates a short position.
- (5) (L) Indicates a long position.

附註：

- (1) 其中最多613,877,227股本公司股份已根據由蒙牛(作為貸款人)與中銀國際金融產品有限公司(作為借款人)所訂立日期為2020年6月17日的借股協議借予中銀國際金融產品有限公司。於2022年12月31日，借予中銀國際金融產品有限公司的股份數目已減少至542,053,596股。
- (2) Future Discovery Limited 為蒙牛的附屬公司。
- (3) 基於2022年12月31日已發行的7,915,662,048股股份。
- (4) (S)指淡倉。
- (5) (L)指好倉。



Save as disclosed above, the Company had not been notified of any other interests or short positions in the shares or underlying shares representing 5% or more of the issued share capital of the Company or as recorded in the register required to be maintained under Section 336 of the SFO as at 31 December 2022.

CONTINUING CONNECTED TRANSACTIONS

During the year, the Group conducted the following transactions with certain connected persons of the Company including Mengniu, the controlling shareholder of the Company, and its subsidiaries (collectively the “**Mengniu Group**”) and Mengniu’s associates. These transactions constituted connected transaction or continuing continued transactions and are subject to reporting requirements under Chapter 14A of the Listing Rules.

Off-Take Agreement

The Company started to sell raw milk to Mengniu Group in 2006, and in 23 October 2008 following arm’s length negotiations, Modern Farming entered into an off-take agreement (the “**Off-Take Agreement**”) with Inner Mongolia Mengniu Dairy (Group) Company Limited (“**Inner Mongolia Mengniu**”), pursuant to which the Company shall supply raw milk to Inner Mongolia Mengniu.

Date:	24 October 2008
Parties:	(i) Modern Farming, a non-wholly owned subsidiary of the Company (ii) Inner Mongolia Mengniu, a non-wholly owned subsidiary of Mengniu
Nature of the Transaction:	Modern Farming shall supply raw milk to Inner Mongolia Mengniu.
Committed Purchase:	Both parties shall start to discuss estimates of annual supply three months prior to the beginning of each calendar year.

Should the parties fail to reach an agreed amount, Modern Farming shall be entitled to require Inner Mongolia Mengniu to purchase, subject to certain limitations, all of its raw milk production in the upcoming calendar year.

除上文所披露者外，於2022年12月31日，本公司並不知悉於佔本公司已發行股本5%或以上的股份或相關股份中擁有或根據證券及期貨條例第336條須登記於存置的登記冊內的任何其他權益或淡倉。

持續關連交易

年內，本集團與本公司若干關連人士開展以下交易，包括蒙牛(本公司控股股東)及其附屬公司(統稱為「**蒙牛集團**」)以及蒙牛的聯繫人。該等交易構成了關連交易或持續關連交易並須遵守上市規則第14A章的申報規定。

承購供應協議

本公司於2006年開始向蒙牛集團出售原奶，而於2008年10月23日經公平磋商後，現代牧業(集團)與內蒙古蒙牛乳業(集團)股份有限公司(「**內蒙古蒙牛**」)訂立承購供應協議(「**承購供應協議**」)，據此，本公司須向內蒙古蒙牛供應原奶。

日期：	2008年10月24日
訂約方：	(i) 現代牧業(集團)(本公司的非全資附屬公司) (ii) 內蒙古蒙牛(蒙牛的非全資附屬公司)
交易性質：	現代牧業(集團)須向內蒙古蒙牛供應原奶。
承諾購買：	訂約雙方須於各曆年開始前三個月開始討論估計年度供應量。

倘訂約方未能達成協定金額，現代牧業(集團)有權要求內蒙古蒙牛在若干限制下購買其於下一個曆年的全部原奶產量。



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Right to sell to other parties:

Modern Farming may sell up to 30% of its raw milk produced daily at each dairy farm to third parties at its discretion, except to two of Mengniu's competitors. Other than the aforesaid, the Off-Take Agreement contains no other restrictions on Modern Farming's sales of raw milk to third parties or development of its own dairy products.

向其他訂約方出售的權利：

除蒙牛的两名競爭對手外，現代牧業(集團)可酌情向第三方出售其各畜牧場每日生產的原奶的30%。除上述者外，承購供應協議並無載有現代牧業(集團)向第三方銷售原奶或其開發自家乳品的其他限制。

Pricing:

The pricing of the raw milk sold to Inner Mongolia Mengniu is determined through a formula which is calculated with reference to a base price with upward adjustment for meeting certain quality standards, such as the level of fat and protein content and other upward adjustments if the Modern Farming's farms are within an agreed proximity to Mengniu Group's dairy processing plants. The base price is based on the price which Mengniu Group at the relevant time offers to buy raw milk from other mid-to-large-scale dairy farms (which can offer raw milk of comparable quality) or, if there are no such mid-to-large-scale dairy farms in such region, other comparable dairy farms in nearby regions with adjustments (reflecting the prices in different regions).

定價：

向內蒙古蒙牛出售原奶的價格乃透過公式釐定，公式乃參考基本價格、達致若干質量標準(如脂肪及蛋白含量水平等)時的上調及其他上調(倘現代牧業(集團)的牧場處於蒙牛集團乳品加工廠的協定鄰近範圍內)計算。基本價格乃按蒙牛集團在有關時間提出向其他能提供可比較質量原奶的大中型畜牧場或(倘在該地區並無上述大中型畜牧場)鄰近地區的其他可資比較畜牧場購買原奶的價格，另加調整以反映不同地區的價格。



The base price and upward adjustment payable by Mengniu Group under the Off-Take Agreement shall not be lower than the base price and upward adjustment it pays respectively to other mid-to-large-scale dairy farms in the same region (other than short-term reward programs offered to milk suppliers that only account for a small portion of Mengniu Group's total raw milk purchases). Inner Mongolia Mengniu also grants Modern Farming an option to sell to Inner Mongolia Mengniu the same amount of raw milk at the same terms and prices Inner Mongolia Mengniu offers to any third party suppliers.

Term: The Off-Take Agreement shall be for an term of 10 years commencing from 24 October 2008 and was automatically extended for another 10 years on 24 October 2018 in the absence of any force majeure or events of default to 23 October 2028.

Details of the Off-Take Agreement have been disclosed in the Company's announcement dated 23 May 2013. The Off-Take Agreement was automatically extended on 24 October 2018 for another ten years in accordance with its terms.

Based on the terms of the Off-Take Agreement as well as the raw milk sales agreement signed by the newly acquired dairy farming companies of the Group, the Off-Take Agreement is applicable to such newly acquired dairy farming companies (except Fuyuan International).

The aggregate sales amount pursuant to the Off-take Agreement during the year ended 31 December 2022 amounted to approximately RMB7,455,042,000 (2021: RMB5,821,454,000).

蒙牛集團根據承購供應協議應付的基本價格及上調不得低於其分別向相同地區內的其他大中型畜牧場支付的基本價格及上調，惟向牛奶供應商提供的短期回贈計劃(僅佔蒙牛集團原奶採購總額的小部分)除外。內蒙古蒙牛亦授予現代牧業(集團)一項選擇權，以按內蒙古蒙牛向任何第三方供應商提供原奶的相同條款及價格向內蒙古蒙牛銷售相同金額的原奶。

年期：承購供應協議由2008年10月24日起計為期10年，在並無發生任何不可抗力或違約事件的情況下，於2018年10月24日屆滿自動延長10年至2028年10月23日。

有關承購供應協議的詳情，於本公司日期為2013年5月23日的公告內披露。承購供應協議已根據其條款自動於2018年10月24日延長十年。

本集團根據承購供應協議相關條款，結合本集團新近收購的牧場公司已簽訂的原奶銷售協議，新近收購的牧場公司(除富源國際)已為承購供應協議所涵蓋。

於截至2022年12月31日止年度，根據承購供應協議的銷售總額約達人民幣7,455,042,000元(2021年：人民幣5,821,454,000元)。



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Framework Supply Agreement I & II with Keniule

Modern Farming (Wuhe) Co., Ltd. (“**Modern Faming Wuhe**”), a company incorporated in the PRC and a non-wholly owned subsidiary of the Company, entered into the Supply Agreement with Keniule, pursuant to which Modern Faming Wuhe agreed to supply, and Keniule Dairy Products Co., Ltd. (“**Keniule**”), a company incorporated in the PRC with limited liability and an associate of Mengniu, Keniule agreed to purchase, fresh raw milk produced by Modern Farming Wuhe from time to time during the term.

(I)

Date:	31 December 2021.
Parties:	(i) Modern Farming Wuhe as the supplier; and (ii) Keniule as the purchaser.
Duration:	From 1 January 2022 to 31 March 2022.
Principal Terms:	Modern Farming Wuhe agreed to supply, and Keniule agreed to purchase, fresh raw milk produced by Modern Farming Wuhe during the term.
Pricing:	The price of the fresh raw milk supplied under the Supply Agreement shall be negotiated and determined between the parties on the grounds of fairness and by reference to (i) the price of fresh raw milk of the same or substantially similar quality standards which Modern Farming Wuhe supplies to its other major customers in the same region; and (ii) the market guidance prices published by dairy associations in the East China region in 2022.
Maximum transaction amount:	The maximum transaction amount in respect of the supply and purchase of fresh raw milk during the term under the Supply Agreement is RMB20,000,000.

與可牛了的框架供應協議I及II

現代牧業(五河)有限公司(「**現代牧業五河**」)(一家於中國註冊成立的公司，且為本公司的非全資附屬公司)與可牛了訂立供應協議，據此，現代牧業五河同意供應而可牛了乳製品有限公司(「**可牛了**」)(一家於中國註冊成立的有限公司，且為蒙牛的聯繫人)同意購買現代牧業五河於期限內不時生產的生鮮乳。

(I)

日期：	2021年12月31日。
訂約方：	(1) 現代牧業五河(作為供應方)；及 (2) 可牛了(作為買方)。
期限：	2022年1月1日至2022年3月31日。
主要條款：	現代牧業五河同意供應而可牛了同意購買現代牧業五河於期限內不時生產的生鮮乳。
定價：	根據供應協議所供應生鮮乳的價格將按公平原則基準磋商釐定，並參照(i)現代牧業五河於相同地區供應相同或實質性類似質量標準生鮮乳予其其他主要客戶的價格；及(ii)華東地區乳業協會於2022年公佈的市場指導價。
最高交易金額：	本公司預計供應協議下的最高交易金額為人民幣20,000,000元。



(II)	(II)
Date: 1 April 2022.	日期：2022年4月1日。
Parties: (1) Modern Farming Wuhe (as the supplier); and (2) Keniule (as the purchaser).	訂約方：(1) 現代牧業五河(作為供應商)；及 (2) 可牛了(作為買方)。
Duration: From 1 April 2022 to 31 December 2022.	期限：2022年4月1日至2022年12月31日。
Principal Terms: Modern Farming Wuhe agreed to supply, and Keniule agreed to purchase, fresh raw milk produced by Modern Farming Wuhe during the term from time to time.	主要條款：現代牧業五河同意供應而可牛了同意購買現代牧業五河於期限內不時生產的生鮮乳。
Pricing: The price of the fresh raw milk supplied under the supply agreement shall be negotiated and determined between the parties on the grounds of fairness and by reference to (i) the price of fresh raw milk of the same or substantially similar quality standards at which Modern Farming Wuhe supplies to its other major customers in the same region; and (ii) the market guidance prices published by dairy associations in the East China region in 2022.	定價：根據供應協議所供應生鮮乳的價格將按公平原則基準磋商釐定，並參照(i)現代牧業五河於相同地區供應相同或實質性類似質量標準生鮮乳予其其他主要客戶的價格；及(ii)華東地區乳業協會於2022年公佈的市場指導價。
Maximum transaction amount: The Company expects that the maximum transaction amount under the Supply Agreement is RMB130,000,000.	最高交易金額：本公司預計供應協議下的最高交易金額為人民幣130,000,000元。
Annual Capacity: The annual cap in respect of the supply and purchase of fresh raw milk during the term under the Supply Agreement is RMB140,000,000. The annual cap was determined with reference to the estimated unit price of fresh raw milk and the expected volume to be purchased by Keniule during the term.	年度上限：供應協議項下有關於期限內供應及購買生鮮乳的年度上限為人民幣140,000,000元。年度上限乃參照可牛了於期限內所購買生鮮乳的估計單價及預期數量而釐定。

The sales amount pursuant to the Framework Supply Agreement I the period 1 January 2022 to 31 March 2022 was RMB9,648,000, and for the period 1 April 2022 to 31 December 2022 was RMB23,296,000. The aggregate sales the year ended 31 December 2022 amounted to approximately RMB32,944,000 (2021: RMB13,735,000).

根據框架供應協議I，2022年1月1日至2022年3月31日期間的銷售額為人民幣9,648,000元，2022年4月1日至2022年12月31日期間則為人民幣23,296,000元。截至2022年12月31日止年度的銷售總額約達人民幣32,944,000元(2021年：人民幣13,735,000元)。



REPORT OF THE DIRECTORS 董事會報告書

Farm Supplies Framework Supply Agreement with Aiyuanniu

Modern Farming, an indirect non-wholly owned subsidiary of the Company, entered into the Farm Supplies Framework Agreement with Inner Mongolia Aiyangniu Technology Co., Ltd., a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of Mengniu ("Aiyangniu Technology"), in relation to the supply of Farm Supplies by the Aiyangniu Technology Group to the Modern Farming.

與愛養牛的牧場物資框架供應協議

本公司的間接非全資附屬公司現代牧業(集團)與內蒙古愛養牛科技有限公司(「愛養牛科技」)(一家於中國註冊成立的有限公司，為蒙牛的間接非全資附屬公司)訂立了牧場物資框架協議，內容有關愛養牛科技集團向現代牧業(集團)提供牧場物資。

Date: 31 December 2021.

Parties: (i) Modern Farming as the buyer; and
(ii) Aiyangniu Technology as the supplier.

Duration: For a term commencing from 1 January 2022 to 31 December 2022.

Principal Terms: The Modern Farming group agrees to purchase, and the Aiyangniu Technology group agrees to supply and deliver to designated farms of Modern Farming group, farm supplies which shall meet the quality requirements as set out in the framework supply agreement.

Pricing: The price payable by the Modern Farming to the Aiyangniu Technology Group shall be determined by reference to the lowest quoted price at which the Modern Farming could obtain from independent third parties (whether local or overseas) for the same types of Farm Supplies. For this purpose, the Modern Farming will seek quotations from at least two independent third parties offering the same types of Farm Supplies each time.

Annual Capacity: The annual cap in respect of the transactions contemplated under the framework supply agreement commencing from 1 January 2022 to 31 December 2022 is RMB200,000,000.

日期：2021年12月31日。

訂約方：(i) 現代牧業(集團)(作為買方)；及
(ii) 愛養牛科技(作為供應商)。

期限：自2022年1月1日起至2022年12月31日止。

主要條款：現代牧業集團同意購買牧場物資，且愛養牛科技集團同意供應及運送牧場物資至現代牧業集團的指定牧場，指定的牧場物資須符合框架供應協議所載的質量要求。

定價：現代牧業(集團)向愛養牛科技集團應付的價格應參考現代牧業(集團)就同類牧場物資向獨立第三方(無論為本地或海外)取得的最低報價釐定。就此而言，現代牧業(集團)將每次向至少兩名提供同類牧場物資的獨立第三方尋求報價。

年度上限：自2022年1月1日起至2022年12月31日止，框架供應協議項下擬進行的交易的年度上限為人民幣200,000,000元。

The aggregate sales amount pursuant to the framework supply agreement the year ended 31 December 2022 amounted to approximately RMB116,914,000 (2021: RMB35,372,000).

於截至2022年12月31日止年度，根據框架供應協議的銷售總額約達人民幣116,914,000元(2021年：人民幣35,372,000元)。



Milk Supply Agreement between Fuyuan International and Inner Mongolia Mengniu

Fuyuan International entered into a milk supply agreement on February 27, 2014 (“**Milk Supply Agreement 2014**”) with Inner Mongolia Mengniu Dairy (Group) Co., Ltd. (“**Inner Mongolia mengniu**”), a subsidiary of Mengniu, pursuant to which Inner Mongolia Mengniu agreed to purchase fresh raw milk from Fuyuan International and its subsidiaries, and Fuyuan International agreed to supply fresh raw milk it produces to Inner Mongolia Mengniu. Fuyuan International has become the subsidiary of the Company on 29 November 2021, and therefore, the transactions between the Fuyuan International and Inner Mongolia Mengniu under the Milk Supply Agreement 2014 will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

富源國際與內蒙古蒙牛之間的原奶供應協議

富源國際於2014年2月27日與蒙牛的附屬公司內蒙古蒙牛乳業(集團)股份有限公司(「**內蒙古蒙牛**」)訂立原奶供應協議(「**2014年原奶供應協議**」)，據此，內蒙古蒙牛同意向富源國際及其附屬公司購買生鮮原奶，而富源國際同意向內蒙古蒙牛供應其生產的生鮮原奶。富源國際於2021年11月29日已成為本公司的附屬公司，因此，2014年原奶供應協議項下富源國際與內蒙古蒙牛的交易將構成本公司於上市規則第十四A章項下的持續關連交易。

Date:	February 27, 2014	日期：	2014年2月27日
Parties:	(1) Fuyuan International (2) Inner Mongolia Mengniu	訂約方：	(1) 富源國際 (2) 內蒙古蒙牛
Duration:	From February 27, 2014 to February 28, 2034	期限：	2014年2月27日至2034年2月28日
Pricing policy:	The final purchase price of fresh raw milk shall be calculated with reference to a base price on the basis of regions, adjusted based on the quality standards of the fresh raw milk supplied (such as level of fat and protein content, acidity and microbial content). The base price will be adjusted in accordance with movements in market price. Inner Mongolia Mengniu undertakes that the base price payable under the Milk Supply Agreement 2014 shall not be lower than the price it pays for purchasing fresh raw milk of the same physicochemical indices from any third party in the area where Fuyuan International is located.	定價政策：	生鮮原奶之最終購買價將按地區參照基礎價計算，並根據所供應生鮮原奶之質量標準(如脂肪及蛋白質含量、酸度及微生物含量水平)進行調整。基礎價隨市場價格的變化進行調整。內蒙古蒙牛承諾根據2014年原奶供應協議應付的基礎價不得低於其向富源國際所處地區之任何第三方購買相同理化指標之生鮮原奶所支付之價格。
Settlement terms:	(1) Fuyuan International shall issue an invoice for the confirmed settlement amount of the previous month to Inner Mongolia Mengniu before the 10th day of each month; and (2) Inner Mongolia Mengniu shall pay the invoiced amount to the designated account of Fuyuan International before the 30th day of each month.	結算條款：	(1)富源國際將於每月第十日前就上一個月已確認之結算金額向內蒙古蒙牛開具發票；及(2)內蒙古蒙牛將於每月第三十日前向富源國際之指定賬戶支付發票金額。



REPORT OF THE DIRECTORS 董事會報告書

Details of the Milk Supply Agreement 2014 have been disclosed in the Company's announcement dated 29 November 2021.

The aggregate sales amount pursuant to the Milk Supply Agreement 2014 from 1 January 2022 to 31 December 2022 amounted to approximately RMB1,746,468,000 (2021: RMB156,461,000).

Fuyuan International was acquired by the Company on 29 November 2021 and become a wholly-owned subsidiary of the Company then. The transaction between the Company and Fuyuan International ceased to be defined as a connected transaction thereafter under the Listing Rules.

Intelligent IoT Software and hardware Procurement and Supply Framework Agreement with Yunyangniu Technology

Modern Farming, an indirect non-wholly owned subsidiary of the Company, and Hainan Yunyangniu Technology Co., Ltd. ("Yunyangniu Technology", a company incorporated in the PRC with limited liabilities) (being a non-wholly-owned subsidiary of Modern Dairy and an indirect non-wholly-owned subsidiary of Mengniu) entered into the Intelligent IoT Software and Hardware Procurement and Supply Framework Agreement in relation to the supply of intelligent IoT software and hardware and the provision of supporting services by Yunyangniu Technology Group to Modern Farming Group.

Date: 7 July 2022.

Parties: (i) Modern Farming (as the purchaser)
(ii) Yunyangniu Technology (as the supplier)

Duration: From 7 July 2022 to 31 December 2022

Principal Terms: Modern Farming group agrees to purchase, and Yunyangniu Technology group agrees to supply and deliver to the designated farms of Modern Farming group, the intelligent IoT software and hardware which shall meet the relevant specifications, along with supporting services.

有關2014年原奶供應協議的詳情已於本公司日期為2021年11月29日的公告中披露。

於2022年1月1日至2022年12月31日，根據2014年原奶供應協議的銷售總額約達人民幣1,746,468,000元(2021年：人民幣156,461,000元)。

富源國際於2021年11月29日被本公司收購，成為本公司的全資附屬公司。本公司與富源國際的交易在上市規則下自此不再定義為關連交易。

與雲養牛科技的智能物聯網軟硬件採供框架協議

本公司的間接非全資附屬公司現代牧業(集團)與海南雲養牛科技有限公司(「雲養牛科技」)(一家於中國註冊成立的有限公司，為現代牧業(集團)的非全資附屬公司及蒙牛的間接非全資附屬公司)訂立了智能物聯網軟硬件採供框架協議，內容有關雲養牛科技集團向現代牧業集團供應智能物聯網軟硬件及提供配套服務。

日期：2022年7月7日。

訂約方：(i) 現代牧業(集團)(作為買方)
(ii) 雲養牛科技(作為供應商)

期限：自2022年7月7日起至2022年12月31日止

主要條款：現代牧業集團同意購買智能物聯網軟硬件，且雲養牛科技集團同意供應及運送智能物聯網軟硬件至現代牧業集團的指定牧場並提供配套服務，指定的智能物聯網軟硬件須符合相關質量要求。



Pricing:	The price payable by Modern Farming Group to Yunyangniu Technology Group shall be determined by way of price inquiry and comparison, and with reference to the lowest quotation that Modern Farming Group could obtain from independent suppliers (whether domestic or foreign) for the intelligent IoT software and hardware with the same standards and specifications and similar quality. Yunyangniu Technology Group will assist Modern Farming Group to estimate its specific needs of relevant software and hardware according to the relevant business needs and requirements (including, but not limited to, standards, quantities, specifications and quality). Modern Farming Group will seek price quotation from at least three independent sizeable suppliers with relevant qualifications, and will determine the purchase price through price consultation with suppliers to ensure that the price and terms of the provision of software and hardware equipment by Yunyangniu Technology Group to Modern Farming Group are no less favorable than those offered by other independent suppliers. The price mentioned above refers to the on-site price.	定價：	現代牧業集團向雲養牛科技集團應付的價格，應參考現代牧業集團支付給相同標準、規格及品質相約的智慧物聯網軟硬件的獨立供應商(無論是國內或國外)所提供的最低報價並通過詢比價方式來釐定。雲養牛科技集團將協助現代牧業集團根據其相關業務需要及要求(包括但不限於標準、數量、規格及質量)，來估算有關軟硬件的具體需求，現代牧業集團將向至少三具有相關資質及具規模的獨立供應商進行詢價，通過與供應商詢價來釐定購買價格，以確保雲養牛科技集團向現代牧業集團提供的軟硬件設備的供應價格及條款不遜於其他獨立供應商所提供的價格及條款。上述所述價格均以到場價格為基準。
Specifications:	The intelligent IoT software and hardware supplied by Yunyangniu Technology Group shall (i) satisfy the quality standards as specified in the purchase orders; and (ii) comply with national and local laws and regulations of the PRC.	質量要求：	雲養牛科技集團提供的智能物聯網軟硬件應(i)符合於購買訂單內註明的質量標準；(ii)遵守中國國家及地方法例及法規。
Annual Cap:	The maximum transaction amount in respect of the transactions contemplated under the intelligent IoT software and hardware procurement and supply framework agreement commencing from 7 July 2022 to 31 December 2022 is RMB30,000,000.	年度上限：	自2022年7月7日起至2022年12月31日止，智能物聯網軟硬件採供框架協議項下擬進行的交易的交易金額上限為人民幣30,000,000元。



REPORT OF THE DIRECTORS

董事會報告書

From 7 July 2022 to 31 December 2022, the total sales amount under the intelligent IoT software and hardware procurement and supply framework agreement reached approximately RMB8,572,000.

Save as disclosed above, there are no other connected transactions of the Company that are subjected to be reported in the annual report in accordance with the Listing Rules.

Reviewed By Audit Committee

The Audit Committee (consists of three independent non-executive Directors) have reviewed these transactions and confirmed that the non-exempt continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) 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.

Pursuant to Rule 14A.56 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Board engaged the auditor of the Company to report the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this Annual Report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

自2022年7月7日起至2022年12月31日止，根據智能物聯網軟硬件採供框架協議的銷售總額約達人民幣8,572,000元。

除上文所披露者外，本公司概無其他關連交易須根據上市規則在年報內作出呈報。

審核委員會審核

審核委員會(由三名獨立非執行董事組成)已審閱該等交易，並確認非豁免持續關連交易如下訂立：

- (a) 在本集團的日常業務過程中訂立；
- (b) 按正常商業條款或更好的條款；及
- (c) 按照公平合理且符合股東整體利益的相關協議進行。

根據香港聯合交易所有限公司證券上市規則(「上市規則」)第14A.56條，董事會已委聘本公司核數師按照香港審驗應聘準則3000「歷史財務資料審計或審閱以外的審驗應聘」及參照香港會計師公會頒佈之實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」匯報本集團之持續關連交易。核數師已按照上市規則第14A.56條刊發其載有本集團於本年報所披露持續關連交易之審驗結果之無保留意見函件。本公司已將核數師函件副本呈交香港聯交所。



CONNECTED TRANSACTIONS

The Acquisition of 75% Equity Interests in Aiyangniu Technology

On 15 March 2022, the Company (as the purchaser) entered into the equity transfer agreement with the shareholder sellers and Aiyangniu Technology, pursuant to which the shareholder sellers agreed to sell, and the purchaser agreed to purchase, 75% equity interests in Aiyangniu Technology at a total consideration of RMB287,774,900. Aiyangniu Technology was 73.66% owned by Mengniu, which was a substantial shareholder and connected person of the Company and therefore, Aiyangniu Technology and Inner Mongolia Mengniu were associates of Mengniu and connected persons of the Company. Accordingly, the acquisition contemplated under the equity transfer agreement also constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. The Company completed the acquisition of Aiyangniu Technology on 28 June 2022.

For details of the Aiyangniu Technology Acquisition Agreement and the transaction contemplated thereunder, please refer the Company's announcement dated 15 March 2022 and circular dated 15 May 2022.

關連交易

收購愛養牛科技75%股權

於2022年3月15日，本公司作為買方與股東賣方及愛養牛科技訂立股權轉讓協議，據此，股東賣方同意出售及買方同意購買愛養牛科技之75%股權，總代價為人民幣287,774,900元。愛養牛科技由本公司主要股東及關聯人士蒙牛擁有73.66%。因此，愛養牛科技及內蒙古蒙牛均為蒙牛的聯繫人及本公司的關連人士。因此，根據上市規則第十四A章，股權轉讓協議項下擬進行之收購事項亦構成本公司之關連交易。本公司於2022年6月28日完成收購愛養牛科技。

有關愛養牛科技收購協議及其項下擬進行的交易事項的詳情，請參閱本公司日期為2022年3月15日的公告及日期為2022年5月15日的通函。



REPORT OF THE DIRECTORS

董事會報告書

The Provision of Guarantee for Aiyangniu Technology

On 25 July 2022, Modern Farming, an indirect non-wholly owned subsidiary of the Company entered into the letter of guarantee in favour of the suppliers for Aiyangniu Technology, an indirect non-wholly owned subsidiary and a connected subsidiary of the Company, in respect of the due performance of the payment obligations arising from Aiyangniu Technology under the purchase orders commencing from 1 August 2022 to 31 July 2023 between Aiyangniu Technology and one or more of the suppliers.

Date:	July 25, 2022
Form of guarantee:	Upon the expiry of the credit period under the purchase orders, Modern Farming shall become liable in the event of a default by Aiyangniu Technology of its payment obligations to the suppliers within the scope of guarantee set out in the letter of guarantee.
Amount of guarantee:	The maximum amount of the guarantee shall be RMB55.5 million.
Scope of guarantee:	All payables of Aiyangniu Technology under the purchase orders, including but not limited to the principal, interest, penalty interest, liquidated damages and all other reasonable expenses incurred by the Suppliers from the realization of its rights over the debts in connection with the Purchase Orders.
Terms of guarantee:	From the date on which the letter of guarantee becomes effective to the date falling three years after the expiry of the period of settlement of overdue trade payables by Aiyangniu Technology under the purchase orders.

為愛養牛科技提供擔保

於2022年7月25日，本公司的間接非全資附屬公司現代牧業(集團)就愛養牛科技(本公司的間接非全資附屬公司及關連附屬公司)妥善履行愛養牛科技與一名或多名供應商自2022年8月1日起至2023年7月31日止訂立的採購訂單項下之愛養牛科技產生的付款責任，以供應商為受益人為愛養牛科技訂立擔保函。

日期：	2022年7月25日
擔保方式：	於採購訂單項下擬進行的信貸期屆滿後，倘愛養牛科技對供應商的付款責任發生違約，則現代牧業(集團)須承擔擔保函所載擔保範圍內的責任。
擔保金額：	擔保的最高金額將為人民幣55.5百萬元。
擔保範圍：	愛養牛科技於採購訂單項下的所有應付款項，包括但不限於本金、利息、罰息、違約金及供應商因實現其於採購訂單相關債務的權利而產生的所有其他合理開支。
擔保期限：	自擔保函生效之日起至愛養牛科技根據採購訂單結清逾期的貿易應付款項的期限屆滿後滿三年之日止。



The Directors confirmed that the Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of all of its continuing connected transactions and connected transactions.

Details of the above continuing connected transactions and connected transactions have been disclosed in accordance with Chapter 14A of the Listing Rules and are set out in the announcements of the Company which are available at the Hong Kong Stock Exchange's website and the Company's website at www.moderndairyir.com.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group adopts a comprehensive risk management framework. Risk management policies and procedures are regularly reviewed and updated to react changes in dairy product quality, food safety, production, animal disease, environment pollution, market developments and financial risks. The Audit Committee reviews risk-related policies and scrutinizes that management has performed its duty to have effective risk management and internal control systems necessary for monitoring and controlling risks arising from the Group's business activities, changing external risks and regulatory environment, and report to the Board on the above.

Strategic Risks

The Directors maintain a strategic plan based on the knowledge on the dairy industry. The Group will invest in good grass plantation, good dairy cows, quality milk production and promotion of integrated operation that based on the strategic plan in order to cope with the market demand and expectation. The Group will closely review and monitor its short and long-term strategies and strives for the best interests to its shareholders.

Operational Risks

Operational risk is concerned with possible losses caused by failure of internal processes, people, system or external events, such risk is mitigated by and controlled by establishing sound internal control, setting out clear lines of responsibility, proper segregation of duties and effective internal reporting. Management regularly reviews the Group's operations to ensure that the Group's risk of losses, whether financial or otherwise, resulting from fraud, errors, omissions and other operational and compliance matters, are adequately managed.

董事確認，本公司已就其所有持續關連交易及關連交易遵守上市規則第14A章之規定。

有關上述持續關連交易及關連交易的詳情已根據上市規則第14A章披露，並載於本公司的公告，該等公告可於香港聯交所網站及本公司網站 www.moderndairyir.com 查閱。

主要風險及不確定因素

本集團採用全面風險管理框架。風險管理政策及程序獲定期檢討並更新以應對乳品質量、食品安全、生產、動物疾病、環境污染、市場開發及財務風險變動。審核委員會檢討風險相關政策及仔細檢查管理層是否已履行其職責，設立對監控及控制本集團業務活動、外部風險及監管環境變動產生的風險而言屬必要的風險管理及內部監控制度，並向董事會就上述情況作出報告。

策略風險

董事根據乳品行業知識維持策略計劃。本集團將投資優質草場、奶牛、乳製品及根據策略計劃推進綜合化經營以滿足市場需求及預期。本集團將密切檢討及監控短長期策略並致力為股東帶來最佳利益。

營運風險

營運風險有關內部程序失效、人員、制度或外部事項造成的可能損失，此風險透過建立健全的內部監控、明確責任範圍、適當的職責分離及有效的內部報告予以降低及控制。管理層定期檢討本集團營運以確保本集團虧損(不論是財務或其他方面)、欺詐所導致、錯誤、疏忽或其他營運及合規事宜的風險得到充分管理。



REPORT OF THE DIRECTORS

董事會報告書

Financial Risks

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and may enter into currency forward contracts or currency option contracts, when necessary, to manage its foreign exchange exposure. Furthermore, with aim to tackle the risk of interest rate fluctuation, the management regularly reviews and assesses the Group's exposure to interest rate movement and may consider entering into interest rate swap contracts or other hedging strategies when necessary.

The principal financial risks are set out in Notes 40 and 41 to the consolidated financial statements headed "Capital Risk Management" and "Financial Instrument".

AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive Directors, namely Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang and one non-executive Director, Mr. Zhang Ping. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Company, and discussed the risk management and internal control systems and financial reporting matters including the review of the audited results for the year ended 31 December 2022.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws in the Cayman Islands, which would oblige the Company to offer new shares on pro-rata basis to existing Shareholders.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the shares of the Company.

PUBLIC FLOAT

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

財務風險

本集團通過定期審查外匯風險淨額，並可能訂立貨幣遠期合約或貨幣期權合約(如需要)，以管理其外匯風險。此外，為應對利率波動的風險，管理層定期檢討及評估本集團的利率變動風險，並可考慮在必要時訂立利率掉期合約或其他對沖策略。

主要財務風險載於綜合財務報表附註40「資本風險管理」及41「金融工具」。

審核委員會

審核委員會由兩名獨立非執行董事李港衛先生及周明笙先生以及一名非執行董事張平先生組成。審核委員會已與管理層審閱本公司採納的會計原則及慣例，並討論了風險管理及內部監控制度及財務報告事宜，包括審閱截至2022年12月31日止年度的經審核業績。

優先購買權

組織章程細則或開曼群島法律並無任何優先購買權條文，規定本公司須按比例向現有股東提呈發售新股份。

稅項減免

本公司不知悉股東因持有本公司股份而可獲任何稅項減免。

公眾持股量

根據本公司獲得的公開資料及據董事所知悉，於本年報日期，本公司一直維持上市規則內所指定之公眾持股量。



EVENTS AFTER THE REPORTING YEAR

Saved as disclosed in this report, no other material events of the Group occurred after 31 December 2022 and up to the date of this report.

AUDITORS

The consolidated financial statements for the years ended 31 December 2022 and 2021 were audited by Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu will retire as auditors of the Company and, is eligible to, offer themselves for re-appointment. A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditors of the Company will be proposed at the forthcoming 2023 AGM. The Company has not changed its auditor in the past 3 years.

On behalf of the Board
Zhao Jiejun
Chairman

Hong Kong, 28 March 2023

本匯報年度後事項

除本報告披露者外，本集團於2022年12月31日後至本報告披露日概無重大事項發生。

核數師

截至2022年及2021年12月31日止年度的綜合財務報表由德勤•關黃陳方會計師行審核。

德勤•關黃陳方會計師行將退任本公司核數師職務並符合資格願意膺選連任。於應屆2023年股東週年大會上將提呈續聘德勤•關黃陳方會計師行為本公司核數師的決議案。本公司於過去3年並無更換其核數師。

代表董事會
主席
趙傑軍

香港，2023年3月28日



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Sun Yugang (*Chief Executive Officer*)

Mr. Zhu Xiaohui (*Chief Financial Officer*)

Non-Executive Directors

Mr. Zhao Jiejun (*Chairman of the Board*)

Mr. Zhang Ping

Mr. Chen Yiyi

Ms. Gan Lu

Independent Non-Executive Directors

Mr. Li Shengli

Mr. Lee Kong Wai, Conway

Mr. Chow Ming Sang

AUDIT COMMITTEE

Mr. Lee Kong Wai, Conway (*Chairman*)

Mr. Zhang Ping

Mr. Chow Ming Sang

REMUNERATION COMMITTEE

Mr. Li Shengli (*Chairman*)

Mr. Zhang Ping

Mr. Chow Ming Sang

NOMINATION COMMITTEE

Mr. Zhao Jiejun (*Chairman*)

Mr. Lee Kong Wai, Conway

Mr. Chow Ming Sang

STRATEGY AND DEVELOPMENT COMMITTEE

Mr. Zhao Jiejun (*Chairman*)

Mr. Sun Yugang

Mr. Chen Yiyi

Mr. Li Shengli

Ms. Gan Lu

SUSTAINABILITY COMMITTEE

Mr. ZHANG Ping (*Chairman*)

Mr. SUN Yugang

Mr. ZHU Xiaohui

Mr. LI Shengli

Mr. LEE Kong Wai, Conway

董事會

執行董事

孫玉剛先生(總裁)

朱曉輝先生(首席財務官)

非執行董事

趙傑軍先生(董事會主席)

張平先生

陳易一先生

甘璐女士

獨立非執行董事

李勝利先生

李港衛先生

周明笙先生

審核委員會

李港衛先生(主席)

張平先生

周明笙先生

薪酬委員會

李勝利先生(主席)

張平先生

周明笙先生

提名委員會

趙傑軍先生(主席)

李港衛先生

周明笙先生

戰略及發展委員會

趙傑軍先生(主席)

孫玉剛先生

陳易一先生

李勝利先生

甘璐女士

可持續發展委員會

張平先生(主席)

孫玉剛先生

朱曉輝先生

李勝利先生

李港衛先生



SENIOR MANAGEMENT

Mr. Guo Wenju
Mr. Han Chunlin
Mr. Zhang Xue
Mr. Song Weizheng
Ms. Yuan Li

AUTHORISED REPRESENTATIVES

Mr. Sun Yugang
Mr. Li Kwok Fat

COMPANY SECRETARY

Mr. Li Kwok Fat (CPA, ACG, HKACG)

HEADQUARTERS

Economic and Technological Development Zone
Maanshan City, Anhui Province
PRC

REGISTERED OFFICE

Maples Corporate Services Limited
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Cayman Islands

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高級管理層

郭文舉先生
韓春林先生
張學先生
宋維政先生
袁麗女士

授權代表

孫玉剛先生
李國發先生

公司秘書

李國發先生(CPA, ACG, HKACG)

總辦事處

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註冊辦事處

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股份過戶登記總處

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Grand Cayman, KY1-1102
Cayman Islands



CORPORATE INFORMATION

公司資料

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LEGAL ADVISORS

As to Hong Kong Law
Cleary Gottlieb Steen & Hamilton (Hong Kong)

As to PRC Law

Commerce & Finance Law Offices

As to Cayman Islands Law

Maples and Calder

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

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

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1117

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Inquiry: (+852) 2850-6252

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合和中心17樓1712-1716室

法律顧問

香港法律
佳利(香港)律師事務所

中國法律

通商律師事務所

開曼群島法律

Maples and Calder

核數師

德勤•關黃陳方會計師行
註冊公眾利益實體核數師

主要銀行

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

股份代號

香港聯合交易所有限公司：1117

網址及聯絡

<http://www.moderndairyir.com>
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INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

致中國現代牧業控股有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of China Modern Dairy Holdings Ltd. (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 123 to 306, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) 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 judgment, 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.

意見

我們已審核載於第123至306頁中國現代牧業控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，該等綜合財務報表包括於2022年12月31日的綜合財務狀況表，及截至該日止年度的綜合損益及其他全面收益表、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(包括主要會計政策概要)。

我們認為，綜合財務報表已根據國際財務報告準則(「**國際財務報告準則**」)真實而公平地反映 貴集團於2022年12月31日的綜合財務狀況以及其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。

意見的基礎

我們根據香港會計師公會(「**香港會計師公會**」)頒佈的香港審計準則(「**香港審計準則**」)進行審核。我們在該等準則下的責任在我們的報告的「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的「職業會計師道德守則」(「**守則**」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的意見提供基礎。

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在整體審核綜合財務報表及就此達致意見時處理該等事項，而不會就此等事項單獨發表意見。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter 關鍵審核事項

How our audit addressed the key audit matter 我們在審核中處理關鍵審核事項的方法

Fair value of milkable cows 奶牛公平值

We identified the fair value of milkable cows as a key audit matter due to the significance of the balance on the consolidated statement of financial position at 31 December 2022 and the significant degree of estimates made by the management in determining such fair values.

The Group reported milkable cows of Renminbi ("RMB") 6,571 million as at 31 December 2022. These biological assets are measured at fair value less costs to sell at the end of the reporting period.

As disclosed in Notes 4 and 44 to the consolidated financial statements, fair values of milkable cows are determined by using the multi-period excess earnings method, which is based on the discounted future cash flows to be generated by such milkable cows. The management's estimation is primarily based on the discount rate, the estimated future market price of raw milk, the estimated average daily milk yield at each lactation cycle and the estimated feed costs per kilogram ("kg") of raw milk. The management has engaged an independent valuer to assist in assessing the fair values of milkable cows.

Details of milkable cows and the related estimation uncertainty on their fair values are set out in Notes 4, 22 and 44 to the consolidated financial statements.

我們將奶牛的公平值分辨為關鍵審核事項，乃由於於2022年12月31日的綜合財務狀況表結餘的重要性以及管理層於釐定其公平值時進行具相當程度的估計。

於2022年12月31日，貴集團報告人民幣(「人民幣」)6,571百萬元的奶牛。此等生物性資產以公平值減報告期末出售成本計量。

誠如綜合財務報表附註4及44所披露，奶牛的公平值乃按多期超額盈利法釐定，其乃根據該等奶牛產生的未來貼現現金流量釐定。管理層估計主要基於貼現率、估計未來原料奶市價、各哺乳期的估計平均每日產奶量及每千克(「千克」)原料奶估計飼養成本。管理層已委聘獨立估值師協助其評估奶牛的公平值。

奶牛及有關其公平值的估計未知數詳情載於綜合財務報表附註4、22及44。

Our procedures in relation to the fair value of milkable cows included:

- Understanding and evaluating the Group's relevant internal controls over the fair value determination of milkable cows;
- Evaluating the independent valuer's objectivity, qualifications and competence;
- Involving our internal valuation specialists to assess the appropriateness of the valuation methodologies and comparing the discount rates applied in the discounted future cash flows calculation with the acceptable range calculated by our internal valuation specialists;
- Comparing the key assumptions, including the estimated future market price of raw milk, the estimated average daily milk yield at each lactation cycle and the estimated feed costs per kg of raw milk to historical and industry data; and
- Comparing the actual results for the current year with management's cash flow projections prepared in the previous review to evaluate the accuracy of management's budgeting process.

我們就評估奶牛公平值的程序包括：

- 了解及評估 貴集團對釐定奶牛公平值的相關內部控制；
- 評估獨立估值師的客觀性、資格及能力；
- 加入我們的內部估值專家評估估值方法的恰當性並將未來貼現現金流量計算應用的貼現率與我們內部估值專家計算的合理範圍進行比較；
- 比較過往及行業數據的主要假設，包括估計未來原料奶市價、各哺乳期的估計平均每日產奶量及每千克原料奶估計飼養成本；及
- 將本年度的實際結果與管理層在上一次審查中編製的管理層現金流量預測進行比較，以評估管理層預算過程的準確性。



OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，惟不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表提出的意見並無涵蓋其他資料，而我們不會對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或是否存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告有關事實。就此，我們毋須作出報告。

董事及肩負管治責任者就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港公司條例的披露規定編製真實而公平地反映情況的綜合財務報表，及落實董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

肩負管治責任者負責監督貴集團的財務報告流程。



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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 judgment and maintain professional skepticism 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.

核數師就審核綜合財務報表須承擔的 責任

我們的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。我們根據委聘的協定條款僅向閣下整體報告，不作其他用途。我們並不就本報告的內容對任何其他人士承擔任何義務或接受任何責任。合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審核的過程中，我們在整個審核中運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



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 those charged with governance 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 those charged with governance 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.

核數師就審核綜合財務報表須承擔的 責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以便對綜合財務報表發表意見。我們負責集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

我們與肩負管治責任者就(其中包括)審核的計劃範圍、時間安排及重大審核發現溝通，該等發現包括我們在審核過程中識別的內部監控的任何重大缺失。

我們亦向肩負管治責任者作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及(如適用)為消除威脅所採取的行動或已應用的防範措施。



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 those charged with governance, 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 the independent auditor's report is Lung Kwok Hung.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 March 2023

核數師就審核綜合財務報表須承擔的 責任(續)

從與肩負管治責任者溝通的事項中，我們釐定對本期綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具獨立核數師報告的審核項目合夥人為龍國鴻。

德勤•關黃陳方會計師行
執業會計師
香港
2023年3月28日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		NOTES 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	5	12,295,091	7,078,470
Cost of sales	銷售成本	8	(11,915,660)	(6,907,441)
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	於原料奶收獲時按公平值減銷售成本初始確認產生的收益	22	2,887,548	2,378,446
Gross profit	毛利		3,266,979	2,549,475
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減乳牛銷售成本產生的虧損	22	(988,215)	(956,011)
Other income	其他收入	7	201,559	123,835
Impairment losses under expected credit loss ("ECL") model, net of reversal	預期信貸虧損(「預期信貸虧損」)模型下減值虧損，扣除撥回	10	(1,995)	(476)
Other gains and losses, net	其他收益及虧損淨額	8	(376,662)	51,103
Selling and distribution costs	銷售及分銷開支		(369,887)	(183,732)
Administrative expenses	行政開支		(730,203)	(379,065)
Other expenses	其他開支		(42,386)	(8,703)
Share of results of associates and a joint venture	應佔聯營公司及合營企業業績		15,410	36,928
Profit before finance costs and tax	除融資成本及稅項前溢利	8	974,600	1,233,354
Finance costs	融資成本	9	(379,559)	(198,132)
Profit before tax	除稅前溢利		595,041	1,035,222
Income tax expense	所得稅開支	11	(14,775)	(2,023)
Profit for the year	年內溢利		580,266	1,033,199
Other comprehensive (expense) income:	其他全面(開支)/收入：			
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類為損益的項目：</i>			
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收入(「按公平值計入其他全面收入」)的權益工具投資公平值虧損		(14,573)	(2,425)
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類為損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		21,332	(40)
Other comprehensive income (expense) for the year, net of income tax	年內其他全面收入(開支)，扣除所得稅		6,759	(2,465)
Total comprehensive income for the year	年內全面收入總額		587,025	1,030,734

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		NOTE 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit for the year attributable to:	以下各方應佔年內溢利：			
Owners of the Company	本公司擁有人		562,497	1,018,832
Non-controlling interests	非控股權益		17,769	14,367
			580,266	1,033,199
Total comprehensive income for the year attributable to:	以下各方應佔年內全面收入總額：			
Owners of the Company	本公司擁有人		569,067	1,016,407
Non-controlling interests	非控股權益		17,958	14,327
			587,205	1,030,734
Earnings per share (RMB)	每股盈利(人民幣)	15		
Basic	基本		7.16 cents 分	14.43 cents 分
Diluted	攤薄		7.13 cents 分	14.39 cents 分



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 DECEMBER 2022 於2022年12月31日

		NOTES 附註	2022 2022年 RMB'000 人民幣千元	2021 2021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	16	5,702,907	5,312,970
Right-of-use assets	使用權資產	17	1,256,949	725,164
Goodwill	商譽	18	2,406,658	2,075,591
Other intangible assets	其他無形資產	19	45,258	3,777
Interests in associates and a joint venture	於聯營公司及合營企業的權益	20	458,917	353,278
Equity instruments at FVTOCI	按公平值計入其他全面收入的權益工具	21	106,229	2,655
Biological assets	生物資產	22	10,631,171	9,404,924
Prepayments	預付款項	24	29,936	54,238
Derivative financial instruments	衍生金融工具	25	19,154	67,537
Pledged bank deposits	已質押銀行存款	26	–	127,043
Bank balances	銀行結餘	26	236,281	201,881
Deferred tax assets	遞延稅項資產	11	827	2,337
			20,894,287	18,331,395
CURRENT ASSETS	流動資產			
Inventories	存貨	23	3,379,346	2,191,269
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及預付款項	24	2,183,907	1,221,871
Derivative financial instruments	衍生金融工具	25	22,202	–
Pledged bank deposits	已質押銀行存款	26	187,339	41,631
Bank balances and cash	銀行結餘及現金	26	2,125,628	1,887,744
			7,898,422	5,342,515
Assets classified as held for sale	分類為持作出售的資產	16	28,644	–
			7,927,066	5,342,515
CURRENT LIABILITIES	流動負債			
Derivative financial instruments	衍生金融工具	25	14,388	17,758
Trade and other payables	應付貿易賬款及其他應付款項	27	3,288,701	3,144,194
Tax payable	應課稅項		5,004	1,903
Bank borrowings	銀行借款	28	4,831,164	2,380,683
Other borrowings	其他借款	29	22,704	433,676
Short term debenture	短期融資券	30	100,522	–
Long term bonds	長期債券	31	34,944	31,989
Lease liabilities	租賃負債	32	111,392	50,435
Other liabilities	其他負債	38(b)	4,573	–
Contract liabilities	合約負債	33	43,204	5,343
Deferred income	遞延收入	34	11,563	–
			8,468,159	6,065,981



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 DECEMBER 2022 於2022年12月31日

		NOTES 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
NET CURRENT LIABILITIES	流動負債淨額		(541,093)	(723,466)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		20,353,194	17,607,929
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	35	675,869	675,869
Reserves	儲備		10,588,248	10,189,062
Equity attributable to owners of the Company	本公司擁有人應佔權益		11,264,117	10,864,931
Non-controlling interests	非控股權益		379,183	249,803
TOTAL EQUITY	總權益		11,643,300	11,114,734
NON-CURRENT LIABILITIES	非流動負債			
Derivative financial instruments	衍生金融工具	25	43,646	98,330
Trade and other payables	應付貿易賬款及其他應付款項	27	–	23,967
Bank borrowings	銀行借款	28	3,752,421	2,285,333
Other borrowings	其他借款	29	271,115	203,328
Long term bonds	長期債券	31	3,458,072	3,159,730
Lease liabilities	租賃負債	32	956,653	517,077
Deferred tax liabilities	遞延稅項負債	11	22,454	20,868
Deferred income	遞延收入	34	205,533	184,562
			8,709,894	6,493,195
			20,353,194	17,607,929

The consolidated financial statements on pages 123 to 306 were approved and authorised for issue by the board of directors on 28 March 2023 and are signed on its behalf by:

載於第123至306頁的綜合財務報表於2023年3月28日經董事會批准及授權刊發並代表簽署：

ZHAO Jiejun
趙傑軍
Director
董事

SUN Yugang
孫玉剛
Director
董事



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Other reserve	Statutory reserve	Share award reserve	Shares held under the Share Award Scheme	Fair value through other comprehensive income reserve	Translation Reserve	Retained earnings	Sub-total	Non-controlling interests	Total
		股本	股份溢價	其他儲備	法定儲備	股份獎勵儲備	股份獎勵計劃項下持有的股份	按公平值計入其他全面收入儲備	換算儲備	保留盈利	小計	非控股權益	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	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
				(Note 35) (附註35)	(Note 35) (附註35)								
At 1 January 2021	於2021年1月1日	555,535	4,985,082	969,268	210,139	7,489	(47,344)	(20,593)	-	1,237,347	7,896,923	141,521	8,038,444
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	1,018,832	1,018,832	14,367	1,033,199
Other comprehensive expense for the year	年內其他全面開支	-	-	-	-	-	-	(2,385)	(40)	-	(2,425)	(40)	(2,465)
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	-	-	-	-	-	-	(2,385)	(40)	1,018,832	1,016,407	14,327	1,030,734
Share purchase for the Share Award Scheme (as defined in Note 37)	就股份獎勵計劃的股份購買(定義見附註37)	-	-	-	-	-	(53,052)	-	-	-	(53,052)	-	(53,052)
Vesting of award shares (Note 37)	獎勵股份歸屬(附註37)	-	-	-	-	(9,447)	13,865	-	-	(4,418)	-	-	-
Recognition of equity-settled share-based payments (Note 37)	確認按股權結算以股份支付的付款(附註37)	-	-	-	-	22,224	-	-	-	-	22,224	-	22,224
Equity transactions related to interest free loans	有關免息貸款的股權交易	-	-	(6,694)	-	-	-	-	-	-	(6,694)	6,694	-
Issue of shares (Note 35)	發行股份(附註35)	120,334	2,053,786	-	-	-	-	-	-	-	2,174,120	-	2,174,120
Dividends distribution (Note 14)	股息分派(附註14)	-	(142,532)	-	-	-	-	-	-	-	(142,532)	(16,308)	(158,840)
Acquisition of subsidiaries (Note 38)	收購附屬公司(附註38)	-	-	-	-	-	-	-	-	-	-	95,755	95,755
Establishment of a non-wholly-owned subsidiary	成立非全資附屬公司	-	-	-	-	-	-	-	-	-	-	29,000	29,000
Acquisition of non-controlling interests (Note 35)	收購非控股權益(附註35)	-	-	(42,465)	-	-	-	-	-	-	(42,465)	(21,186)	(63,651)
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	31,163	-	-	-	-	(31,163)	-	-	-
At 31 December 2021	於2021年12月31日	675,869	6,896,336	920,109	241,302	20,266	(86,531)	(22,978)	(40)	2,220,598	10,864,931	249,803	11,114,734
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	562,497	562,497	17,769	580,266
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	-	-	-	-	-	-	(14,412)	20,982	-	6,570	189	6,759
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	-	-	-	-	-	-	(14,412)	20,982	562,497	569,067	17,958	587,025
Share purchase for the Share Award Scheme (Note 37)	就股份獎勵計劃的股份購買(附註37)	-	-	-	-	-	(13,300)	-	-	-	(13,300)	-	(13,300)
Vesting of award shares (Note 37)	獎勵股份歸屬(附註37)	-	-	-	-	(37,776)	36,272	-	-	1,504	-	-	-
Recognition of equity-settled share-based payments (Note 37)	確認按股權結算以股份支付的付款(附註37)	-	-	-	-	44,950	-	-	-	-	44,950	-	44,950
Equity transactions related to interest free loans	有關免息貸款的股權交易	-	-	2,859	-	-	-	-	-	-	2,859	(2,859)	-
Dividends distribution (Note 14)	股息分派(附註14)	-	(204,390)	-	-	-	-	-	-	-	(204,390)	-	(204,390)
Acquisition of subsidiaries (Note 38)	收購附屬公司(附註38)	-	-	-	-	-	-	-	-	-	-	76,481	76,481
Establishment of non-wholly-owned subsidiaries	成立非全資附屬公司	-	-	-	-	-	-	-	-	-	-	37,800	37,800
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	36,690	-	-	-	-	(36,690)	-	-	-
At 31 December 2022	於2022年12月31日	675,869	6,691,946	922,968	277,992	27,440	(63,559)	(37,390)	20,942	2,747,909	11,264,117	379,183	11,643,300

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營活動		
Profit before tax	除稅前溢利	595,041	1,035,222
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment charged to profit or loss	自損益扣除的物業、廠房及設備折舊	352,032	281,624
Depreciation of right-of-use assets charged to profit or loss	自損益扣除的使用權資產折舊	42,520	13,899
Amortisation of other intangible assets	其他無形資產攤銷	4,207	54
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下減值虧損，扣除撥回	1,995	476
Impairment loss on property, plant and equipment, net	物業、廠房及設備的減值虧損淨額	1,895	-
Bank interest income	銀行利息收入	(60,393)	(46,143)
Government grants released to income	撥至收入的政府補貼	(78,506)	(47,733)
Finance costs	融資成本	379,559	198,132
Share of results of associates and a joint venture	應佔聯營公司及合營企業業績	(15,410)	(36,928)
Loss on fair value changes of derivative financial instruments	衍生金融工具公平值變動虧損	18,695	25,346
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)虧損	(15,322)	9,659
Loss on disposal of other intangible assets	出售其他無形資產虧損	165	-
Gain on termination of lease agreements	終止租賃協議的收益	(3,652)	-
Gains on fair value changes of structured deposits	結構性存款公平值變動收益	(2,465)	(1,821)
Net foreign exchange losses (gains)	外匯虧損(收益)淨額	380,181	(86,186)
Equity-settled share-based payments	按股權結算以股份支付的付款	44,950	22,224
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減乳牛銷售成本產生的虧損	988,215	956,011
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	2,633,707	2,323,836
Increase in inventories	存貨增加	(940,089)	(309,389)
Increase in trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及預付款項增加	(585,679)	(167,762)
Increase in trade and other payables	應付貿易賬款及其他應付款項增加	399,185	19,828
Increase in contract liabilities	合約負債增加	37,861	4,175
Increase in deferred income	遞延收入增加	52,283	-
Cash generated from operations	業務產生的現金	1,597,268	1,870,688
Income taxes paid	已付所得稅	(20,160)	(1,982)
NET CASH FROM OPERATING ACTIVITIES	經營活動所得現金淨額	1,577,108	1,868,706



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

	NOTE 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	49,228	42,989
Purchases of property, plant and equipment	購入物業、廠房及設備	(1,112,602)	(489,318)
Purchases of other intangible assets	購入其他無形資產	(8,272)	(451)
Payments for right-of-use assets	使用權資產付款	(34,243)	(9,324)
Purchases of biological assets	購入生物資產	(232,070)	-
Addition in biological assets in relation to feeding and other related costs	有關飼養及其他相關成本的生物資產增置	(2,714,285)	(1,503,301)
Placement of pledged bank deposits	存入已質押銀行存款	(14,748)	(13,893)
Withdrawal of pledged bank deposits	提取已質押銀行存款	5,886	27,807
Placement of term deposits with original maturity over three months and restricted bank deposits	存入原到期日超過三個月的定期存款及受限制銀行存款	(229,359)	(330,000)
Withdrawal of term deposits with original maturity over three months	提取原到期日超過三個月的定期存款	150,000	20,000
Placement of structured deposits	存入結構性存款	(1,293,000)	(577,000)
Withdrawal of structured deposits	提取結構性存款	1,295,465	627,000
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	85,720	15,588
Proceeds from disposal of dairy cows	出售乳牛所得款項	1,060,659	789,226
Proceeds from disposal of right-of-use assets	出售使用權資產所得款項	-	394
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	-	7,406
Government grants received	已收政府補貼	49,386	59,433
Investment in associates and a joint venture	聯營公司及合營企業投資	(86,641)	(7,721)
Net cash outflow on business combination in current year	本年度業務合併現金流出淨額	38 (398,019)	-
Net cash outflow on business combination in prior years	過往年度業務合併現金流出淨額	38 (378,700)	(1,537,006)
Net cash outflow on asset acquisitions in prior years	過往年度資產收購現金流出淨額	(1,750)	(1,659)
Purchases of equity instruments at FVTOCI	購入按公平值計入其他全面收入的權益工具	(118,147)	-
Loans to associates	向聯營公司貸款	(68,000)	-
Loan repayment from a third party	第三方償還貸款	2,000	6,000
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(3,991,492)	(2,873,830)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
FINANCING ACTIVITIES	融資活動		
Dividends paid	已付股息	(204,390)	(142,532)
Interest paid	已付利息	(384,625)	(191,672)
New bank borrowings raised	新籌得銀行借款	8,099,765	3,506,705
Repayment of bank borrowings	償還銀行借款	(4,467,747)	(5,936,189)
New other borrowings raised	新籌得其他借款	183,365	-
Repayment of other borrowings	償還其他借款	(584,486)	(21,573)
Proceeds on issue of short term debenture	發行短期融資券所得款項	100,000	-
Proceeds on issue of bonds	發行債券所得款項	-	3,200,760
Repayments of leases liabilities	償還租賃負債	(66,650)	(14,458)
Payment for repurchase of ordinary shares	購回普通股付款	(13,300)	(53,052)
Settlement of interest rate swaps	結算利率掉期	5,760	-
Gross cash inflow from foreign currency option contracts	外匯期權合約的總現金流入	264,256	9,146
Gross cash outflow from foreign currency option contracts	外匯期權合約的總現金流出	(270,800)	(9,316)
Gross cash inflow from capped and floored cross currency swap ("CFCCS")	封頂封底交叉貨幣掉期 ("CFCCS")的總現金流入	55,753	-
Gross cash outflow from CFCCS	CFCCS的總現金流出	(77,214)	-
Gross cash inflow from foreign currency forward contracts	外匯遠期合約的總現金流入	135,640	-
Gross cash outflow from foreign currency forward contracts	外匯遠期合約的總現金流出	(137,812)	-
Proceeds from issue of shares	發行股份所得款項	-	1,294,845
Acquisition of non-controlling interests	收購非控股權益	(20,894)	(25,459)
Payments for acquisition of original non-controlling interests in an acquired subsidiary	收購被收購附屬公司的原始非控股股權的付款	(43,680)	-
Dividends paid to the original shareholders of an acquired subsidiary	向被收購附屬公司原始股東派付股息	(17,155)	-
Dividends paid to non-controlling shareholders	向非控股股東派付股息	(5,341)	(6,530)
Capital contribution from non-controlling shareholders	來自非控股股東的出資	37,800	29,000
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	2,588,245	1,639,675
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	173,861	634,551



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等價物	1,737,683	1,103,132
Effect of foreign exchange rate changes	匯率變動的影響	12,865	-
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於12月31日的現金及現金等價物	1,924,409	1,737,683
Represented by Bank balances and cash	以以下各項呈列 銀行結餘及現金	2,361,909	2,089,625
Less: restricted bank deposits and term deposits with original maturity over three months	減：受限制銀行存款及 原到期日超過三個月 的定期存款	(437,500)	(351,942)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

1. GENERAL INFORMATION

China Modern Dairy Holdings Ltd. (the “**Company**”) was incorporated and registered in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 26 November 2010. The registered office of the Company is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

As at 31 December 2022, China Mengniu Dairy Co., Ltd. (“**Mengniu**”) and its wholly-owned subsidiary together owned 56.36% of the issued share capital of the Company. Mengniu and its subsidiaries are hereinafter collectively referred to as “**Mengniu Group**”.

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

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

1. 一般資料

中國現代牧業控股有限公司(「**本公司**」)為一間根據開曼群島公司法在開曼群島註冊成立及登記的獲豁免有限公司，其股份已自2010年11月26日起在香港聯合交易所有限公司(「**聯交所**」)主板上市。本公司的註冊辦事處位於Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands。

於2022年12月31日，中國蒙牛乳業有限公司(「**蒙牛**」)及其全資附屬公司共同擁有本公司已發行股本的56.36%。蒙牛及其附屬公司於下文統稱「**蒙牛集團**」。

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

綜合財務報表以人民幣(「**人民幣**」)列值，該貨幣亦為本公司的功能貨幣。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(a) Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to IFRS 3	Reference to the Conceptual Framework
Amendment to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to IFRS Standards	Annual Improvements to IFRS Standards 2018–2020

Except as described below, the application of the amendments to IFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用國際財務報告準則(「國際財務報告準則」)的修訂

(a) 於本年度強制生效的國際財務報告準則的修訂

於本年度，本集團已首次應用由國際會計準則理事會(「國際會計準則理事會」)頒佈並於2022年1月1日開始的本集團年度期間強制生效的以下國際財務報告準則的修訂，以編製綜合財務報表：

國際財務報告準則第3號的修訂	概念框架指引
國際財務報告準則第16號的修訂	2021年6月30日之後的新冠疫情影响相關租金優惠
國際會計準則第16號的修訂	物業、廠房及設備 – 擬定用途前的所得款項
國際會計準則第37號的修訂	虧損性合約 – 履約成本
國際財務報告準則的修訂	國際財務報告準則年度改進(2018年至2020年)

除以下所述外，本年度採用國際財務報告準則的修訂，對本集團本年度及過往年度的財務狀況及業績及／或此等綜合財務報表中的披露並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

(a) Amendments to IFRSs that are mandatorily effective for the current year (continued)

2.1 Impacts on application of Amendments to IFRS 3 Reference to the Conceptual Framework

The Group has applied the amendments to business combinations for which the acquisition date was on or after 1 January 2022. The amendments update a reference in IFRS 3 *Business Combinations* so that it refers to the *Conceptual Framework for Financial Reporting* issued by IASB in March 2018 (the “**Conceptual Framework**”) instead of the International Accounting Standards Committee’s *Framework for the Preparation and Presentation of Financial Statements* (replaced by the *Conceptual Framework for Financial Reporting* issued in September 2010), add a requirement that, for transactions and events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, an acquirer applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination and add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The Group applies the amendments to business combinations for which the acquisition date is on or after 1 January 2022. The application of the amendments in the current year has had no impact on the Group’s consolidated financial statements.

2. 應用國際財務報告準則(「國際財務報告準則」)的修訂(續)

(a) 於本年度強制生效的國際財務報告準則的修訂(續)

2.1 採用國際財務報告準則第3號的修訂概念框架指引的影響

本集團對收購日期為2022年1月1日或之後的業務合併應用了該等修訂。該修訂更新了國際財務報告準則第3號業務合併中的一項參考，從而通過參考國際會計準則理事會於2018年3月發佈的財務報告概念框架(「**概念框架**」)取代國際會計準則理事會的編製及呈列財務報表的框架(由2010年9月發佈的財務報告概念框架取代)；添加一項要求，即對於國際會計準則第37號撥備、或然負債及或然資產或國際財務報告詮釋委員會第21號徵費範圍內的交易及其他事件，收購方應採用國際會計準則第37號或國際財務報告詮釋委員會第21號取代用概念框架來確定其在業務合併中承擔的負債；及添加明確的聲明，即收購方不確認在業務合併中收購的或然資產。

本集團對收購日期為2022年1月1日或之後的業務合併應用了該等修訂。於本年度應用該等修訂對本集團的綜合財務報表並無影響。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

(a) Amendments to IFRSs that are mandatorily (continued)

2.2 Impacts on application of Amendments to IFRS Standards Annual Improvements to IFRS Standards 2018–2020

The Group has applied the amendments for the first time in the current year. The annual improvements make amendments to the following standards which are relevant to the Group:

IAS 41 Agriculture

The amendment ensures consistency with the requirements in IFRS 13 Fair Value Measurement by removing the requirement in paragraph 22 of IAS 41 to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The application of the amendments in the current year has had no impact on the Group’s consolidated financial statements.

2. 應用國際財務報告準則(「國際財務報告準則」)的修訂(續)

(a) 於本年度強制生效的國際財務報告準則的修訂(續)

2.2 採用國際財務報告準則的修訂國際財務報告準則年度改進(2018年至2020年)的影響

本集團於本年度首次應用該等修訂。年度改進對於本集團相關的以下準則進行了修訂：

國際會計準則第41號農業

該修訂刪除了國際會計準則第41號第22段中關於使用現值技術計量生物資產的公平值時不包括稅收現金流量之要求，從而確保與國際財務報告準則第13號公平值計量之要求相一致。

於本年度應用該等修訂對本集團的綜合財務報表並無影響。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

(b) New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	Insurance Contracts ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback ³
Amendments to IAS 1	Classification of Liabilities as Current or Non-current ³
Amendments to IAS 1	Non-current Liabilities with Covenants ³
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies ¹
Amendments to IAS 8	Definition of Accounting Estimates ¹
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹

^{1.} Effective for annual periods beginning on or after 1 January 2023.

^{2.} Effective for annual periods beginning on or after a date to be determined.

^{3.} Effective for annual periods beginning on or after 1 January 2024.

The directors of the Company (the “**Directors**”) anticipate that the application of new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用國際財務報告準則(「國際財務報告準則」)的修訂(續)

(b) 已頒佈惟尚未生效的新訂及國際財務報告準則的修訂

本集團並無提早應用以下已頒佈惟尚未生效的新訂及國際財務報告準則的修訂：

國際財務報告準則第17號(包括國際財務報告準則第17號的2020年6月及2021年12月的修訂)	保險合約 ¹
國際財務報告準則第10號及國際會計準則第28號的修訂	投資者與其聯營公司或合營企業之間的資產銷售或投入 ²
國際財務報告準則第16號的修訂	售後回租中的租賃責任 ³
國際會計準則第1號的修訂	負債分類為流動或非流動 ³
國際會計準則第1號的修訂	有契約的非流動負債 ³
國際會計準則第1號及國際財務報告準則實務聲明書第2號的修訂	會計政策的披露 ¹
國際會計準則第8號的修訂	會計估計的定義 ¹
國際會計準則第12號的修訂	與單一交易產生的資產及負債相關的遞延所得稅 ¹

^{1.} 於2023年1月1日或之後開始的年度期間生效。

^{2.} 於待定日期或之後開始的年度期間生效。

^{3.} 於2024年1月1日或之後開始的年度期間生效。

本公司董事(「**董事**」)預期應用新訂及國際財務報告準則的修訂於可見將來不會對綜合財務報表造成重大影響。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRSs issued by IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

In preparation of the consolidated financial statements for the year ended 31 December 2022, the Directors have given careful consideration to the future liquidity of the Group in light of the fact that the Group's current liabilities exceeded its current assets by RMB541,093,000 (2021: RMB723,466,000). Taking into account, (i) the available credit facilities of approximately RMB5,759,918,000 which remain unutilised as at 31 December 2022 and of which, an amount of RMB1,000,000,000 is from Inner Mongolia Mengniu Dairy (Group) Company Limited ("**Inner Mongolia Mengniu**"), a subsidiary of Mengniu, and the remaining facilities are from licensed banks; (ii) the expected net cash inflows generated from the Group's operations for the next twelve months, the Directors are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3. 綜合財務報表的編製基準及重要會計政策

3.1 綜合財務報表的編製基準

綜合財務報表已按國際會計準則理事會頒佈的國際財務報告準則編製。就編製綜合財務報表而言，倘該等資料可合理預期會影響主要使用者的決定，則該等資料被視為重大資料。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定的適用披露。

在編製截至2022年12月31日止年度的綜合財務報表時，鑒於本集團的流動負債超出其流動資產人民幣541,093,000元(2021年：人民幣723,466,000元)，董事已審慎考慮本集團的未來流動資金狀況。經考慮(i)於2022年12月31日的可供動用信貸融資約人民幣5,759,918,000元並未動用，其中的人民幣1,000,000,000元來自蒙牛的附屬公司內蒙古蒙牛乳業(集團)股份有限公司(「**內蒙古蒙牛**」)，剩餘融資則來自持牌銀行；(ii)未來十二個月本集團營運產生的預期現金流入淨額，董事信納本集團將能夠在可見將來在到期時充分履行其財務責任。因此，綜合財務報表根據持續經營基準編製。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of preparation of consolidated financial statements (continued)

The consolidated financial statements have been prepared on the historical cost basis except for biological assets, which are measured at fair value less costs to sell and certain financial instruments, which are measured at fair values at the end of each reporting period as explained in the accounting policies set out in Note 3.2.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with IFRS 16 *Leases* ("IFRS 16"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets* ("IAS 36").

3. 綜合財務報表的編製基準及重要會計政策(續)

3.1 綜合財務報表的編製基準(續)

綜合財務報表乃根據歷史成本基準編製，惟按公平值減銷售成本計量的生物資產及按各報告期末的公平值計量的若干衍生金融工具除外(如附註3.2所載會計政策所闡釋)。

歷史成本一般以為換取商品及服務所支付代價的公平值為基準。

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付的價格，不論該價格是否直接觀察可得或使用另一種估值技術估計。估計資產或負債的公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟國際財務報告準則第2號以股份支付的付款範圍內的以股份支付的付款交易、根據國際財務報告準則第16號租賃(「國際財務報告準則第16號」)入賬的租賃交易及與公平值類似但並非公平值的計量(例如，國際會計準則第2號存貨中的可變現淨值或國際會計準則第36號資產減值(「國際會計準則第36號」)中的使用價值)除外。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of preparation of consolidated financial statements (continued)

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.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.1 綜合財務報表的編製基準(續)

非金融資產的公平值計量計入市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

就以公平值交易的金融工具而言，使用不可觀察輸入數據的估值技術將於隨後期間用於計量公平值，估值技術予以校準，因此初始確認時估值技術所得結果與交易價相等。

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及輸入數據對公平值計量的整體重要性分類為第一級、第二級及第三級，載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據是就資產或負債可直接或間接觀察的輸入數據(第一級內所包含的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is 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.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策

綜合基準

綜合財務報表載有本公司以及由本公司及其附屬公司控制的實體(包括結構性實體)的財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對被投資者行使權力；
- 因參與被投資者的業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力而影響該等回報。

倘有事實或情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制被投資者。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於年內購入或出售的附屬公司的收入及開支，自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益表內。

損益及各項其他全面收入項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使這將導致非控股權益出現虧絀結餘。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Basis of consolidation (continued)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

綜合基準(續)

如有需要，將會就附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策貫徹一致。

集團內的所有資產、負債、權益、收入、開支及與本集團成員公司間的交易相關的現金流量已於綜合賬目時全額抵銷。

於附屬公司的非控股權益與本集團於當中的權益分開呈列，指現時擁有的權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

本集團於現有附屬公司的權益出現變動

本集團於附屬公司權益之變動，倘未導致本集團喪失對附屬公司之控制權，則入賬列作權益交易。本集團相關權益組成部分及非控股權益之賬面值予以調整，以反映其於附屬公司相對權益之變動，包括根據本集團及非控股權益的權益比例在本集團及非控股權益之間重新歸屬相關儲備。

非控股權益之調整額與已付或已收代價公平值之間的差額，直接於權益確認，並歸屬於本公司擁有人。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Basis of consolidation (continued)

Changes in the Group's interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* ("IFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations or asset acquisitions

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

綜合基準(續)

本集團於現有附屬公司的權益出現變動(續)

倘若本集團失去對附屬公司的控制權，該附屬公司的資產及負債及非控股權益(如有)終止確認，則收益或虧損於損益內確認且以下列兩者間的差額計算(i)所收代價的公平值與任何保留權益的公平值總和及(ii)資產(包括商譽)的賬面值與本公司擁有人應佔附屬公司的負債。過往在有關附屬公司的其他全面收入確認的所有金額均入賬，猶如本集團已直接出售附屬公司的相關資產或負債(即按適用的國際財務報告準則具體規定/准許重新分類至損益或轉移至其他股本類別)。於失去控制權之日，保留在前附屬公司中的任何投資的公平值被視為初始確認時的公平值，以便根據國際財務報告準則第9號金融工具(「國際財務報告準則第9號」)進行後續會計處理，或在適用情況下，於初始確認於聯營公司或合資公司中的投資時被視為成本。

業務合併或資產收購

資產收購

當本集團收購一組不構成業務的資產與負債，本集團先按該等資產及負債各自的公平值將購買價分配至金融資產/金融負債，隨後按於購買日期各自的相對公平值將購買價餘額分配至其他可識別資產及負債，藉此識別並確認所收購的個別可識別資產及所承擔的負債。該項交易並無產生商譽或議價購買收益。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred 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. Acquisition-related costs are generally recognised in profit or loss as incurred.

For business combinations in which the acquisition date is on or after 1 January 2022, the identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework except for transactions and events within the scope of IAS 37 or IFRIC 21, in which the Group applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

業務合併或資產收購(續)

業務合併

業務是一組綜合活動及資產，包括一項投入及一項實質性過程，共同對創造產出的能力作出重大貢獻。倘收購過程對繼續生產產出的能力至關重要，包括具備執行相關過程所必需的技能、知識或經驗的有組織勞動力，或對持續生產產出的能力有重大貢獻，則被認為屬實質性及被認為屬獨特或稀缺，或在無重大成本、努力或持續生產產出能力出現延遲的情況下不可取代。

業務收購乃採用收購法入賬。業務合併轉讓之代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方的前擁有人產生之負債，以及本集團為換取被收購方之控制權而發行之權益於收購日期之公平值總和。收購相關成本一般於產生時在損益中確認。

對於收購日期為2022年1月1日或之後的業務合併，所取得的可辨認資產及所承擔的負債必須符合概念框架對資產及負債的定義，不包括在國際會計準則第37號或國際財務報告詮釋委員會第21號範圍內的交易及事件，其中本集團採用國際會計準則第37號或國際財務報告詮釋委員會第21號範圍下而非概念框架識別其在業務合併中承擔的負債。或然資產不予確認。

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations (continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities are recognised and measured in accordance with IAS 12 *Income Taxes*;
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

於收購日期，所收購之可識別資產及所承擔之負債按其公平值進行確認，惟以下情況除外：

- 遞延所得稅資產或負債根據國際會計準則第12號*所得稅確認及計量*；
- 租賃負債按剩餘租賃款項(定義見國際財務報告準則第16號)的現值確認及計量，猶如所收購的租賃於收購日期為新租賃，惟(a)租期於收購日期後12個月內結束；或(b)相關資產價值較低的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並作出調整以反映與市場條款相比的有利或不利租賃條款。

商譽是以轉讓代價、於被收購方之任何非控股權益金額及收購方先前持有被收購方權益之公平值(如有)之總和，超出所收購之可識別資產及所承擔之負債於收購日期的金額淨值之差額計算。倘經重估後，所收購可識別資產及所承擔之負債的金額淨值超過轉讓代價、於被收購方之任何非控股權益金額及收購方先前持有被收購方權益之公平值(如有)之總和，則差額即時於損益確認為議價購買收益。



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綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

屬現有所有權權益且於清盤時賦予其持有人權利按比例分佔有關附屬公司資產淨值的非控股權益初步按非控股權益按比例分佔被收購方可識別資產淨值的已確認數額或公平值計量。

當本集團在業務合併中轉讓的代價包括或然代價安排時，或然代價按其購買日的公平值計量，並作為業務合併轉讓代價的一部分。不符合計量期間調整條件的或然代價的後續會計處理取決於或然代價的分類方式。被歸類為權益的或然代價不會在隨後的報告日期重新計量，其後續結算在權益內入賬。被歸類為資產或負債的或然代價在隨後的報告日期重新計量為公平值，相應的收益或虧損在損益中確認。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") (or group of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

商譽

業務收購所產生的商譽按收購業務當日(見上文會計政策)確定的成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽分配予預期會因合併的協同效益而受惠的本集團各現金產生單位(「現金產生單位」)(或現金產生單位組別)，其指就內部管理目的監控商譽的最低水平且不超過經營分部。

每年及當單位出現可能減值跡象時更頻密地對獲分配商譽的現金產生單位(或現金產生單位組別)進行減值測試。就於某一報告期間自收購所產生的商譽而言，已獲分配商譽的現金產生單位(或現金產生單位組別)於該報告期末之前進行減值測試。倘可收回金額低於其賬面值，則先分配減值虧損以減少任何商譽的賬面值，再按該單位(或現金產生單位組別)內每項資產的賬面值按比例分配至其他資產。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Investments in associates and joint ventures

An associate is an entity over which the Group has 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 joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

於聯營公司及合營企業的投资

聯營公司為本集團擁有重大影響力的實體。重大影響力為可參與被投資者財政及營運政策決定的權力而非對該等政策施加控制或共同控制。

合營企業指一項聯合安排，對安排擁有共同控制權之訂約方據此對聯合安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

聯營公司及合營企業的業績及資產以及負債採用權益會計法計入該等綜合財務報表。權益會計法所用聯營公司及合營企業的財務報表按本集團於類似情況下就同類交易及事件採用的一致會計政策編製。根據權益法，於聯營公司或合營企業的投资初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔聯營公司或合營企業損益及其他全面收入作出調整。該聯營公司/合營企業資產淨值(損益及其他全面收入除外)變動不予入賬，除非該等變動導致本集團持有的所有權出現變動。當本集團應佔聯營公司或合營企業的虧損超出本集團於該聯營公司或合營企業的權益(包括實質上構成本集團於聯營公司或合營企業的投资淨額一部分的任何長期權益)時，本集團終止確認其應佔的進一步虧損。僅於本集團已產生法定或推定責任，或已代表聯營公司或合營企業支付款項的情況下，方會確認額外虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Investments in associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

於聯營公司及合營企業的投資(續)

聯營公司或合營企業投資自被投資者成為聯營公司或合營企業該日起使用權益法入賬。於收購於聯營公司或合營企業的投資時，投資成本超出本集團應佔被投資方的可識別資產及負債的公平值淨額的任何部分確認為商譽，計入該投資的賬面值。本集團應佔可識別資產及負債的公平值淨額超出投資成本的任何部分，經重新評估後即時於收購投資期間在損益確認。

本集團評估是否有客觀證據顯示於一間聯營公司或合營企業的權益有可能減值。當有任何客觀證據，投資(包括商譽)的全部賬面值乃根據國際會計準則第36號作為單獨資產，通過比較可收回金額(即使用價值及公平值減出售成本的較高者)與賬面值進行減值測試。任何確認的減值虧損並無分配予任何資產(包括商譽)屬投資賬面值的一部分。減值虧損的任何撥回乃按國際會計準則第36號確認，惟僅限於投資的可收回金額隨後增加。

當集團實體與本集團的聯營公司或合營企業進行交易時，與該聯營公司或合營企業進行交易而產生的損益僅在聯營公司或合營企業權益與本集團無關的情況下，方會於本集團的綜合財務報表中確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

持作出售的非流動資產

如果非流動資產的賬面值主要通過出售交易而非通過持續使用來收回，則被分類為持作出售。僅當資產可在其當前狀態下立即出售並僅受出售有關資產的通常及慣例條款約束且其出售極有可能發生時，才視為滿足此條件。管理層須致力於出售，預計該出售有資格在分類之日起一年內被確認為已完成的出售。

分類為持作出售的非流動資產按原賬面值與公平值減銷售成本兩者中較低者計量。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

客戶合約收入

於或當本集團達成履約責任時確認收入，即當與特定履約責任相關的商品或服務的「控制權」轉移予客戶時。

履約責任指可區分的單一商品或服務(或組合商品或服務)或大致相同的一系列可區分商品或服務。

倘滿足以下其中一項標準，則控制權隨著時間而轉移，並參考完全達成相關履約責任的進度隨著時間確認收入：

- 客戶同時收取並使用本集團履約所帶來的利益；
- 本集團的履約增設或增加於本集團履約時客戶所控制的資產；或
- 本集團的履約並無增設對本集團有額外用途的資產，而本集團有強制執行權利收取迄今已完成的履約付款。

否則，收入於客戶取得可區分商品或服務的控制權的時點確認。

合約負債指本集團有義務將其已向客戶收取代價(或到期的代價金額)的商品或服務轉移至客戶的責任。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Leases

Definition of 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.

For contracts entered into or modified on or after the date of initial application of IFRS 16, or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

The Group as a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of land, property, machinery, motor vehicles and office equipment 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 lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

租賃

租賃的定義

倘合約授予權利以代價為交換在某一時期內控制使用已識別資產，則該合約屬於租賃或包含租賃。

就於初次應用國際財務報告準則第16號日期或之後訂立或修訂或業務合併產生的合約而言，本集團根據國際財務報告準則第16號於開始、修訂日期或收購日期(視何者合適而定)的定義評估合約是否屬於或包含租賃。除非合約條款及條件其後改變，否則不得重新評估該合約。作為可行權宜方法，當本集團合理預期對綜合財務報表的影響與投資組合內的個別租賃並無重大差異時，具有類似特徵的租賃按組合基準入賬。

本集團作為承租人

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於自開始日期起計為期12個月或更短租期且並不含購買選擇權的土地、物業、機械、汽車及辦公設備租賃。其亦就低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款於租期內以直線法或另一系統基準確認為開支。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability; and
- any lease payments made at or before the commencement date, less any lease incentives received.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；及
- 於開始日期或之前所作的任何租賃付款，減任何已收取的租賃優惠。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債任何重新計量作出調整。

使用權資產按其估計可使用年期及租期中的較短者以直線法折舊。

本集團於綜合財務狀況表中將使用權資產獨立呈列。

可退回租賃按金

已付可退回租賃按金根據國際財務報告準則第9號入賬，並初步按公平值計量。於初步確認時對公平值所作調整被視為額外租賃付款並計入使用權資產成本。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments); and
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於租賃開始日期，本集團按當日未支付的租賃付款現值確認及計量租賃負債。於計算租賃付款的現值時，倘租賃所含的利率不能即時釐定，則本集團會於租賃開始日期使用增量借款利率。

租賃付款包括：

- 固定付款(包括實質固定付款)；及
- 基於指數或利率之可變租賃款項(初步使用於開始日期之指數或利率計量)。

反映市場租金變動的可變租賃付款初步使用於開始日期的市場租金計量。不會依賴指數或利率的可變租賃付款不計入租賃負債及使用權資產計量，並在觸發付款的事件或條件出現的期間內確認為開支。

在開始日期後，租賃負債透過利息增加及租賃付款進行調整。

本集團於綜合財務狀況表中將租賃負債獨立呈列。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

外幣

編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)所進行的交易乃按交易日期的當時匯率入賬。於報告期末，以外幣計值的貨幣項目乃按該日當時匯率重新換算。以公平值計量的外幣計值非貨幣項目按釐定公平值當日的匯率重新換算。當非貨幣項目的公平值收益或虧損在其他全面收入中確認時，該收益或虧損的任何匯兌部分亦在其他全面收入中確認。以外幣按歷史成本計量的非貨幣項目不予重新換算。

結算及再換算貨幣項目產生的匯兌差額，於其產生期間在損益中確認。

就綜合財務報表的呈列而言，本集團海外業務的資產與負債乃按於各報告期末的通行匯率換算為本集團的呈列貨幣(即人民幣)。收入及開支項目乃按該期間的平均匯率換算，除非匯率於該期間內出現大幅波動，在此情況下，將採用交易日的匯率換算。所產生的匯兌差額(如有)於其他全面收入內確認，累計於權益下換算儲備內(歸屬於非控股權益(如適用))。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Foreign currencies (continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

外幣(續)

收購海外業務所獲得之可識別資產之商譽及公平值調整被視為該海外業務之資產及負債，並按各報告期末之現行匯率換算。所產生之匯兌差額於其他全面收入確認。

借款成本

借款成本均於產生期間內在損益中確認。

政府補貼

政府補貼在合理保證本集團將符合其所附帶條件以及將獲發補貼時方會予以確認。

政府補貼按系統基準於本集團確認補貼擬補償的相關成本為開支的期間在損益內確認。具體而言，主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補貼於綜合財務狀況表確認為遞延收入，然後在有關資產的可使用年期內有系統及合理地轉撥至損益。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Government grants (continued)

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under “other income”.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

A government grant related to a biological asset measured at its fair value less costs to sell was recognised in profit or loss when, and only when, the conditions attaching to the government grant are met.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit under the state-managed retirement benefit schemes in the People’s Republic of China (the “PRC”) are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

政府補貼(續)

用作補償已產生開支或虧損或旨在為本集團提供即時資助(而無未來相關成本)的與收入有關的應收政府補貼，於應收期間於損益中確認。若干補貼已呈列於「其他收入」。

低於市場利率的政府貸款的好處在於會被視為政府補貼，按收到的所得款項與基於現行市場利率的貸款公平值之間的差額計量。

與按公平值減去銷售成本計量的生物資產相關的政府補貼，與且僅當政府補貼所附條件滿足時，計入當期損益。

僱員福利

退休福利成本

向中華人民共和國(「中國」)國家管理的退休福利計劃項下定額供款退休福利所作的供款於僱員已提供可使其享有供款的服務時確認為開支。

短期僱員福利

短期僱員福利按於及當僱員提供服務時預計將支付福利的未貼現金額確認。所有短期僱員福利確認為開支，除非另一項國際財務報告準則要求或允許將有關福利納入資產成本，則作別論。



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Employee benefits (continued)

Short-term employee benefits (continued)

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Shares granted to employees

Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration of all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share award reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share award reserve.

When the award shares are vested, the amount previously recognised in share award reserve and the amount of the relevant treasury shares included in equity under the heading of shares held under the share award scheme is reversed and the differences arising from the reversal is adjusted to retained earnings.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

僱員福利(續)

短期僱員福利(續)

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金、年假)確認負債。

以股份支付的付款

按股權結算以股份支付的付款交易

授予僱員的股份

授予提供類似服務的僱員的按股權結算以股份支付的付款乃按授出日期權益工具的公平值計量。

於授出日期未計及所有非市場歸屬條件而釐定的按股權結算以股份支付的付款的公平值於歸屬期內根據本集團對將最終歸屬權益工具的估計以直線法支銷，並增加相應的權益(股份獎勵儲備)。於各報告期末，本集團根據對所有相關非市場歸屬條件的評估，修訂其對預期歸屬的權益工具的估計數目。修訂原先估計的影響(如有)在損益中確認以使累計開支反映經修訂的估計，並對股份獎勵儲備作出相應調整。

於獎勵股份歸屬時，撥回先前於股份獎勵儲備確認的金額及計入根據股份獎勵計劃持有的股份項下權益的相關庫存股份金額，且撥回產生的差額調整至保留盈利。



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綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit (loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

稅項

所得稅支出指即期應付稅項及遞延稅項總和。

即期應付稅項按年內應課稅溢利計算。由於其他年度的應課稅或可扣稅收入或開支及毋須課稅或不可扣稅的項目，故應課稅溢利與除稅前溢利(虧損)不同。本集團的即期稅項負債按報告期末已頒佈或實際上已頒佈稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項資產一般按可能有應課稅溢利用作扣減可動用可扣減暫時差額為限，就所有該等可扣減暫時差額確認。倘若暫時差額由不影響應課稅溢利或會計溢利的交易中初次確認(業務合併除外)資產及負債所產生，則不會確認該等遞延稅項資產及負債。此外，倘暫時差額乃因初次確認商譽而產生，亦不會確認遞延稅項負債。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

稅項(續)

遞延稅項負債乃就與附屬公司及聯營公司投資以及於合營企業的權益有關的應課稅暫時差額確認，惟倘本集團能夠控制暫時差額的撥回及暫時差額於可見將來可能不會撥回則除外。與此類投資及利息相關的可抵扣暫時性差額產生的遞延所得稅資產僅在很可能有足夠的應課稅溢利可用於利用暫時差額的利益且預期在可預見的未來將轉回的情況下確認。

遞延稅項資產的賬面值於報告期末進行檢討，並扣減至不再有足夠應課稅溢利可供收回全部或部分資產。

遞延稅項負債及資產按預期於結算負債或變現資產期間適用的稅率計量，所根據的稅率(及稅法)乃於報告期末已頒佈或已實際頒佈。

遞延稅項負債及資產的計量反映本集團預期於報告期末將要收回其資產或結算其負債賬面值的方式所產生的稅務後果。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

稅項(續)

當有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關向同一應課稅實體徵收之所得稅有關，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益中確認，惟在其與其他全面收入或直接於權益內確認的項目有關的情況下，即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。在業務合併的初始會計處理產生即期稅項或遞延稅項時，稅務影響計入業務合併的會計處理中。

物業、廠房及設備

物業、廠房及設備指用於生產或提供貨品或服務，或出於行政目的而持有的有形資產(下文所述的永久業權土地及在建物業除外)。物業、廠房及設備乃按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表內入賬。

永久業權土地不折舊，並按成本減去後續累計減值虧損計量。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Property, plant and equipment (continued)

Properties in the course of construction for production, supply or administrative purposes (classified as construction in progress) are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of property, plant and equipment other than freehold land and construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

物業、廠房及設備(續)

就生產、供應或行政用途而在建築的物業(分類為在建工程)按成本減任何已確認減值虧損入賬。成本包括使資產達到能夠按照管理層擬定的方式經營所必要的位置及條件而直接應佔的任何成本。與其他物業資產一樣，當該等資產達到擬定用途時開始折舊。

折舊的確認旨在於估計可使用年期內按直線法撇銷物業、廠房及設備(不包括永久業權土地及在建工程)的成本減該等項目的剩餘價值。估計可使用年期、剩餘價值及折舊方法於報告期末作檢討，按預測基準計入任何估計變動的影響。

任何物業、廠房及設備項目在出售時或預期繼續使用資產不會有未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生的任何收益或虧損按出售所得款項與資產賬面值之間的差額釐定，並於損益中確認。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Impairment on property, plant and equipment, right-of-use assets, and other intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, other intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

無形資產

獨立收購之無形資產

獨立收購而具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產之攤銷按資產估計可使用年期以直線法確認。本集團於各報告期末檢討估計可使用年期及攤銷方法，而任何估計變更之影響會按未來適用法入賬。

業務合併中收購之無形資產

業務合併中收購之無形資產與商譽分開確認，並初步按收購當日之公平值(被視為成本)確認。於初步確認後，業務合併所收購具有有限使用年期的無形資產乃按成本減累計攤銷及任何累計減值虧損呈報，基準與單獨收購無形資產相同。

物業、廠房及設備、使用權資產及其他無形資產(商譽除外)減值

於報告期末，本集團檢討其可使用年期有限的物業、廠房及設備、使用權資產、其他無形資產的賬面值，以釐定該等資產是否出現任何減值虧損跡象。倘有任何此跡象存在，則估計相關資產的可收回金額，以釐定減值虧損(如有)的程度。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets, and other intangible assets other than goodwill (continued)

The recoverable amount of property, plant and equipment, right-of-use assets, and other intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a CGU) for which the estimates of future cash flows have not been adjusted.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

物業、廠房及設備、使用權資產及其他無形資產(商譽除外)減值(續)

物業、廠房及設備、使用權資產及其他無形資產的可收回金額會個別估計。倘無法單獨估計個別資產的可收回金額，本集團會估計該資產所屬現金產生單位的可收回金額。

於對現金產生單位進行減值測試時，倘可以訂立合理及一致的分配基礎，公司資產會被分配至相關現金產生單位，否則將被分配到可訂立合理及一致分配基礎的最小現金產生單位組別中。可收回金額按公司資產所屬的現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值作比較。

可收回金額為公平值減出售成本及使用價值兩者中的較高者。評估使用價值時，估計未來現金流量按除稅前貼現率貼現至其現值，而該貼現率反映當時市場對貨幣時間值及該項資產(或現金產生單位)(其未來現金流量的估計尚未經調整)特殊風險的評估。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets, and other intangible assets other than goodwill (continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

物業、廠房及設備、使用權資產及其他無形資產(商譽除外)減值(續)

估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將扣減至其可收回金額。對於不可按合理及一致的基準分配至現金產生單位的公司資產或公司資產部分，本集團將現金產生單位組別的賬面值(包括分配至該現金產生單位組別的公司資產或公司資產部分的賬面值)與現金產生單位組別可收回金額作比較。分配減值虧損時，減值虧損首先會分配以減低任何商譽(如適用)的賬面值，然後再基於單位或現金產生單位組別中各項資產的賬面值按比例分配至其他資產。資產的賬面值不能扣減至低於公平值減出售成本(如可計量)、使用價值(如可釐定)與零三者間之較高者。應分配至資產的減值虧損金額則按比例分配至單位或現金產生單位組別的其他資產。減值虧損即時於損益中確認。

凡減值虧損於其後撥回，資產(或現金產生單位或現金產生單位組別)的賬面值將增至經修訂的估計可收回金額，惟增加後的賬面值不得超過於過往年度內假設資產(或現金產生單位或現金產生單位組別)並無確認減值虧損而釐定的賬面值。減值虧損的撥回即時於損益中確認。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

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：

- (a) 現金，包括手頭現金及活期存款，不包括受監管限制導致有關結餘不再符合現金定義的銀行結餘；及
- (b) 現金等價物，其包括短期(通常原到期日為三個月或更短)、可隨時轉換為已知數額現金且價值變動風險不大的高流動性投資。現金等價物持作滿足短期現金承擔，而非用於投資或其他目的。

存貨

存貨乃按成本與可變現淨值兩者中的較低者列賬。存貨成本以加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及出售所需成本。進行銷售所需的成本包括直接歸屬於銷售的增量成本及本集團為進行銷售而必須產生的非增量成本。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

撥備

倘本集團因過往事件而須承擔現時責任(法律或推定)，而本集團可能須履行該責任且該責任之金額能可靠地估計，則確認撥備。

確認為撥備之金額乃經計及有關責任之風險及不確定因素後，對於報告期末履行現時責任所需代價作出之最佳估計。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值(倘貨幣時間價值之影響屬重大)。

當清償撥備所需的部分或全部經濟利益預期可從第三方收回時，如果幾乎可以肯定會收到償付並且應收款的金額能夠可靠地計量，則應收款確認為一項資產。

或然負債

或然負債是指因過去事項而產生的現時義務，但因履行該義務不太可能需要體現經濟利益的資源流出或該義務的金額不能足夠可靠地計量，故不予確認。

本集團持續評估以確定體現經濟利益的資源是否可能流出。如果以前作為或然負債處理的項目很可能需要未來經濟利益的流出，於發生概率變化的報告期內，在綜合財務報表中確認一項撥備，但無法作出可靠估計的極少數情況除外。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Biological assets

The Group's biological assets comprise 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 resulting gain or loss recognised in profit or loss for the year in which it arises.

The feeding costs and other related costs including staff costs, depreciation charge, utility costs and consumables incurred for raising of heifers and calves are capitalised, until such time as the heifers and calves begin to produce milk.

Agricultural produce

Agricultural produce represents raw milk. Raw milk is recognised at the point of harvest at its fair value less costs to sell. A gain or loss arising from agricultural produce at the point of harvest measuring at fair value less costs to sell is included in profit or loss for the period in which it arises.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

生物資產

本集團的生物資產由乳牛組成。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平值減銷售成本計量，任何所得收益或虧損於產生年度於損益中確認。

飼養成本及其他相關成本(包括飼養小母牛及小牛所產生的員工成本、折舊開支、水電成本及消費品成本)予以資本化，直至小母牛及小牛開始產奶。

農產品

農產品指原料奶。原料奶於獲取時按公平值減銷售成本確認。獲取時按公平值減銷售成本計量的農產品產生的收益或虧損於其產生期間計入損益內。

金融工具

金融資產及金融負債於一間集團實體成為工具合約條文訂約方時確認。所有以常規途徑購入或銷售的金融資產乃按交易日期基準確認及取消確認。常規途徑購入或銷售指根據市場法規或慣例所確定的時間框架內交付資產的金融資產購入或銷售。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 Revenue from Contracts with Customers (“IFRS 15”). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產及金融負債初步按公平值計量，惟產生自與客戶合約的應收貿易賬款(初步按國際財務報告準則第15號客戶合約收入(「國際財務報告準則第15號」)計量)除外。收購或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」)的金融資產或金融負債除外)直接應佔的交易成本於初步確認時於金融資產或金融負債(如適用)的公平值中加入或減去。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益中確認。

實際利率法乃計算金融資產或金融負債的攤銷成本以及於有關期間分配利息收入及利息開支的方法。實際利率乃於初步確認時按金融資產或金融負債的預計可使用年期或(如適用)較短期間內準確貼現估計未來現金收入及款項(包括構成實際利率不可或缺部分的所有已付或已收費用及積分、交易成本及其他溢價或貼現)至賬面淨值的利率。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Group are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產

金融資產的分類及其後計量

滿足以下條件的金融資產其後按攤銷成本計量：

- 於目的為收取合約現金流量的業務模式下持有金融資產；及
- 合約條款於特定日期產生的現金流量純粹為支付本金及尚未償還本金的利息。

本集團所有其他金融資產其後按公平值計入損益的方式計量，惟以下情況另當別論，於初始確認金融資產時，倘權益投資並非持作買賣，亦非由收購方在國際財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，則本集團可能會不可撤銷地選擇於其他全面收入中呈列有關權益投資的其後公平值變動。

倘屬以下情況，金融資產為持作買賣：

- 收購金融資產的主要目的為於短期內出售；或
- 於初步確認時，其為本集團整體管理的已識別金融工具組合的一部分，並具有短期賺取利潤的近期實際模式；或
- 其屬並非指定及有效作為對沖工具的衍生工具。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained earnings.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

(ii) 指定為按公平值計入其他全面收入的權益工具

按公平值計入其他全面收入的權益工具投資其後按公平值計量，其公平值變動產生的收益及虧損於其他全面收入確認並於按公平值計入其他全面收入的儲備中累計，而毋須作減值評估。累計收益或虧損將不會重新分類至出售權益投資的損益，並將轉撥至保留盈利。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(ii) Equity instruments designated as at FVTOCI

(continued)

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and other receivables, pledged bank deposits and bank balances) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(ii) 指定為按公平值計入其他全面收入的權益工具(續)

當本集團確立獲得股息的權利時，該等權益工具投資的股息於損益中確認，惟股息明確表示收回部分投資成本則除外。股息計入損益「其他收入」項下。

(iii) 按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他全面收入的方式計量或指定為按公平值計入其他全面收入的方式計量的金融資產，按公平值計入損益的方式計量。

按公平值計入損益的金融資產按各報告期末的公平值計量，任何公平值收益或虧損則於損益中確認。

根據國際財務報告準則第9號須予進行減值評估的金融資產減值

本集團就根據國際財務報告準則第9號須予進行減值評估的金融資產(包括應收貿易賬款及其他應收款項、已質押銀行存款及銀行結餘)進行預期信貸虧損模式項下減值評估。預期信貸虧損金額於各報告日期更新，以反映自初始確認以來的信貸風險變動。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

全期預期信貸虧損指於相關工具的預期年期內所有可能發生的違約事件產生的預期信貸虧損。反之，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期將於報告日期後12個月內可能發生的違約事件產生的部分全期預期信貸虧損。評估乃根據本集團的過往信貸虧損經驗進行，並根據債務人特有的因素、整體經濟狀況以及對報告日期當時狀況及未來狀況預測的評估作出調整。

本集團始終就應收貿易賬款確認全期預期信貸虧損。

就所有其他工具而言，本集團計量虧損撥備等於12個月預期信貸虧損，除非自初始確認起信貸風險顯著增加，在此情況下，本集團確認全期預期信貸虧損。評估全期預期信貸虧損是否應確認乃基於自初始確認以來發生違約或風險的可能性顯著增加。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(i) 信貸風險顯著增加

於評估信貸風險自初始確認以來是否已顯著增加時，本集團將於報告日期金融工具存在的違約風險與於初始確認日期金融工具存在的違約風險進行比較。在進行該評估時，本集團會計及合理可靠的定量及定性資料，包括過往經驗及毋須承擔過多成本或付出過多精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否顯著增加時會計及下列資料：

- 金融工具外部(倘可獲得)或內部信貸評級實際或預期出現嚴重降級；
- 外部市場信貸風險指標出現顯著惡化，例如信貸息差大幅擴大、債務人的信貸違約掉期價格大幅上升；



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綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(i) Significant increase in credit risk (continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(i) 信貸風險顯著增加(續)

- 預期將導致債務人還債能力大幅下降的業務、財務或經濟狀況的現有或預測不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人還債能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變化。

不論上述評估的結果如何，本集團認為，倘合約付款逾期超過30日，則信貸風險自初始確認以來已顯著增加，惟本集團有合理可靠的資料加以證明則當別論。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。



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綜合財務報表附註

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上文為何，本集團都認為，已於金融資產逾期超過90日後發生違約，除非本集團有合理及具理據資料來顯示更加滯後的違約標準更為恰當。

(iii) 信貸減值金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產維持信貸減值的證據包括有關以下事件的可觀察數據：

- 發行人或借款人的重大財務困難；
- 違反合約(如違約或逾期事件)；



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(iii) Credit-impaired financial assets

- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(iii) 信貸減值金融資產

- 借款人的貸款人因有關借款人財務困難的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- 借款人將可能陷入破產或其他財務重組；或
- 由於財務困難導致於金融資產活躍市場消失。

(iv) 撇銷政策

當資料顯示對手方處於嚴重財困及無實際收回可能時，例如對手方被清盤或已進入破產程序時(以較早者為準)，本集團則撇銷金融資產。經考慮法律意見後(倘合適)，遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。



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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables of feeds using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. The ECL on these assets are assessed individually or collectively with appropriate groupings.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量取決於違約概率、違約虧損率(即違約時的虧損程度)及違約風險承擔。違約概率及違約虧損率的評估乃基於過往數據及前瞻性資料作出。預期信貸虧損的預估反映無偏概率加權金額，以各自發生違約的風險為權重釐定。本集團在考慮過往信貸虧損經驗及無需過度成本或努力即可獲得的前瞻性資料的情況下，使用撥備矩陣估計飼料應收貿易賬款的預期信貸虧損。

一般而言，預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量(按於初始確認時釐定的實際利率貼現)之間的差額。該等資產的預期信貸虧損通過適當分組的集體評估單獨或集體評估。

對於集體評估，本集團在制定分組時考慮了以下特點：

- 逾期狀態；
- 債務人的性質、規模及行業；及
- 可用的外部信用評級。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

(v) Measurement and recognition of ECL (continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the "FVTOCI" reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融資產(續)

根據國際財務報告準則第9號須予進行減值評估的金融資產減值(續)

(v) 預期信貸虧損的計量及確認(續)

利息收入根據金融資產的賬面總值計算，惟金融資產為信貸減值的情況除外，在此情況下，利息收入按金融資產的攤銷成本計算。

本集團通過調整所有金融工具的賬面值於損益內確認其減值收益或虧損，惟相應調整於虧損撥備賬中確認的應收貿易賬款除外。

取消確認金融資產

本集團僅於資產收取現金流量的合約權利已到期，或金融資產已轉讓及本集團已將其於金融資產所有權的絕大部分風險及回報轉移予另一實體時取消確認金融資產。

於取消確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價之和的差額於損益中確認。

於取消確認本集團於初步確認時按公平值計入其他全面收入計量的權益工具投資時，先前在「按公平值計入其他全面收入儲備」中累計的累計收益或虧損不會重新分類至損益，但轉撥至保留盈利。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融負債及權益

分類為債務或權益

債務及權益工具乃根據合約安排的實質及金融負債與權益工具的定義分類為金融負債或權益。

權益工具

權益工具指證明在扣除所有負債後實體於資產的剩餘權益的任何合約。本公司發行的權益工具按扣除直接發行成本後的已收所得款項確認。

購回本公司本身的權益工具直接於權益內確認及扣減。不會於損益內就購買、出售、發行或註銷本公司本身的權益工具確認收益或虧損。

金融負債

所有金融負債均採用實際利率法按攤銷成本或按公平值計入損益作後續計量。

按公平值計入損益的金融負債

當金融負債(i)是在國際財務報告準則第3號適用的業務合併中收購方的或然代價，(ii)為交易而持有或(iii)被指定為按公平值計入損益時，金融負債分類為按公平值計入損益。

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3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at FVTPL (continued)

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, bank borrowings, other borrowings, short term debenture and long term bonds are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融負債及權益(續)

按公平值計入損益的金融負債(續)

倘屬以下情況，金融負債為持作買賣：

- 收購金融負債的主要目的為於短期內購回；或
- 於初步確認時，其為本集團整體管理的已識別金融工具組合的一部分，並具有短期賺取利潤的近期實際模式；或
- 屬於衍生工具，但屬於財務擔保合約或指定有效套期工具的衍生工具除外。

按攤銷成本計量的金融負債

金融負債(包括應付貿易賬款及其他應付款項、銀行借款、其他借款、短期融資券及長期債券)其後使用實際利率法按攤銷成本計量。

取消確認金融負債

本集團僅在其責任獲免除、取消或終止時，方會取消確認金融負債。取消確認金融負債的賬面值與已付及應付代價的差額於損益中確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

Embedded derivatives

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

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3. 綜合財務報表的編製基準及重要會計政策(續)

3.2 重要會計政策(續)

金融工具(續)

金融負債及權益(續)

衍生金融工具

衍生工具於訂立衍生工具合約日期初步按公平值確認，其後於報告期末重新計量公平值，所產生的收益或虧損於損益確認。

嵌入式衍生工具

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

金融資產與金融負債抵銷

金融資產與金融負債在且僅當本集團目前具有合法可執行權利抵銷已確認金額並打算以淨額結算，或同時變現資產及清償負債時，才會抵銷並在綜合財務狀況表中呈列淨額。

4. 估計不確定性的主要來源

於應用本集團的會計政策(於附註3闡述)時，董事須就資產及負債不易由其他來源得出的賬面值作出判斷、估計及假設。估計及有關假設乃基於過往經驗和被視為屬相關的其他因素作出。實際結果可能與該等估計有所不同。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurements of biological assets

The Group's biological assets are measured at fair value less costs to sell at the end of the reporting period. The Group uses valuation techniques that include inputs that are not based on market observable data to estimate the fair value of biological assets. For heifers and calves, the fair value is determined based on the 14 months old heifers' local market selling prices and adjusted by estimated feeding costs for heifers and calves older or younger than 14 months. For milkable cows, the fair value is determined by using the multi-period excess earning method with key inputs including the discount rate, the estimated feed costs per kilogram ("kg") of raw milk, estimated average daily milk yield at each lactation cycle and the estimated future market price of raw milk. Any changes in the inputs may affect the fair value of the Group's biological assets significantly. The carrying amount of the Group's biological assets as at 31 December 2022 was RMB10,631,171,000 (2021: RMB9,404,924,000). Further details are set out in Notes 22 and 44.

4. 估計不確定性的主要來源(續)

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

於報告期末，極有可能導致下一個財政年度的資產及負債賬面值出現重大調整的涉及未來的主要假設及估計不確定性的其他主要來源如下。

生物資產的公平值計量

本集團的生物資產於報告期末按公平值減銷售成本計量。於估計生物資產的公平值時，本集團採用包括並非根據可觀察市場數據的輸入數據的估值技術。就小母牛及小牛而言，公平值乃根據十四個月大的小母牛本地市場售價而釐定，並經大於或小於十四個月的小母牛及小牛的估計飼養成本調整。就奶牛而言，公平值乃使用多期超額收益法及關鍵輸入數據(包括貼現率、每千克(「千克」)原料奶的估計飼養成本、各哺乳期的估計平均每日產奶量及原料奶的估計未來市價)釐定。輸入數據的任何變動均可能顯著影響本集團生物資產的公平值。於2022年12月31日，本集團生物資產的賬面值為人民幣10,631,171,000元(2021年：人民幣9,404,924,000元)。進一步詳情載於附註22及44。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the CGUs to which goodwill has been allocated, which is the higher of its value in use and fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGUs and a suitable pre-tax discount rate in order to calculate the present value. Where the actual future cash flows are less than expected or when there is a downward revision to the estimated future cash flows due to changes in facts and circumstances, further impairment loss may arise.

As at 31 December 2022, the carrying amount of goodwill is RMB2,406,658,000 (2021: RMB2,075,591,000), net of accumulated impairment loss of RMB213,429,000 (2021: RMB213,429,000). Details of the impairment test are disclosed in Note 18.

4. 估計不確定性的主要來源(續)

商譽的估計減值

釐定商譽是否減值須對獲分配商譽的現金產生單位的可收回款項作出估計，以其使用價值及公平值減出售成本的較高者為準。使用價值計算要求本集團估計預期產生自現金產生單位的未來現金流量及合適的稅前貼現率以計算現值。倘實際的未來現金流量低於預期或由於事實及情況變動而對估計的未來現金流量作下調修訂時，則可能會出現進一步的減值虧損。

於2022年12月31日，商譽的賬面值為人民幣2,406,658,000元(2021年：人民幣2,075,591,000元)，扣除累計減值虧損人民幣213,429,000元(2021年：人民幣213,429,000元)。減值測試的詳情於附註18披露。

5. REVENUE

(i) Disaggregation of revenue from contracts with customers

5. 收入

(i) 客戶合約收入細分

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Types of goods	商品類型		
Raw milk	原料奶	9,945,090	7,005,012
Feeds	飼料	2,350,001	73,458
		12,295,091	7,078,470
Timing of revenue recognition	收入確認時間		
A point in time	時間點	12,295,091	7,078,470
Geographical markets	地理市場		
Mainland China	中國內地	11,944,167	7,059,603
Other countries	其他國家	350,924	18,867
		12,295,091	7,078,470

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5. REVENUE (continued)

(ii) Performance obligations for contracts with customers

For the sales of raw milk, revenue is recognised when control of the raw milk has been transferred, being at the point the customer received and accepted the raw milk, the normal credit term of which is 30 days. For the sales of feeds, revenue is recognised when control of the feeds has been transferred, being at the point the customers received the feeds or at the point being despatched, depending on the terms of the contracts, the normal credit term is generally 30 to 90 days.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

Sales of raw milk and feeds are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(iv) Information about major customers

Revenue from customers contributing over 10% of the total sales of the Group is as follows:

5. 收入(續)

(ii) 客戶合約的履約義務

就銷售原料奶而言，收入於已轉移原料奶控制權時獲確認(即客戶收到並接受原料奶時)，一般信貸期為30天。就銷售飼料而言，收入於已轉移飼料控制權時獲確認(即客戶收到飼料時或發出時(取決於合約條款))，一般信貸期為30至90天。

(iii) 分配至客戶合約餘下履約義務的交易價格

原料奶及飼料的銷售期限為一年或更短。在國際財務報告準則第15號允許的情況下，未披露分配至該等未獲滿足合約的交易價格。

(iv) 有關主要客戶的資料

對本集團銷售總額貢獻10%以上的客戶收入如下：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Customer A	客戶A		
Raw milk business	原料奶業務	9,201,510	5,977,915
Feed business	飼料業務	-	3,125
		9,201,510	5,981,040



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

6. SEGMENT INFORMATION

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the “CODM”), in order to allocate resources and assess performance. In December 2021, the Group commenced the business of sales of feeds, which is regarded as a new operating segment by the CODM. Information reported to the CODM for the purposes of resources allocation and assessment of segment performance focuses on the types of goods delivered.

The Group’s reportable segments under IFRS 8 are as follows:

- Raw milk business – raising and breeding dairy cows to produce and sell raw milk.
- Feed business – trading, production and sales of feeds.

Segment revenues and results

The following is an analysis of the Group’s revenue and results by reportable segments:

For the year ended 31 December 2022

6. 分部資料

國際財務報告準則第8號經營分部規定根據主要營運決策者(「主要營運決策者」)定期審閱的有關本集團組成部分的內部報告識別經營分部，以分配資源及評估表現。2021年12月，本集團開始飼料銷售業務，該業務被主要營運決策者視為新的經營分部。為分配資源及評估分部表現而向主要營運決策者報告的資料集中於所交付貨物的類型。

本集團於國際財務報告準則第8號下的呈報分部如下：

- 原料奶業務 – 飼養及養殖奶牛以生產及銷售原料奶。
- 飼料業務 – 買賣、生產及銷售飼料。

分部收益及業績

以下為按呈報分部呈列的本集團的收入及業績分析：

截至2022年12月31日止年度

		Raw milk business 原料奶業務 RMB'000 人民幣千元	Feed business 飼料業務 RMB'000 人民幣千元	Total reportable segments 呈報分部總額 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue	分部收入					
External sales	對外銷售	9,945,090	2,350,001	12,295,091	-	12,295,091
Inter-segment sales	分部間銷售	-	1,882,062	1,882,062	(1,882,062)	-
		9,945,090	4,232,063	14,177,153	(1,882,062)	12,295,091
Segment profit	分部溢利	1,264,352	70,896	1,335,248	(9,278)	1,325,970
Share of profit of associates	應佔聯營公司溢利					15,018
Unallocated other income	未分配其他收入					8,255
Unallocated other gains and losses	未分配其他收益及虧損					(369,429)
Unallocated expenses	未分配開支					(384,773)
Profit before tax	除稅前溢利					595,041

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

6. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

For the year ended 31 December 2021

6. 分部資料(續)

分部收益及業績(續)

截至2021年12月31日止年度

		Raw milk business 原料奶業務 RMB'000 人民幣千元	Feed business 飼料業務 RMB'000 人民幣千元	Total reportable segments 呈報分部總額 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue	分部收入					
External sales	對外銷售	7,005,012	73,458	7,078,470	-	7,078,470
Inter-segment sales	分部間銷售	-	368,142	368,142	(368,142)	-
		7,005,012	441,600	7,446,612	(368,142)	7,078,470
Segment profit	分部溢利	1,127,828	4,128	1,131,956	-	1,131,956
Share of profits of associates	應佔聯營公司溢利					36,928
Unallocated other income	未分配其他收入					2,733
Unallocated other gains and losses	未分配其他收益及虧損					60,778
Unallocated expenses	未分配開支					(197,173)
Profit before tax	除稅前溢利					1,035,222

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit before tax earned by each segment without allocation of central administration expenses, corporate income and expenses, certain other gains and losses and share of profit of associates that are not directly attributable to operating segments. This is the measure reported to the CODM for the purposes of resources allocation and assessment of segment performance. Inter-segment revenue is charged at prices agreed between group entities, which are determined by reference to the prices offered to third party customers.

經營分部的會計政策與附註3所述本集團的會計政策相同。分部溢利指各分部所賺取的除稅前溢利，未分配中央行政開支、企業收入及開支、若干其他收益及虧損及應佔聯營公司溢利(並非直接歸屬於經營分部)。此乃報告給主要營運決策者用於資源分配及分部表現評估的措施。分部間收入按集團實體之間協定的價格扣除，有關價格乃參考向第三方客戶提供的價格釐定。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

6. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Other segment information

For the year ended 31 December 2022

6. 分部資料(續)

分部資產及負債

主要營運決策者根據各分部的經營業績作出決策。由於主要營運決策者不會出於資源分配及表現評估之目的而定期審閱此類資料，因此未呈列分部資產及分部負債分析。因此，僅呈列分部收入及分部業績。

其他分部資料

截至2022年12月31日止年度

		Raw milk business 原料奶業務 RMB'000 人民幣千元	Feed business 飼料業務 RMB'000 人民幣千元	Total reportable segments 呈報分部總額 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Amounts included in the measure of segment profit or loss:	計入分部損益計量的金額：					
Depreciation and amortisation charged to profit or loss	扣除自損益的折舊及攤銷	370,880	17,584	388,464	10,295	398,759
Impairment losses of trade and other receivables	應收貿易賬款及其他應收款項的減值虧損	-	1,965	1,965	30	1,995
Impairment losses on property, plant and equipment	物業、廠房及設備的減值虧損	1,895	-	1,895	-	1,895
Loss (gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損(收益)	5,978	-	5,978	(21,300)	(15,322)
Gain on termination of lease agreements	終止租賃協議的收益	(3,652)	-	(3,652)	-	(3,652)
Loss on disposal of other intangible assets	出售其他無形資產的虧損	165	-	165	-	165
Finance costs	融資成本	362,455	17,104	379,559	-	379,559

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

6. SEGMENT INFORMATION (continued)

Other segment information (continued)

For the year ended 31 December 2021

6. 分部資料(續)

其他分部資料(續)

截至2021年12月31日止年度

	Raw milk business 原料奶業務 RMB'000 人民幣千元	Feed business 飼料業務 RMB'000 人民幣千元	Total reportable segments 呈報分部總額 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Amounts included in the measure of segment profit or loss:					
Depreciation and amortisation charged to profit or loss	289,694	2,866	292,560	3,017	295,577
Impairment losses of trade and other receivables	-	-	-	476	476
Loss (gain) on disposal of property, plant and equipment	9,680	(5)	9,675	(16)	9,659
Finance costs	196,107	2,025	198,132	-	198,132



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6. SEGMENT INFORMATION (continued)

Geographical information

The Group's operations are located in Mainland China and the United States of America ("USA").

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

6. 分部資料(續)

地理資料

本集團的業務位於中國內地及美國(「美國」)。

有關本集團來自外部客戶的收入資料乃按營運地點呈列。有關本集團非流動資產的資料乃按資產的地理位置呈列。

		Revenue from external customers 來自外部客戶的收入		Non-current assets (Note) 非流動資產(附註)	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Mainland China	中國內地	11,877,865	7,057,441	20,429,080	17,810,823
USA	美國	417,226	21,029	102,716	119,119
		12,295,091	7,078,470	20,531,796	17,929,942

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。



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7. OTHER INCOME

7. 其他收入

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	60,393	46,143
Government grants related to	就以下各項授出的政府補貼		
– Assets (Note 34)	– 資產(附註34)	78,506	47,733
– Others (Note)	– 其他(附註)	31,391	16,394
Others	其他	109,897 31,269	64,127 13,565
		201,559	123,835

Note: These government grants are unconditional government subsidies received by the Group from relevant government bodies for the purpose of giving immediate financial support to the Group's operation.

附註：該等政府補貼為本集團從有關政府部門收取的無條件政府補貼，旨在為本集團的營運提供即時財政支持。



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8. PROFIT BEFORE FINANCE COSTS AND TAX

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

8. 除融資成本及稅項前溢利

除融資成本及稅項前溢利乃扣除(計入)下列各項後計算得出：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Cost of sales:	銷售成本：		
Breeding costs to produce raw milk	生產原料奶的養殖成本	6,850,047	4,470,101
Raw milk fair value adjustments included in cost of sales	計入銷售成本的原料奶公平值調整	2,887,548	2,378,446
Cost of feeds sold	已售出飼料成本	2,178,065	58,894
		11,915,660	6,907,441
Other gains and losses, net:	其他收益及虧損淨額：		
Net foreign exchange loss (gain)	外匯虧損(收益)淨額	377,346	(84,287)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)虧損	(15,322)	9,659
Gain on termination of lease agreements	終止租賃協議的收益	(3,652)	-
Loss on disposal of other intangible assets	出售其他無形資產的虧損	165	-
Impairment losses of property, plant and equipment	物業、廠房及設備的減值虧損	1,895	-
Fair value gain on structured deposits	結構性存款的公平值收益	(2,465)	(1,821)
Fair value loss (gain) on derivative financial instruments:	衍生金融工具的公平值虧損(收益)：		
Foreign currency forward contracts	外匯遠期合約	2,172	1,999
Foreign currency option contracts	外匯期權合約	(53,321)	90,884
CFCCS	CFCCS	69,844	(67,537)
		18,695	25,346
		376,662	(51,103)



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8. PROFIT BEFORE FINANCE COSTS AND TAX (continued)

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

8. 除融資成本及稅項前溢利(續)

除融資成本及稅項前溢利乃扣除(計入)下列各項後計算得出:(續)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	656,706	495,263
Depreciation of right-of-use assets	使用權資產折舊	73,924	22,296
Amortisation of intangible assets	無形資產攤銷	4,207	54
Less: capitalised in biological assets	減：生物資產資本化金額	(336,078)	(222,036)
Depreciation and amortisation charged to profit or loss	扣除自損益的折舊及攤銷	398,759	295,577
Short-term lease expense	短期租賃開支	39,687	21,301
Less: capitalised in biological assets	減：生物資產資本化金額	(16,577)	(9,070)
Short-term lease expense charged to profit or loss	扣除自損益的短期租賃開支	23,110	12,231
Employee benefits expense:	僱員福利開支：		
Salaries and allowances	薪金及津貼	907,665	599,645
Retirement benefit schemes contributions	退休福利計劃供款	68,368	39,635
Equity-settled share award expense	以股權結算的股份獎勵開支	44,950	22,224
Less: capitalised in biological assets	減：生物資產資本化金額	(272,379)	(173,506)
Employee benefits charged to profit or loss	扣除自損益的僱員福利	748,604	487,998
Auditors' remuneration	核數師薪酬	4,400	3,350



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9. FINANCE COSTS

9. 融資成本

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Interest expenses on:	利息開支：		
Bank borrowings	銀行借款	277,311	187,924
Long term bonds	長期債券	79,117	34,994
Short term debenture	短期融資券	522	-
Other borrowings	其他借款	11,920	11,142
Lease liabilities	租賃負債	36,840	12,890
Total borrowing cost		405,710	246,950
Fair value gain on interest rate swaps		(26,151)	(48,818)
		379,559	198,132

10. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

10. 預期信貸虧損模型下減值虧損，扣除撥回

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Impairment losses recognised in respect of:	就下列各項確認的減值虧損：		
Trade receivables	應收貿易賬款	1,965	-
Other receivables	其他應收款項	30	476
		1,995	476

Details of impairment assessment are set out in Note 41.

減值評估詳情載列於附註41。



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11. INCOME TAX EXPENSE AND DEFERRED TAXATION

Income tax expense

11. 所得稅開支及遞延稅項

所得稅開支

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current tax:	即期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	11,295	2,279
Other jurisdiction	其他司法權區	1,820	124
Under provision in respect of prior years:	過往年度的撥備不足：		
PRC Enterprise Income Tax	中國企業所得稅	5,969	-
Deferred tax:	遞延稅項：	(4,309)	(380)
		14,775	2,023

The Company is incorporated as an exempted company and as such is not subject to Cayman Islands taxation.

本公司作為獲豁免公司註冊成立，因此不受開曼群島稅項的約束。

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

並無就香港稅項作出撥備，原因為本集團於香港並無產生收入亦無源自香港之收入。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the statutory income tax rate of the PRC subsidiaries is 25% for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度的法定所得稅率為25%。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

其他司法權區產生的稅項乃根據有關司法權區現行稅率計算。

According to the prevailing tax rules and regulation of the EIT Law, 42 subsidiaries of the Group is exempted from enterprise income tax for taxable profit from the operation of agricultural business in the PRC for the year ended 31 December 2022 (2021: 31 subsidiaries).

根據企業所得稅法現行稅務規則及法規，截至2022年12月31日止年度，本集團的42間附屬公司(2021年：31間附屬公司)於中國經營農業業務產生的應課稅溢利獲豁免繳納企業所得稅。



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11. INCOME TAX EXPENSE AND DEFERRED TAXATION (continued)

Income tax expense (continued)

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. Deferred taxation has not been provided for in the consolidated financial statements in respect of the accumulated profits of the PRC subsidiaries amounting to RMB4,448,225,000 as at 31 December 2022 (31 December 2021: RMB3,383,399,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The income tax expense for the current year can be reconciled to profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 所得稅開支及遞延稅項(續)

所得稅開支(續)

根據中國企業所得稅法，於中國內地成立的外資企業向外商投資者宣派股息須繳納10%的預扣稅。該規定自2008年1月1日起生效，並適用於2007年12月31日後的盈利。倘中國與外商投資者所在司法權區訂立了稅項條約，則可調低預扣稅稅率。本集團的適用比率為5%或10%。於2022年12月31日，並未就中國附屬公司累計溢利人民幣4,448,225,000元(2021年12月31日：人民幣3,383,399,000元)於綜合財務報表就遞延稅項作出撥備，乃由於本集團能夠控制撥回暫時差額的時間及該等暫時差額於可見將來可能不會獲撥回。

以下是本年度所得稅開支與綜合損益及其他全面收益表內除稅前溢利的對賬：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	595,041	1,035,222
Tax at applicable income tax rate at 25% (2021: 25%)	按適用所得稅稅率25%計算的稅項(2021年：25%)	148,760	258,806
Effect of tax exemption granted to agricultural entities	農業實體免稅待遇的影響	(377,081)	(318,643)
Effect of unutilised losses incurred from agricultural business and other non-deductible expenses	農業業務產生未動用虧損及其他不可扣稅開支的影響	234,352	54,782
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司的不同稅率的影響	(234)	(26)
Effect of tax losses not recognised	未確認稅項虧損的影響	6,817	7,105
Utilisation of tax losses previously not recognised	動用過往未確認稅項虧損	(3,808)	(1)
Under provision in respect of prior years	過往年度的撥備不足	5,969	-
Income tax expense	所得稅開支	14,775	2,023

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11. INCOME TAX EXPENSE AND DEFERRED TAXATION (continued)

Income tax expense (continued)

As at 31 December 2022, the Group's PRC subsidiaries had unused tax losses of RMB109,898,000 (2021: RMB154,575,000) incurred by non-agricultural business in the PRC. These unused tax losses as at 31 December 2022 will expire in year 2023 to year 2027 as disclosed in the following table if not utilised. No deferred tax asset has been recognised in relation to such tax losses as it is not probable that taxable profit will be available against which the tax losses can be utilised.

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
2022	2022年	-	71,748
2023	2023年	31,624	31,684
2024	2024年	592	596
2025	2025年	15,547	15,550
2026	2026年	34,867	34,997
2027	2027年	27,268	-
		109,898	154,575

Deferred taxation

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	827	2,337
Deferred tax liabilities	遞延稅項負債	(22,454)	(20,868)
		(21,627)	(18,531)

11. 所得稅開支及遞延稅項(續)

所得稅開支(續)

於2022年12月31日，本集團的中國附屬公司就中國的非農業業務產生的未動用稅項虧損為人民幣109,898,000元(2021年：人民幣154,575,000元)。倘於2022年12月31日該等未動用稅項虧損未獲動用，其將於2023年至2027年屆滿，如下表所披露。由於可能不會獲得應課稅溢利而可動用稅項虧損，因此並無就有關稅項虧損確認遞延稅項資產。

遞延稅項

就於綜合財務狀況表中的呈列而言，若干遞延稅項資產及負債已經抵銷。以下是出於財務報告目的對遞延稅項結餘的分析：



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11. INCOME TAX EXPENSE AND DEFERRED

TAXATION (continued)

Deferred taxation (continued)

11. 所得稅開支及遞延稅項(續)

所得稅開支(續)

		Temporary difference of property, plant and equipment 物業、廠房及設備的暫時差額 RMB'000 人民幣千元	Fair value adjustments upon acquisition 收購時作出公平值調整 RMB'000 人民幣千元 (Note i) (附註i)	Others 其他 RMB'000 人民幣千元 (Note ii) (附註ii)	Total 總計 RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	-	-	-	-
Acquisition of subsidiaries	收購附屬公司	(15,071)	(5,357)	1,509	(18,919)
Exchange adjustments	匯兌調整	9	-	(1)	8
Credit to profit or loss	計入損益	-	380	-	380
At 31 December 2021	於2021年12月31日	(15,062)	(4,977)	1,508	(18,531)
Acquisition of subsidiaries	收購附屬公司	-	(6,563)	345	(6,218)
Exchange adjustments	匯兌調整	(1,290)	-	103	(1,187)
Credit (charge) to profit or loss	計入損益 (自損益扣除)	2,284	2,351	(326)	4,309
At 31 December 2022	於2022年12月31日	(14,068)	(9,189)	1,630	(21,627)

Notes:

- The deferred tax for fair value adjustments related to the fair value adjustments of certain freehold land, property, plant and equipment upon acquisition of subsidiaries.
- Others mainly comprised the temporary differences arising from allowance for credit losses in the PRC and accrued expenses, inventory capitalization adjustment etc., due to the temporary differences under federal and state income tax in the USA.

附註：

- 公平值調整的遞延稅項與收購附屬公司時某些永久業權土地、物業、廠房及設備的公平值調整有關。
- 其他主要包括因美國聯邦及州所得稅暫時差額導致的中國信貸虧損準備及預提費用、存貨資本化調整等產生的暫時差額。

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12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Details of the directors' and the chief executive's emoluments are as follows:

12. 董事及主要行政人員酬金

董事及主要行政人員酬金詳情如下：

		2022 2022年				
		Directors' fees	Salaries, allowances and benefits-in-kind	Performance related bonuses	Retirement benefits scheme contributions	Total
		董事袍金	薪金、津貼及實物福利	表現掛鈎花紅	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
				(Note v) (附註v)		
Executive directors	執行董事					
Mr. Sun Yugang (Note iv)	孫玉剛先生(附註iv)	-	2,147	4,200	108	6,455
Mr. Zhu Xiaohui (Note iv)	朱曉輝先生(附註iv)	-	1,535	2,280	108	3,923
Non-executive directors	非執行董事					
Mr. Lu Minfang	盧敏放先生	-	-	-	-	-
Mr. Zhang Ping	張平先生	-	-	-	-	-
Mr. Zhao Jiejun	趙傑軍先生	-	-	-	-	-
Ms. Gan Lu	甘璐女士	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Lee Kong Wai Conway	李港衛先生	205	-	-	-	205
Mr. Li Shengli	李勝利先生	200	-	-	-	200
Mr. Chow Ming Sang	周明笙先生	205	-	-	-	205
		610	3,682	6,480	216	10,988



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12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

12. 董事及主要行政人員酬金(續)

		2021 2021年				
	Directors' fees	Salaries, allowances and benefits-in-kind	Performance related bonuses	Retirement benefits scheme contributions	Total	
	董事袍金	薪金、津貼及實物福利	表現掛鈎花紅	退休福利計劃供款	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			(Note v)			
			(附註v)			
Executive directors	執行董事					
Ms. Gao Lina (Note ii&iv)	高麗娜女士(附註ii&iv)	-	1,157	-	1,157	
Mr. Sun Yugang (Note iv)	孫玉剛先生(附註iv)	-	1,825	5,020	6,931	
Mr. Zhu Xiaohui (Note ii&iv)	朱曉輝先生(附註ii&iv)	-	128	743	879	
Non-executive directors	非執行董事					
Mr. Lu Minfang	盧敏放先生	-	-	-	-	
Mr. Zhang Ping	張平先生	-	-	-	-	
Mr. Zhao Jiejun	趙傑軍先生	-	-	-	-	
Ms. Gan Lu	甘璐女士	-	-	-	-	
Mr. Zhu Xiaohui (Note ii)	朱曉輝先生(附註ii)	-	-	-	-	
Independent non-executive directors	獨立非執行董事					
Mr. Lee Kong Wai Conway	李港衛先生	199	-	-	199	
Mr. Li Shengli	李勝利先生	200	-	-	200	
Mr. Chow Ming Sang (Note iii)	周明笙先生(附註iii)	100	-	-	100	
Mr. Wolhardt Julian Juul (Note iii)	Wolhardt Julian Juul先生(附註iii)	-	-	-	-	
		499	3,110	5,763	9,466	

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12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS (continued)

The emoluments disclosed above for executive directors were for the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Notes:

- i. No directors waived or agreed to waive any remuneration during the year ended 31 December 2022 (2021: nil).
- ii. Ms. Gao Lina resigned from her position with effect from 1 July 2021, while Mr. Zhu Xiaohui was appointed as a non-executive director on the same day and subsequently appointed as an executive director with effect from 30 November 2021. Mr. Zhu Xiaohui is also the chief financial officer of the Company.
- iii. Mr. Wolhardt Julian Juul resigned from his position of independent non-executive director with effect from 1 July 2021, while Mr. Chow Ming Sang was appointed as an independent non-executive director on the same day.
- iv. As of 31 December 2022, certain directors were granted share awards in respect of their services to the Group under the share award scheme of the Company, further details of which are set out in Note 37. During the year, the equity-settled share based payments relating to the share awards granted to Mr. Sun Yugang who is also the chief executive, Mr. Zhu Xiaohui and Ms. Gao Lina were RMB3,172,000 (2021: RMB923,000), RMB2,170,000 (2021: RMB134,000), and RMB393,000 (2021: RMB895,000), respectively. The equity-settled share-based payments relating to the share award granted to these directors are not included in the details of emoluments above.
- v. Performance related bonuses are determined based on the Group's performance, performance of the relevant individual within the Group and comparable market statistics.

12. 董事及主要行政人員酬金(續)

上文所披露執行董事酬金是管理本公司及本集團事務的酬金。

上文所列獨立非執行董事的酬金為彼等作為本公司董事的服務酬金。

附註：

- i. 截至2022年12月31日止年度，概無董事放棄或同意放棄任何薪酬(2021年：無)。
- ii. 高麗娜女士辭任職務，自2021年7月1日起生效，朱曉輝先生於同日獲委任為非執行董事，其後獲委任為執行董事，自2021年11月30日起生效。朱曉輝先生亦為本公司的首席財務官。
- iii. Wolhardt Julian Juul先生辭任獨立非執行董事職務，自2021年7月1日起生效，而周明笙先生於同日獲委任為獨立非執行董事。
- iv. 截至2022年12月31日，根據本公司的股份獎勵計劃，若干董事就其為本集團提供的服務獲授股份獎勵，詳情載於附註37。年內，與向孫玉剛先生(亦為主要行政人員)、朱曉輝先生及高麗娜女士授出的股份獎勵有關的按股權結算以股份支付的付款分別為人民幣3,172,000元(2021年：人民幣923,000元)、人民幣2,170,000元(2021年：人民幣134,000元)及人民幣393,000元(2021年：人民幣895,000元)。與授予該等董事的股份獎勵有關的按股權結算以股份支付的付款不包括在上述酬金詳情中。
- v. 表現掛鈎花紅乃基於本集團表現、相關個人於本集團的表現及可資比較市場數據而釐定。



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13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid individuals of the Group during the year included two (2021: one) directors of the Company, details of whose remuneration are included in the disclosures in Note 12 above. Details of the remuneration of the remaining three (2021: four) highest paid individuals for the year are as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries, allowances and benefits-in-kind	薪金、津貼及實物福利	4,478	5,113
Performance related bonuses	表現掛鈎花紅	6,474	9,130
Retirement benefits scheme contributions	退休福利計劃供款	335	334
Equity-settled share award expense	按股權結算股份獎勵開支	5,235	2,930
		16,522	17,507

No remuneration was paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for the year ended 31 December 2022 (2021: nil).

The number of the highest paid employees who are not the directors nor chief executive of the Company whose remuneration (including equity-settled share-based payments) fell within the following bands in Hong Kong dollars ("HKD") is as follows:

		2022 2022年	2021 2021年
HKD4,500,001 to HKD5,000,000	4,500,001港元至5,000,000港元	-	1
HKD5,000,001 to HKD5,500,000	5,000,001港元至5,500,000港元	-	2
HKD5,500,001 to HKD6,000,000	5,500,001港元至6,000,000港元	1	-
HKD6,000,001 to HKD6,500,000	6,000,001港元至6,500,000港元	1	1
HKD6,500,001 to HKD7,000,000	6,500,001港元至7,000,000港元	1	-
		3	4

13. 五名最高薪酬人士

本集團年內五名最高薪酬人士包括本公司兩名(2021年：一名)董事，其薪酬詳情披露於上文附註12。年內其餘三名(2021年：四名)最高薪酬人士的薪酬詳情如下：

截至2022年12月31日止年度，本集團概無向董事或五名最高薪酬人士支付任何薪酬，作為加盟本集團或加盟後的獎勵或作為離任補償(2021年：無)。

以港元(「港元」)計值的薪酬(包括按股權結算以股份支付的付款)屬以下範圍的非本公司董事及非主要行政人員最高薪酬僱員人數如下：

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13. FIVE HIGHEST PAID EMPLOYEES (continued)

Certain non-director and non-chief executive highest paid employees were granted share awards, in respect of their services to the Group under the share award scheme of the Company. Details of the share award scheme are set out in Note 37.

14. DIVIDENDS

During the year, a final dividend of RMB0.026 per share in respect of the year ended 31 December 2021 (2021: RMB0.02 per share in respect of the year ended 31 December 2020) was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid in the current year amounted to RMB204,390,000 (2021: RMB142,532,000) and was appropriated from the Company's distributable share premium.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2022 of RMB0.0142 per ordinary share has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming general meeting.

13. 五名最高薪酬人士(續)

根據本公司的股份獎勵計劃，若干非董事及非主要行政人員的最高薪酬僱員就其對本集團的服務獲授股份獎勵。股份獎勵計劃詳情載於附註37。

14. 股息

年內，就截至2021年12月31日止年度向本公司擁有人宣派及派付每股人民幣0.026元(2021年：就截至2020年12月31日止年度之每股人民幣0.02元)之末期股息。本年度宣派及派付的末期股息總額為人民幣204,390,000元(2021年：人民幣142,532,000元)，並自本公司可分派的股份溢價中撥付。

於報告期末後，董事建議就截至2022年12月31日止年度派發末期股息每股普通股人民幣0.0142元，且有關股息須待股東於應屆股東大會上批准後方可作實。



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15. EARNINGS PER SHARE

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

15. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit	溢利		
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	562,497	1,018,832
Profit for the purpose of basic and diluted earnings per share	用於計算每股基本及攤薄盈利的溢利	562,497	1,018,832
		2022 2022年 Shares 股	2021 2021年 Shares 股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數	7,859,032,978	7,062,840,875
Effect of dilutive potential ordinary shares: Share awards	攤薄潛在普通股的影響：股份獎勵	25,269,600	17,603,554
		7,884,302,578	7,080,444,429

The number of shares adopted in the calculation of the basic earnings per share has been arrived at after adjusting the effect of shares repurchased by the Company and the shares held under the Company's share award scheme.

計算每股基本盈利所採納的股份數目於調整本公司回購股份及本公司股份獎勵計劃所持股份的影響後得出。



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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Freehold land 永久業權 土地 RMB'000 人民幣千元	Buildings 樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Plant and equipment 廠房及設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本						
Balance at 1 January 2021	於2021年1月1日的結餘	-	5,141,287	21,494	1,818,461	52,450	7,033,692
Additions	添置	-	24,659	6,051	157,687	347,442	535,839
Transfer	轉撥	-	264,566	799	76,608	(341,973)	-
Acquired on asset acquisitions	資產收購時收購	-	-	-	47	33,116	33,163
Acquired on business combination	業務合併時收購	48,228	1,422,343	2,946	421,862	50,452	1,945,831
Exchange adjustments	匯兌調整	(17)	(49)	(2)	(53)	(2)	(123)
Disposals	出售	-	(73,680)	(8,311)	(82,753)	-	(164,744)
Balance at 31 December 2021	於2021年12月31日的結餘	48,211	6,779,126	22,977	2,391,859	141,485	9,383,658
Additions	添置	-	128,623	59,839	251,867	595,409	1,035,738
Transfer	轉撥	-	266,061	2,861	55,438	(324,360)	-
Reclassification	重新分類	-	(62,915)	142,926	(80,011)	-	-
Acquired on business combination	業務合併時收購	-	73,989	3,848	18,042	1,871	97,750
Exchange adjustments	匯兌調整	5,150	7,374	315	9,247	604	22,690
Disposals	出售	-	(27,767)	(8,728)	(239,482)	-	(275,977)
Reclassified as held for sale (Note)	重新分類為持作出售(附註)	(26,620)	(8,258)	-	-	-	(34,878)
Balance at 31 December 2022	於2022年12月31日的結餘	26,741	7,156,233	224,038	2,406,960	415,009	10,228,981
Accumulated depreciation	累計折舊						
Balance at 1 January 2021	於2021年12月31日的結餘	-	(2,383,337)	(8,538)	(1,141,068)	-	(3,532,943)
Charge for the year	年內開支	-	(314,463)	(1,760)	(179,040)	-	(495,263)
Exchange adjustments	匯兌調整	-	19	1	32	-	52
Eliminated on disposals	出售撇銷	-	57,208	6,547	76,508	-	140,263
Balance at 31 December 2021	於2021年12月31日的結餘	-	(2,640,573)	(3,750)	(1,243,568)	-	(3,887,891)
Charge for the year	年內開支	-	(399,836)	(30,779)	(226,091)	-	(656,706)
Reclassification	重新分類	-	18,990	(68,327)	49,337	-	-
Exchange adjustments	匯兌調整	-	(2,760)	(230)	(5,608)	-	(8,598)
Eliminated on disposals	出售撇銷	-	7,999	4,384	132,450	-	144,833
Reclassified as held for sale (Note)	重新分類為持作出售(附註)	-	6,234	-	-	-	6,234
Balance at 31 December 2022	於2022年12月31日的結餘	-	(3,009,946)	(98,702)	(1,293,480)	-	(4,402,128)
Impairment	減值						
Balance at 1 January 2021	於2021年12月31日的結餘	-	(113,459)	(63)	(69,508)	-	(183,030)
Eliminated on disposals	出售撇銷	-	-	63	170	-	233
Balance at 31 December 2021	於2021年12月31日的結餘	-	(113,459)	-	(69,338)	-	(182,797)
Charge for the year	年內開支	-	(1,532)	-	(363)	-	(1,895)
Eliminated on disposals	出售撇銷	-	-	-	60,746	-	60,746
Balance at 31 December 2022	於2022年12月31日的結餘	-	(114,991)	-	(8,955)	-	(123,946)
Carrying amounts	賬面值						
Balance at 31 December 2022	於2022年12月31日的結餘	26,741	4,031,296	125,336	1,104,525	415,009	5,702,907
Balance at 31 December 2021	於2021年12月31日的結餘	48,211	4,025,094	19,227	1,078,953	141,485	5,312,970



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16. PROPERTY, PLANT AND EQUIPMENT

(continued)

Note: In 2022, certain land and buildings of Haykingdom International, Inc (“**Haykingdom**”) were classified as non-current assets held for sale as the Group ceased operations at two non-major locations in the USA and has initiated actions to locate a buyer, and expects to sell the land and buildings in 2023. These assets are presented separately in the consolidated statement of financial position at its carrying amount of RMB28,644,000 and the net proceeds of disposal are expected to exceed the carrying amount of the relevant assets.

Depreciation is charged using straight-line method over the expected useful life other than freehold land and construction in progress, after taking into account its estimated residual value, at the following rates per annum:

Buildings	4.75%-9.50%
Motor vehicles	9.50%-19.00%
Plant and equipment	9.50%-19.00%

As at 31 December 2022, the Group’s properties of RMB126,988,000 (2021: RMB112,057,000) were pledged to secure bank and other borrowings of the Group (Notes 28 and 29).

16. 物業、廠房及設備(續)

附註：於2022年，將Haykingdom International, Inc(「**Haykingdom**」)的若干土地及樓宇被分類為持作出售的非流動資產，原因是本集團已停止在美國兩個非主要地點的業務並已開始尋找買家，預計於2023年出售土地及樓宇。該等資產以其賬面值人民幣28,644,000元於綜合財務狀況表中單獨列報，出售所得款項淨額預期超過相關資產的賬面值。

折舊於預期可使用年期(永久業權土地及在建工程除外)內並計及其估計剩餘價值後使用直線法按下列年利率計提：

樓宇	4.75%-9.50%
汽車	9.50%-19.00%
廠房及設備	9.50%-19.00%

於2022年12月31日，本集團金額為人民幣126,988,000元(2021年：人民幣112,057,000元)的物業已質押以擔保本集團的銀行及其他借款(附註28及29)。



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17. RIGHT-OF-USE ASSETS

17. 使用權資產

		Leasehold land	Leased property	Leased machinery and equipment 租賃機械 及設備	Leased farms	Total
		租賃土地 RMB'000 人民幣千元	租賃物業 RMB'000 人民幣千元	租賃機械 及設備 RMB'000 人民幣千元	租賃牧場 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	成本					
Balance at 1 January 2021	於2021年1月1日的結餘	310,781	707	48,993	-	360,481
Additions	添置	28,010	1,653	-	-	29,663
Disposals	出售	(544)	-	-	-	(544)
Acquired on business combination	業務合併時收購	386,234	8,082	-	-	394,316
Acquired on asset acquisitions	資產收購時收購	20,026	-	-	-	20,026
Balance at 31 December 2021	於2021年12月31日的結餘	744,507	10,442	48,993	-	803,942
Additions	添置	98,353	1,786	-	439,682	539,821
Termination of leases (Note)	終止租賃(附註)	(3,279)	-	(48,993)	-	(52,272)
Acquired on business combination	業務合併時收購	4,075	3,456	-	92,040	99,571
Balance at 31 December 2022	於2022年12月31日 的結餘	843,656	15,684	-	531,722	1,391,062
Accumulated depreciation	累計折舊					
Balance at 1 January 2021	於2021年1月1日的結餘	(45,587)	(593)	(10,452)	-	(56,632)
Charge for the year	年內開支	(16,847)	(223)	(5,226)	-	(22,296)
Eliminated on disposals	出售撇銷	150	-	-	-	150
Balance at 31 December 2021	於2021年12月31日的結餘	(62,284)	(816)	(15,678)	-	(78,778)
Charge for the year	年內開支	(52,180)	(1,508)	(2,554)	(17,682)	(73,924)
Eliminated on termination of leases	終止租賃時撇銷	357	-	18,232	-	18,589
Balance at 31 December 2022	於2022年12月31日的結餘	(114,107)	(2,324)	-	(17,682)	(134,113)
Carrying amounts	賬面值					
Balance at 31 December 2022	於2022年12月31日的結餘	729,549	13,360	-	514,040	1,256,949
Balance at 31 December 2021	於2021年12月31日的結餘	682,223	9,626	33,315	-	725,164

Note: During the current year, the Group negotiated with the lessors and early terminated certain leases. The Group derecognised the right-of-use assets of RMB33,683,000 and lease liabilities of RMB37,335,000, resulting in gain of RMB3,652,000 in profit or loss.

附註：於本年度內，本集團與出租人磋商並提前終止若干租賃。本集團終止確認使用權資產人民幣33,683,000元及租賃負債人民幣37,335,000元，導致損益中出現收益人民幣3,652,000元。



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17. RIGHT-OF-USE ASSETS (continued)

17. 使用權資產(續)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Expense relating to short-term leases	有關短期租賃的開支	39,687	21,301
Variable lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量的可變租賃付款	136	272
Total cash outflow for leases	租賃現金流出總額	167,194	46,913

Right-of-use assets are depreciated on a straight-line basis over the lease terms.

使用權資產按租期以直線法折舊。

The Group leases land, property, farms, machinery and equipment to operate its business. These leases are typically made for fixed terms of 2 to 50 years. Lease terms are negotiated on an individual basis and contain different payment terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

本集團租賃土地、物業、牧場、機械及設備以經營其業務。該等租賃通常固定期限為2至50年。租賃條款乃按個別基準磋商，包含不同付款條款及條件。釐定租期及評估不可撤銷期間的長度時，本集團應用合約的定義並確定合約的可執行期限。

The Group's lease agreements do not contain any extension, early termination option or purchase option for lessee.

本集團的租賃協議不包含任何承租人的任何延長、提早終止權或購買權。

As at 31 December 2022, leasehold lands with a carrying amount of RMB23,855,000 (31 December 2021: nil) were pledged to other borrowings of the Group (Note 29).

於2022年12月31日，賬面值為人民幣23,855,000元(2021年12月31日：零)的永久業權土地已作抵押，作為本集團的其他借款的擔保(附註29)。

The Group regularly entered into short-term leases for land, property, machinery, motor vehicles and office equipment. As at 31 December 2022 and 2021, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in Note 8.

本集團定期就土地、物業、機械、汽車及辦公設備訂立短期租賃。於2022及2021年12月31日，短期租賃組合與短期租賃開支於附註8所披露的短期租賃組合相若。



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18. GOODWILL

18. 商譽

		Modern Farming (集團) RMB'000 人民幣千元	ADH Companies ADH公司 RMB'000 人民幣千元	Fuyuan 富源 RMB'000 人民幣千元 Note 38(e) 附註38(e)	Aiyangniu 愛養牛 RMB'000 人民幣千元 Note 38(c) 附註38(c)	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本						
Balance at 1 January 2021	於2021年1月1日的結餘	310,426	1,225,460	-	-	-	1,535,886
Arising on acquisition of subsidiaries (Note 38)	收購附屬公司時產生 (附註38)	-	-	695,329	-	57,805	753,134
Balance at 31 December 2021	於2021年12月31日的結餘	310,426	1,225,460	695,329	-	57,805	2,289,020
Arising on acquisition of subsidiaries (Note 38)	收購附屬公司時產生 (附註38)	-	-	-	231,647	95,532	327,179
Exchange adjustments	匯兌調整	-	-	3,888	-	-	3,888
Balance at 31 December 2022	於2022年12月31日的結餘	310,426	1,225,460	699,217	231,647	153,337	2,620,087
Impairment	減值						
Balance at 1 January 2021, 31 December 2021 and 31 December 2022	於2021年1月1日、 2021年12月31日及 2022年12月31日的結餘	-	(213,429)	-	-	-	(213,429)
Carrying amounts	賬面值						
Balance at 31 December 2022	於2022年12月31日的結餘	310,426	1,012,031	699,217	231,647	153,337	2,406,658
Balance at 31 December 2021	於2021年12月31日的結餘	310,426	1,012,031	695,329	-	57,805	2,075,591

The Group's goodwill of RMB310,426,000 arose from acquisition of Modern Farming (Group) Co., Ltd. ("Modern Farming") in 2009 and RMB1,225,460,000 arose from acquisition of the Asia Dairy Holdings and Asia Dairy Holdings II ("ADH Companies") in 2015.

During the year ended 31 December 2022 and 2021, the Group acquired certain subsidiaries which resulted in goodwill arising on acquisitions, further details of which are set out in Note 38.

本集團的商譽金額為人民幣310,426,000元，因於2009年收購現代牧業(集團)有限公司(「現代牧業(集團)」)而產生。本集團的商譽金額為人民幣1,225,460,000元，因於2015年收購Asia Dairy Holdings及Asia Dairy Holdings II(「ADH公司」)而產生。

截至2022年及2021年12月31日止年度，本集團收購若干附屬公司，導致收購產生商譽，進一步詳情載列於附註38。



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18. GOODWILL (continued)

For the purpose of impairment testing, goodwill allocated to each of the CGU or group of CGUs are as follows:

		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Modern Farming	現代牧業(集團)	310,426	310,426
ADH Companies	ADH公司	1,012,031	1,012,031
Fuyuan (as defined in Note 35) dairy farming	富源(定義見附註35)奶牛養殖	630,271	630,271
Fuyuan feeds – China	富源飼料 – 中國	22,680	22,680
Fuyuan feeds – USA	富源飼料 – 美國	46,266	42,378
Aiyangniu (as defined in Note 38)	愛養牛(定義見附註38)	231,647	–
Others	其他	153,337	57,805
		2,406,658	2,075,591

The recoverable amount of each CGU or group of CGUs 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 group of CGUs. The following describes each key assumptions the management has based on in preparing the cash flow projections for the purpose of impairment test:

- The estimated future market price of raw milk, the estimated average daily milk yield at each lactation cycle and estimated feed costs per kg of raw milk for dairy farming; and the estimated revenue and costs for feeds – such assumptions are based on the CGU's or group of CGUs' past performance and management's expectations for the market development.

18. 商譽(續)

就減值測試而言，分配予各現金產生單位或現金產生單位組別的商譽如下：

		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Modern Farming	現代牧業(集團)	310,426	310,426
ADH Companies	ADH公司	1,012,031	1,012,031
Fuyuan (as defined in Note 35) dairy farming	富源(定義見附註35)奶牛養殖	630,271	630,271
Fuyuan feeds – China	富源飼料 – 中國	22,680	22,680
Fuyuan feeds – USA	富源飼料 – 美國	46,266	42,378
Aiyangniu (as defined in Note 38)	愛養牛(定義見附註38)	231,647	–
Others	其他	153,337	57,805
		2,406,658	2,075,591

各現金產生單位或現金產生單位組別的可收回金額乃根據使用價值計算確定，該計算使用基於財務預算或高級管理層批准的五年期預測的現金流量預測。

各現金產生單位或現金產生單位組別的使用價值計算採用了假設。以下描述了管理層為進行減值測試而編製現金流量預測時所依據的各項關鍵假設：

- 原料奶的估計未來市場價格、每個泌乳週期的估計平均日產奶量及奶牛養殖每公斤原料奶的估計飼料成本；及飼料的估計收入及成本 – 該等假設基於現金產生單位或現金產生單位組別過去的業績及管理層對市場發展的預期。

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18. GOODWILL (continued)

- Discount rates – the discount rates used are before tax and reflect specific risks relating to the relevant CGU or group of CGUs.
- 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 CGU, taking into account the industry growth rate, past experience and the medium or long term growth target of each CGU or group of CGUs.

The discount rates applied to cash flow projections and the growth rates used to extrapolate cash flows beyond the period are as follows:

18. 商譽(續)

- 貼現率 – 所使用的貼現率是稅前並反映與相關現金產生單位或現金產生單位組別相關的特定風險。
- 增長率 – 用於推斷超過5年的現金流量增長率是基於每個現金產生單位的估計增長率，並已考慮每個現金產生單位或現金產生單位組別的行業增長率、過往經驗及中長期增長目標。

適用於現金流量預測的貼現率及用於推斷超出期間的現金流量增長率如下：

		Discount rate (%) 貼現率(%)		Growth rate (%) 增長率(%)	
		2022年	2021年	2022年	2021年
		2022年	2021年	2022年	2021年
Modern Farming	現代牧業(集團)	12.5	12.6	2.5	2.5
ADH Companies	ADH公司	12.5	12.6	2.5	2.5
Fuyuan dairy farming	富源奶牛養殖	12.5	12.6	2.5	2.5
Fuyuan feeds – China	富源飼料 – 中國	9.2	9.2	2.5	2.5
Fuyuan feeds – USA	富源飼料 – 美國	10.0	8.8	2.5	2.5
Aiyangniu	愛養牛	14.4	N/A不適用	2.5	N/A不適用
Others	其他	12.5	12.6	2.5	2.5

During the year ended 31 December 2022, management of the Group determines that there is no impairment on goodwill, hence no further impairment loss was recognised (2021: nil).

Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of the CGU or group of CGUs to exceed its recoverable amount as at 31 December 2022 and 2021.

於截至2022年12月31日止年度，本集團管理層認定上述現金產生單位組別並無出現減值，故並無確認進一步的減值虧損(2021年：無)。

管理層認為，任何該等假設的任何合理可能變化均不會導致現金產生單位或現金產生單位組別的賬面金額超過截至2022年及2021年12月31日的可收回金額。



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19. OTHER INTANGIBLE ASSETS

19. 其他無形資產

		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	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本				
Balance at 1 January 2021	於2021年1月1日的結餘	-	-	-	-
Acquired on acquisition of subsidiaries	收購附屬公司收購	3,380	-	-	3,380
Additions	添置	451	-	-	451
Balance at 31 December 2021	於2021年12月31日的結餘	3,831	-	-	3,831
Acquired on acquisition of a subsidiary	收購附屬公司收購	460	26,251	10,870	37,581
Additions	添置	6,031	-	2,241	8,272
Disposals	出售	(394)	-	-	(394)
Balance at 31 December 2022	於2022年12月31日的結餘	9,928	26,251	13,111	49,290
Amortisation	攤銷				
Balance at 1 January 2021	於2021年1月1日的結餘	-	-	-	-
Charge for the year	年內開支	(54)	-	-	(54)
Balance at 31 December 2021	於2021年12月31日的結餘	(54)	-	-	(54)
Charge for the year	年內開支	(862)	(2,625)	(720)	(4,207)
Eliminated on disposals	出售撇銷	229	-	-	229
Balance at 31 December 2022	於2022年12月31日的結餘	(687)	(2,625)	(720)	(4,032)
Carrying amounts	賬面值				
Balance at 31 December 2022	於2022年12月31日的結餘	9,241	23,626	12,391	45,258
Balance at 31 December 2021	於2021年12月31日的結餘	3,777	-	-	3,777



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19. OTHER INTANGIBLE ASSETS (continued)

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Computer software	10 years
Distribution channels and customer relationships	5 years
Others	10 years

19. 其他無形資產(續)

上述無形資產的使用壽命有限。該等無形資產在下列期間內按直線法攤銷：

電腦軟件	10年
分銷渠道及客戶關係	5年
其他	10年

20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE

20. 於聯營公司及合營企業的權益

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Cost of investments in associates (Note i)	於聯營公司的投資成本(附註i)	288,657	225,428
Cost of investment in a joint venture (Note ii)	於合營企業的投資成本(附註ii)	27,000	-
Share of post-acquisition profits and other comprehensive income in associates	分佔聯營公司的收購後溢利及其他全面收入	142,868	127,850
Share of post-acquisition profits and other comprehensive income in a joint venture	分佔合營企業的收購後溢利及其他全面收入	392	-
		458,917	353,278



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

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

20. 於聯營公司及合營企業的權益(續)

本集團於聯營公司的權益詳情如下：

Name of companies 公司名稱	Place of establishment 成立地點	Proportion of ownership interest 擁有權益比例		Voting rights 投票權		Principal activities 主要業務
		31/12/2022 2022年12月31日 %	31/12/2021 2021年12月31日 %	31/12/2022 2022年12月31日 %	31/12/2021 2021年12月31日 %	
HeFei Mengniu Modern Farming Dairy Products Co Ltd. ("Feidong") (Note iii) 合肥蒙牛現代牧業乳製品有限公司(「肥東」)(附註iii)	The PRC 中國	49.18	49.18	49.00	49.00	Liquid milk producing 生產液態奶
Modern Farming (Bengbu) Co., Ltd. ("Bengbu") (Note iii) 現代牧業(蚌埠)有限公司(「蚌埠」)(附註iii)	The PRC 中國	49.18	49.18	49.00	49.00	Liquid milk producing 生產液態奶
Jiangyin Dairy Energy Environment Technology Co., Ltd. ("Jiangyin Dairy Energy") 江陰牧能環境科技有限公司(「江陰牧能」)	The PRC 中國	29.51	29.51	30.00	30.00	Power generation 能源生產
Ma'anshan Changdian Modern Biomass Energy Co., Ltd. 馬鞍山長電現代生物質能源有限責任公司	The PRC 中國	19.67	19.67	20.00	20.00	Power generation 能源生產
Wulatqian banner menghetala Grass Industry Co., Ltd. 烏拉特前旗蒙禾塔拉草業有限公司	The PRC 中國	14.75	14.75	15.00	15.00	Feeds production 飼料生產
Hebei Jucarbon Biotechnology Co., Ltd. 河北聚碳生物科技股份有限公司	The PRC 中國	39.63	39.63	40.00	40.00	Power generation 能源生產
Inner Mongolia Yunyangniu Technology Co., Ltd. ("Yunyangniu") 內蒙古雲養牛科技有限公司(「雲養牛」)	The PRC 中國	47.21 47.21	不適用	48.00 48.00	不適用	Software development 軟件開發

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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued) 20. 於聯營公司及合營企業的權益 (續)

Name of companies 公司名稱	Place of establishment 成立地點	Proportion of ownership interest 擁有權益比例		Voting rights 投票權		Principal activities 主要業務
		31/12/2022	31/12/2021	31/12/2022	31/12/2021	
		2022年12月31日 %	2021年12月31日 %	2022年12月31日 %	2021年12月31日 %	
COFCO Feed (Hohhot) Co., Ltd. ("COFCO Feed") 中糧飼料(呼和浩特)有限公司(「中糧飼料」)	The PRC 中國	33.44	不適用	34.00	不適用	Feeds business 飼料業務
Henan Guoxiangyuan Agricultural Technology Co., Ltd. ("Guoxiangyuan") 河南果香源農業科技有限公司(「果香源」)	The PRC 中國	19.32	不適用	19.64 19.64	不適用	Breeding dairy cows 奶牛養殖
Modern Farming (Raoyang County) Co., Ltd. ("Raoyang") 現代牧業(饒陽縣)有限公司(「饒陽公司」)	The PRC 中國	29.51	不適用	30.00	不適用	Breeding dairy cows 奶牛養殖

Details of the Group's interest in a joint venture are as follows:

本集團於合營企業的權益詳情如下：

Name of the company 公司名稱	Place of establishment 成立地點	Proportion of ownership interest 擁有權益比例		Voting rights 投票權		Principal activities 主要業務
		31/12/2022	31/12/2021	31/12/2022	31/12/2021	
		2022年12月31日 %	2021年12月31日 %	2022年12月31日 %	2021年12月31日 %	
Modern Feed (Tianjin) Co., Ltd. 現代飼料(天津)有限公司	The PRC 中國	53.11	不適用	54.00	不適用	Feeds business 飼料業務



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

Notes:

- i. During the current year, Modern Farming invested RMB8,640,000, RMB13,600,000, RMB14,922,000, and RMB9,567,000 for 48.00% equity interest in Yunyangniu, 34.00% equity interest in COFCO Feed, 19.64% equity interest in Guoxiangyuan and 30.00% equity interest in Raoyang, respectively. Modern Farming can exercise significant influence over these entities because it has the power to appoint director under the articles of association and hence use the equity method to account for the investments in these entities. Modern Farming also made additional investment of RMB16,500,000 in Jiangyin Dairy Energy proportionately with another investor during the current year.
- ii. On 31 March 2022, Modern Farming invested RMB27,000,000 for 54% equity interest in Modern Feed (Tianjin) Co., Ltd. ("Tianjin Feed"). According to the articles of association of Tianjin Feed, decisions on relevant activities requires 2/3 voting rights of shareholders, hence the Directors consider the Group has joint control over Tianjin Feed which is accounted for as a joint venture of the Group.
- iii. For Feidong and Bengbu, the proportion of ownership interest owned by Modern Farming is 50% and the voting rights held by Modern Farming is 49%.

Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs.

20. 於聯營公司及合營企業的權益(續)

附註：

- i. 於本年度，現代牧業(集團)分別投資人民幣8,640,000元、人民幣13,600,000元、人民幣14,922,000元及人民幣9,567,000元以取得雲養牛的48.00%股權、中糧飼料的34.00%股權、果香源的19.64%股權及饒陽公司的30.00%股權。現代牧業(集團)能夠對該等實體施加重大影響，因為其有權根據公司章程任命董事，因此使用權益法入賬於該等實體的投資。於本年度，現代牧業(集團)亦與另一名投資者按比例向江陰牧能再投資人民幣16,500,000元。
- ii. 2022年3月31日，現代牧業(集團)投資人民幣27,000,000元以獲得現代飼料(天津)有限公司(「天津飼料」)的54%股權。根據天津飼料的公司章程，相關活動的決定需要獲得三分之二的股東表決權，因此，董事認為本集團共同控制天津飼料(作為本集團的合營企業入賬)。
- iii. 對於肥東及蚌埠，現代牧業(集團)擁有的股權比例為50%，現代牧業(集團)持有的投票權為49%。

重大聯營公司的財務資料概要

下文載列本集團各重大聯營公司的財務資料概要。以下財務資料概要為聯營公司根據國際財務報告準則編製的財務報表所示金額。



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

Summarised financial information of material associates (continued)

All of these associates are accounted for using the equity method in these consolidated financial statements.

Feidong

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current assets	流動資產	110,379	85,476
Non-current assets	非流動資產	66,336	132,676
Current liabilities	流動負債	6,082	19,837
Non-current liabilities	非流動負債	2,353	8,309
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	1,926	138,707
(Loss) profit and total comprehensive (expense) income for the year	年內(虧損)溢利及全面(開支)收入總額	(21,726)	12,842
Adjustments due to the difference between the carrying value and fair value of the Group's remaining interests in Feidong on the date of disposal	於出售日期本集團於肥東餘下權益的賬面值與公平值之間差額導致的調整	(902)	(759)
		(22,628)	12,083

20. 於聯營公司及合營企業的權益(續)

重大聯營公司的財務資料概要(續)

於該等綜合財務報表內，所有該等聯營公司皆使用權益法入賬。

肥東



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

Feidong (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

20. 於聯營公司及合營企業的權益(續)

肥東(續)

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值對賬：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Net assets of Feidong	肥東淨資產	168,280	190,006
Proportion of Modern Farming's ownership interest in Feidong	現代牧業(集團)於肥東的擁有權權益比例	50%	50%
The Group's share of net assets of Feidong	本集團分佔肥東淨資產	84,140	95,003
Goodwill	商譽	251	251
Fair value adjustments	公平值調整	-	451
		84,391	95,705
Bengbu		蚌埠	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current assets	流動資產	492,147	380,402
Non-current assets	非流動資產	103,905	117,863
Current liabilities	流動負債	171,180	122,338
Non-current liabilities	非流動負債	4,891	7,686



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

Bengbu (continued)

20. 於聯營公司及合營企業的權益(續)

蚌埠(續)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	1,062,076	1,001,100
Profit and total comprehensive income for the year	年內溢利及全面收入總額	51,740	61,664
Adjustments due to the difference between the carrying value and fair value of the Group's remaining interests in Bengbu on the date of disposal	於出售日期本集團於蚌埠餘下權益的賬面值與公平值之間差額導致的調整	(874)	(1,310)
		50,866	60,354

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值對賬：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Net assets of Bengbu	蚌埠淨資產	419,981	368,241
Proportion of Modern Farming's ownership interest in Bengbu	現代牧業(集團)於蚌埠的擁有權權益比例	50%	50%
The Group's share of net asset of Bengbu	本集團分佔蚌埠淨資產	209,990	184,121
Goodwill	商譽	33	33
Fair value adjustments	公平值調整	2,345	2,781
		212,368	186,935



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20. INTERESTS IN ASSOCIATES AND A JOINT VENTURE (continued)

Information of associates and joint venture that are not individually material

20. 於聯營公司及合營企業的權益(續)

個別並非重大的聯營公司及合營企業的資料

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
The Group's share of profit of other associates and a joint venture	本集團應佔其他聯營公司及合營企業的溢利	1,291	709
Carrying amount of the Group's interests in other associates and a joint venture	本集團於其他聯營公司及合營企業的權益賬面值	162,158	70,638

21. EQUITY INSTRUMENTS AT FVTOCI

21. 按公平值計入其他全面收入的權益工具

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Listed :	上市 :		
- Equity securities - Austasia (Note)	- 權益證券 - 澳亞(附註)	65,635	-
- Equity securities - others	- 權益證券 - 其他	1,826	-
Unlisted :	非上市 :		
- Equity investments	- 權益投資	38,768	2,655
Total	總計	106,229	2,655



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21. EQUITY INSTRUMENTS AT FVTOCI (continued)

Note: In December 2022, the Group acquired 12,154,000 shares, representing 1.73% equity interest, in Austasia Group Ltd. ("Austasia"), a dairy farm operator, prior to its shares being listed on the Main Board of the Stock Exchange on 30 December 2022, at a consideration of approximately HKD78,570,000 (equivalent to RMB70,381,000) as cornerstone investor. The covenants required the Group not to dispose of the relevant shares within six months from the listing date. The Group has engaged an independent firm of professional valuer, to assist it in assessing the fair values of the investments and the fair value is HKD73,477,000 (equivalent to RMB65,635,000) on 31 December 2022.

The Directors have elected to designate these equity instruments at FVTOCI as the investments are not held for trading purpose.

22. BIOLOGICAL ASSETS

A – Nature of activities

The biological assets of the Group are dairy cows held to produce raw milk.

The quantity of dairy cows owned by the Group at end of the reporting period is shown below. The Group's milkable cows are dairy cows held for milk production. Heifers and calves are those dairy cows that have not reached the age that can produce milk.

21. 按公平值計入其他全面收入的權益工具(續)

附註：2022年12月，本集團於奶牛場營運商澳亞集團有限公司(「澳亞」)的股份2022年12月30日在聯交所主板上市前以約78,570,000港元(相當於人民幣70,381,000元)的代價作為基石投資者收購了澳亞的12,154,000股股份，佔其1.73%股權。契諾規定本集團不得於上市日期起六個月內出售相關股份。本集團已委聘獨立專業估值師公司協助評估該等投資的公平值，於2022年12月31日的公平值為73,477,000港元(相當於人民幣65,635,000元)。

董事已選擇指定按公平值計入其他全面收入計量該等權益工具，因為該等投資並非出於交易目的而持有。

22. 生物資產

A – 業務性質

本集團的生物資產為持有作生產原料奶的乳牛。

以下是本集團於報告期末擁有的乳牛數量。本集團的奶牛是養來產奶的乳牛。小母牛及小牛都是未滿產奶年齡的乳牛。

		2022 2022年 heads 頭	2021 2021年 heads 頭
Milkable cows	奶牛	199,793	184,304
Heifers and calves	小母牛及小牛	205,565	169,489
Total dairy cows	乳牛總計	405,358	353,793



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22. BIOLOGICAL ASSETS (continued)

A – Nature of activities (continued)

The Group is exposed to fair value risks arising from changes in price of raw milk. The Group does not anticipate that the price of the raw milk will decline significantly in the foreseeable future and the Directors are of the view that there is no available derivative or other contracts which the Group can enter into to manage the risk of a decline in the price of the raw milk.

In general, the heifers are inseminated with semen when heifers reached approximately 14 months old. After an approximately nine months' pregnancy term, a calf is born and the dairy cow begins to produce raw milk and the lactation period begins. A milkable cow is typically milked for approximately 340 days before a dry period of approximately 60 days.

When a heifer begins to produce raw milk, it is transferred to the category of milkable cows based on the estimated fair value on the date of transfer.

The Group is exposed to a number of risks related to its biological assets. The Group is exposed to the following operating risks:

i. Regulatory and environmental risks

The Group is subject to laws and regulations in the location in which it operates plantation and breeding. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage these risks.

ii. Climate, disease and other natural risks

The Group's biological assets are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular inspections and disease controls and surveys and insurance.

22. 生物資產(續)

A – 業務性質(續)

本集團要承受原料奶價格變動帶來的公平值風險。據本集團預計，在可預見的將來原料奶價格不會大幅下跌。董事認為，本集團並無可用的衍生工具或其他可以訂立的合約用於管理原料奶價格下跌的風險。

一般情況下，小母牛於長至約十四個月大時進行配種。約九個月的孕期過後，小牛出生，奶牛開始生產原料奶及哺乳期開始。奶牛通常會擠奶約340天，之後進入約60天的乾乳期。

當小母牛開始產原料奶時，乃按轉撥日期的估計公平值轉撥至奶牛類別。

本集團面臨與其生物資產有關的多種風險。本集團面臨以下運營風險：

i. 法規及環境風險

本集團須遵守其開展農場種植及育種活動所在地的法律及法規。本集團已制定旨在遵守當地環境及其他法律的環境政策及程序。管理層進行定期檢查以識別環境風險及確保現有系統足以管理該等風險。

ii. 氣候、疾病及其他自然風險

本集團的生物資產面臨遭受氣候變化、疾病及其他自然因素損害的風險。本集團已擴展監察及減輕該等風險的程序，包括定期檢查及疾病控制與調查及保險。



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22. BIOLOGICAL ASSETS (continued)

B – Quantity of the agricultural produce of the Group's biological assets

		2022 2022年 kg 千克	2021 2021年 kg 千克
Volume of milk sold	奶銷量	2,327,351,000	1,586,857,000

C – Value of dairy cows

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

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Milkable cows	奶牛	6,570,971	6,060,224
Heifers and calves	小母牛及小牛	4,060,200	3,344,700
Total dairy cows	乳牛總計	10,631,171	9,404,924

22. 生物資產(續)

B – 本集團生物資產的農業生產的數量

C – 乳牛的價值

報告期末的乳牛公平值減銷售成本載列如下：



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22. BIOLOGICAL ASSETS (continued)

C – Value of dairy cows (continued)

22. 生物資產(續)

C – 乳牛的價值(續)

		Heifers and calves 小母牛及小牛 RMB'000 人民幣千元	Milkable cows 奶牛 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2021	於2021年1月1日的結餘	2,016,900	5,084,343	7,101,243
Acquired on acquisition of subsidiaries (Note 38)	收購附屬公司時收購 (附註38)	803,140	1,513,097	2,316,237
Feeding cost and other related costs	飼養成本及其他相關成本	1,748,399	–	1,748,399
Transfer	轉撥	(2,005,285)	2,005,285	–
Decrease due to disposal	出售導致減少	(111,799)	(693,145)	(804,944)
Gain (loss) arising from changes in fair value less costs to sell	公平值變動減 銷售成本產生的收益 (虧損)	893,345	(1,849,356)	(956,011)
Balance at 31 December 2021	於2021年12月31日的結餘	3,344,700	6,060,224	9,404,924
Acquired on acquisition of subsidiaries (Note 38)	收購附屬公司時收購 (附註38)	114,174	215,077	329,251
Increase due to purchase	收購導致增加	154,570	–	154,570
Feeding cost and other related costs	飼養成本及其他相關成本	2,855,704	–	2,855,704
Transfer	轉撥	(3,156,661)	3,156,661	–
Decrease due to disposal	出售導致減少	(188,395)	(936,668)	(1,125,063)
Gain (loss) arising from changes in fair value less costs to sell	公平值變動減 銷售成本產生的收益 (虧損)	936,108	(1,924,323)	(988,215)
Balance at 31 December 2022	於2022年12月31日的結餘	4,060,200	6,570,971	10,631,171

The Group has engaged Jones Lang LaSalle Corporate Appraisal And Advisory Limited, an independent firm of professional valuer, to assist it in assessing the fair values of the Group's dairy cows. The independent valuer and the management of the Group held meetings periodically to discuss the valuation techniques and changes in market information to ensure the valuation was performed properly. The valuation techniques used in the determination of fair values as well as the key inputs used in the valuation models are disclosed in Note 44.

本集團已委聘仲量聯行企業評估及諮詢有限公司(獨立專業估值公司)協助其評估本集團乳牛的公平值。獨立估值師與本集團管理層定期舉行會議，討論估值技術及市場資料變動，以確保估值妥為進行。釐定公平值所用估值技術及估值模型所用主要輸入數據披露於附註44。

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22. BIOLOGICAL ASSETS (continued)

C – Value of dairy cows (continued)

As at 31 December 2022, the Group's dairy cows with carrying amount of RMB831,830,000 (2021: RMB770,414,000) were pledged to banks to secure certain bank borrowings of the Group (Note 28).

The aggregate gain or loss arising on initial recognition of raw milk and from the changes in fair value less costs to sell of dairy cows is analysed as follows:

22. 生物資產(續)

C – 乳牛的價值(續)

於2022年12月31日，本集團賬面值為人民幣831,830,000元(2021年：人民幣770,414,000元)的奶牛已抵押予銀行，作為本集團的若干銀行借款的擔保(附註28)。

以下分析初步確認原料奶和乳牛公平值變動減銷售成本產生的合計收益或虧損：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	於原料奶收獲時按公平值減銷售成本初始確認產生的收益	2,887,548	2,378,446
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減乳牛銷售成本產生的虧損	(988,215)	(956,011)
		1,899,333	1,422,435

23. INVENTORIES

23. 存貨

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Feeds to be consumed	將消耗的飼料	2,601,037	1,888,090
Feeds held for sale	持作銷售的飼料	591,049	179,294
Others	其他	187,260	123,885
		3,379,346	2,191,269



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24. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

24. 應收貿易賬款及其他應收款項以及預付款項

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Trade receivables	應收貿易賬款	1,633,165	1,044,160
Bills receivables	應收票據	14,268	1,176
Less: allowance for credit losses	減：信貸虧損撥備	(1,965)	-
		1,645,468	1,045,336
Prepayments for feeds, materials, insurance and others	飼料、材料、保險及其他的預付款項	337,218	149,239
Prepayments for property, plant and equipment	物業、廠房及設備的預付款項	29,936	54,238
Input value added tax recoverable	可收回進項增值稅	8,364	6,720
Short term loan receivables	短期應收貸款	-	2,003
Receivables from the original shareholders of a newly acquired subsidiary	新收購附屬公司原始股東的應收款項	30,000	-
Short term entrusted loans to associates (Note)	向聯營公司提供短期委託貸款(附註)	68,620	-
Receivables from selling biological assets	出售生物資產應收款項	61,915	-
Others	其他	32,322	18,573
		2,213,843	1,276,109
Analysed as:	按下列分析：		
Current	即期	2,183,907	1,221,871
Non-current	非即期	29,936	54,238
		2,213,843	1,276,109

Note: As at 31 December 2022, the Group granted entrusted loans to certain associates with the annual interest rate of 5% which will mature in 1 year.

附註：於2022年12月31日，本集團向若干聯營公司授予委託貸款，年利率為5%，期限為一年。

As at 1 January 2021, trade receivables from contracts with customers amounted to RMB631,285,000.

於2021年1月1日，來自客戶合約的應收貿易賬款為人民幣631,285,000元。

As at 31 December 2022, the Group's trade receivables with carrying amount of RMB19,697,000 (2021: RMB7,250,000) were pledged to secure certain bank and other borrowings of the Group (Notes 28 and 29).

於2022年12月31日，本集團賬面值為人民幣19,697,000元(2021年：人民幣7,250,000元)的應收貿易賬款已質押以擔保本集團的若干銀行及其他借款(附註28及29)。



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24. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (continued)

Trade receivables at the end of the reporting period principally represent receivables from sales of raw milk and feeds. The Group allows a credit period of 30 days to its customers of raw milk and no more than 90 days to its customers of feeds.

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

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Trade receivables	應收貿易賬款		
– within 30 days	– 30天以內	1,295,769	955,222
– beyond 30 days but within 90 days	– 超過30天但90天以內	244,447	49,977
– beyond 90 days but within 1 year (Note i)	– 超過90天但一年以內(附註i)	90,984	–
– beyond 1 year but within 2 years (Note ii)	– 超過一年但兩年以內(附註ii)	–	38,961
Bills receivables	應收票據		
– within 30 days	– 30天以內	7,094	135
– beyond 30 days but within 90 days	– 超過30天但90天以內	7,174	–
– beyond 90 days but within 120 days	– 超過90天但120天以內	–	500
– beyond 120 days but within 360 days	– 超過120天但360天以內	–	541
		1,645,468	1,045,336

Notes

- i: As at 31 December 2022, trade receivable from certain subsidiaries of seller (“**Zhongyuan Seller**”) of Zhongyuan Muye Company Limited (“**Zhongyuan**”) amounted to RMB104,380,000, of which RMB40,650,000 was beyond 90 days. The above balance is secured by consideration payable to Zhongyuan Seller of RMB188,713,000 as disclosed in Note 38(d) according to the supplementary agreement with Zhongyuan Seller.
- ii: In 2022, this balance was offset by consideration payable to Zhongyuan Seller according to a supplementary agreement as disclosed in Note 38(d).

Details of impairment assessment of trade and other receivables are set out in Note 41.

24. 應收貿易賬款及其他應收款項以及預付款項(續)

報告期末的應收貿易賬款主要指銷售原料奶的應收款項。本集團給予其原料奶客戶30天的信貸期及其飼料客戶不多於90天的信貸期。

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

附註：

- i: 於2022年12月31日，來自中元牧業有限公司(「中元」)賣方(「中元賣方」)的若干附屬公司的應收貿易賬款為人民幣104,380,000元，其中人民幣40,650,000元超過90天。如附註38(d)所披露，根據與中元賣方的補充協議，上述結餘以應付中元賣方的代價人民幣188,713,000元作抵押。
- ii: 2022年，該結餘根據補充協議由應付中元賣方的代價抵銷(如附註38(d)所披露)。

應收貿易賬款及其他應收款項的減值評估詳情載列於附註41。



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25. DERIVATIVE FINANCIAL INSTRUMENTS

25. 衍生金融工具

		Assets 資產		Liabilities 負債	
		31 December 2022 2022年 12月31日 RMB'000 人民幣千元	31 December 2021 2021年 12月31日 RMB'000 人民幣千元	31 December 2022 2022年 12月31日 RMB'000 人民幣千元	31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Interest rate swaps (Note i)	利率掉期(附註i)	16,945	-	-	(3,446)
Foreign currency option contracts (Note ii)	外匯期權合約 (附註ii)	5,257	-	(58,034)	(112,642)
CFCCS (Note iii)	CFCCS(附註iii)	19,154	67,537	-	-
		41,356	67,537	(58,034)	(116,088)
Analysed as:	分析為：				
Current	流動	22,202	-	(14,388)	(17,758)
Non-current	非流動	19,154	67,537	(43,646)	(98,330)
		41,356	67,537	(58,034)	(116,088)



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25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Notes:

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

Nominal amounts 名義金額	Swaps 掉期
-------------------------	-------------

At 31 December 2022

於2022年12月31日

United States dollars ("USD") 80,000,000

80,000,000美元(「美元」)

USD42,300,000

42,300,000美元

From LIBOR to 0.66%-0.945%

自倫敦銀行同業拆息至0.66%至0.945%

From LIBOR+1% to 1.50%-1.90%

自倫敦銀行同業拆息+1%至1.50%至1.90%

At 31 December 2021

於2021年12月31日

USD200,000,000

200,000,000美元

USD42,300,000

42,300,000美元

From LIBOR to 0.66%-0.945%

自倫敦銀行同業拆息至0.66%至0.945%

From LIBOR+1% to 1.50%-1.90%

自倫敦銀行同業拆息+1%至1.50%至1.90%

The Group entered into several interest rate swaps contracts with certain banks as an economic hedge of the risk of interest rate fluctuation arising from certain bank borrowings at floating interest rate. The fair value changes of the swaps were presented within finance costs.

本集團與若干銀行訂立若干利率掉期合約，以對若干按浮動利率的銀行借款產生的利率波動風險進行經濟對沖。掉期的公平值變動於融資成本內呈列。

25. 衍生金融工具(續)

附註：

- i. 利率掉期主要條款如下：



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25. DERIVATIVE FINANCIAL INSTRUMENTS

25. 衍生金融工具(續)

(continued)

Notes: (continued)

附註：(續)

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

- ii. 外匯期權合約主要項目如下：

Nominal amounts 名義金額	Types 類型	Position 好倉／淡倉	Prices 價格
<i>At 31 December 2022</i>			
<i>於2022年12月31日</i>			
USD282,300,000*	Call	Long	RMB6.7315 to RMB6.9550: USD1
282,300,000美元*	認購	好倉	人民幣6.7315元至人民幣6.9550元：1美元
	Put	Short	RMB6.7315 to RMB6.9550: USD1
	認沽	淡倉	人民幣6.7315元至人民幣6.9550元：1美元
	Call	Short	RMB7.1000 to RMB7.1500: USD1
	認購	淡倉	人民幣7.1000元至人民幣7.1500元1美元
<i>At 31 December 2021</i>			
<i>於2021年12月31日</i>			
USD342,300,000*	Call	Long	RMB6.7315 to RMB6.9550: USD1
342,300,000美元*	認購	好倉	人民幣6.7315元至人民幣6.9550元：1美元
	Put	Short	RMB6.7315 to RMB6.9550: USD1
	認沽	淡倉	人民幣6.7315元至人民幣6.9550元：1美元
	Call	Short	RMB7.1000 to RMB7.1500: USD1
	認購	淡倉	人民幣7.1000元至人民幣7.1500元1美元

* These are foreign currency call put option portfolios.

* 該等為外幣認購／認沽期權組合。

The Group entered into several foreign currency option contracts with certain banks as an economic hedge of the risk arising from certain of its bonds and bank borrowings denominated in USD. The fair value changes of the foreign currency option contracts were recognised in other gains and losses.

本集團與若干銀行訂立若干外匯期權合約，以對若干以美元計值的債券及銀行借款產生的風險進行經濟對沖。外匯期權合約的公平值變動於其他收益及虧損中確認。



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25. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

Notes: (continued)

iii. Major items of the CFCCS contracts are as follows:

The Company entered into several CFCCS contracts with banks as an economic hedge of the risk arising from the USD Bonds (as defined in Note 31) in the amount of USD400,000,000. The fair value changes of the CFCCS contracts were recognised in other gains and losses.

According to the CFCCS contracts, at termination date, if the spot rate is equal to or less than the cap strike rate agreed (the "Cap Rate"), and equal to or greater than the floor strike rate (the "Floor"), the Company will exchange RMB for USD at an exchange rate of 6.478; if the spot rate is greater than the Cap Rate, the Company will exchange RMB for USD at an exchange rate of $(6.478 + (\text{spot rate} - \text{Cap Rate}))$; if the spot rate is less than the Floor Rate, the Company will exchange RMB for USD at an exchange rate of $(6.478 + (\text{spot rate} - \text{Floor Rate}))$. At the same time, the Company will receive interest on USD nominal amount at the interest rate of 2.125% and pay interest on RMB nominal amount (translated from USD to RMB at the rate of 6.478) at the interest rate of fixed rate agreed (the "Fixed Rate") semi-annually until the termination date.

Nominal amount 名義金額

At 31 December 2022

於2022年12月31日

USD400,000,000

400,000,000美元

Fixed Rate	2.84%-3.12%
固定利率	2.84%-3.12%
Floor Rate	6.00
下限匯率	6.00
Cap Rate	7.00 -7.20
上限匯率	7.00 -7.20

The valuation techniques used in determination of fair values of the interest rate swaps, foreign currency options and CFCCS are disclosed in Note 44.

25. 衍生金融工具(續)

附註：(續)

iii. CFCCS合約的主要項目如下：

本公司與銀行訂立多份CFCCS合約，以其400,000,000美元的美元債券(定義見附註31)產生的風險進行經濟對沖。CFCCS合約的公平值變動計入其他收益及虧損。

根據CFCCS合約，於終止日期，當即期匯率等於或低於約定的上限匯率(「上限匯率」)，且等於或高於下限匯率(「下限匯率」)，本公司將以6.478的匯率將人民幣兌換成美元；當即期匯率大於上限匯率，本公司將以 $(6.478 + (\text{即期匯率} - \text{上限匯率}))$ 的匯率將人民幣兌換成美元；當即期匯率低於下限匯率，本公司將以 $(6.478 + (\text{即期匯率} - \text{下限匯率}))$ 的匯率將人民幣兌換成美元。同時，本公司將以2.125%的利率收取美元名義金額的利息並按約定的固定利率(「固定利率」)每半年支付一次人民幣名義金額的利息(按6.478美元換算為人民幣)，直至終止日期。

釐定利率掉期、外匯期權及CFCCS公平值所使用的估值技術均披露於附註44。



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26. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

26. 已質押銀行存款以及銀行結餘及現金

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Pledged bank deposits	已質押銀行存款		
Current	流動	187,339	41,631
Non-current	非流動	-	127,043
		187,339	168,674

Note:

As of 31 December 2022, bank deposits of RMB131,392,000 (31 December 2021: RMB127,043,000) carry interest at prevailing market rates of 3.58% per annum and were pledged for bank borrowings as set out in Note 28 which will mature in May 2023.

The remaining pledged bank deposits carry interest at prevailing market rates ranging from 0.25% to 1.35% (31 December 2021: 0.30% to 1.95%) per annum and represent deposits pledged for letter of credit and bills payable.

附註：

截至2022年12月31日，金額為人民幣131,392,000元(2021年12月31日：人民幣127,043,000元)的銀行存款按現行市場年利率3.58%計息，已如附註28所載作為銀行借貸質押，將於2023年5月到期。

餘下已質押銀行存款按每年介乎0.25%至1.35% (2021年12月31日：0.30%至1.95%)的現行市場利率計息，並作為信用證及應付票據的質押存款。



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26. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH (continued)

26. 已質押銀行存款以及銀行結餘及現金(續)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Bank balances and cash	銀行結餘及現金		
Cash on hand	手頭現金	—	5
Bank balances	銀行結餘	2,361,909	2,089,620
Restricted bank deposits (Note i)	受限制銀行存款(附註i)	89,081	—
		2,361,909	2,089,625
Term deposits with original maturity over three months (Note ii)	原到期日超過三個月的定期存款(附註ii)	348,419	351,942
Cash and cash equivalents as stated in the consolidated statement of cash flows (Note iii)	綜合現金流量表所示現金及現金等價物(附註iii)	1,924,409	1,737,683
		2,361,909	2,089,625
Analysed as:	分析為：		
Current	流動	2,125,628	1,887,744
Non-current	非流動	236,281	201,881
		2,361,909	2,089,625

Notes:

- i. Bank deposits of RMB89,081,000 (2021: nil) can be used only to finance the Group's investments in new dairy farms.
- ii. Term deposits with original maturity over three months were held within banks and carry interest at prevailing market rate of 3.30% to 3.55% (31 December 2021: 3.08% to 3.81%) per annum at 31 December 2022.
- iii. Cash and cash equivalents comprise cash, cash at banks and term deposits with original maturity of three months or less which are held within banks and carry interest at prevailing market rate of 0.01% to 2.1% (31 December 2021: 0.01% to 1.95%) per annum at 31 December 2022.

附註：

- i. 銀行存款人民幣89,081,000元(2021年：無)僅可用作本集團投資新奶牛場的資金。
- ii. 於2022年12月31日，存入銀行的原到期日超過三個月的定期存款按每年3.30%至3.55%(2021年12月31日：3.08%至3.81%)的現行市場利率計息。
- iii. 於2022年12月31日，現金及現金等價物包括現金、銀行現金及存入銀行按現行市場利率每年0.01%至2.1%(2021年12月31日：0.01%至1.95%)計息的原到期日為三個月或以內的定期存款。



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26. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH (continued)

The Group's bank balances that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

26. 已質押銀行存款以及銀行結餘及現金(續)

以有關集團實體的功能貨幣以外的貨幣計值的本集團銀行結餘載列如下：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
USD	美元	73,711	182,701
Euro ("EUR")	歐元(「歐元」)	378	391
HKD	港元	12,430	46,968
Australian dollar ("AUD")	澳元(「澳元」)	2,939	2,882



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27. TRADE AND OTHER PAYABLES

The credit period granted by suppliers for trade purchases is generally within 120 days. The following is an aged analysis of trade and bills payables based on invoice dates at the end of the reporting period:

27. 應付貿易賬款及其他應付款項

供應商授予採購賬款的信貸期一般為120天以內。以下為根據發票日期於報告期末的應付貿易賬款及應付票據的賬齡分析：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Trade payables	應付貿易賬款		
– within 60 days	– 60天以內	1,529,259	1,177,400
– beyond 60 days but within 120 days	– 超過60天但120天以內	547,128	337,617
– beyond 120 days but within 360 days	– 超過120天但360天以內	50,843	71,546
– beyond 360 days but within 720 days	– 超過360天但720天以內	21,748	25,359
Bills payables (Note)	應付票據(附註)	67,921	28,632
		2,216,899	1,640,554
Payable for acquisition of property, plant and equipment	購買物業、廠房及設備應付款項	277,694	376,012
Accrued staff costs	應計員工成本	314,268	241,636
Receipts in advance from disposal of dairy cows	就出售乳牛的預收款項	15,017	11,375
Guarantee deposit	保證金	123,742	131,571
Payables for acquisition of subsidiaries	收購附屬公司應付款項	263,536	643,197
Payables for investment in associates	對聯營公司投資的應付款項	3,588	–
Payables for acquisition of non-controlling interests	收購非控股權益應付款項	20,894	38,192
Dividends payable	應付股息	5,341	9,778
Others	其他	47,722	75,846
		3,288,701	3,168,161
Analysed as:	分析為：		
Current	即期	3,288,701	3,144,194
Non-current	非即期	–	23,967
		3,288,701	3,168,161

Note: Bills payables are with maturities within twelve months from the respective issuance dates.

附註：應付票據於各自發行日期起計十二個月內到期。



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28. BANK BORROWINGS

28. 銀行借款

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Bank borrowings:	銀行借款：		
Unsecured	無抵押	7,071,053	4,064,347
Secured (Note)	有抵押(附註)	1,512,532	601,669
		8,583,585	4,666,016
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年內	4,831,164	2,380,683
Between one to two years	一年至兩年內	1,772,370	1,234,489
Between two to five years	兩年至五年內	1,453,997	980,596
Over five years	五年以上	526,054	70,248
		8,583,585	4,666,016
Less: Amounts due within one year shown under current liabilities	減：於流動負債項下列示 一年內到期款項	(4,831,164)	(2,380,683)
		3,752,421	2,285,333

Note: Certain bank borrowings as at 31 December 2022 and 2021 were secured by property, plant and equipment, biological assets, trade receivables, bank deposits and equity interests in a subsidiary owned by the Group as set out in Notes 16, 22, 24, 26 and 47, respectively.

附註：於2022年及2021年12月31日的若干銀行借款由本集團擁有的物業、廠房及設備、生物資產、應收貿易賬款、銀行存款及一間附屬公司的股權(分別載於附註16、22、24、26及47)作抵押。

The bank borrowings comprise:

銀行借款包括：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Fixed-rate borrowings	定息借款	7,050,995	2,971,548
Variable-rate borrowings	浮息借款	1,532,590	1,694,468
		8,583,585	4,666,016



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28. BANK BORROWINGS (continued)

In June 2020, the Company entered into a facility agreement with several banks, under which the Group was allowed to borrow USD200,000,000 loan from the banks at floating interest rate determined as LIBOR+1.65% per annum and the upfront fee amounted to USD3,600,000 (equivalent to RMB25,145,000). The Group withdrew USD200,000,000 (equivalent to RMB1,368,862,000) in 2020, partially repaid USD60,000,000 (equivalent to RMB387,612,000) in 2021 and repaid USD15,000,000 (equivalent to RMB103,359,000) in 2022, and the effective interest rate is 3.49% per annum (2021: 3.49%) as at 31 December 2022.

Save as set out above, the effective interest rates of the Group's bank borrowings equal to contractual interest rates. The effective interest rates per annum are as follows:

		2022 2022年	2021 2021年
Fixed-rate borrowings	定息借款	1.65%-8.16%	2.85%-7.26%
Variable-rate borrowings	浮息借款	1.65%-6.85%	1.21%-6.85%

Interest rate of variable-rate borrowings are determined based on the benchmark lending rate and loan prime rate announced by the People's Bank of China, the LIBOR and the Secured Overnight Financing Rate.

The Group's bank borrowings denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
USD	美元	1,048,268	1,152,195

28. 銀行借款(續)

於2020年6月，本公司與若干銀行訂立融資協議，據此，本集團獲准自銀行借入貸款200,000,000美元，每年按倫敦銀行同業拆息+1.65%的浮動利率及為數3,600,000美元(相當於人民幣25,145,000元)的前期付款計息。本集團於2020年提取200,000,000美元(相當於人民幣1,368,862,000元)，2021年部分償還60,000,000美元(相當於人民幣387,612,000元)及2022年償還15,000,000美元(相當於人民幣103,359,000元)，且2022年12月31日的實際年利率為3.49%(2021年：3.49%)。

除上述者外，本集團銀行借款的實際利率等同於合約利率。以下為實際年利率：

浮息借款的利率乃根據中國人民銀行公佈的貸款基準利率及貸款最優惠利率、倫敦銀行同業拆息及有抵押隔夜融資利率而釐定。

以有關集團實體的功能貨幣以外的貨幣計值的本集團銀行借款載列如下：



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29. OTHER BORROWINGS

29. 其他借款

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Other borrowings:	其他借款：		
- From Mengniu (Note 46(c))	- 來自蒙牛(附註46(c))	35,785	495,466
- From a state owned enterprise (Note i)	- 來自一間國有企業(附註i)	147,615	-
- Others	- 其他	110,419	141,538
		293,819	637,004
Unsecured	無抵押	268,403	557,217
Secured (Note ii)	有抵押(附註ii)	25,416	79,787
		293,819	637,004
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年內	22,704	433,676
Between one to two years	一年至兩年內	79,833	17,511
Between two to five years	兩年至五年內	43,667	185,817
Over five years	五年以上	147,615	-
		293,819	637,004
Less: Amounts due within one year shown under current liabilities	減：於流動負債項下列示一年內到期款項	(22,704)	(433,676)
Amounts shown under non-current liabilities	非流動負債項下所示金額	271,115	203,328



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29. OTHER BORROWINGS (continued)

Notes:

- i: In August 2022, pursuant to an investment agreement entered into between the Group and an enterprise owned by a local government of Inner Mongolia (the "SOE") in regard to the establishment of a target company, the SOE invested an amount of RMB172,431,000 to the target company, the objective of which is to invest in new dairy farms in local area with certain conditions attaching to it. The SOE is entitled to a fixed return of 2% per annum from its investment and will not share any variable returns from the target company. The investment period for each individual dairy farm should not exceed 7 years from the date the amount is invested. Upon the end of the investment period the target company will withdraw the capital from the relevant farm and the Group is obliged to return the portion of investment amount to the SOE. In addition, the SOE has the right to request the Group to purchase its investment in the target company in any particular invested farm upon the occurrence of certain contingent events. The target company has been accounted for as a wholly-owned subsidiary of the Company and the investment from the SOE is regarded as a borrowing granted to the Group in the consolidated financial statements to reflect the economic substance of the arrangement as the SOE does not expose to any risks or entitle to any rewards (including profit distribution) as equity holder of the target company but receives fixed return. The borrowing with preferential interest rate is initially measured at fair value based on prevailing market interest rate and the difference of RMB26,735,000 between proceeds received and the fair value of the loan is treated as a government grant.
- ii: Certain other borrowings as at 31 December 2022 are secured by property, plant and equipment, leasehold lands and trade receivables owned by the Group as set out in Notes 16, 17, and 24, respectively.

Other than the borrowings set out in Note i above, the Group's other borrowings are loans with fixed interest rates from 3.59% to 12.00% per annum (31 December 2021: 3.85% to 12.00%) as at 31 December 2022.

29. 其他借款(續)

附註：

- i: 2022年8月，根據本集團與內蒙古地方政府所屬企業(「國有企業」)就設立目標公司簽訂的投資協議，國有企業向目標公司投資人民幣172,431,000元，目的是在當地投資新建牧場並在其中附有若干條件。國有企業有權從其投資中獲得每年2%的固定回報，且不會分享目標公司的任何可變回報。單個牧場的投資期限不應超過自投資金額之日起計的7年。直至投資期結束，目標公司將從相關牧場撤資，本集團有義務將部分投資金額退還予國有企業。此外，在某些或然事件發生時，國有企業有權要求本集團購買其於目標公司在任何特定投資牧場的投資。目標公司已作為本公司的全資附屬公司入賬，來自國有企業的投資在綜合財務報表中被視為授予本集團的借款以反映該安排的經濟實質，因為國有企業作為目標公司的股東不承擔任何風險或享有任何回報(包括利潤分配)，而是獲得固定回報。優惠利率借款按現行市場利率的公平值進行初始計量，收到的所得款項與借款公平值之間的差額人民幣26,735,000元作為政府補貼處理。
- ii: 於2022年12月31日的若干其他借款由本集團擁有的物業、廠房及設備、永久業權土地及應收貿易賬款(分別載於附註16、17及24)作抵押。

除上文附註i所載的借款外，本集團的其他借款為於2022年12月31日固定年利率為3.59%至12.00%(2021年12月31日：3.85%至12.00%)的貸款。



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30. SHORT TERM DEBENTURE

30. 短期融資券

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Short term debenture	短期融資券	100,522	-

On 15 November 2022, Modern Farming issued short term debenture at a principal amount of RMB100,000,000 with a term of three months, bearing a fixed interest rate of 4.00% per annum. The short term debenture was subsequently repaid in February 2023.

於2022年11月15日，現代牧業(集團)發行了短期融資券，其本金為人民幣100,000,000元，為期三個月，固定利率為每年4.00%。短期融資券隨後在2023年2月償還。

31. LONG TERM BONDS

31. 長期債券

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Carrying amounts repayable:	應償還賬面值：		
Within one year	一年以內	34,944	31,989
Between two to five years	兩年至五年內	3,458,072	3,159,730
		3,493,016	3,191,719
Less: Amounts due within one year shown under current liabilities	減：於流動負債項下列示一年內到期款項	(34,944)	(31,989)
Amounts shown under non-current liabilities	非流動負債項下所示金額	3,458,072	3,159,730

On 15 July 2021, the Company issued bonds in an aggregate principal amount of USD500 million which will mature on 14 July 2026 (the "USD Bonds"). The net proceeds of the USD Bonds amounted to USD495,165,000 (equivalent to RMB3,200,760,000) after deducting the underwriting discounts and commissions. The USD Bonds bear interest at the rate of 2.125% per annum, payable semi-annually in arrears. The Company intended to use the proceeds from the USD Bonds for refinancing and general corporate purposes. The carrying amount repayable within one year at the balance sheet date represented interest payable.

於2021年7月15日，本公司發行本金總額為500百萬美元、將於2026年7月14日到期的債券(「美元債券」)。扣除包銷折扣及佣金後，美元債券的所得款項淨額為495,165,000美元(相當於人民幣3,200,760,000元)。美元債券按年利率2.125%計息，每半年支付一次。本公司擬將美元債券所得款項用於再融資及一般企業用途。於資產負債表日期的一年內應償還賬面值指應付利息。

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32. LEASE LIABILITIES

32. 租賃負債

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年以內	111,392	50,435
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年的期間內	111,165	37,178
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年的期間內	272,505	108,036
Within a period of more than five years	超過五年的期間內	572,983	371,863
		1,068,045	567,512
Less: Amount due for settlement within 12 months shown under current liabilities	減：於流動負債項下列示12個月內結算款項	(111,392)	(50,435)
Amount due for settlement after 12 months shown under non-current liabilities	於非流動負債項下列示12個月後結算款項	956,653	517,077

The lease liabilities are measured at the present value of the lease payments that are not yet paid. The incremental borrowing rates applied to lease liabilities range from 3.38% to 5.90% (31 December 2021: from 4.65% to 5.70%) per annum as at 31 December 2022.

租賃負債按未支付的租賃付款現值計量。於2022年12月31日，就租賃負債所應用增量借款利率介乎每年3.38%至5.90%(2021年12月31日：介乎4.65%至5.70%)。

In May 2022, a subsidiary of the Group leases a parcel of land for the period from January 2022 to December 2024. According to the lease agreement, the total rent of RMB9,816,000 is borne by the local government. As such, no lease liabilities have been recognised for this lease. The fair value of the lease payments subsidised by the local government amounting to RMB9,371,000 at the commencement date was recognised as government grants related to the right-of-use assets and the same amount was included in the cost of right-of-use assets correspondingly.

2022年5月，本集團的一間附屬公司從2022年1月至2024年12月租賃了一塊土地。根據租賃協議，當地政府承擔了人民幣9,816,000元的總租金。因此，並無就此項租賃確認任何租賃負債。地方政府補貼的租賃付款在租賃期開始日的公平值為人民幣9,371,000元，被確認為與使用權資產相關的政府補貼，相同金額相應計入使用權資產成本。



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33. CONTRACT LIABILITIES

33. 合約負債

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Sales of raw milk	銷售原料奶	462	3,762
Sales of feeds	銷售飼料	42,742	1,581
		43,204	5,343

As at 1 January 2021, contract liabilities amounted to RMB198,000.

於2021年1月1日，合約負債為人民幣198,000元。

34. DEFERRED INCOME

34. 遞延收入

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current	即期	11,563	-
Non-current	非即期	205,533	184,562
		217,096	184,562



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34. DEFERRED INCOME (continued)

34. 遞延收入(續)

		Arising from government grants 政府補貼所產生 RMB'000 人民幣千元
Balance at 1 January 2021	於2021年1月1日的結餘	172,862
Addition	添置	59,433
Release to income	撥至收入	(47,733)
At 31 December 2021	於2021年12月31日	184,562
Addition	添置	111,040
Release to income	撥至收入	(78,506)
At 31 December 2022	於2022年12月31日	217,096

Deferred income represents government grants obtained in relation to (i) compensations of the capital expenditure incurred for purchase of plant and machinery and right-of-use assets, which are recognised over the useful life of the related assets; (ii) the purchase of inventories, which are credited to the profit or loss over the periods in which the inventories were consumed and (iii) purchase of biological assets measured at its fair value less costs to sell, which are credited to the profit or loss, when the conditions attaching to the government grant are met.

遞延收入指以下各項獲得的政府補貼：(i)購買廠房及機械以及使用權資產的資本支出的補償(於有關資產的可使用年期內確認)；(ii)購買存貨(於存貨消耗的期間內計入損益)及(iii)購買按公平值減銷售成本計量的生物資產(於政府補貼所附條件滿足時計入損益)。



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35. SHARE CAPITAL AND RESERVES

Share capital

35. 股本及儲備

股本

		Number of shares 股份數目 千股 '000	Share capital 股本 千港元 HKD'000
Ordinary shares of HKD0.10 each Authorised At 1 January 2021, 31 December 2021 and 2022	每股0.10港元的普通股 法定 於2021年1月1日、2021年及 2022年12月31日	10,000,000	1,000,000
Issued and fully paid At 1 January 2021 Issue of ordinary shares (Note)	已發行及繳足 於2021年1月1日 發行普通股(附註)	6,458,566 1,457,096	645,857 145,709
At 31 December 2021 and 2022	於2021年及2022年12月31日	7,915,662	791,566
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Presented as	呈列為	675,869	675,869



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35. SHARE CAPITAL AND RESERVES (continued)

Note: On 27 January 2021, an aggregate of 650,000,000 new shares with par value of HKD0.10 each of the Company have been placed to certain independent third parties at the placing price of HKD2.40 per share, resulting in an increase of the share capital of HKD65,000,000 (equivalent to approximately RMB54,223,000). An amount of HKD1,487,200,000 (equivalent to approximately RMB1,240,622,000), being the excess of the net proceeds from the placing of HKD1,552,200,000 (equivalent to approximately RMB1,294,845,000) over the par value of the new shares, was credited to share premium. These new shares rank pari passu with other shares in issue in all respects. The Company intends to apply the net proceeds from the placing on infrastructure development and herd expansion, potential mergers and acquisitions and general working capital.

On 29 November 2021, an aggregate of 807,096,101 new shares with par value of HKD0.10 each of the Company have been issued to the holding vehicle designated by Mengniu ("Mengniu SPV") as part of the consideration for acquisition of Inner Mongolia Fuyuan International Industrial (Group) Co. Ltd. ("Fuyuan"). An amount of HKD992,729,000 (equivalent to approximately RMB813,164,000), being the excess of the market price of the shares issued of HKD1,073,438,000 (calculated using the market price of HKD1.33 per share on the issue date, equivalent to approximately RMB879,275,000) over the par value of the new shares, was credited to share premium.

35. 股本及儲備(續)

附註：於2021年1月27日，以每股2.40港元的配售價向若干獨立第三方配售合共650,000,000股本公司每股面值0.10港元的新股份，導致股本增加65,000,000港元(相當於約人民幣54,223,000元)。1,487,200,000港元(相當於約人民幣1,240,622,000元)，即配售所得款項淨額1,552,200,000港元(相當於約人民幣1,294,845,000元)超過新股面值的部分，已計入股份溢價。該等新股在各方面與其他已發行股份享有同等地位。本公司擬將配售所得款項淨額用於基礎設施發展及牛群擴張、潛在併購及一般營運資金。

於2021年11月29日，作為收購內蒙古富源國際實業(集團)有限公司(「富源」)代價的一部分，本公司已向蒙牛指定的控股股份(「蒙牛SPV」)發行合共807,096,101股本公司每股面值0.10港元的新股。992,729,000港元(相當於約人民幣813,164,000元)，即已發行股份市價1,073,438,000港元(按發行日股份市價1.33港元計算，相當於約人民幣879,275,000元)超過新股面值的部分，已計入股份溢價。



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35. SHARE CAPITAL AND RESERVES (continued)

Other reserve

35. 股本及儲備(續)

其他儲備

		Other reserve 其他儲備 RMB'000 人民幣千元 (Note i) (附註i)
Balance at 1 January 2021	於2021年1月1日的結餘	969,268
Equity transactions related to interest free loans (Note ii)	有關免息貸款的權益交易(附註ii)	(6,694)
Acquisition of non-controlling interests in subsidiaries (Note iii)	收購附屬公司的非控股權益(附註iii)	(42,465)
At 31 December 2021	於2021年12月31日	920,109
Equity transactions related to interest free loans	有關免息貸款的權益交易	2,859
At 31 December 2022	於2022年12月31日	922,968

Notes:

- i. Other reserve mainly represented the contribution from the owners of the Company for the operation of the Group.
- ii. The amount represented the non-controlling interests' proportionate share of the difference between proceeds received and fair value of interest-free loans granted by the Company to Modern Farming at initial recognition, a non-wholly-owned subsidiary of the Company, which was recognised as deemed contribution by Modern Farming.
- iii. In December 2021, Mengao Fuyuan (Hongkong) Co., Limited, a subsidiary of the Company, acquired the remaining 35% equity interest in Haykingdom, at a cash consideration of USD10,000,000 (equivalent to RMB63,651,000). The difference of RMB42,465,000 between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid is debited to other reserve.

附註：

- i. 其他儲備主要指本公司擁有人對本集團營運作出的出資。
- ii. 該金額指少數股東應佔本公司向其非全資附屬公司現代牧業(集團)授出的無息貸款(被確認為現代牧業(集團)作出的視作出資)收到的所得款項與初始確認時的公平值之間的差額的份額。
- iii. 2021年12月，本公司附屬公司蒙澳富源(香港)有限公司收購了Haykingdom的剩餘35%股權，現金代價為10,000,000美元(相當於人民幣63,651,000元)。少數股東權益調整金額與已付代價公平值之間的差額人民幣42,465,000元已計入其他儲備。

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35. SHARE CAPITAL AND RESERVES (continued)

Statutory reserve

In accordance with the articles of association of the subsidiaries established in the PRC and relevant PRC laws and regulations, these subsidiaries are required to transfer at least 10% of their profit after tax, which is determined in accordance with the Accounting Standards for Business Enterprises and Financial Regulations applicable in the PRC to a statutory reserve until the balance of such fund has reached 50% of the registered capital of the respective subsidiaries. Statutory reserve can only be used to offset accumulated losses or to increase capital of the relevant subsidiaries.

36. RETIREMENT BENEFITS PLANS

The PRC employees of the Group are eligible members of the state-managed retirement benefit schemes operated by the government of the PRC. The employees of the PRC subsidiaries of the company are required to contribute in accordance with employee pension insurance requirements on monthly basis to the state-managed retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the state-managed retirement benefit schemes is to make the required contributions under the schemes.

Other subsidiaries in jurisdictions outside of the PRC contribute to statutory retirement plans on behalf of their employees which in many cases are managed by the government in those jurisdictions. Those subsidiaries make periodic contributions to the statutory retirement plans as required and contributions are generally determined as a percentage of employees' basic salaries or a fixed amount per employee per calendar year depending on laws and regulations of the jurisdiction.

35. 股本及儲備(續)

法定儲備

根據在中國設立的附屬公司的公司章程及中國相關法律法規，該等附屬公司須將至少10%的稅後利潤(根據適用於中國的企業會計準則和財務法規確定)轉入法定儲備，直至基金餘額達到各附屬公司註冊資本的50%。法定儲備僅可用於抵銷相關附屬公司的累計虧損或增加資本。

36. 退休福利計劃

本集團的中國僱員為中國政府營辦的國家管理退休福利計劃的合資格成員。本公司於中國的附屬公司的員工須按員工養老保險的要求每月向國家管理退休福利計劃作出供款以撥付有關福利。本集團於國家管理退休福利計劃的唯一責任為根據有關計劃作出規定的供款。

中國以外司法權區的其他附屬公司代表其僱員向法定退休計劃供款，該等計劃在許多情況下由有關司法權區的政府管理。該等附屬公司按規定定期向法定退休計劃供款，供款一般按僱員基本薪金的百分比或每名僱員每個曆年的固定金額(視乎司法權區的法律及法規而定)釐定。



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36. RETIREMENT BENEFITS PLANS (continued)

At 31 December 2022 and 2021, the Group had no forfeited contributions under the above retirement benefit scheme which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 31 December 2022 and 2021 under such scheme which may be used by the Group to reduce the contribution payable in future years.

The retirement benefit cost incurred are disclosed in Note 8.

37. SHARE-BASED PAYMENT TRANSACTIONS

On 26 March 2018 (the “Adoption Date”), the Company adopted a share award scheme (the “Share Award Scheme”) to motivate and award the contribution of certain members of management and eligible employees of the Group. Subject to any early termination as may be determined by the board of directors, the Share Award Scheme is valid and effective for a period of 10 years commencing on the Adoption Date.

The shares to be awarded under the Share Award Scheme (the “Award Shares”) will be acquired by the Company through Dairy Fortune Limited (“Dairy Fortune”) which is 100% owned by Dairy Fortune (PTC) Limited (the “Trustee”) from the open market by cash contributed by the Group under the directions of the Company and will be held in trust for the relevant selected participants until such shares are vested. The maximum number of shares which may be purchased by the Trustee is set at no more than 1% of the number of issued ordinary shares of the Company at the preceding annual general meeting. Based on the trust arrangements among the Company, the sole shareholder of the Trustee and the Trustee, the Company is able to control the Trustee and its subsidiary, Dairy Fortune, pursuant to IFRS 10 Consolidated Financial Statements. Therefore, the Group accounts for the Trustee and Dairy Fortune as consolidated structured entities. The ordinary shares of the Company held by Dairy Fortune are accounted for as a debit to the Group’s reserve and are presented under the heading of “Shares held under the Share Award Scheme” in the consolidated statement of changes in equity.

36. 退休福利計劃(續)

於2022年及2021年12月31日，本集團並無上述退休福利計劃項下被沒收的供款，本集團可能會使用該等供款來降低現有供款水平。根據該計劃，於2022年及2021年12月31日亦無可供本集團用於減少未來年度應付供款的被沒收供款。

產生的退休福利成本在附註8中披露。

37. 以股份支付的付款交易

於2018年3月26日(「採納日期」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃」)，以激勵及獎勵本集團若干管理層成員及合資格僱員的貢獻。除董事會可能釐定的任何提早終止外，股份獎勵計劃有效期十年，自採納日期起生效。

根據股份獎勵計劃將獎勵的股份(「獎勵股份」)由本公司透過Dairy Fortune (PTC) Limited(「受託人」)100%擁有的Dairy Fortune Limited(「Dairy Fortune」)按照本公司指示以本集團注資的現金從公開市場上收購，並將以信託方式為相關選定參與者持有，直至將有關股份歸屬。受託人可購入的股份數目上限設定為不得超過本公司於上一屆股東週年大會上已發行普通股數目的1%。根據本公司、受託人的唯一股東及受託人之間的信託安排，本公司根據國際財務報告準則第10號綜合財務報表能夠控制受託人及其附屬公司Dairy Fortune。因此，本集團將受託人及Dairy Fortune入賬列為綜合架構實體。Dairy Fortune所持本公司普通股入賬列為本集團儲備借記，並列示於綜合權益變動表的「股份獎勵計劃項下所持有的股份」項下。



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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

During the current year, Dairy Fortune purchased 9,200,000 ordinary shares (2021: 36,526,000) from the open market at a total consideration of approximately HKD10,962,000 (equivalent to RMB9,073,000) (2021: HKD54,689,000 (equivalent to RMB45,468,000)).

In addition, the Group retained a total number of 4,112,062 vesting shares (2021: 4,420,482) as a consideration of approximately HKD5,222,000 (equivalent to RMB4,227,000) (2021: HKD8,974,000 (equivalent to RMB7,584,000)) for paying the individual income tax on behalf of those selected participants under the Share Award Scheme during the current year. The retained vesting shares were considered as repurchase from those selected participants and the Group remits the cash value of the repurchased equity instruments to the tax authority on behalf of those selected participants to settle the individual income tax in relation to the share-based payment.

37. 以股份支付的付款交易(續)

於本年度內，Dairy Fortune從公開市場購買9,200,000股普通股(2021年：36,526,000股)，總代價約為10,962,000港元(相當於人民幣9,073,000元)(2021年：54,689,000港元(相當於人民幣45,468,000元))。

此外，本集團本年度根據股份獎勵計劃代該等選定參與者支付個人所得稅時，保留合共4,112,062股歸屬股份(2021年：4,420,482股)作為代價約5,222,000港元(相當於人民幣4,227,000元)(2021年：8,974,000港元(相當於人民幣7,584,000元))。保留的歸屬股份被視為從該等選定參與者回購，本集團代該等選定參與者將回購股權工具的現金價值寄回予以稅務機關，以結算與以股份支付的付款有關的個人所得稅。



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37. SHARE-BASED PAYMENT TRANSACTIONS

37. 以股份支付的付款交易(續)

(continued)

Share Award -i

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

The following table discloses movements of the Award Shares A and Award Shares B during the prior year:

Categories 類別		Outstanding	Forfeited	Vested	Outstanding
		as at			as at
		1 January	during	during	31 December
		2021	the year	the year	2021
		於2021年	年內沒收	年內歸屬	於2021年
		1月1日			12月31日
		尚未行使			尚未行使
Award Shares A	獎勵股份A	9,320,000	(524,100)	(8,795,900)	-
Award Shares B	獎勵股份B	9,320,000	(524,100)	(8,795,900)	-
		18,640,000	(1,048,200)	(17,591,800)	-

The Group recognised a share award expense of RMB1,959,000 in respect of the Share Award -i during the year ended 31 December 2021.

A total number of 17,591,800 shares of Award Shares A and Award Shares B were vested during the year ended 31 December 2021, and the difference of RMB4,418,000 between the share award reserve of RMB9,447,000 and shares held under the Share Award Scheme of RMB13,865,000 for the shares vested was recognised in retained earnings.

股份獎勵-i

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

下表披露獎勵股份A及獎勵股份B於上一年度的變動：

於截至2021年12月31日止年度，本集團就股份獎勵-i確認股份獎勵開支為人民幣1,959,000元。

於截至2021年12月31日止年度，合共17,591,800股獎勵股份A及獎勵股份B獲歸屬，股份獎勵儲備人民幣9,447,000元與就所歸屬股份根據股份獎勵計劃持有的人民幣13,865,000元股份之間的差額人民幣4,418,000元於保留盈利確認。

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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -ii

On 25 March 2021, a total number of 23,200,000 Award Shares (“Share Award -ii”) were granted to selected participants. If certain performance and service conditions are met, out of the total shares granted, 11,600,000 Award Shares will be vested on 31 March 2022 (the “Award Shares C”), the remaining Award Shares of 11,600,000 will be vested on 31 March 2022 with one year lock-up period beginning from the vesting date (the “Award Shares D”).

The following table discloses movements of the Award Shares C and Award Shares D during the reporting period:

Categories 類別	Outstanding as at 1 January 2022 於2022年 1月1日 尚未行使	Forfeited during the year 年內沒收	Vested during the year 年內歸屬	Outstanding as at 31 December 2022 於2022年 12月31日 尚未行使
Award Shares C 獎勵股份C	10,348,000	(61,000)	(10,287,000)	-
Award Shares D 獎勵股份D	10,348,000	(61,000)	(10,287,000)	-
	20,696,000	(122,000)	(20,574,000)	-

Categories 類別	Outstanding as at 1 January 2021 於2021年 1月1日 尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2021 於2021年 12月31日 尚未行使
Award Shares C 獎勵股份C	-	11,600,000	(1,252,000)	10,348,000
Award Shares D 獎勵股份D	-	11,600,000	(1,252,000)	10,348,000
	-	23,200,000	(2,504,000)	20,696,000

37. 以股份支付的付款交易 (續)

股份獎勵-ii

於2021年3月25日，合共23,200,000股獎勵股份(「股份獎勵-ii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，11,600,000股獎勵股份將於2022年3月31日歸屬(「獎勵股份C」)，而餘下11,600,000股獎勵股份將於2022年3月31日歸屬，自歸屬日期起一年禁售期(「獎勵股份D」)。

下表披露獎勵股份C及獎勵股份D於報告期間的變動：



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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -ii (continued)

The fair values of Award Shares C were HKD21,576,000 (equivalent to RMB18,130,000), which was determined based on the market price of the Company's shares at the grant date. The fair values of Award Shares D were HKD17,529,000 (equivalent to RMB14,730,000) which was determined based on the market price of the Company's shares at the grant date after considering the post-vesting transfer restrictions.

The Group recognised a share award expense of RMB10,784,000 (2021: RMB18,356,000) in respect of the Share Award -ii during the current year.

A total number of 20,574,000 shares of Award Shares C and Award Shares D were vested during the current year, and the difference of RMB3,530,000 between the share award reserve of RMB29,140,000 and shares held under the Share Award Scheme of RMB25,610,000 for the shares vested was recognised in retained earnings.

Share Award -iii

On 9 December 2021, a total number of 8,565,000 Award Shares ("Share Award -iii") were granted to the selected participants. If certain performance and service conditions are met, out of the total shares granted, 4,282,500 Award Shares will be vested on 31 March 2022 (the "Award Shares E"). The remaining Award Shares of 4,282,500 will be vested on 31 March 2022 with one year lock-up period beginning from the vesting date (the "Award Shares F").

37. 以股份支付的付款交易 (續)

股份獎勵-ii(續)

獎勵股份C的公平值為21,576,000港元(相當於人民幣18,130,000元)，此乃根據本公司股份在授予日的市場價格釐定。獎勵股份D的公平值為17,529,000港元(相當於人民幣14,730,000元)，此乃經考慮歸屬後轉讓限制後根據本公司股份在授予日的市場價格釐定。

於本年度，本集團就股份獎勵-ii確認股份獎勵開支人民幣10,784,000元(2021年：人民幣18,356,000元)。

於本年度，合共20,574,000股獎勵股份C及獎勵股份D獲歸屬，股份獎勵儲備人民幣29,140,000元與就所歸屬股份根據股份獎勵計劃持有的人民幣25,610,000元股份之間的差額人民幣3,530,000元於保留盈利確認。

股份獎勵-iii

於2021年12月9日，合共8,565,000股獎勵股份(「股份獎勵-iii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，4,282,500股獎勵股份將於2022年3月31日歸屬(「獎勵股份E」)。餘下4,282,500股獎勵股份將於2022年3月31日歸屬，自歸屬日期起一年禁售期(「獎勵股份F」)。

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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -iii (continued)

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

Categories 類別		Outstanding as at 1 January 2022 於2022年 1月1日 尚未行使	Granted during the year 年內授出	Vested during the year 年內歸屬	Outstanding as at 31 December 2022 於2022年 12月31日 尚未行使
Award Shares E	獎勵股份E	4,282,500	-	(4,282,500)	-
Award Shares F	獎勵股份F	4,282,500	-	(4,282,500)	-
		8,565,000	-	(8,565,000)	-

Categories 類別		Outstanding as at 1 January 2021 於2021年 1月1日 尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2021 於2021年 12月31日 尚未行使
Award Shares E	獎勵股份E	-	4,282,500	-	4,282,500
Award Shares F	獎勵股份F	-	4,282,500	-	4,282,500
		-	8,565,000	-	8,565,000

The fair values of Award Shares E were HKD5,739,000 (equivalent to RMB4,657,000) which were determined based on the market price of the Company's shares at the grant date. The fair values of Award Shares F were HKD4,867,000 (equivalent to RMB3,979,000) which were determined based on the market price of the Company's shares at the grant date after considering the post-vesting transfer restrictions.

The Group recognised a share award expense of RMB6,727,000 (2021: RMB1,909,000) in respect of the Share Award -iii during the current year.

37. 以股份支付的付款交易 (續)

股份獎勵-iii(續)

下表披露獎勵股份E及獎勵股份F於報告期間的變動：

獎勵股份E的公平值為5,739,000港元(相當於人民幣4,657,000元)，此乃根據本公司股份在授予日的市場價格釐定。獎勵股份F的公平值為4,867,000港元(相當於人民幣3,979,000元)，此乃經考慮歸屬後轉讓限制後根據本公司股份在授予日的市場價格釐定。

於本年度，本集團就股份獎勵-iii確認股份獎勵開支人民幣6,727,000元(2021年：人民幣1,909,000元)。



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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -iii (continued)

A total number of 8,565,000 shares of Award Shares E and Award Shares F were vested during the current year, and the difference of RMB2,026,000 between the share award reserve of RMB8,636,000 and shares held under the Share Award Scheme of RMB10,662,000 for the shares vested was recognised in retained earnings.

Share Award -iv

On 12 April 2022, a total number of 52,549,000 Award Shares (“Share Award -iv”) were granted to selected participants. If certain performance and service conditions are met, out of the total shares granted, 26,274,500 Award Shares will be vested on the first anniversary of the grant date (the “Award Shares G”), the remaining Award Shares of 26,274,500 will be vested on the second anniversary of the grant date (the “Award Shares H”).

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

Categories		Outstanding as at 1 January 2022 於2022年 1月1日 尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2022 於2022年 12月31日 尚未行使
Award Shares G	獎勵股份G	-	26,274,500	(150,000)	26,124,500
Award Shares H	獎勵股份H	-	26,274,500	(150,000)	26,124,500
		-	52,549,000	(300,000)	52,249,000

37. 以股份支付的付款交易 (續)

股份獎勵-iii(續)

於本年度，合共8,565,000股獎勵股份E及獎勵股份F獲歸屬，股份獎勵儲備人民幣8,636,000元與就所歸屬股份根據股份獎勵計劃持有的人民幣10,662,000元股份之間的差額人民幣2,026,000元於保留盈利確認。

股份獎勵-iv

於2022年4月12日，合共52,549,000股獎勵股份(「股份獎勵-iv」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，26,274,500股獎勵股份將於授出日期的第一個週年歸屬(「獎勵股份G」)，而餘下26,274,500股獎勵股份將於授出日期的第二個週年歸屬(「獎勵股份H」)。

下表披露獎勵股份G及獎勵股份H於報告期間的變動：

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37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -iv (continued)

The fair values of Award Shares G and Award Shares H were HKD32,318,000 (equivalent to RMB26,304,000) and HKD32,318,000 (equivalent to RMB26,304,000), respectively, which were determined based on the market price of the Company's shares at the grant date.

The Group recognised a share award expense of RMB26,841,000 in respect of the Share Award -iv during the current year.

Share Award -v

On 25 November 2022, a total number of 4,415,000 Award Shares ("Share Award -v") were granted to selected participants. If certain performance and service conditions are met, out of the total shares granted, 2,207,500 Award Shares will be vested on 12 April 2023 (the "Award Shares I"), the remaining Award Shares of 2,207,500 will be vested on 12 April 2024 (the "Award Shares J").

The following table discloses movements of the Award Shares I and Award Shares J during the reporting period:

Categories	Outstanding as at 1 January 2022 於2022年 1月1日 尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2022 於2022年 12月31日 尚未行使
Award Shares I 獎勵股份I	-	2,207,500	-	2,207,500
Award Shares J 獎勵股份J	-	2,207,500	-	2,207,500
	-	4,415,000	-	4,415,000

37. 以股份支付的付款交易 (續)

股份獎勵-iv(續)

獎勵股份G及獎勵股份H的公平值分別為32,318,000港元(相當於人民幣26,304,000元)及32,318,000港元(相當於人民幣26,304,000元)，此乃根據本公司股份在授予日的市場價格釐定。

於本年度，本集團就股份獎勵-iv確認股份獎勵開支為人民幣26,841,000元。

股份獎勵-v

於2022年11月25日，合共4,415,000股獎勵股份(「股份獎勵-v」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，2,207,500股獎勵股份將於2023年4月12日歸屬(「獎勵股份I」)，而餘下2,207,500股獎勵股份將於2024年4月12日歸屬(「獎勵股份J」)。

下表披露獎勵股份I及獎勵股份J於報告期間的變動：



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

Share Award -v (continued)

The fair values of Award Shares I and Award Shares J were HKD2,075,000 (equivalent to RMB1,895,000) and HKD2,075,000 (equivalent to RMB1,895,000), respectively, which were determined based on the market price of the Company's shares at the grant date.

The Group recognised a share award expense of RMB598,000 in respect of the Share Award -v during the current year.

A summary of the share award expense of the Group recognised during the reporting period is as follows:

37. 以股份支付的付款交易 (續)

股份獎勵-v(續)

獎勵股份I及獎勵股份J的公平值分別為2,075,000港元(相當於人民幣1,895,000元)及2,075,000港元(相當於人民幣1,895,000元)，此乃根據本公司股份在授予日的市場價格釐定。

於本年度，本集團就股份獎勵-v確認股份獎勵開支為人民幣598,000元。

本集團於報告期內確認的股份獎勵開支概要如下：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Share Award -i	股份獎勵-i	-	1,959
Share Award -ii	股份獎勵-ii	10,784	18,356
Share Award -iii	股份獎勵-iii	6,727	1,909
Share Award -iv	股份獎勵-iv	26,841	-
Share Award -v	股份獎勵-v	598	-
Total	合計	44,950	22,224

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION

Year ended 31 December 2022:

During the year, the Group has acquired certain subsidiaries as set out below. These acquisitions have been accounted for as acquisition of businesses using the acquisition method.

Consideration transferred and goodwill arising on acquisition:

38. 業務合併

截至2022年12月31日止年度：

年內，本集團已收購下列若干附屬公司。該等收購事項已使用收購法入賬為業務收購。

轉讓代價及收購產生的商譽：

		Mufeng 牧豐	Yilei 伊磊	Aiyangniu 愛養牛	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
		(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	
Purchase consideration	購買代價	105,486	66,000	287,775	459,261
Plus: non-controlling interests	加：非控股權益	53,189	4,583	18,709	76,481
Less: recognised amounts of net assets acquired	減：所收購資產淨值的 確認金額	(110,810)	(22,916)	(74,837)	(208,563)
Goodwill arising on acquisition	收購產生的商譽	47,865	47,667	231,647	327,179

These acquired subsidiaries are principally engaged in business of dairy farming and sale of feedstuffs, additives and veterinary medicine. These acquisitions were made as part of the Group's strategy to strengthen its position in dairy farming industry, and further leverage the industrial chain synergy advantages.

該等被收購的附屬公司主要從事奶牛養殖以及飼料、添加劑及獸藥銷售業務。作出的該等收購行動屬於本集團加強其在奶牛養殖行業的地位、進一步發揮產業鏈協同優勢的戰略的一部分。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Notes:

(a) Acquisition of Dengkou Jinmahu Mufeng Dairy Farming Co., Ltd. ("Mufeng")

Modern Farming acquired 52% equity interests in Mufeng on 21 March 2022.

Acquisition-related costs amounting to RMB372,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year.

Assets acquired and liabilities recognised at the date of acquisition

38. 業務合併(續)

截至2022年12月31日止年度：(續)

預計該等收購事項產生的商譽均不可用於抵稅。

附註：

(a) 收購磴口縣金馬湖牧豐奶牛養殖有限公司(「牧豐」)

現代牧業(集團)於2022年3月21日收購牧豐的52%股權。

收購相關成本人民幣372,000元不計入轉讓代價，並已於本年度確認為開支。

於收購日期收購的資產及確認的負債

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	85,864
Right-of-use assets	使用權資產	4,075
Other intangible assets	其他無形資產	296
Biological assets	生物資產	207,881
Inventories	存貨	35,442
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及預付款項	30,647
Bank balances and cash	銀行結餘及現金	271
Pledged bank deposits	已質押銀行存款	1,000
Trade and other payables	應付貿易賬款及其他應付款項	(128,299)
Bank borrowings	銀行借款	(74,680)
Other borrowings	其他借款	(48,193)
Lease liabilities	租賃負債	(3,494)
		110,810

The receivables acquired with a fair value of RMB28,215,000 at the date of acquisition had gross contractual amounts of RMB28,215,000. At acquisition date, it is estimated that there are no contractual cash flows that will not be collected.

所收購的應收款項於收購日期的公平值為人民幣28,215,000元，其合約總額為人民幣28,215,000元。估計於收購日期並無不能收取的合約現金流量。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

Notes: (continued)

(a) Acquisition of Dengkou Jinmahu Mufeng Dairy Farming Co., Ltd. ("Mufeng") (continued)

Non-controlling interests

The non-controlling interests of 48% equity interests in Mufeng recognised at the acquisition date amounted to RMB53,189,000 was measured by reference to the proportionate share of recognised amounts of net assets of Mufeng.

Goodwill arising on acquisition

Goodwill arose from the acquisition of Mufeng because the acquisition was expected to result in benefits of synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Net cash outflow on acquisition of Mufeng

38. 業務合併(續)

截至2022年12月31日止年度：(續)

附註：(續)

(a) 收購磴口縣金馬湖牧豐奶牛養殖有限公司(「牧豐」)(續)

非控股權益

於收購日期確認牧豐48%股權的非控股權益為人民幣53,189,000元，乃參照牧豐資產淨值確認金額的比例計量。

收購產生的商譽

收購牧豐產生了商譽，因為預計收購將帶來協同效應、收入增長及未來市場發展的裨益。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。

收購牧豐的現金流出淨額

		RMB'000 人民幣千元
Cash consideration paid	已付現金代價	105,486
Less: cash and cash equivalents acquired	減：取得的現金及現金等價物	(271)
		105,215



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

Notes: (continued)

- (b) Acquisition of Datong Yilei Second Animal Husbandry Co., Ltd. ("Yilei")
Modern Farming acquired 80% equity interests in Yilei on 6 May 2022.
Acquisition-related costs amounting to RMB462,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year.

Assets acquired and liabilities recognised at the date of acquisition

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	10,194
Right-of-use assets	使用權資產	92,040
Biological assets	生物資產	121,370
Inventories	存貨	31,094
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及 預付款項	44,339
Bank balances and cash	銀行結餘及現金	3,498
Trade and other payables	應付貿易賬款及其他應付款項	(102,820)
Other liabilities (Note)	其他負債(附註)	(4,573)
Bank borrowings	銀行借款	(57,043)
Other borrowings	其他借款	(24,185)
Lease liabilities	租賃負債	(90,998)
		22,916

Note: Yilei has been the respondent of an ongoing arbitration proceeding, the claimant accused that Yilei failed to supply goods to it in accordance with the terms of contract and the claimed compensation was approximately RMB43,313,000. Provisions of RMB4,573,000 was recognised under other liabilities in respect of this ongoing arbitration at the date of acquisition.

The receivables acquired with a fair value of RMB42,742,000 at the date of acquisition had gross contractual amounts of RMB42,742,000. At acquisition date, it is estimated that there are no contractual cash flows that will not be collected.

38. 業務合併(續)

截至2022年12月31日止年度：(續)

附註：(續)

- (b) 收購大同伊磊二牧牧業有限公司(「伊磊」)
現代牧業(集團)於2022年5月6日收購伊磊的80%股權。
收購相關成本人民幣462,000元不計入轉讓代價，並已於本年度確認為開支。

於收購日期收購的資產及確認的負債

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	10,194
Right-of-use assets	使用權資產	92,040
Biological assets	生物資產	121,370
Inventories	存貨	31,094
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及 預付款項	44,339
Bank balances and cash	銀行結餘及現金	3,498
Trade and other payables	應付貿易賬款及其他應付款項	(102,820)
Other liabilities (Note)	其他負債(附註)	(4,573)
Bank borrowings	銀行借款	(57,043)
Other borrowings	其他借款	(24,185)
Lease liabilities	租賃負債	(90,998)
		22,916

附註：伊磊是一項正在進行的仲裁程序的被申請人，當中申索人控訴伊磊未能按照合約條款向其供應貨物，被要求的賠償為約人民幣43,313,000元。已於收購日期就本次進行中仲裁於其他負債項下確認撥備人民幣4,573,000元。

所收購的應收款項於收購日期的公平值為人民幣42,742,000元，其合約總額為人民幣42,742,000元。估計於收購日期並無不能收取的合約現金流量。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

Notes: (continued)

(b) Acquisition of Datong Yilei Second Animal Husbandry Co., Ltd. ("Yilei") (continued)

Non-controlling interests

The non-controlling interests of 20% equity interests in Yilei at the acquisition date amounted to RMB4,583,000 was measured by reference to the proportionate share of recognised amounts of net assets of Yilei.

Goodwill arising on acquisition

Goodwill arose on the acquisition of Yilei because of the expected enhancement of the Group's position in dairy farming industry and enhancement of operation efficiency. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Net cash outflow on acquisition of Yilei

		RMB'000 人民幣千元
Cash consideration	現金代價	66,000
Consideration payable	應付代價	(38,000)
Consideration paid	已付代價	28,000
Less: cash and cash equivalents acquired	減：取得的現金及現金等價物	(3,498)
		24,502

(c) Acquisition of Inner Mongolia Ai Yang Niu Technology Co., Ltd. ("Aiyangniu")

Pursuant to the Company's announcement dated 15 March 2022, Modern Farming entered into an equity transfer agreement with certain sellers (the "Sellers") and Aiyangniu on 15 March 2022, pursuant to which the Sellers agreed to sell, and Modern Farming agreed to purchase, 75% equity interests in Aiyangniu at a total consideration of RMB287,775,000. The above transaction constituted a connected transaction of the Company and was completed on 28 June 2022.

Acquisition-related costs in relation to the acquisition of Aiyangniu amounting to RMB2,331,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year.

38. 業務合併(續)

截至2022年12月31日止年度：(續)

附註：(續)

(b) 收購大同伊磊二牧牧業有限公司 (「伊磊」)(續)

非控股權益

於收購日期確認伊磊20%股權的非控股權益為人民幣4,583,000元，乃參照伊磊資產淨值確認金額的比例計量。

收購產生的商譽

收購伊磊產生了商譽，是因為預期會提升本集團在奶牛養殖行業的地位及提高經營效率。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。

收購伊磊的現金流出淨額

		RMB'000 人民幣千元
Cash consideration	現金代價	66,000
Consideration payable	應付代價	(38,000)
Consideration paid	已付代價	28,000
Less: cash and cash equivalents acquired	減：取得的現金及現金等價物	(3,498)
		24,502

(c) 收購內蒙古愛養牛科技有限公司 (「愛養牛」)

根據本公司日期為2022年3月15日的公告，現代牧業(集團)與若干賣方(「賣方」)及愛養牛於2022年3月15日訂立股權轉讓協議，據此，賣方同意出售而現代牧業(集團)同意購買愛養牛的75%股權，總代價為人民幣287,775,000元。上述交易構成本公司的關連交易並於2022年6月28日完成。

與收購愛養牛有關的收購相關成本人民幣2,331,000元不計入轉讓代價，並已於本年度確認為開支。



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

Notes: (continued)

(c) Acquisition of Inner Mongolia Ai Yang Niu Technology Co., Ltd. ("Aiyangniu") (continued)

Assets acquired and liabilities recognised at the date of acquisition

38. 業務合併(續)

截至2022年12月31日止年度：(續)

附註：(續)

(c) 收購內蒙古愛養牛科技有限公司 (「愛養牛」)(續)

於收購日期收購的資產及確認的負債

RMB'000
人民幣千元

Property, plant and equipment	物業、廠房及設備	1,692
Right-of-use assets	使用權資產	3,456
Other intangible assets	其他無形資產	37,285
Inventories	存貨	20,032
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及 預付款項	136,083
Deferred tax assets	遞延稅項資產	345
Bank balances and cash	銀行結餘及現金	19,473
Pledged bank deposits	已質押銀行存款	4,454
Trade and other payables	應付貿易賬款及其他應付款項	(111,066)
Tax payable	應課稅項	(4,177)
Bank borrowings	銀行借款	(22,721)
Lease liabilities	租賃負債	(3,456)
Deferred tax liabilities	遞延稅項負債	(6,563)
		74,837

The receivables acquired from Aiyangniu with a fair value of RMB129,678,000 at the date of acquisition had gross contractual amounts of RMB130,191,000. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to RMB513,000.

Non-controlling interests

The non-controlling interests of 25% equity interests in Aiyangniu recognised at the acquisition date amounted to RMB18,709,000 was measured by reference to the proportionate share of recognised amounts of net assets of Aiyangniu.

Goodwill arising on acquisition

Aiyangniu is mainly engaged in feed business. Goodwill arose on the acquisition of Aiyangniu because the acquisition was expected to leverage the industrial chain synergy advantages. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

愛養牛的所收購應收款項於收購日期的公平值為人民幣129,678,000元，其合約總額為人民幣130,191,000元。預期收不回的合約現金流量於收購日期的最佳估計為人民幣513,000元。

非控股權益

於收購日期確認愛養牛25%股權的非控股權益為人民幣18,709,000元，乃參照愛養牛資產淨值確認金額的比例計量。

收購產生的商譽

愛養牛主要從事飼料業務。收購愛養牛產生了商譽，是因為此次收購有望發揮產業鏈協同優勢。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2022: (continued)

Notes: (continued)

- (c) Acquisition of Inner Mongolia Ai Yang Niu Technology Co., Ltd. ("Aiyangniu") (continued)
Net cash outflow on acquisition of Aiyangniu

38. 業務合併(續)

截至2022年12月31日止年度：(續)

附註：(續)

- (c) 收購內蒙古愛養牛科技有限公司
([「愛養牛」]) (續)
收購愛養牛的現金流出淨額

RMB'000
人民幣千元

Purchase consideration	購買代價	287,775
Less: cash and cash equivalents acquired	減：取得的現金及現金等價物	(19,473)
		268,302

Impact of acquisition on the results of the Group

Included in the profit for the year is profit of RMB21,252,000, loss of RMB3,783,000, and profit of RMB15,731,000 attributable to the additional business generated by Mufeng, Yilei, and Aiyangniu, respectively. Revenue for the year included RMB149,926,000, RMB65,902,000 and RMB497,754,000 generated from Mufeng, Yilei and Aiyangniu, respectively.

Had the acquisition of Mufeng, Yilei and Aiyangniu, been completed on 1 January 2022, revenue for the year of the Group would have been RMB12,374,630,000, RMB12,329,813,000 and RMB12,670,422,000, respectively and profit for the year would have been RMB582,570,000, RMB576,219,000 and RMB597,150,000, respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2022, nor is it intended to be a projection of future results.

In determining the 'pro-forma' profit of the Group had Mufeng, Yilei and Aiyangniu been acquired at the beginning of the current year, the Directors calculated depreciation of property, plant and equipment, right-of-use assets and other intangible assets based on the recognised amounts of property, plant and equipment, right-of-use assets and other intangible assets at the date of the acquisition.

收購事項對本集團業績的影響

年內溢利已包括牧豐、伊磊及愛養牛產生的新增業務分別應佔的溢利人民幣21,252,000元、虧損人民幣3,783,000元及溢利人民幣15,731,000元。年內收入包括牧豐、伊磊及愛養牛分別產生的人民幣149,926,000元、人民幣65,902,000元及人民幣497,754,000元。

倘於2022年1月1日完成收購牧豐、伊磊及愛養牛，本集團的年內收入將分別為人民幣12,374,630,000元、人民幣12,329,813,000元及人民幣12,670,422,000元，而年內溢利將分別為人民幣582,570,000元、人民幣576,219,000元及人民幣597,150,000元。備考資料僅供說明之用，並不必然表示倘收購於2022年1月1日完成，本集團實際會實現的收入及經營業績，亦無意作為對未來業績的預測。

在釐定倘於本年初已收購牧豐、伊磊及愛養牛的情況下本集團的「備考」溢利時，董事已根據物業、廠房及設備、使用權資產及其他無形資產於收購日期的已確認金額計算物業、廠房及設備、使用權資產及其他無形資產的折舊。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021:

During the year ended 31 December 2021, the Group has acquired certain subsidiaries as set out below. These acquisitions have been accounted for as acquisition of businesses using the acquisition method.

Consideration transferred and goodwill arising on acquisition:

		Zhongyuan 中元	Fuyuan 富源	Aoyuan 澳源	Fuminfeng 阜民豐	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
		(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note f) (附註f)	
Purchase consideration	購買代價	722,994	2,850,604	53,737	159,187	3,786,522
Plus: non-controlling interests	加：非控股權益	-	36,780	41,488	17,487	95,755
Less: recognised amounts of net assets acquired	減：所收購資產淨值的 確認金額	(675,784)	(2,192,055)	(86,434)	(174,870)	(3,129,143)
Goodwill arising on acquisition	收購產生的商譽	47,210	695,329	8,791	1,804	753,134

These acquired subsidiaries are principally engaged in business of dairy farming and feeds processing. These acquisitions were made as part of the Group's strategy to strengthen its position in dairy farming industry, optimize value chain and enhance operation efficiency.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Notes:

(d) Acquisition of Zhongyuan

Pursuant to the Company's announcement dated 23 July 2021, Modern Farming, a non-wholly-owned subsidiary of the Company, acquired the entire equity interests in Zhongyuan on 21 July 2021.

Acquisition-related costs amounting to RMB1,493,000 have been excluded from the consideration transferred and have been recognised as an expense in 2021.

38. 業務合併(續)

截至2021年12月31日止年度：

於截至2021年12月31日止年度，本集團已收購下列若干附屬公司。該等收購事項已使用收購法入賬為業務收購。

轉讓代價及收購產生的商譽：

		Zhongyuan 中元	Fuyuan 富源	Aoyuan 澳源	Fuminfeng 阜民豐	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
		(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note f) (附註f)	
Purchase consideration	購買代價	722,994	2,850,604	53,737	159,187	3,786,522
Plus: non-controlling interests	加：非控股權益	-	36,780	41,488	17,487	95,755
Less: recognised amounts of net assets acquired	減：所收購資產淨值的 確認金額	(675,784)	(2,192,055)	(86,434)	(174,870)	(3,129,143)
Goodwill arising on acquisition	收購產生的商譽	47,210	695,329	8,791	1,804	753,134

該等被收購的附屬公司主要從事奶牛養殖及飼料加工業務。作出的該等收購行動屬於本集團加強其在奶牛養殖行業的地位、優化價值鍊及提高運營效率的戰略的一部分。

預計該等收購事項產生的商譽均不可用於抵稅。

附註：

(d) 收購中元

根據本公司日期為2021年7月23日的公告，本公司非全資附屬公司現代牧業(集團)於2021年7月21日收購中元的全部股權。

收購相關成本人民幣1,493,000元不計入轉讓代價，並已於2021年確認為開支。

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

(d) Acquisition of Zhongyuan (continued)

Assets acquired and liabilities recognised at the date of acquisition

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

(d) 收購中元(續)

於收購日期收購的資產及確認的負債

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	560,330
Right-of-use assets	使用權資產	37,755
Biological assets	生物資產	491,209
Inventories	存貨	46,042
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及 預付款項	208,335
Bank balances and cash	銀行結餘及現金	14,408
Trade and other payables	應付貿易賬款及其他應付款項	(159,707)
Bank borrowings	銀行借款	(45,000)
Other borrowings	其他借款	(443,809)
Lease liabilities	租賃負債	(33,779)
		675,784

The receivables acquired with a fair value of RMB204,431,000 at the date of acquisition had gross contractual amounts of RMB204,431,000. At acquisition date, it is estimated that there are no contractual cash flows that will not be collected.

Goodwill arising on acquisition

Goodwill arose on the acquisition of Zhongyuan because the acquisition was expected to result in benefits of synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Net cash outflow on acquisition of Zhongyuan

所收購的應收款項於收購日期的公平值為人民幣204,431,000元，其合約總額為人民幣204,431,000元。估計於收購日期並無不能收取的合約現金流量。

收購產生的商譽

收購中元產生了商譽，因為預計收購將帶來協同效應、收入增長及未來市場發展的裨益。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。

收購中元的現金流出淨額

		RMB'000 人民幣千元
Purchase consideration	購買代價	722,994
Receivables from Zhongyuan Seller (Note i)	來自中元賣方的應收款項(附註i)	(234,265)
Consideration payable (Note ii)	應付代價(附註ii)	(256,338)
Consideration paid	已付代價	232,391
Less: cash and cash equivalents balances acquired	減：取得的現金及現金等價物結餘	(14,408)
		217,983



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

(d) Acquisition of Zhongyuan (continued)

Net cash outflow on acquisition of Zhongyuan (continued)

Notes:

- i According to the purchase agreement, the Group's consideration payables to Zhongyuan Seller amounted to RMB234,265,000 were offset by Group's receivables from Zhongyuan Seller of RMB234,265,000 after acquisition.
- ii At the date of acquisition, Zhongyuan was a respondent of an ongoing arbitration proceeding, which the claimant applied that Zhongyuan failed to supply goods to it in accordance with the terms of contract and the claimed compensation was approximately RMB407 million. According to the purchase agreement, the final amount of compensation payable by Zhongyuan will be borne by Zhongyuan Seller. Accordingly, as mutually agreed with Zhongyuan Seller, an amount of RMB250 million has been temporarily withheld from the purchase consideration and will be payable to Zhongyuan Seller after deducting the final amount of settlement from the arbitration. According to other relevant agreements dated in August 2021, September 2021 and September 2022, the amount temporarily withheld from the purchase consideration was offset by receivables from Zhongyuan seller of RMB17,339,000, RMB4,987,000 and RMB38,961,000, respectively. As of 31 December 2022, the amount temporarily withheld from the purchase consideration was RMB188,713,000 (the "Withheld Amount"). Zhongyuan had dialogues with the relevant arbitration commission from time to time and had not yet received a conclusive arbitral award from the arbitration commission as at 31 December 2022. Subsequent to the reporting period, Zhongyuan had received a conclusive arbitral award from the arbitration commission dated on 3 February 2023 and the Withheld Amount is greater than the compensation amount and trade receivable from certain subsidiaries of Zhongyuan Seller.
- iii The Directors have considered that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation from the above arbitration and a reliable estimate cannot be made of the fair value of the obligation. Accordingly, no provision has been made in relation to this arbitration nor has any indemnification asset been made.

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

(d) 收購中元(續)

收購中元的現金流出淨額(續)

附註：

- i 根據購買協議，本集團應付中元賣方的代價人民幣234,265,000元被本集團於收購事項後應收中元賣方的應收款項人民幣234,265,000元所抵銷。
- ii 於收購日期，中元是一項正在進行的仲裁程序的被申請人，當中申索人申請中元未能按照合約條款向其供應貨物，被要求的賠償為約人民幣407百萬元。根據購買協議，中元應付的最終賠償金額將由中元賣方承擔。因此，經與中元賣方雙方約定，已從購買代價中暫扣人民幣250百萬元，應在扣除仲裁的最終結算金額後支付予中元賣方。根據2021年8月、2021年9月及2022年9月的其他相關協議，暫時從購買對價中預扣金額分別被應收中元賣方的款項人民幣17,339,000元、人民幣4,987,000元及人民幣38,961,000元抵銷。截至2022年12月21日，暫時從購買對價中扣除的金額為人民幣188,713,000元(「預扣金額」)。中元已不時與相關仲裁委員會進行了溝通，但截至2022年12月31日尚未獲得仲裁委員會的確定仲裁裁決。報告期後，中元已收到仲裁委員會於2023年2月3日作出的最終仲裁裁決，預扣金額大於中元賣方某些附屬公司的賠償金額及應收貿易賬款。
- iii 董事認為，履行上述仲裁義務可能需要體現經濟利益的資源流出，但無法對義務公平值作出可靠估計。因此，並無就本次仲裁作出任何撥備，亦無作出任何賠償資產。

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

(e) Acquisition of Fuyuan

Pursuant to the Company's announcement dated 29 November 2021, the Group acquired 100% equity interests in Fuyuan on 29 November 2021. The consideration consist of (i) allotment and issue of 807,096,101 shares (valued at HKD1,073,438,000, equivalent to RMB879,275,000) by the Company to Mengniu SPV and (ii) the sum of RMB1,971,329,000 in cash to certain other sellers in proportions to their respective interest in Fuyuan. After the acquisition, Fuyuan is owned as to 43.35% by the Company and as to 56.65% by Modern Farming. Acquisition-related costs amounting to RMB7,981,000 have been recognised as an expense.

Assets acquired and liabilities recognised at the date of acquisition

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

(e) 收購富源

根據本公司日期為2021年11月29日的公告，本集團於2021年11月29日收購富源的全部股權。代價包括(i)本公司向蒙牛SPV配發及發行807,096,101股股份(價值1,073,438,000港元，相當於人民幣879,275,000元)以及(ii)向其他若干其他賣方按其各自於富源的權益比例支付的人民幣1,971,329,000元現金。收購完成後，富源由本公司持有43.35%，由現代牧業(集團)持有56.65%。收購相關成本人民幣7,981,000元已確認為開支。

於收購日期收購的資產及確認的負債

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,141,912
Right-of-use assets	使用權資產	330,451
Intangible assets	無形資產	3,380
Interests in associates	於聯營公司的權益	18,769
Biological assets	生物資產	1,601,502
Inventories	存貨	582,419
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及 預付款項	343,829
Deferred tax assets	遞延稅項資產	2,338
Pledged bank deposits	已質押銀行存款	21,042
Bank balances and cash	銀行結餘及現金	470,897
Trade and other payables	應付貿易賬款及其他應付款項	(633,009)
Contract liabilities	租賃負債	(970)
Tax payable	應課稅項	(1,498)
Bank borrowings	銀行借款	(1,299,075)
Other borrowings	其他借款	(81,460)
Lease liabilities	租賃負債	(287,215)
Deferred tax liability	遞延稅項負債	(21,257)
		2,192,055

The receivables acquired with a fair value of RMB321,016,000 at the date of acquisition had gross contractual amounts of RMB321,016,000. At acquisition date, it is estimated that there are no contractual cash flows that will not be collected.

所收購的應收款項於收購日期的公平值為人民幣321,016,000元，其合約總額為人民幣321,016,000元。估計於收購日期並無不能收取的合約現金流量。



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

(e) Acquisition of Fuyuan (continued)

Non-controlling interests

The non-controlling interests of 35% in Haykingdom, a subsidiary of Fuyuan, at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of Haykingdom amounted to RMB36,780,000.

Goodwill arising on acquisition

Goodwill arose on the acquisition of Fuyuan because of the expected enhancement of the Group's position in dairy farming industry, optimization of value chain and enhancement of operation efficiency. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Net cash outflow on acquisition of Fuyuan

		RMB'000 人民幣千元
Cash consideration	現金代價	1,971,329
Consideration payable	應付代價	(231,156)
Consideration paid	已付代價	1,740,173
Less: cash and cash equivalents balances acquired	減：取得的現金及現金等價物結餘	(470,897)
		1,269,276

(f) Acquisition of Inner Mongolia Aoyuan Agriculture and Animal Husbandry Co., Ltd. ("Aoyuan") and Ningxia Fuminfeng Animal Husbandry Development Co., Ltd. ("Fuminfeng")

In addition to the above notifiable and major transactions in 2021, Modern Farming acquired 52% equity interests in Aoyuan on 26 October 2021 and acquired 90% equity interests in Fuminfeng on 25 November 2021 respectively.

Acquisition-related costs in relation to the acquisition of Aoyuan and Fuminfeng amounting to RMB200,000 and RMB250,000 have been excluded from the consideration transferred and have been recognised as an expense.

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

(e) 收購富源(續)

非控股權益

於收購日期持有富源的附屬公司 Haykingdom 35%的非控股權益，參照 Haykingdom 資產淨值確認金額人民幣 36,780,000 元的比例計量。

收購產生的商譽

收購富源產生商譽，是因為預期會提升本集團在奶牛養殖行業的地位、優化價值鏈及提高經營效率。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。

收購富源的現金流出淨額

		RMB'000 人民幣千元
Cash consideration	現金代價	1,971,329
Consideration payable	應付代價	(231,156)
Consideration paid	已付代價	1,740,173
Less: cash and cash equivalents balances acquired	減：取得的現金及現金等價物結餘	(470,897)
		1,269,276

(f) 收購內蒙古澳源農牧業有限公司(「澳源」)及寧夏阜民豐牧業發展有限責任公司(「阜民豐」)

除上述2021年須予公佈的重大交易外，現代牧業(集團)分別於2021年10月26日收購了澳源52%的股權，並於2021年11月25日收購了阜民豐90%的股權。

與收購澳源及阜民豐有關的收購成本分別為人民幣200,000元及人民幣250,000元，不計入轉讓代價，並已確認為開支。

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

- (f) Acquisition of Inner Mongolia Aoyuan Agriculture and Animal Husbandry Co., Ltd. ("Aoyuan") and Ningxia Fuminfeng Animal Husbandry Development Co., Ltd. ("Fuminfeng") (continued)

Assets acquired and liabilities recognised at the date of acquisition

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

- (f) 收購內蒙古澳源農牧業有限公司(「澳源」)及寧夏阜民豐牧業發展有限公司(「阜民豐」)(續)

於收購日期收購的資產及確認的負債

		Aoyuan 澳源 RMB'000 人民幣千元	Fuminfeng 阜民豐 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	75,913	167,676
Right-of-use assets	使用權資產	24,900	1,210
Biological assets	生物資產	78,640	144,886
Inventories	存貨	13,940	37,809
Trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及預付款項	11,087	17,596
Bank balances and cash	銀行結餘及現金	280	7,194
Trade and other payable	應付貿易賬款及其他應付款項	(24,494)	(89,146)
Bank borrowings	銀行借款	(40,051)	(99,786)
Other borrowings	其他借款	(53,781)	(12,569)
		86,434	174,870

The receivables acquired from Aoyuan and Fuminfeng with a fair value of RMB167,000 and RMB10,657,000 at the date of acquisition had gross contractual amounts of RMB167,000 and RMB10,657,000, respectively. At acquisition date, it is estimated that there are no contractual cash flows that will not be collected.

Non-controlling interests

The non-controlling interests of 48% in Aoyuan and 10% in Fuminfeng recognised at the acquisition date were measured by reference to the proportionate share of recognised amounts of net assets of Aoyuan and Fuminfeng and amounted to RMB41,488,000 and RMB17,487,000 respectively.

Goodwill arising on acquisition

Goodwill arose on the acquisition of Aoyuan and Fuminfeng because the acquisitions were expected to result in benefits of synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

所收購來自澳源及阜民豐的應收款項於收購日期的公平值分別為人民幣167,000元及人民幣10,657,000元，其合約總額分別為人民幣167,000元及人民幣10,657,000元。估計於收購日期並無不能收取的合約現金流量。

非控股權益

於收購日期確認的澳源48%及阜民豐10%的非控股權益，分別參照澳源及阜民豐的資產淨值確認金額人民幣41,488,000元及人民幣17,487,000元的比例計量。

收購產生的商譽

收購澳源及阜民豐產生了商譽，因為預計收購將帶來協同效應、收入增長及未來市場發展的裨益。該等裨益不與商譽分開確認，因為不符合可辨認無形資產的確認標準。



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Year ended 31 December 2021: (continued)

Notes: (continued)

- (f) Acquisition of Inner Mongolia Aoyuan Agriculture and Animal Husbandry Co., Ltd. ("Aoyuan") and Ningxia Fuminfeng Animal Husbandry Development Co., Ltd. ("Fuminfeng") (continued)

Net cash outflow on acquisition of Aoyuan and Fuminfeng

38. 業務合併(續)

截至2021年12月31日止年度：(續)

附註：(續)

- (f) 收購內蒙古澳源農牧業有限公司(「澳源」)及寧夏阜民豐牧業發展有限責任公司(「阜民豐」)(續)

收購澳源及阜民豐的現金流出淨額

		Aoyuan 澳源 RMB'000 人民幣千元	Fuminfeng 阜民豐 RMB'000 人民幣千元
Purchase consideration	購買代價	53,737	159,187
Consideration payable (Note)	應付代價(附註)	(4,539)	(151,164)
Consideration paid	已付代價	49,198	8,023
Less: cash and cash equivalents balances acquired	減：取得的現金及現金等 價物結餘	(280)	(7,194)
		48,918	829

Note: At the date of acquisition, Fuminfeng was a respondent of an ongoing arbitration proceeding, which the claimant applied that Fuminfeng failed to supply goods to it in accordance with the terms of contract and the claimed compensation was approximately RMB130 million. According to the purchase agreement, the final amount of compensation payable by Fuminfeng will be borne by seller of Fuminfeng. Accordingly, as mutually agreed with the seller of Fuminfeng, an amount of RMB130 million has been temporarily withheld from the purchase consideration, and will be payable to the seller of Fuminfeng after deducting the final amount of settlement from the arbitration.

The Directors have considered that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation from the above arbitration and a reliable estimate cannot be made of the fair value of the obligation. Accordingly, no provision has been made in relation to this arbitration nor has any indemnification asset been made.

In December 2022, Fuminfeng received the arbitral award and the compensation amount was RMB28.9 million. As mutually agreed with the seller of Fuminfeng, an amount of RMB28.9 million has been deducted from the settlement of purchase consideration.

附註：於收購日期，阜民豐是一項正在進行的仲裁程序的被申請人，當中申索人申請阜民豐未能按照合約條款向其供應貨物，被要求的賠償為約人民幣130百萬元。根據購買協議，阜民豐應付的最終賠償金額將由阜民豐賣方承擔。因此，經與阜民豐賣方雙方約定，已從購買代價中暫扣人民幣130百萬元，應在扣除仲裁的最終結算金額後支付予阜民豐賣方。

董事認為，履行上述仲裁義務可能需要體現經濟利益的資源流出，但無法對義務公平值作出可靠估計。因此，並無就本次仲裁作出任何撥備，亦無作出任何賠償資產。

2022年12月，阜民豐收到仲裁裁決，賠償金額為人民幣28.9百萬元。經與阜民豐的賣方雙方協定，從結付購買代價中扣除人民幣28.9百萬元。

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

38. BUSINESS COMBINATION (continued)

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2021 is profit of RMB43,005,000, profit of RMB18,839,000, profit of RMB57,000 and loss of RMB8,072,000 attributable to the additional business generated by Zhongyuan, Fuyuan, Aoyuan and Fuminfeng, respectively. Revenue for the year ended 31 December 2021 includes RMB250,927,000, RMB252,084,000, nil and RMB10,169,000 generated from Zhongyuan, Fuyuan, Aoyuan and Fuminfeng, respectively.

Had the acquisition of Zhongyuan, Fuyuan, Aoyuan and Fuminfeng, been completed on 1 January 2021, revenue for the year ended 31 December 2021 of the Group would have been RMB7,411,482,000, RMB9,487,990,000, RMB7,078,470,000 and RMB7,191,330,000, respectively and profit for the year ended 31 December 2021 would have been RMB1,072,073,000, RMB1,270,003,000, RMB1,026,478,000 and RMB1,045,814,000, respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2021, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had Zhongyuan, Fuyuan, Aoyuan and Fuminfeng been acquired on 1 January 2021, the Directors calculated depreciation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

38. 業務合併(續)

收購事項對本集團業績的影響

截至2021年12月31日止年度，年內溢利已包括中元、富源、澳源及阜民豐產生的新增業務分別應佔的溢利人民幣43,005,000元、溢利人民幣18,839,000元、溢利人民幣57,000元及虧損人民幣8,072,000元。截至2021年12月31日止年度的收入包括中元、富源、澳源及阜民豐分別產生的人民幣250,927,000元、人民幣252,084,000元、零及人民幣10,169,000元。

倘於2021年1月1日完成收購收購中元、富源、澳源及阜民豐，本集團的截至2021年12月31日止年度收入將分別為人民幣7,411,482,000元、人民幣9,487,990,000元、人民幣7,078,470,000元及人民幣7,191,330,000元，而截至2021年12月31日止年度溢利將分別為人民幣1,072,073,000元、人民幣1,270,003,000元、人民幣1,026,478,000元及人民幣1,045,814,000元。備考資料僅供說明之用，不一定表明倘收購事項於2021年1月1日完成，本集團實際可實現的收入及經營業績，亦不擬作為對未來結果的預測。

於釐定本集團在2021年1月1日時收購中元、富源、澳源及阜民豐的情況下的「備考」收入及溢利時，董事根據收購日期物業、廠房及設備的確認金額計算物業、廠房及設備的折舊。



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39. CONTINGENT LIABILITIES

Save as disclosed in Note 38(d), there are no other contingent liabilities at the end of the reporting period.

40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank borrowings, other borrowings, short term debenture and long term bonds as disclosed in Notes 28, 29, 30 and 31 respectively, net of bank balances and cash and equity attributable to owners of the Company, comprising issued share capital, share premium and reserves.

The Group's management reviews the capital structure on a regular basis. As part of the review, the management considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the issues of new shares and the issue of new debt or the redemption of existing debt.

39. 或然負債

除附註38(d)所披露者外，於報告期末並無其他或然負債。

40. 資本風險管理

本集團的資金管理旨在確保本集團旗下實體的持續經營能力，同時透過優化債務及股本結餘為利益相關者謀求最大回報。本集團的整體策略較去年保持不變。

本集團的資本架構由債務淨額(包括銀行借款、其他借款、短期融資券及長期債券(分別披露於附註28、29、30及31)，扣除銀行結餘及現金)及本公司擁有人應佔權益(包括已發行股本、股份溢價及儲備)組成。

本集團的管理層定期檢討資本架構。作為檢討的一環，管理層會考慮資本成本及各類資本涉及的風險。本集團透過發行新股份及發行新債務或贖回現有債務等方式保持整體資本架構的平衡。



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41. FINANCIAL INSTRUMENTS

Categories of financial instruments

41. 金融工具

金融工具類別

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Financial assets:	金融資產：		
Financial assets at amortised cost	按攤銷成本計量的金融資產	4,387,573	3,324,211
Equity instruments at FVTOCI	按公平值計入其他全面收入的 權益工具	106,229	2,655
Derivative financial instruments	衍生金融工具		
– Interest rate swaps	– 利率掉期	16,945	–
– Foreign currency option contracts	– 外幣期權合約	5,257	–
– CFCCS	– CFCCS	19,154	67,537
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本計量的金融負債	15,417,637	11,395,408
Derivative financial instruments	衍生金融工具		
– Interest rate swaps	– 利率掉期	–	3,446
– Foreign currency option contracts	– 外幣期權合約	58,034	112,642

Financial risk management objectives and policies

The Group's major financial instruments include equity instruments at FVTOCI, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, bank borrowings, other borrowings, long term bonds, short term debenture and derivative financial instruments. Details of these financial instruments are disclosed in the respective notes.

The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

金融風險管理的目標及政策

本集團的主要金融工具包括按公平值計入其他全面收入的權益工具、應收貿易賬款及其他應收款項、已質押銀行存款、銀行結餘及現金、應付貿易賬款及其他應付款項、銀行借款、其他借款、長期債券、短期融資券及衍生金融工具。該等金融工具的詳情於各項附註中披露。

該等金融工具涉及的風險包括市場風險(貨幣風險、利息風險及其他價格風險)、信貸風險及流動資金風險。下文載有如何降低有關風險的政策。管理層會監管有關風險，確保及時有效地採取相應措施。



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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risk

(i) Currency risk

As at the end of the reporting period, the Group had the following major monetary items and intra-group balances denominated in foreign currency:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
USD denominated items	美元計值項目		
– bank balances	– 銀行結餘	73,711	182,701
– bank borrowings	– 銀行借款	(1,048,268)	(1,152,195)
– long term bonds	– 長期債券	(3,493,016)	(3,191,719)
– intra-group balances	– 集團內結餘	112,644	38,254

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and may enter into foreign currency option contracts or CFCCS, when necessary, to manage its foreign exchange exposure.

Sensitivity analysis

2022: 2% (2021: 2%) is the sensitivity rate changes which represented management's assessment of the reasonably possible change in foreign exchange rates.

41. 金融工具(續)

金融風險管理的目標及政策(續)

市場風險

(i) 貨幣風險

截至報告期末，本集團擁有以下以外幣計值的主要貨幣項目及集團內部結餘：

本集團通過定期審查外匯風險淨額，並可能訂立外幣期權合約或CFCCS(如需要)，以管理其外匯風險。

敏感度分析

於2022年，2%(2021年：2%)的敏感率變動代表管理層對外匯匯率合理可能變動的評估。

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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

The Group was primarily subject to foreign currency risk from the movement of the exchange rates between RMB against USD. The sensitivity analysis below includes USD denominated monetary items that are not associated with a foreign currency option contract or CFCCS. At the end of the reporting period, if the exchange rate had been strengthened in RMB against USD by 2% and all other variables were held constant, the Group's post-tax profit for the reporting period would decrease as follow:

41. 金融工具(續)

金融風險管理的目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

外幣敏感度分析(續)

本集團主要面臨來自人民幣兌美元匯率波動的外幣風險。以下敏感度分析僅包括與外幣期權合約或CFCCS無關的以美元計值的貨幣項目。於報告期末，倘人民幣兌美元升值2%，而所有其他可變因素維持不變，則本集團於報告期間的除稅後溢利將有如下減少：

	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
	(3,724)	(4,419)

For a 2% weakening of the RMB against USD, there would be an equal and opposite impact on the post-tax profit.

倘人民幣兌美元貶值2%，則將對除稅後溢利產生同等相反的影響。



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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risk (continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to term deposits, fixed-rate bank borrowings, other borrowings, short term debenture, long term bonds and lease liabilities. The Group's cash flow interest rate risk is mainly due to fluctuations in the prevailing market interest rates on bank balances, pledged bank deposits and bank borrowings which carry interest at variable interest rates.

The Group manages its interest rate risk by performing regular reviews of the Group's net interest rate exposures and may enter into interest rate swap contracts, when necessary, to manage its interest rate exposure.

The sensitivity analysis below has been determined based on the exposure to interest rates for variable interest rate bank borrowings that are not associated to an interest rate swap contract. Bank balances and pledged bank deposits are excluded from the sensitivity analysis since they are not considered sensitive to fluctuation in interest rate. The analysis is prepared assuming the variable interest rate bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. A 50 (2021: 50) basis points increase or decrease represented management's assessment of the reasonably possible change in interest rates.

Sensitivity analysis

At the end of reporting period, if interest rates had been increased/decreased by 50 (2021: 50) basis points and all other variables were held constant, the Group's post-tax profit would have decreased/increased by RMB2,272,000 (2021: RMB2,581,000) for the current year.

41. 金融工具(續)

金融風險管理的目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團面臨與定期存款、定息銀行借款、其他借款、短期融資券、長期債券及租賃負債有關的公平值利率風險。本集團的現金流量利率風險主要來自銀行結餘、已質押銀行存款及按浮動利率計息銀行借款的現行市場利率波動。

本集團通過定期審查利率風險淨額，並可能訂立利率掉期合約(如需要)，以管理其利率風險。

以下敏感度分析乃根據與利率掉期合約無關的浮息銀行借款的利率風險釐定。由於銀行結餘及已質押銀行存款對利率波動並不敏感，故不在敏感度分析的考慮範圍內。該分析乃根據假設於報告期末仍未償還的浮息銀行借款於整個年度未償還而編製。50個基點(2021年：50個基點)的上下波幅代表管理層對合理可能發生的利率波動的評估。

敏感度分析

於報告期末，倘利率增加／減少50個基點(2021年：50個基點)，而所有其他可變因素維持不變，則本集團於本年度的除稅後溢利將減少／增加人民幣2,272,000元(2021年：人民幣2,581,000元)。

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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risk (continued)

(iii) Other price risk

The Group is exposed to equity price risk mainly through its investments in equity securities of Austasia measured at FVTOCI.

Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to the fair value of equity price risk at the reporting date.

If the prices of the investments in equity securities of Austasia had been 10% (2021: N/A) higher/lower, the other comprehensive income would increase/decrease by RMB6,564,000 (2021: N/A).

Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group holds an insurance to credit risks of certain trade receivables of feeds. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets except for as disclosed in Note 24.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade balances individually or collectively with appropriate groupings. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

41. 金融工具(續)

金融風險管理的目標及政策(續)

市場風險(續)

(iii) 其他價格風險

本集團主要因按公平值計入其他全面收入計量的澳亞權益證券投資而面對股本價格風險。

敏感度分析

敏感度分析乃根據面對的股本價格風險於報告日期的公平值而釐定。

倘澳亞權益證券投資的價格上漲/下跌10%(2021年：不適用)，則其他全面收入將增加/減少人民幣6,564,000元(2021年：不適用)。

信貸風險及減值評估

本集團面臨因對手方未能履行義務而給本集團造成經濟損失的最大信貸風險來自綜合財務狀況表所列的各項已確認金融資產的賬面值。本集團就飼料若干應收貿易賬款的風險購有保險。除附註24中披露的情況外，本集團並無持有任何抵押品或其他信用增級措施以覆蓋與其金融資產相關的信用風險。

客戶合約產生之應收貿易賬款

為盡量降低信貸風險，本集團管理層已指定團隊負責決定信貸額度及信貸批核。接納任何新客戶前，本集團利用內部信貸評分系統對潛在客戶的信貸質素進行評估並且釐定其信貸額度。客戶應佔的限額與評級每年審閱兩次。已制定其他監察程序，以確保採取跟進行動收回逾期債務。此外，本集團按預期信貸虧損模式個別或通過適當分組的集體評估對貿易結餘進行減值評估。就此而言，董事認為本集團的信貸風險已大幅減少。



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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

Trade receivables arising from contracts with customers

(continued)

The Group has concentration of credit risk as approximately 52.06% (31 December 2021: 74.25%) of total trade receivables as at 31 December 2022 was due from Customer A (31 December 2021: Customer A).

Bank balances and pledged bank deposits

The credit risks on pledged bank deposits and bank balances are limited because the counterparties are reputable banks with high credit ratings and/or authorised banks in the PRC.

Approximately 20%, 15% and 14% of total pledged bank deposits and bank balances were deposited in bank A, bank B and bank C respectively as at 31 December 2022 (31 December 2021: 14%, 14% and 13% of total pledged bank deposits and bank balances were deposited in bank D, bank E and bank A respectively).

Other receivables

The management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 December 2022, the Group recognised loss allowance of other receivables of RMB30,000 (2021: RMB476,000).

Other than the concentration of credit risks of trade receivables, pledged bank deposits and bank balances mentioned above, the Group does not have any other significant concentration of credit risk.

41. 金融工具(續)

金融風險管理的目標及政策(續)

客戶合約產生之應收貿易賬款

信貸風險及減值評估

客戶合約產生之應收貿易賬款(續)

本集團存在信貸風險集中的情況，原因為於2022年12月31日的應收貿易賬款總額中約52.06%(2021年12月31日：74.25%)為應收客戶A(2021年12月31日：客戶A)的款項。

銀行結餘及已質押銀行存款

已質押銀行存款及銀行結餘的信貸風險有限，原因為交易對手方為高信貸評級的信譽良好的銀行及／或中國的認可銀行。

於2022年12月31日，約20%、15%及14%的總已質押銀行存款及銀行結餘分別存於銀行A、銀行B及銀行C(2021年12月31日：14%、14%及13%的總已質押銀行存款及銀行結餘分別存於銀行D、銀行E及銀行A)。

其他應收款項

管理層基於歷史支付記錄、過往經驗以及合理及支持性前瞻性資訊對其他應收款項的可回收性作出定期個別評估。管理層相信，該等款項的信貸風險自初次確認後概無重大增加，且本集團已按12個月預期信貸虧損作出減值撥備。於截至2022年12月31日止年度，本集團確認其他應收款項虧損撥備人民幣30,000元(2021年：人民幣476,000元)。

除上述應收貿易賬款、已質押銀行存款及銀行結餘的信貸風險集中情況外，本集團並無任何其他重大信貸集中風險。

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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

Other receivables (continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 應收貿易賬款	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 對手方違約的風險較低，且並無任何逾期款項	Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 透過內部編製的資料或外部來源顯示信貸風險自初始確認以來顯著增加	Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無信貸減值	Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無信貸減值
Loss 損失	There is evidence indicating that the asset is credit-impaired 有證據顯示資產已發生信貸減值	Lifetime ECL - credit-impaired 全期預期信貸虧損 - 信貸減值	Lifetime ECL - credit-impaired 全期預期信貸虧損 - 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團不認為日後可收回有關款項	Amount is written off 撇銷金額	Amount is written off 撇銷金額

41. 金融工具(續)

金融風險管理的目標及政策(續)

信貸風險及減值評估(續)

其他應收款項(續)

本集團內部信貸風險評級包括以下類別：



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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

41. 金融工具(續)

金融風險管理的目標及政策(續)

信貸風險及減值評估(續)

下表詳列本集團根據預期信貸虧損評估的金融資產信貸風險：

	Notes 附註	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amount 2022 賬面總值2022年 RMB'000 人民幣千元	Gross carrying amount 2021 賬面總值2021年 RMB'000 人民幣千元
Financial assets at amortised costs 按攤銷成本計量的金融資產					
Pledged bank deposits 已質押銀行存款	26	N/A 不適用	12m ECL 12個月預期信貸虧損	187,339	168,674
Bank balances 銀行結餘	26	N/A 不適用	12m ECL 12個月預期信貸虧損	2,361,909	2,089,620
Other receivables 其他應收款項	24	Low risk 低風險	12m ECL 12個月預期信貸虧損	192,857	20,576
Bill receivables 應收票據	24	Low risk 低風險	12m ECL 12個月預期信貸虧損	14,268	1,176
Trade receivables (Note) 應收貿易賬款(附註)					
- raw milk - 原料奶	24	Low risk 低風險	Lifetime ECL (individual assessment, not credit-impaired) 全期預期信貸虧損(個別評估， 無信貸減值)	922,754	885,438
- feeds - 飼料	24	Low risk 低風險	Lifetime ECL (collective assessment, not credit-impaired) 全期預期信貸虧損(集體評估， 無信貸減值)	710,411	158,722

Note: For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group performs impairment assessment under ECL model on trade receivables individually or collectively with appropriate groupings, of which these receivables are grouped based on shared credit risk characteristics by reference to past due information for the customers.

附註：就應收貿易賬款，本集團已應用國際財務報告準則第9號內的簡化方法以全期預期信貸虧損計量虧損撥備。本集團在預期信貸虧損模型下對應收貿易賬款進行個別或通過適當分組的集體減值評估，其中該等應收款項按照共同的信貸風險特徵，參照客戶的過往逾期資料進行集體分組。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

Other receivables (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

41. 金融工具(續)

金融風險管理的目標及政策(續)

信貸風險及減值評估(續)

其他應收款項(續)

下表列示根據簡化方法已確認應收貿易賬款於全期預期信貸虧損的變動。

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (無信貸減值) RMB'000 人民幣千元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (信貸減值) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2021	於2021年1月1日	–	8,483	8,483
Changes due to financial instruments recognised as at 1 January 2021:	於2021年1月1日由於 已確認金融工具引致的 變動：			
– Write-offs	– 撇銷	–	(8,483)	(8,483)
As at 31 December 2021	於2021年12月31日	–	–	–
New financial assets originated:	源生的新金融資產：	1,965	–	1,965
As at 31 December 2022	於2022年12月31日	1,965	–	1,965

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier.

倘有資料顯示債務人面對嚴重財務困難且收回款項的機率不大(如債務人遭清盤或啟動破產程序，以較早者為準)，本集團將撇銷應收貿易賬款。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk

The Group had net current liabilities of RMB541,093,000 as at 31 December 2022 (31 December 2021: RMB723,466,000). The Directors closely monitor the cash flows of the Group and, upon maturity, would arrange the renewal and refinancing of the borrowing facilities, when necessary, to ensure the Group has sufficient funds to enable the Group to meet its financial obligations. In addition, taking into account, (i) the available credit facilities of approximately RMB5,759,918,000 which remain unutilised as at 31 December 2022, of which an amount of RMB1,000,000,000 is from Inner Mongolia Mengniu, a subsidiary of Mengniu, and the remaining facilities are from licensed banks; (ii) the expected net cash inflows generated from the Group's operations for the next twelve months, the Directors are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

The Group finances their operations by using a combination of borrowings and equity. Adequate lines of credit, including a facility of RMB1,000,000,000 from Inner Mongolia Mengniu are maintained to ensure necessary funds are available when required. The Directors monitor the liquidity position of the Group on a periodical basis to ensure the availability of sufficient liquid funds to meet all obligations. With reference to the existing unutilised facilities, the Directors consider the liquidity and source of funds for the daily operation and capital expenditure are sufficient.

41. 金融工具(續)

金融風險管理的目標及政策(續)

流動資金風險

本集團於2022年12月31日的流動負債淨額為人民幣541,093,000元(2021年12月31日：人民幣723,466,000元)。董事密切監控本集團的現金流量狀況，並於到期時將會安排對銀行融資進行續期及再融資(如需要)，以確保本集團擁有充足的備用資金使本集團能夠應付其財務責任。此外，經考慮(i)於2022年12月31日的可供動用信貸融資約人民幣5,759,918,000元並未動用(其中人民幣1,000,000,000元來自內蒙古蒙牛(蒙牛的附屬公司)，剩餘融資來自持牌銀行)；(ii)未來十二個月本集團營運產生的預期現金流入淨額，董事信納本集團將能夠在可見將來在到期時充分履行其財務責任。因此，綜合財務報表根據持續經營基準編製。

本集團結合借款及股權為其營運提供資金。為確保於有需要時可取得必需的資金，已備有充裕的信貸額(包括來自內蒙古蒙牛的融資人民幣1,000,000,000元)。董事定期監察本集團的流動資金水平，以確保可取得足夠的流動資金履行所有責任。經參考現有未動用融資，董事認為，日常經營及資本開支所需的流動資金及資金來源充足。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk (continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial liabilities. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative financial liabilities that settle on a net basis, and the undiscounted gross (inflows) and outflows on those derivatives that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial liabilities is prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

41. 金融工具(續)

金融風險管理的目標及政策(續)

流動資金風險(續)

下表詳列本集團餘下非衍生金融負債的合約到期情況。該表根據本集團可能被要求支付的最早日期的金融負債未貼現現金流量而編製。

表中金額包括利息及本金現金流量。倘利息流量為浮息利率，則未貼現金額由報告期末利率得出。

此外，下表詳列本集團就其衍生金融負債流動資金分析。該表的編製基準是按淨額基準結算衍生金融負債的未貼現合約現金(流入)及流出淨額以及該等需要總額結算的衍生工具的未貼現總(流入)及流出。倘應償還金額並未確定，所披露金額乃參考於報告期末時現有孳息曲線列示的預測利率而釐定。本集團衍生金融負債流動資金分析乃根據合約到期情況編製，由於管理層認為合約到期情況對瞭解衍生工具現金流量的時間至關重要。



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綜合財務報表附註

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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk (continued)

41. 金融工具(續)

金融風險管理的目標及政策(續)

流動資金風險(續)

		Interest rates	Within 180 days	181 days to 365 days	1-2 years	Over 2 years	Total undiscounted cash flows	Carrying amount
		利率	180天內	181天至365天內	1至2年	超過2年	未貼現現金流量總額	賬面值
		%	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
As at 31 December 2022	於2022年12月31日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付貿易賬款及其他應付款項		2,221,314	725,381	-	-	2,946,695	2,946,695
Fixed interest rate bank borrowings	定息銀行借款	1.65-8.16	1,872,524	1,718,037	1,779,113	2,045,188	7,414,862	7,050,995
Variable interest rate bank borrowings	浮息銀行借款	1.65-6.85	1,381,708	13,534	63,839	107,030	1,566,111	1,532,590
Fixed interest rate other borrowings	定息其他借款	3.59-12.00	10,161	13,328	83,143	198,166	304,798	293,819
Fixed interest short term debenture	定息短期融資券	4.00	101,000	-	-	-	101,000	100,522
Fixed interest rate long term bonds	定息長期債券	2.13	37,822	37,205	75,232	3,632,353	3,782,612	3,493,016
Lease liabilities	租賃負債	3.38-5.90	62,736	51,460	118,728	1,294,484	1,527,408	1,068,045
			5,687,265	2,558,945	2,120,055	7,277,221	17,643,486	16,485,682
Derivatives-gross settlement	衍生工具 - 以總額結算							
Foreign currency option contracts	外幣期權合約							
- inflow	- 流入		(15,964)	-	-	(23,679)	(39,643)	(39,643)
- outflow	- 流出		30,352	-	-	67,325	97,677	97,677

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41. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk (continued)

41. 金融工具(續)

金融風險管理的目標及政策(續)

流動資金風險(續)

		Interest rates	Within 180 days	181 days to 365 days	1-2 years	Over 2 years	Total undiscounted cash flows	Carrying amount
		利率	180天內	181天至365天內	1至2年	超過2年	未貼現現金流量總額	賬面值
		%	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
As at 31 December 2021	於2021年12月31日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付貿易賬款及其他應付款項	-	219,361	2,681,308	-	-	2,900,669	2,900,669
Fixed interest rate bank borrowings	定息銀行借款	2.85-7.26	649,458	1,377,317	125,036	993,813	3,145,624	2,971,548
Variable interest rate bank borrowings	浮息銀行借款	1.21-6.85	260,409	176,525	1,214,503	163,082	1,814,519	1,694,468
Fixed interest rate other borrowings	定息其他借款	3.85-12.00	435,281	742	17,500	205,504	659,027	637,004
Fixed interest rate long term bonds	定息長期債券	2.13	34,624	34,059	68,683	3,394,086	3,531,452	3,191,719
Lease liabilities	租賃負債	4.65-5.70	39,191	34,620	62,377	711,285	847,473	567,512
			1,638,324	4,304,571	1,488,099	5,467,770	12,898,764	11,962,920
Derivatives-net settlement	衍生工具 - 以淨額結算							
Interest rate swap contracts outflow	利率掉期合約流出		3,999	854	(1,415)	-	3,438	3,446
Derivatives-gross settlement	衍生工具 - 以總額結算							
Foreign currency option contracts	外幣期權合約							
- inflow	- 流入		-	(671)	(15,103)	(25,191)	(40,965)	(40,965)
- outflow	- 流出		-	14,983	86,325	52,299	153,607	153,607

Note: The amounts included above for variable interest rate borrowings are subject to change if changes in variable interest rates differ from these estimates of interest rates determined at the end of the reporting period.

附註：倘浮動利率的變化與報告期末釐定的利率估計有差異，則上述浮息借款包括的金額會有所不同。



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42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

42. 融資活動所產生負債的對賬

下表詳列本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生的負債為現金流量已經或未來現金流量將於本集團綜合現金流量表中分類為融資活動所產生的現金流量的該等負債。

		Bank borrowings (Note 28) 銀行借款 (附註28) RMB'000 人民幣千元	Long term bonds (Note 31) 長期債券 (附註31) RMB'000 人民幣千元	Short term debenture (Note 30) 短期融資券 (附註30) RMB'000 人民幣千元	Other borrowings (Note 29) 其他借款 (附註29) RMB'000 人民幣千元	Lease liabilities (Note 32) 租賃負債 (附註32) RMB'000 人民幣千元	Derivative financial instruments (Note 25) 衍生金融工具 (附註25) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	5,642,326	-	-	-	219,893	72,193	5,934,412
Financing cash flows	融資現金流量	(2,605,995)	3,200,760	-	(25,852)	(25,340)	(170)	543,403
Acquired on business combination	業務合併時收購	1,483,912	-	-	591,619	320,994	-	2,396,525
Acquired on asset acquisitions	資產收購時收購	-	-	-	60,095	18,736	-	78,831
New leases entered	新訂立租賃	-	-	-	-	20,339	-	20,339
Foreign exchange	外匯	(42,151)	(44,035)	-	-	-	-	(86,186)
Interest expenses	利息開支	187,924	34,994	-	11,142	12,890	-	246,950
Fair value adjustments	公平值調整	-	-	-	-	-	(23,472)	(23,472)
At 31 December 2021	於2021年12月31日	4,666,016	3,191,719	-	637,004	567,512	48,551	9,110,802
Financing cash flows	融資現金流量	3,369,955	(69,723)	100,000	(427,483)	(93,127)	(24,417)	2,855,205
Acquired on business combination	業務合併時收購	154,444	-	-	72,378	97,948	-	324,770
New leases entered	新訂立租賃	-	-	-	-	496,207	-	496,207
Eliminated on termination of leases	終止租賃時撤銷	-	-	-	-	(37,335)	-	(37,335)
Foreign exchange	外匯	115,859	291,903	-	-	-	-	407,762
Interest expenses	利息開支	277,311	79,117	522	11,920	36,840	-	405,710
Fair value adjustments	公平值調整	-	-	-	-	-	(7,456)	(7,456)
At 31 December 2022	於2022年12月31日	8,583,585	3,493,016	100,522	293,819	1,068,045	16,678	13,555,665

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43. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2022, the Group entered into new lease agreements for the use of leased properties, lands, and farms for 2 to 42 years and one of the lease is fully subsidised by the local government. On the lease commencement, the Group recognised right-of-use assets of RMB505,578,000 (2021: RMB20,339,000), lease liabilities of RMB496,207,000 (2021: RMB20,339,000) and deferred income of RMB9,371,000 (2021: nil), respectively.

In addition, trade receivable of RMB38,961,000 (2021: RMB22,326,000) was offset by the same amount of consideration payable to Zhongyuan Seller according to a supplementary agreement as disclosed in Note 38(d) in 2022.

During the year ended 31 December 2021, an amount of RMB879,275,000 out of the total consideration for the acquisition of Fuyuan was satisfied by the issue of ordinary shares of the Company. Further details of the acquisition are set out in Note 38.

44. FAIR VALUE MEASUREMENTS

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

The Group's biological assets are measured at fair value less costs to sell, equity investment at FVTOCI and derivative financial instruments are measured at fair values at the end of each reporting period. The Directors have set up a valuation team, which is headed up by the chief financial officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 and Level 2 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The valuation team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The chief financial officer reports the valuation team's findings to the Directors semi-annually to explain the cause of fluctuations in the fair value of the assets and liabilities.

43. 重大非現金交易

於截至2022年12月31日止年度，本集團訂立有關租賃物業、土地及牧場使用的新租賃協議，為期2至42年，其中一項租賃由地方政府全部補貼。租賃開始時，本集團分別確認使用權資產、租賃負債及遞延收入人民幣505,578,000元(2021年：人民幣20,339,000元)、人民幣496,207,000元(2021年：人民幣20,339,000元)及人民幣9,371,000元(2021年：零)。

此外，根據附註38(d)披露的2022年補充協議，應付貿易賬款人民幣38,961,000元(2021年：人民幣22,326,000元)被應付中元賣方的相同金額代價所抵銷。

於截至2021年12月31日止年度，收購富源的總代價中的人民幣879,275,000元已通過發行本公司普通股的方式支付。有關收購事項的進一步詳情載列於附註38。

44. 公平值計量

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

本集團的生物資產按公平值減出售成本計量，按公平值計入其他全面收入的權益投資及衍生金融工具於各報告期末按公平值計量。董事已成立估值團隊，由本公司首席財務官領導，以釐定適當的估值技術及公平值計量的輸入數據。

估計資產或負債的公平值時，本集團使用可用市場可觀察數據。倘第一級及第二級的輸入數據不可用，本集團會委聘第三方合資格估值師進行估值。估值團隊與合資格外聘估值師緊密合作，為模型確立合適的估值方法及輸入數據。首席財務官每半年向董事呈報估值團隊的發現以闡釋資產及負債公平值波動的原因。



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44. FAIR VALUE MEASUREMENTS (continued)

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

The following table gives information about how the fair values of these assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 2 and 3) based on the degree to which the inputs to the fair value measurements is observable.

Fair value hierarchy

44. 公平值計量

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

下表提供有關根據公平值計量的輸入數據的可觀察程度如何釐定該等資產及負債的公平值(特別是所使用的估值方法及輸入數據)、及公平值計量所劃分的公平值級別水平(第二及三級)的資料。

Fair value hierarchy		公平值級別		
Assets (liabilities)		Fair value as at 31 December 2022 於2022年 12月31日的 公平值 RMB'000 人民幣千元	Fair value as at 31 December 2021 於2021年 12月31日的 公平值 RMB'000 人民幣千元	Fair value hierarchy 公平值級別
Biological assets	生物資產	10,631,171	9,404,924	Level 3 第三級
Derivative financial instruments	衍生金融工具			
- Interest rate swaps	- 利率掉期	16,945	-	Level 2 第二級
- Foreign currency option contracts	- 外匯期權合約	5,257	-	Level 2 第二級
- CFCCS	- CFCCS	19,154	67,537	Level 2 第二級
Equity instruments at FVTOCI	按公平值計入其他全面 收入的權益工具			
- Listed equity securities- Austasia	- 上市權益證券- 澳亞	65,635	-	Level 2 第二級
- Listed equity securities- Others	- 上市權益證券- 其他	1,826	-	Level 1 第一級
- Unlisted equity investments	- 非上市權益投資	38,768	2,655	Level 3 第三級
Derivative financial instruments	衍生金融工具			
- Interest rate swaps	- 利率掉期	-	(3,446)	Level 2 第二級
- Foreign currency option contracts	- 外匯期權合約	(58,034)	(112,642)	Level 2 第二級

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44. FAIR VALUE MEASUREMENTS (continued)

Valuation techniques used in fair value measurements

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values, as well as the significant unobservable inputs used in the valuation models:

44. 公平值計量(續)

公平值計量使用的估值方法

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

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Foreign currency option contracts	Garman-Kohlhagen model	N/A	N/A
外幣期權合約	Garman-Kohlhagen模型	不適用	不適用
Interest rate swaps	Discounted cash flow	N/A	N/A
利率掉期	Future cash flows are estimated based on forward interest rates (from observable interest rate at the end of reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties. 貼現現金流量 未來現金流量乃根據遠期利率(來自報告期末的可觀察利率)及合約利率估計，按反映多名對手方的信貸風險的利率貼現。	不適用	不適用
CFCCS	Garman-Kohlhagen model and	N/A	N/A
CFCCS	Discounted cash flow Since it is fixed-to-fixed cross currency swap, future cash flows are estimated based on the contract. Different cash flows in different currencies are discounted via the corresponding curves, and netted into the same currency as at the valuation date. Garman-Kohlhagen模型及貼現現金流量 由於是固定至固定的跨貨幣掉期，未來現金流量乃根據合約估計。不同貨幣的不同現金流量通過相應的曲線貼現，並在估值日以相同的貨幣淨額計算。	不適用	不適用



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44. FAIR VALUE MEASUREMENTS (continued)

Valuation techniques used in fair value measurements (continued)

44. 公平值計量(續)

公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Listed equity securities – Austasia 上市權益證券 – 澳亞	Share price and Asian-Option Model 股價及亞洲式期權模式	N/A 不適用	N/A 不適用
Unlisted equity investments 非上市權益投資	Market approach 市場法	Fair value is estimated based on value of comparable listed companies and discounted for lack of liquidity. 公平值乃按可資比較上市公司的價值作出估計及就流動性不足貼現。	An increase/decrease in the discount for lack of liquidity would result in a decrease/increase in the fair value measurement of the unquoted equity investments. 流動性不足貼現增加/減少可導致未報價權益投資公平值計量的減少/增加。
Heifers and calves 小母牛及小牛	The fair value of 14 months old heifers is determined by reference to the local market selling price. 十四個月的小母牛公平值乃參考當地市場售價釐定。	Average local market selling prices of the heifers of 14 months old were estimated at RMB 22,000 per head at 31 December 2022 (2021: RMB22,000). 於2022年12月31日，十四個月的小母牛的平均當地市場售價估計為每頭人民幣22,000元(2021年：人民幣22,000元)。	An increase in the estimated local market selling price used would result in an increase in the fair value measurement of the heifers and calves, and vice versa. 所用的估計當地市場售價增加將導致小母牛及小牛公平值計量的增加，反之亦然。



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44. FAIR VALUE MEASUREMENTS (continued)

Valuation techniques used in fair value measurements

(continued)

44. 公平值計量(續)

公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
	<p>The fair values of heifers and calves at age-group less than 14 months are determined by subtracting the estimated feeding costs required to raise the cows from their respective age at the end of the reporting period to 14 months plus the margins that would normally be required by a raiser. Conversely, the fair values of heifers at age group older than 14 months are determined by adding the estimated feeding costs required to raise the heifers from 14 months old to their respective age at the end of the reporting period plus the margins that would normally be required by a raiser.</p> <p>在小於十四個月的年歲組別的小母牛及小牛的公平值乃經減去將牛隻由其各自於報告期末的歲數培育至十四個月所須的估計飼養成本，加培育商一般所須利潤而釐定。相反地，在大於十四個月的年歲組別的小母牛的公平值乃經加上將小母牛由十四個月培育至其各自於報告期末的歲數所須的估計飼養成本，加培育商一般所須利潤而釐定。</p>	<p>Estimated average feeding costs per head plus margin that would normally be required by a raiser for heifers and calves younger than 14 months old are RMB 19,287 at 31 December 2022 (2021: RMB19,041 to 19,413); average estimated feeding costs per head plus margin that would normally be required by a raiser for heifers older than 14 months old are RMB 19,415 at 31 December 2022 (2021: RMB19,132 to 19,728).</p> <p>於2022年12月31日，就小於十四個月的小母牛及小牛而言，每頭牛估計平均飼養成本加培育商一般所須利潤為人民幣19,287元(2021年：人民幣19,041元至19,413元)；於2022年12月31日，就大於十四個月的小母牛而言，每頭牛平均估計飼養成本加培育商一般所須利潤為人民幣19,415元(2021年：人民幣19,132元至人民幣19,728元)。</p>	<p>An increase in the estimated feeding costs plus the margin that would normally be required by a raiser used would result in an increase/decrease in the fair value measurement of the heifers and calves older/younger than 14 months old, and vice versa.</p> <p>所用的估計飼養成本加培育商一般所須利潤增加將導致大於/小於十四個月的小母牛及小牛公平值計量的增加/減少，反之亦然。</p>



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44. FAIR VALUE MEASUREMENTS (continued)

Valuation techniques used in fair value measurements

(continued)

44. 公平值計量(續)

公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公平值計量之間的相互關係
類型	估值方法	重大不可觀察輸入數據	
Milkable cows 奶牛	The fair values of milkable cows are determined by using the multi-period excess earnings method, which is based on the discounted future cash flows to be generated by such milkable cows. 奶牛公平值透過使用多期超額收益法(基於將由有關奶牛產生的貼現未來現金流量)釐定。	The estimated feed costs per kg of raw milk used in the valuation process are range from RMB 2.13 to RMB 2.30 as at 31 December 2022 (2021: range from RMB2.21 to 2.36), based on the historical average feed costs per kg of raw milk after taking into consideration of inflation. 2022年12月31日，估值過程中使用的每公斤原料奶估計飼養成本為人民幣2.13元至人民幣2.30元(2021年：人民幣2.21元至2.36元)，乃基於每公斤原料奶的歷史平均飼養成本並計及通貨膨脹釐定。	An increase in the estimated feed costs per kg of raw milk used would result in a decrease in the fair value measurement of the milkable cows, and vice versa. 所用的每公斤原料奶估計飼養成本增加可導致奶牛公平值計量的下降，反之亦然。
		A milkable cow could have as many as six lactation cycles. Estimated average daily milk yield at each lactation cycle ranges from 32.36 kg to 34.56 kg as at ended 31 December 2022 (2021: 29.7kg to 34.5 kg), depending on the number of the lactation cycles and the individual physical condition. 奶牛有六個哺乳期。截至2022年12月31日止年度，各哺乳期的估計平均每日產奶量介乎32.36公斤至34.56公斤(2021年：29.7公斤至34.5公斤)，視哺乳期數目以及個別身體狀況而定。	An increase in the estimated daily milk yield per head used would result in an increase in the fair value measurement of the milkable cows, and vice versa. 所用的估計每頭牛每日產奶量增加可導致奶牛公平值計量的提高，反之亦然。



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44. FAIR VALUE MEASUREMENTS (continued)

Valuation techniques used in fair value measurements

(continued)

44. 公平值計量(續)

公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
		Estimated future market price for raw milk is range from RMB4.27 to RMB4.38 per kg at 31 December 2022 (2021: RMB4.15 to 4.64 per kg). 於2022年12月31日，估計未來原料奶市價為每公斤人民幣4.27元至4.38元(2021年：每公斤人民幣4.15元至4.64元)。	An increase in the estimated average selling price of raw milk used would result in a much higher percentage increase in the fair value measurement of the milkable cows, and vice versa. 所用的原料奶估計平均售價增加可導致奶牛公平值計量的極大比例增加，反之亦然。
		Discount rate for estimated future cash flow used is 12.50% at 31 December 2022 (2021: 12.60%). 於2022年12月31日，所用估計未來現金流量的貼現率為12.50%(2021年：12.60%)。	An increase in the estimated discount rate used would result in a decrease in the fair value measurement of the milkable cows, and vice versa. 所用的估計貼現率增加可導致奶牛公平值計量的下降，反之亦然。



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44. FAIR VALUE MEASUREMENTS (continued) Reconciliation of Level 3 fair value measurements

44. 公平值計量(續) 第三級公平值計量的對賬

		Equity instruments at FVTOCI 按公平值計入其他全面收入的權益工具 RMB'000 人民幣千元
Balance at 1 January 2021	於2021年1月1日的結餘	5,080
Total losses in other comprehensive income	於其他全面收入的虧損總額	(2,425)
At 31 December 2021	於2021年12月31日	2,655
Additions	添置	45,495
Total losses in other comprehensive income	於其他全面收入的虧損總額	(9,382)
At 31 December 2022	於2022年12月31日	38,768

The reconciliations for fair value measurements of the biological assets are disclosed in Note 22.

生物資產公平值計量的對賬披露於附註22。

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

The fair value of the long term bonds was USD424,362,500 (equivalent to RMB2,955,515,000) (31 December 2021: USD472,453,000 (equivalent to RMB3,012,215,000)) which was classified as Level 1 of the fair value hierarchy based on quoted prices in active markets and its carrying amount amounted to USD501,539,000 (equivalent to RMB3,493,016,000) (31 December 2021: USD500,607,000 (equivalent to RMB3,191,719,000)) as at 31 December 2022.

並非按經常基準以公平值計量的金融資產及金融負債的公平值

長期債券的公平值為424,362,500美元(相當於人民幣2,955,515,000元)(2021年12月31日: 472,453,000美元(相當於人民幣3,012,215,000元))，根據於活躍市場上的報價被分類為公平值級別的第一級，其於2022年12月31日的賬面值為501,539,000美元(相當於人民幣3,493,016,000元)(2021年12月31日: 500,607,000美元(相當於人民幣3,191,719,000元))。



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44. FAIR VALUE MEASUREMENTS (continued)

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

The Directors consider that the carrying amounts of other financial assets and financial liabilities measured at amortised cost in the consolidated financial statements approximate their fair values.

44. 公平值計量(續)

並非按經常基準以公平值計量的金融資產及金融負債的公平值(續)

董事認為綜合財務報表內按攤銷成本計量的其他金融資產及金融負債的賬面值與其公平值相若。

45. CAPITAL COMMITMENTS

45. 資本承擔

	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Capital expenditure contracted but not provided for in respect of acquisition of property, plant and equipment	261,798	244,469
就收購物業、廠房及設備已訂約但未計提撥備的資本開支		



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46. RELATED PARTY TRANSACTIONS

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

46. 關聯方交易

- (a) 除綜合財務報表其他部分所披露者外，於本年度，本集團與關聯方訂立以下交易：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Mengniu Group	蒙牛集團		
Sales of raw milk	銷售原料奶	9,201,510	5,977,915
Sales of feeds	銷售飼料	-	3,125
Purchase of liquid milk	採購液態奶	690	-
Purchase of feeds	採購飼料	60,144	35,673
Associates and a joint venture	聯營公司及合營企業		
Sales of feeds	銷售飼料	10,549	-
Sales of biological assets	銷售生物資產	84,115	-
Purchase of feeds	採購飼料	26,634	-
Purchase of power and utilities	採購能源及公用設施	39,182	19,998
Purchase of raw materials	採購原材料	6,550	4,808
Purchase of equipment	採購設備	11,084	1,718

The sales and purchase prices were determined on mutually agreed terms based on prices offered to independent third parties.

買賣價格乃根據向獨立第三方提供的價格按雙方協定的條款釐定。



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46. RELATED PARTY TRANSACTIONS (continued)

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

46. 關聯方交易(續)

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

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Mengniu Group	蒙牛集團		
Trade receivables	應收貿易賬款		
– raw milk	– 原料奶	849,273	759,391
– feeds	– 飼料	–	15,941
Prepayments	預付款項		
– liquid milk	– 液態奶	3,118	–
Trade payables	應付貿易賬款		
– feeds	– 飼料	–	21,615
Associates and a joint venture	聯營公司及合營企業		
Trade and other receivables	應收貿易賬款及其他應收款項		
– feeds	– 飼料	9,398	–
– biological assets	– 生物資產	61,915	–
Prepayments	預付款項		
– equipment	– 設備	2,677	–
Trade and other payables	應付貿易賬款及其他應付款項		
– feeds	– 飼料	23,390	–
– power and utilities	– 能源及公用設施	6,591	2,722
– raw materials	– 原材料	1,878	1,777
– equipment	– 設備	10,029	2,627



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46. RELATED PARTY TRANSACTIONS (continued)

(c) Other borrowings

Category	As at 1 January 2022 於2022年 1月1日 RMB'000 人民幣千元	Addition due to acquisition of subsidiaries 因收購附屬 公司而增加 RMB'000 人民幣千元	Drawdown during the year 年內籌集 RMB'000 人民幣千元	Repayment during the year 年內償還 RMB'000 人民幣千元	As at 31 December 2022 於2022年 12月31日 RMB'000 人民幣千元
Mengniu loans 蒙牛貸款	495,466	69,269	40,965	(569,915)	35,785

Category	As at 1 January 2021 於2021年 1月1日 RMB'000 人民幣千元	Addition due to acquisition of subsidiaries 因收購附屬 公司而增加 RMB'000 人民幣千元	Drawdown during the year 年內籌集 RMB'000 人民幣千元	Repayment during the year 年內償還 RMB'000 人民幣千元	As at 31 December 2021 於2021年 12月31日 RMB'000 人民幣千元
Mengniu loans 蒙牛貸款	-	501,616	6,731	(12,881)	495,466

Mengniu loans carry interests at fixed rates from 3.85% to 5.70% (31 December 2021: 3.85% to 5.70%) per annum as at 31 December 2022. The Group recognised interest expense of RMB5,215,532 for the year ended 31 December 2022 (for the year ended 31 December 2021: RMB6,731,000).

於2022年12月31日，蒙牛貸款按固定年利率3.85%至5.70%(2021年12月31日：3.85%至5.70%)計息。本集團確認截至2022年12月31日止年度的利息開支人民幣5,215,532元(截至2021年12月31日止年度：人民幣6,731,000元)。



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46. RELATED PARTY TRANSACTIONS (continued)

(d) Compensation of key management personnel

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

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries and other benefits	薪金及其他福利	11,239	11,552
Performance related bonuses	表現掛鈎花紅	17,060	22,550
Recognition of equity-settled share-based payments	確認按股權結算以股份支付的付款	13,935	6,157
Retirement benefits scheme contributions	退休福利計劃供款	776	665
		43,010	40,924

46. 關聯方交易 (續)

(d) 主要管理人員的薪酬

以下是主要管理人員於報告期間的酬金：

47. SUBSIDIARIES

Particulars of the Company's principal subsidiaries at 31 December 2022 and 2021 are as follows:

47. 附屬公司

於2022年及2021年12月31日，本公司的主要附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/主要 業務地點	Fully paid capital/ registered capital 已繳足股本/ 註冊資本	Equity interest attributable to the Company 本公司應佔股權				Principal activities 主要業務
			2022 2022年		2021 2021年		
			Directly 直接 %	Indirectly 間接 %	Directly 直接 %	Indirectly 間接 %	
Modern Farming (Notes i & v) 現代牧業(集團)(附註i及v)	The PRC 中國	RMB3,574,696,441 人民幣3,574,696,441元	-	98.36	-	98.35	Production of milk 生產牛奶
Modern Farming (Shanghe) Co., Ltd. (Note ii) 現代牧業(尚河)有限公司(附註ii)	The PRC 中國	RMB850,000,000 人民幣850,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

47. SUBSIDIARIES (continued)

47. 附屬公司 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/主要 業務地點	Fully paid capital/ registered capital 已繳足股本/ 註冊資本	Equity interest attributable to the Company 本公司應佔股權				Principal activities 主要業務
			2022 2022年		2021 2021年		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
			%	%	%	%	
Modern Farming (Zhangjiakou) Co., Ltd. (Note ii) 現代牧業(張家口)有限公司(附註ii)	The PRC 中國	RMB430,000,000 人民幣430,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Modern Farming (Baoji) Co., Ltd. (Note ii) 現代牧業(寶雞)有限公司(附註ii)	The PRC 中國	RMB60,000,000 人民幣60,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Modern Farming (Wuhe) Co., Ltd. (Note ii) 現代牧業(五河)有限公司(附註ii)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Modern Farming (Hefei) Co., Ltd. (Note ii) 現代牧業(合肥)有限公司(附註ii)	The PRC 中國	RMB40,000,000 人民幣40,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Modern Farming (Shuangcheng) Co., Ltd. (Note ii) 現代牧業(雙城)有限公司(附註ii)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

47. SUBSIDIARIES (continued)

47. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/主要 業務地點	Fully paid capital/ registered capital 已繳足股本/ 註冊資本	Equity interest attributable to the Company 本公司應佔股權				Principal activities 主要業務
			2022 2022年		2021 2021年		
			Directly 直接 %	Indirectly 間接 %	Directly 直接 %	Indirectly 間接 %	
Modern Farming (Chabei) Co., Ltd. (Note ii) 現代牧業(察北)有限公司(附註ii)	The PRC 中國	RMB90,000,000 人民幣90,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Zhongyuan (Notes ii & iv) 中元(附註ii&iv)	The PRC 中國	RMB380,000,000 人民幣380,000,000元	-	98.36	-	98.35	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Fuyuan (Notes i & iv) 富源(附註i&iv)	The PRC 中國	RMB1,522,400,000 人民幣1,522,400,000元	-	99.07	-	99.06	Production of milk 生產牛奶
Modern Farming Hengshui Co., Ltd. (Note iii) 現代牧業(衡水)有限公司(附註iii)	The PRC 中國	RMB199,837,000 人民幣199,837,000元	-	99.07	-	99.06	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Modern Farming (Suqian) Co., Ltd. (Note iii) 現代牧業(宿遷)有限公司(附註iii)	The PRC 中國	RMB110,000,000 人民幣110,000,000元	-	99.07	-	99.06	Breeding dairy cows and production of milk 飼養奶牛及生產牛奶
Tianjin Liang Yuan Technology Co., Ltd. (Note iii) 天津糧源科技有限公司(附註iii)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	-	99.07	-	99.06	Feed business 飼料業務
Aiyangniu (Note ii) 愛養牛(附註ii)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	-	73.77	-	-	Feed business 飼料業務



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47. SUBSIDIARIES (continued)

Notes:

- The entity was established in the PRC and became a sino-foreign investment enterprise.
- These entities were established in the PRC as domestic companies and owned by Modern Farming.
- These entities were established in the PRC as domestic companies and owned by Fuyuan.
- As at 31 December 2022, 100.00% (2021: 100.00%) of equity interests in Zhangyuan and 56.65% (2021: 56.65%) of equity interests in Fuyuan were pledged to bank borrowings of the Group (Note 28).
- In 2022, Aquitair Holdings Limited, which is a shareholder of Modern Farming and a wholly owned subsidiary of the Company, made capital injection of RMB75,000,000 to Modern Farming. After the capital injection, the equity interest of Modern Farming attributable to the Company was increased to 98.36%.

None of the subsidiaries had issued any debt securities at the end of the year except for Modern Farming which has issued short term debenture at a principal amount of RMB100,000,000 (2021: nil) as detailed in Note 30.

48. DETAILS OF NON-WHOLLY-OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly-owned subsidiary of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持所有權權益及投票權比例		Profit for the year allocated to non-controlling interests 分配至非控股權益的年內溢利		Accumulated non-controlling interests 累計非控股權益	
		2022 2022年	2021 2021年	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Modern Farming 現代牧業(集團)	The PRC 中國	1.64%	1.65%	15,096	14,933	175,762	162,655

47. 附屬公司(續)

附註：

- 該實體在中國成立，並成為中外投資企業。
- 該等實體在中國成立，作為國內公司，由現代牧業(集團)擁有。
- 該等實體在中國成立，作為國內公司，由富源擁有。
- 於2022年12月31日，中元的100.00%(2021年：100.00%)股權及富源的56.65%(2021年：56.65%)股權已被質押作為本集團的銀行借款的擔保(附註28)。
- 2022年，現代牧業(集團)的股東並為本公司全資附屬公司的Aquitair Holdings Limited向現代牧業(集團)注資人民幣75,000,000元。注資後，本公司應佔現代牧業(集團)的股權增至98.36%。

除現代牧業(集團)已發行本金人民幣100,000,000元(2021年：無)短期融資券(詳見附註30)外，年末附屬公司均未發行任何債務證券。

48. 擁有重大非控股權益的非全資附屬公司的詳情

下表載列擁有重大非控股權益的本集團非全資附屬公司的詳情：

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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

48. DETAILS OF NON-WHOLLY-OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (continued)

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Modern Farming and its subsidiaries

48. 擁有重大非控股權益的非全資附屬公司的詳情(續)

有關擁有重大非控股權益的本集團附屬公司的財務資料概要如下。下文財務資料概要指集團公司間抵銷前的金額。

現代牧業(集團)及其附屬公司

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current assets	流動資產	8,283,631	5,641,368
Non-current assets	非流動資產	20,195,963	18,008,471
Current liabilities	流動負債	(8,940,036)	(6,127,047)
Non-current liabilities	非流動負債	(7,439,860)	(6,158,767)
Equity attributable to owners of the Company	本公司擁有人應佔權益	11,720,515	11,114,222
Non-controlling interests of Modern Farming attributable to outside shareholders	外部股東應佔的現代牧業(集團)非控股權益	175,762	162,655
Non-controlling interests of Modern Farming's subsidiaries	現代牧業(集團)附屬公司的非控股權益	203,421	87,148



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48. DETAILS OF NON-WHOLLY-OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (continued)

48. 擁有重大非控股權益的非全資附屬公司的詳情(續)

		Year ended 31/12/2022 截至2022年 12月31日 止年度 RMB'000 人民幣千元	Year ended 31/12/2021 截至2021年 12月31日 止年度 RMB'000 人民幣千元
Revenue	收入	12,295,091	7,078,470
Expenses	開支	11,467,320	6,162,944
Profit attributable to owners of the Company	本公司擁有人應佔溢利	810,002	901,159
Profit attributable to non-controlling interests of Modern Farming attributed to outside shareholders	外部股東應佔現代牧業(集團)非控股權益應佔的溢利	15,096	14,933
Profit attributable to non-controlling interests of Modern Farming's subsidiaries	現代牧業(集團)附屬公司非控股權益應佔的溢利	2,673	(566)
Net cash inflow from operating activities	經營活動現金流入淨額	1,585,679	1,882,796
Net cash outflow from investing activities	投資活動現金流出淨額	(3,923,505)	(2,970,150)
Net cash inflow from financing activities	融資活動現金流入淨額	2,742,035	1,429,017
Net cash inflow	現金流入淨額	404,209	341,663



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FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

49. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

Information about the financial position of the Company at the end of the reporting period includes:

49. 本公司的財務狀況表及儲備

於報告期末有關本公司財務狀況的資料包括：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
NON-CURRENT ASSETS			
	非流動資產		
Investments in subsidiaries	投資於附屬公司	9,398,519	8,787,099
Amounts due from subsidiaries	應收附屬公司款項	3,792,622	4,154,113
Derivative financial instruments	衍生金融工具	19,154	67,537
		13,210,295	13,008,749
CURRENT ASSETS			
	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	581	532
Bank balances and cash	銀行結餘及現金	92,969	310,509
Derivative financial instruments	衍生金融工具	18,260	-
		111,810	311,041
CURRENT LIABILITIES			
	流動負債		
Other payables	其他應付款項	571	998
Amounts due to subsidiaries	應付附屬公司款項	437,534	222,275
Long term bonds	長期債券	34,944	31,989
Bank borrowings	銀行借款	867,009	-
Derivative financial instruments	衍生金融工具	14,388	17,235
		1,354,446	272,497
NET CURRENT (LIABILITIES) ASSETS	流動(負債)資產淨額	(1,242,636)	38,544
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	11,967,659	13,047,293



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49. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

49. 本公司的財務狀況表及儲備(續)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
CAPITAL AND RESERVES			
Share capital	資本及儲備 股本	675,869	675,869
Reserves	儲備	7,790,072	8,231,126
TOTAL EQUITY		8,465,941	8,906,995
NON-CURRENT LIABILITIES			
Bank borrowings	非流動負債 銀行借款	-	882,238
Derivative financial instruments	衍生金融工具	43,646	98,330
Long term bonds	長期債券	3,458,072	3,159,730
		3,501,718	4,140,298
		11,967,659	13,047,293

ZHAO Jiejun

趙傑軍

Director

董事

SUN Yugang

孫玉剛

Director

董事



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49. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Movements in equity

49. 本公司的財務狀況表及儲備(續)

權益變動

		Share capital	Share premium	Other reserve	Share award reserve	Accumulated losses	Total
		股本	股份溢價	其他儲備	股份獎勵儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2021	於2021年1月1日的結餘	555,535	4,985,082	1,382,199	7,489	(182,985)	6,747,320
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	-	-	-	119,728	119,728
Vesting of award shares	獎勵股份歸屬	-	-	-	(9,447)	(4,418)	(13,865)
Recognition of equity-settled share-based payments	確認按股權結算以股份支付的付款	-	-	-	22,224	-	22,224
Issue of shares	發行股份	120,334	2,053,786	-	-	-	2,174,120
Dividends recognised as distribution	確認為分派的股息	-	(142,532)	-	-	-	(142,532)
Balance at 31 December 2021	於2021年12月31日的結餘	675,869	6,896,336	1,382,199	20,266	(67,675)	8,906,995
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	-	(245,342)	(245,342)
Vesting of award shares	獎勵股份歸屬	-	-	-	(37,776)	1,504	(36,272)
Recognition of equity-settled share-based payments	確認按股權結算以股份支付的付款	-	-	-	44,950	-	44,950
Dividends recognised as distribution	確認為分派的股息	-	(204,390)	-	-	-	(204,390)
Balance at 31 December 2022	於2022年12月31日的結餘	675,869	6,691,946	1,382,199	27,440	(311,513)	8,465,941



FINANCIAL SUMMARY

財務概要

The following is a summary of the published audited consolidated financial statement of China Modern Dairy Holdings Limited and its subsidiaries for the respective years.

以下為中國現代牧業控股有限公司及其附屬公司於相關年度的已刊發經審核綜合財務報表的概要。

RESULTS

For the year ended 31 December

業績

截至12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Revenue	收入	12,295,091	7,078,470	6,020,247	5,514,210	4,956,811
Profit/(loss) before finance costs and tax	除融資成本及稅項前溢利/(虧損)	974,600	1,233,354	1,103,028	727,208	(167,038)
Finance costs	融資成本	(379,559)	(198,132)	(318,624)	(376,795)	(338,622)
Profit/(loss) before tax	除稅前溢利/(虧損)	595,041	1,035,222	784,404	350,413	(505,660)
Income tax expense	所得稅開支	(14,775)	(2,023)	(639)	(556)	(513)
Profit/(loss) for the year	年內溢利/(虧損)	580,266	1,033,199	783,765	349,857	(506,173)
Profit/(loss) for the year attributable to:	以下各方年內應佔溢利/(虧損)：					
Owners of the Company	本公司擁有人	562,497	1,018,832	770,010	341,270	(496,088)
Non-controlling interests	非控股權益	17,769	14,367	13,755	8,587	(10,085)
		580,266	1,033,199	783,765	349,857	(506,173)
Earnings/(loss) per share (RMB)	每股盈利/(虧損)(人民幣)					
Basic (cents)	基本(分)	7.16	14.43	12.07	5.54	(8.15)
Diluted (cents)	攤薄(分)	7.13	14.39	12.04	5.52	(8.15)



FINANCIAL SUMMARY

財務概要

As at 31 December

於12月31日

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Assets and liabilities	資產及負債					
Property, plant and equipment	物業、廠房及設備	5,702,907	5,312,970	3,317,719	3,455,068	3,920,685
Right-of-use assets	使用權資產	1,256,949	725,164	303,849	320,161	-
Land use rights	土地使用權	-	-	-	-	117,220
Goodwill	商譽	2,406,658	2,075,591	1,322,457	1,371,266	1,398,589
Other intangible assets	其他無形資產	45,258	3,777	-	-	-
Interest in associates	於聯營公司權益	458,917	353,278	289,860	215,392	180,913
Equity instruments at FVTOCI	按公平值計入其他全面 收入的權益工具	106,229	2,655	5,080	3,959	2,508
Prepayments	預付款項	29,936	54,238	-	-	-
Derivative financial instruments	衍生金融工具	19,154	67,537	-	-	-
Pledged bank deposits	已質押銀行存款	-	127,043	122,706	-	-
Bank balances	銀行結餘	236,281	201,881	20,637	-	-
Biological assets	生物資產	10,631,171	9,404,924	7,101,243	7,459,359	7,717,113
Deferred tax assets	遞延稅項資產	827	2,337	-	-	-
Net current liabilities	流動負債淨額	(541,093)	(723,466)	(1,881,191)	(3,537,886)	(3,883,813)
Total assets less current liabilities	總資產減流動負債	20,353,194	17,607,929	10,602,360	9,287,319	9,453,215
Non-current liabilities	非流動負債	8,709,894	6,493,195	(2,563,916)	(2,079,618)	(2,899,082)
NET ASSETS	資產淨值	11,643,300	11,114,734	8,038,444	7,207,701	6,554,133
Capital and reserves	資本及儲備					
Share capital	股本	675,869	675,869	555,535	551,007	526,058
Share premium and reserves	股份溢價及儲備	10,588,248	10,189,062	7,341,388	6,530,510	5,919,237
Equity attributable to owners of the Company	本公司擁有人應佔權益	11,264,117	10,864,931	7,896,923	7,081,517	6,445,295
Non-controlling interests	非控股權益	379,183	249,803	141,521	126,184	108,838
TOTAL EQUITY	總權益	11,643,300	11,114,734	8,038,444	7,207,701	6,554,133





MODERN FARMING
现代牧业

China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1117



Purity 純



Genuineness 真



Freshness 鮮



Vitality 活

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