雅士利®

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

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

2020 年報
ANNUAL REPORT

CONTENTS 目錄

CORPORATE INFORMATION
公司資料

BOARD OF DIRECTORS

Non-executive directors
Mr. Jeffrey, Minfang Lu *(Chairman)*
Mr. Qin Peng
Mr. Zhang Ping
Mr. Gu Peiji (alias Philip Gu)

Executive director
Mr. Yan Zhiyuan *(Chief Executive Officer)* [1]

Independent non-executive directors
Mr. Mok Wai Bun Ben
Mr. Cheng Shoutai
Mr. Lee Kong Wai Conway

NOMINATION COMMITTEE

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

REMUNERATION COMMITTEE

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

AUDIT COMMITTEE

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

AUTHORIZED REPRESENTATIVES

Mr. Yan Zhiyuan[1]
Mr. Zhang Ping

董事會

非執行董事
盧敏放先生*(主席)*
秦鵬先生
張平先生
顧培基(又名Philip Gu)先生

執行董事
閆志遠先生*(行政總裁)*[1]

獨立非執行董事
莫衛斌先生
程守太先生
李港衛先生

提名委員會

盧敏放先生*(主席)*
莫衛斌先生
程守太先生

薪酬委員會

莫衛斌先生*(主席)*
盧敏放先生
秦鵬先生
程守太先生
李港衛先生

審核委員會

李港衛先生*(主席)*
莫衛斌先生
張平先生

授權代表

閆志遠先生[1]
張平先生

COMPANY SECRETARY

Mr. Kwok Wai Cheong, Chris

PRINCIPAL PLACE OF BUSINESS IN THE PRC

11/F, East Tower, Skyline Plaza
832 Yuejiang Road Central
Haizhu District, Guangzhou City
Guangdong Province
The People's Republic of China (the "**PRC**")

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

REGISTERED ADDRESS OF THE COMPANY

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

公司秘書

郭偉昌先生

中國主要營業地點

中華人民共和國(「**中國**」)
廣東省
廣州市海珠區
閱江中路832號
保利發展廣場東塔11樓

香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈
32樓A室

公司註冊地址

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

HONG KONG BRANCH SHARE REGISTRAR

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

香港股份過戶登記分處

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

INVESTOR RELATIONS DEPARTMENT

Office of the Board

投資者關係部門

董事會辦公室

INVESTOR ENQUIRY HOTLINE

+86-20-37795190
+852-2845-1230

投資者諮詢熱線

+86-20-37795190
+852-2845-1230

INVESTOR ENQUIRY EMAIL ADDRESS

ir@yashili.cn

投資者諮詢郵箱

ir@yashili.cn

STOCK CODE

Hong Kong Stock Exchange 01230

股份代號

香港聯合交易所 01230

COMPANY'S WEBSITE

www.yashili.hk

公司網站

www.yashili.hk

PRINCIPAL BANKERS

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

主要往來銀行

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

LEGAL ADVISERS

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

As to Cayman law
Conyers, Dill & Pearman

法律顧問

香港法律
蘇利文 • 克倫威爾律師事務所(香港)
有限法律責任合夥

開曼法律
康德明律師事務所

AUDITORS

Ernst & Young, Certified Public Accountants

核數師

安永會計師事務所，執業會計師

Note:
(1) Appointed on 8 January 2020.

附註：
(1) 於2020年1月8日獲委任。


Gathering
THE BEST WORLDWIDE
for Chinese babies
為中國寶寶
聚全球的好

Letter to shareholders
致股東的信

On behalf of the board of directors (the "Board") of Yashili International Holdings Ltd, I hereby present the Annual Report of the Group for the year ended 31 December 2020 to all shareholders of the Company (the "Shareholders").

本人謹代表雅士利國際控股有限公司董事會(「董事會」),在此向本公司全體股東(「股東」)提呈本集團截至2020年12月31日止年度之年報。

CHAIRMAN 主席

DEAR SHAREHOLDERS,

On behalf of the board of directors (the "Board") of Yashili International Holdings Ltd, I hereby present the Annual Report of the Group for the year ended 31 December 2020 to all shareholders of the Company (the "Shareholders").

In recent years, with the decreased number of newborns, the demographic dividend gradually diminished, and the policy control over the quality of milk powder products continued to be strengthened, the domestic infant milk powder market entered a stage of inventory competition, further eliminating the weak among the strong in the industry. The COVID-19 pandemic and the boom of domestic brands brought valuable development opportunities for leading domestic milk powder brands. In addition, on 8 February 2020, the National Health Commission issued the Nutritional Dietary Guidelines for Prevention and Treatment of Pneumonia infected by COVID-19 (新型冠狀病毒感染的肺炎防治營養膳食指導), which recommended that the general population should consume 300 grams of dairy products per day to help improve immunity, and thus significantly boosted the demand for adult milk powder, such as middle-aged and elderly milk powder, children milk powder and family milk powder. As a leading domestic milk powder brand, the Group further highlighted its advantages. In 2020, the sales and net profit of the Group achieved steady growth.

In 2020, the COVID-19 pandemic created more diverse and flexible digital marketing methods. Yashili also followed the trend by developing new digital marketing initiatives such as community interaction and live streaming to strengthen the interactive communication between brands and consumers. In June 2020, Yashili rebranded "Reeborne", its core infant formula brand by launching a series of new products under "Reeborne" with the product positioning of "staying closer to breast milk (進一步貼近母乳)". By making the best of the influence of brand ambassador and innovative digital marketing methods, with new brand propositions, remarkable quality and brand-new packaging image, Yashili shaped the new concept of infant formula milk powder of "breast milk-like (親乳)".

尊敬的各位股東：

本人謹代表雅士利國際控股有限公司董事會(「董事會」)，在此向本公司全體股東(「股東」)提呈本集團截止2020年12月31日止年度之年報。

近年來，新生兒數量減少，人口紅利逐漸消失，奶粉產品質量的政策管控持續加強，國內嬰幼兒奶粉市場進入存量競爭階段，行業內進一步汰弱留強。新冠疫情以及國產品牌熱潮，更是為國產奶粉頭部品牌帶來了難得的發展機遇。再者，2020年2月8日國家衛生健康委員會推出《新型冠狀病毒感染的肺炎防治營養膳食指導》，建議一般人群每天攝取300克的乳製品，有助於提高免疫力，中老年奶粉、兒童奶粉及家庭奶粉等成人奶粉的需求迎來了顯著的增長。作為國產頭部奶粉品牌，本集團的優勢進一步突顯。2020年，本集團的銷售額、淨利潤均實現穩步增長。

2020年，新冠疫情催生了更多樣更靈活的數字化營銷方式，雅士利亦順應趨勢，發展了社群互動、直播帶貨等數字化營銷新舉措，加強品牌與消費者的互動溝通。2020年6月，雅士利對核心嬰幼兒配方奶粉品牌「瑞哺恩」進行品牌煥新，以「進一步貼近母乳」的產品定位，全新推出多款「瑞哺恩」系列新品，充分借助代言人的影響力以及創新的數字化營銷方式，以新的品牌主張、卓越的品質及嶄新的包裝形象，塑造嬰幼兒配方奶粉「親乳」新概念。

Yashili always insisted in investing scientific research to continuously enhance and consolidate the advantages of its differentiated products and further meet the diversified nutritional needs during all stages of life of core consumer groups. In 2020, the Group formulated a full-line formula upgrade plan for the infant formula products that had been launched, continued to conduct research on the nutritional ingredients of breast milk, and innovatively developed infant milk powder with breast-milk formula. In addition, through the application of innovative functional ingredients, Yashili followed and the market trend and developed high-end adult functional milk powder to provide solutions for consumers who need immunity enhancement under the COVID-19 pandemic.

雅士利始終堅持科研投入，持續提升和鞏固差異化產品優勢，進一步滿足核心消費人群全生命周期的多元化營養需求。2020年，本集團對已上市的嬰幼兒配方產品制定了全綫配方升級方案，持續開展母乳營養成分研究，創新開發親乳配方的嬰幼兒乳粉。另外，順應市場趨勢，通過應用創新功能性配料，開發高端成人功能型奶粉，為新冠疫情下消費者對增強免疫力的需求提供了解決方案。

In 2020, Yashili continued to strengthen the channel layout of "Mother-and-baby Stores for Infant Formula Products, Modern Trade Channels for Nourishment Products, Rapidly Developing E-commerce Channels and Comprehensively Developing New Channels and New Products (嬰配奶粉聚焦母嬰渠道，營養品聚焦商超渠道，快速發展電商渠道，新渠道新產品全面發展)" and the in-depth development of both online and offline channels. In early 2020, at the beginning of the COVID-19 outbreak, in order to adapt to the changes in sales channels, Yashili increased investment in digital marketing, coupled with targeted channel product portfolios with a sound product line, building a solid distribution foundation in core sales channels. During the pandemic, the home delivery service of infant formula and nutrition products of the Group had also become a standard service, receiving good reputation from customers and consumers at all levels. In the second half of 2020, the Group continued to increase support for e-commerce business in terms of team and resources and deepened the cooperation with e-commerce platforms such as Alibaba and JD.com, while expanding social retail. In addition, the pandemic also accelerated the consumption transfer of adult milk powder from traditional retail to new retail. While the community group purchase and social e-commerce thrived, the frequency of ordering and the unit price of orders received by terminal stores from the platforms also increased significantly.

2020年，雅士利繼續加強「嬰配奶粉聚焦母嬰渠道，營養品聚焦商超渠道，快速發展電商渠道，新渠道新產品全面發展」的渠道布局，綫上綫下全渠道縱深發展。2020年初，新冠疫情爆發初期，為順應銷售渠道的變化，雅士利在數字化營銷上加大了投入，配合健全產品綫形成有針對性的渠道產品組合，在核心銷售渠道建立了扎實的分銷基礎。疫情下，本集團的嬰幼兒配方奶粉和營養品產品的送貨到家服務亦已成為標準的服務，在各級客戶和消費者心中建立了良好的口碑。2020年下半年，本集團在團隊和資源上對電商業務繼續加大支持，並加深與阿裏巴巴、京東等電商平台的合作，同時拓展社交零售。此外，疫情亦加速了成人奶粉從傳統零售到新零售的消費轉移，除了社區團購、社交電商大放異彩外，終端門店在平台的訂貨頻次和訂單單價亦明顯增加。

In 2020, Yashili launched a smart shopping guide platform to reshape the way of interaction with consumers by empowering shopping guidance with data. In addition, the Group created a new membership digital operation system through the establishment of a consumer point mall to further enhance the consumers' loyalty to the brand. In terms of business model, the Group created a brand-new operation model to facilitate the comprehensive digital upgrade of physical stores through Joyful-Shopping for staff members and Mengya Home.

2020年，雅士利上綫了智慧導購平台，通過以數據賦能導購，重塑與消費者的互動方式。另外，本集團通過建立消費者積分商城創立了新的會員數字化運營體系，進一步增強消費者的品牌粘性。在商業模式方面，本集團透過員工歡樂購和蒙雅到家，打造全新的營運模式，幫助實體門店進行全面數字化升級。

In early 2020, faced with the severe pandemic, the Group took the initiative to provide nutritional supplements and milk powder to the front-line staff in the fight against the pandemic and special families and children affected by the pandemic to ensure their nutritional needs are met, with a total value of RMB46 million, fully demonstrated the social commitment of the brand.

2020年初，面對嚴峻的疫情，本集團主動為抗疫一綫工作人員及受疫情影響的特殊家庭及兒童提供營養補充品及奶粉，保障其營養需要，總值達人民幣46百萬元，充分體現了品牌的社會擔當。

In 2021, with the continuous support of large-scale resource platforms such as COFCO, Mengniu, Danone and Arla Foods, Yashili will gather global high-quality resources to achieve the highest quality of the dairy industry, firmly root the social responsibility in the development of the enterprise and be committed to becoming the trustworthy brand of choice to provide consumers with comprehensive nutrition and health solutions.

2021年，雅士利將在中糧、蒙牛、達能和Arla Foods等大資源平台的持續支持下，集全球優質資源，達乳業至臻品質，把社會責任堅定植根於企業發展中，致力於成為值得消費者信賴的營養健康全方案首選品牌。

Jeffrey, Minfang Lu
Chairman
Hong Kong, 24 March 2021

盧敏放
主席
香港，2021年3月24日

SELECTED FINANCIAL DATA
挑選的財務數據

Year ended 31 December 截至12月31日止年度

(All amounts in Renminbi ("RMB") million unless otherwise stated)	(除特別列明外，所有金額以人民幣(「人民幣」)百萬元列示)	2020	2019	Percentage change 變動百分比
Key results	**主要業績**			
Revenue	收入	3,649.2	3,412.0	7.0%
Gross profit	毛利	1,333.8	1,266.8	5.3%
Operating profit	經營溢利	54.9	18.3	200.0%
Earnings before interest, tax, depreciation and amortization (EBITDA)	息稅折舊攤銷前盈利	210.3	156.9	34.1%
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	101.1	112.4	-10.1%
Net operating cash flow (Note 1)	經營現金流量淨額(附註1)	118.7	177.2	-33.0%
Basic earnings per share (RMB cents) (Note 2)	每股基本盈利(人民幣分)(附註2)	2.1	2.4	-12.5%
Net asset value per share (RMB yuan) (Note 3)	每股資產淨值(人民幣元)(附註3)	1.2	1.2	–
Proposed special dividend per share (RMB cents) (Note 4)	每股建議特別股息(人民幣分)(附註4)	–	–	–
Dividend payout ratio	股息分派比率	–	–	–
Key performance ratios	**主要業績比率**			
Profitability ratios	*盈利比率*			
Gross profit margin	毛利率	36.6%	37.1%	
Operating profit margin	經營溢利利率	1.5%	0.5%	
Net profit margin	純利率	2.8%	3.3%	
Margin of profit attributable to equity holders	股權持有人應佔溢利率	2.8%	3.3%	
Return on net assets	淨資產回報率	1.8%	2.0%	
Net profit to total assets (Note 11)	淨溢利對總資產比率(附註11)	1.3%	1.5%	
Asset ratios	*資產比率*			
Current ratio (Note 5)	流動比率(附註5)	1.8	1.9	
Inventory turnover days (Note 6)	存貨周轉天數(附註6)	162	154	
Trade receivable turnover days (Note 7)	貿易應收款周轉天數(附註7)	12	16	
Trade payable turnover days (Note 8)	貿易應付款周轉天數(附註8)	98	73	
Debt to equity ratio (Note 9)	負債對權益比率(附註9)	36.1%	32.2%	
Gearing ratio (Note 10)	資產負債比率(附註10)	4.7%	0.5%	

Year ended 31 December 截至12月31日止年度

Notes:

1. Cash inflow generated from operating activities for the year less cash outflow generated from operating activities for the year.
2. Profit attributable to equity holders of the Company for the year divided by the weighted average number of ordinary shares in issue for the year.
3. Net assets at year end divided by the number of ordinary shares in issue at year end.
4. Proposed special dividend for the year divided by the number of ordinary shares for the year.
5. Total current assets at year end divided by total current liabilities at year end.
6. Average inventory balances for the year divided by cost of sales for the year and multiplied by 365 days.
7. Average balances of trade and bills receivables for the year divided by cost of sales for the year and multiplied by 365 days.
8. Average balances of trade and bills payables for the year divided by cost of sales for the year and multiplied by 365 days.
9. Total liabilities at year end divided by total equity attributable to equity holders of the Company at year end.
10. Total interest-bearing bank and other borrowings at year end divided by total assets at year end.
11. Profit for the year divided by total assets at year end.

附註：

1. 年內經營活動產生之現金流入減年內經營活動產生之現金流出。
2. 年內本公司股權持有人應佔溢利除以年內已發行普通股之加權平均數。
3. 年末淨資產除以年末已發行普通股股數。
4. 年內建議特別股息除以年內普通股股數。
5. 年末流動資產總額除以年末流動負債總額。
6. 年內存貨平均餘額除以年內銷售成本，再乘以365天。
7. 年內貿易應收款及應收票據平均餘額除以年內銷售成本，再乘以365天。
8. 年內貿易應付款及應付票據平均餘額除以年內銷售成本，再乘以365天。
9. 年末負債總額除以年末本公司股權持有人應佔股權總額。
10. 年末計息銀行及其他借款總額除以年末資產總額。
11. 年內溢利除以年末資產總額。

INDUSTRY REVIEW

As demographic dividend diminishes, advantages of leading brands become more apparent

Affected by the decline in birth rate in recent years, milk powder consumption in the domestic market has gone on the downtrend. With demographic dividend coming to an end, inventory competition has become the dominant theme in the mainland milk powder market. Industry consolidation has started sending milk powder companies into the battle for share in the market which size is already limited. The chances for new entrants to gain competitive advantage are slim, whereas leading players, by boosting their strengths, see their brand advantages snatching the spot light. Small and medium brands' room of survival is quickly squeezed and the milk powder market is stepping into a new cycle of inventory competition.

The COVID-19 pandemic brings development opportunities to local brands

In the last two years, more and more consumers have been craving for domestic brands. That, together with improving regulation of the dairy industry, more and more consumers are shopping for domestic brand infant formula milk powder. Since the COVID-19 broke out in 2020, the pandemic has kept worsening overseas, as a result, milk sources and supply of imported milk powder were affected to various extent. Milk powder products of domestic brands however afforded more stable supply, which has encouraged many consumers to switch from surrogate shopping for overseas products to buying at home and from foreign brands to domestic brands. On top of that, the Group has boosted its brand reputation through participating in pandemic prevention and relief support, which will benefit development of the Group in the future.

行業回顧

人口紅利結束，頭部品牌優勢進一步突顯

受到近年來嬰幼兒出生數量減少的影響，國內奶粉市場消費量呈下跌趨勢，人口紅利結束，存量競爭成為當下奶粉市場的主旋律。由於行業進入淘汰賽階段，各大奶粉企業爭取在有限的市場容量佔領更多市場份額，新進入者取得競爭優勢的可能性較小，頭部品牌加強壁壘，品牌優勢進一步突顯，中小品牌的生存空間加速受到擠壓，奶粉市場進入存量競爭新週期。

新冠疫情為國產品牌帶來發展機遇

近兩年以來，中國興起了國產品牌熱潮，加上乳品行業監管日益完善，在嬰幼兒配方奶粉行業，中國本土品牌獲得了越來越多消費者的青睞。2020年新冠肺炎疫情爆發以來，由於海外疫情不斷升級，使進口奶粉的奶源、供給等受到不同程度的影響，國產品牌在奶粉供貨方面提供較大保障，促使大量消費者從海外代購轉向國內購買，形成了嬰幼兒配方奶粉的需求重新由外資品牌轉向中國品牌的趨勢，加上本集團在防疫救助方面的參與贏取了品牌美譽度，有利於本集團業務的進一步發展。

Product development geared towards the high-end and product segmentation

With per capita disposable income rising generally in the country, fueling consumption upgrade and demand for high-end milk powder, development of the infant milk powder industry received a shot in the arm. Furthermore, advent of the COVID-19 pandemic in 2020 has prompted consumers to pay more attention to their health, and in turn the consumption demand for high-quality dairy products has become more robust, driving product segmentation by industry players.

In the main battlefield of infant formula milk powder, A2 protein milk powder, organic milk powder and goat milk powder are the key product markets for manufacturers' competition, and niche markets like milk powder for pregnant women and special formula milk powder are gaining attention. Regarding nutritional products, the country's aging population and rising per capita income point to a market with huge room for development. The pandemic lingering has also increased demand for and interest in nutrition products. On 8 February 2020, the National Health Commission (國家衛生健康委員會) issued the Guidelines on Nutrition and Dietary for Prevention and Treatment of Pneumonia Infection for Novel Coronavirus (《新型冠狀病毒感染的肺炎防治營養膳食指導》), recommending general patients to take 300 grams of dairy products every day to boost their immune system. As a result, demand for milk powder for the middle-aged and elderly, and for children and the whole family has increased significantly. Products that boost immunity are also popular, and sales spiked for child nutrition products like probiotics, lactoferrin and calcium products.

產品向高端化及細分品類進一步發展

隨著全國居民人均可支配收入不斷增長，消費升級使高端奶粉需求增加，進一步促進嬰幼兒奶粉行業的發展，加上2020年新冠肺炎疫情下消費者更重視健康，對高品質乳製品的消費需求愈加旺盛，推動了行業的細分品類發展。

在嬰幼兒配方奶粉的主戰場上，A2蛋白奶粉、有機奶粉和羊奶粉是廠商的重點發力點，並將逐步發展孕婦奶粉和特別配方奶粉市場。營養品方面，在人口老齡化以及人均收入持續增長的背景下，未來市場發展空間龐大，而由於疫情使人們對營養產品的需求和關注度有所提高，加上2020年2月8日國家衛生健康委員會推出《新型冠狀病毒感染的肺炎防治營養膳食指導》，建議一般患者每天攝取300克的乳製品有助提高免疫力，因此中老年奶粉、兒童奶粉及家庭奶粉的需求均有顯著增長，提高免疫力的產品亦備受推崇，益生菌、乳鐵蛋白、鈣產品等兒童營養品銷量大幅增長。

Digital marketing in the industry hastens because of the pandemic

In 2020, the novel coronavirus pandemic went rampant across the world. While bringing a short-term impact on the economy and society, it has also created opportunities for various industries and the entire society to accelerate digital transformation. Following that trend, the dairy industry has developed new business forms such as contact-free delivery business, WeChat community marketing, social retail, remote delivery and convenience services, gaining more users and transaction volume on the traditional e-commerce platforms and the customer base overall swelled. Furthermore, key industry players have increased their investment in digitalization and accumulated relevant operating experience. In the long run, social group interaction, livestreaming, integrated online and offline sales and other new models of digital marketing will become the consumption trend and lifestyle of the future in the PRC, and the new battleground for major dairy enterprises.

疫情加快行業數字化營銷的發展

2020年，新冠肺炎疫情快速席捲全球，在對經濟和社會帶來短期衝擊的同時，也為各產業和全社會加速數字化轉型製造契機。乳品行業亦順應趨勢，發展了無接觸配送業務、微信社群營銷、社交零售、遠程配送、便民服務等新的業務形式，在傳統電商平台獲得了更多用戶和在線交易量，並擴大了客戶基礎；此外，行業的主要企業已加大了數字化建設的投入，並累積了相應的營運經驗。長遠而言，社群互動、直播和線上線下銷售一體化等數字化營銷新模式，將成為中國未來消費的趨勢及新的生活方式，並成為各大乳企聚焦角力的新領域。

Continuous improvement of industry regulation and the competitive environment

Regulatory authorities in the PRC have continuously tightened policies and regulations on quality of milk powder products, including publishing in 2019 the Administrative Measures for the Registration of Infant Formula Milk Powder Products (《嬰幼兒配方乳粉產品配方註冊管理辦法》) (the "**Recipe Registration Requirement**"), which markedly improved regulation on safety risks of infant formula milk powder. As at 31 December 2020, a total of 1,311 recipes in 440 series of infant formula milk powder had completed registration, of which 992 recipes are from 117 factories in China, and 319 recipes are from 52 factories overseas. In December 2019, China officially enacted the revised Regulations on the Implementation of the Food Safety Law (《食品安全法實施條例》), with emphasis on improving monitory of food safety risks of including infant formulas, special medical food and healthcare food. Also released in the same year, the 2019 Food Safety Supervision and Sampling Plan (《2019年食品安全監督抽檢計劃》) stipulates "double random" spot checks be conducted on key food production enterprises, strengthening safety regulation on infant formulas. These policies are conducive to the industry optimizing its structure, ousting smaller substandard brands, which will benefit development of the leading enterprises.

持續優化行業監管水平及競爭環境

中國國內監管機構近年不斷加強對奶粉產品質量的政策管控，其中包括在2019年推出《嬰幼兒配方乳粉產品配方註冊管理辦法》(「**配方註冊制**」)，大大完善了嬰幼兒配方奶粉的食品安全風險監管。截至2020年12月31日，通過配方註冊審批的嬰幼兒配方乳粉產品共有440個系列1,311個配方，其中國內有117家工廠992個配方通過了註冊，國外有52家工廠319個配方通過了註冊。2019年12月，中國重新修訂的《食品安全法實施條例》亦正式上線，重點強調和完善了嬰幼兒配方食品、特醫食品、保健食品在內的安全風險監測，同年並印發了《2019年食品安全監督抽檢計劃》，對重點食品生產企業進行「雙隨機」抽檢，加強嬰幼兒配方乳粉的安全監管。這些政策均有利於優化行業結構，淘汰不達標的中小品牌，利好龍頭企業的發展。

BUSINESS REVIEW

Staying true to its original aspiration, the Group is committed to becoming the brand of choice that provides consumers with comprehensive nutrition and health solutions they can trust. The Group has strong support in resources from its controlling shareholder Mengniu Group and the second largest shareholder Danone Asia Baby Nutrition Pte. Ltd. ("**Danone Asia**"), giving it the drive to expand business and advance on the path of internationalization.

Segment results

Since the first half of 2019, the Group, based on the particularities of base powder products in terms of raw material purchase, production and sales, has separated the base powder business from the original operating segment under "Others" and renamed as "Other milk powder products" segment. There are four reportable operating segments as follows:

Milk powder products

For the year ended 31 December 2020, the results of milk powder products segment were RMB2,975.6 million (2019: RMB2,650.3 million), increasing by over 12.3% as compared to the last year. Infant formula powder continues to optimize the product structure, with business growth and good momentum after rebranding. With the aging population structure in China, the Group adjusted its strategy for adult milk powder by focusing on high-end adult milk powder and the promotion of Oushi Mengniu adult milk powder; meanwhile, Oushi Mengniu adult milk powder uses the trademark of Mengniu and leverages the advantages of its channels of malls and supermarkets to record a significant growth in sales volume.

Other milk powder products

For the year ended 31 December 2020, the results of other milk powder products segment were RMB427.4 million (2019: RMB574.9 million), decreasing by 25.7% as compared to the last year, which was mainly attributable to the restriction of production and export in the period from January 2020 to April 2020 due to the impact of the COVID-19 pandemic on Yashili New Zealand Daily Co., Limited ("**Yashili New Zealand**").

業務回顧

本集團不忘初心，致力成為值得消費者信賴的營養健康全方案的首選品牌。本集團擁有控股股東蒙牛集團以及第二大股東Danone Asia Baby Nutrition Pte. Ltd.(「**達能亞洲**」)的豐厚資源支持，推動本集團在業務拓展及國際化的道路上不斷前行。

分部業績

自2019年上半年，本集團根據基粉產品從原料採購、生產及銷售等各方面的特殊性，將基粉業務從原來的「其他」經營分部獨立出來，更名為「其他奶粉產品」，共分為下列四個可報告經營分部：

奶粉產品

截至2020年12月31日止年度，奶粉產品分部業績為人民幣2,975.6百萬元(2019年：人民幣2,650.3百萬元)，較上年上升12.3%。嬰配粉持續優化產品結構，品牌煥新後業務增長，勢頭良好。隨著國家人口結構老齡化，本集團調整成人粉策略，注重成人粉高端化，並主推歐世蒙牛成人粉；同時，歐世蒙牛成人粉使用蒙牛商標並借助其商超渠道優勢，銷量上升明顯。

其他奶粉產品

截至2020年12月31日止年度，其他奶粉產品分部業績為人民幣427.4百萬元(2019年：人民幣574.9百萬元)，較上年下降25.7%，主要是由於本年新西蘭乳業乳業有限公司(「**新西蘭乳業**」)一月至四月受新冠疫情影響，無法進行生產及出口貿易。

Dissolvable products

For the year ended 31 December 2020, the results of dissolvable products segment was RMB166.4 million (2019: RMB143.2 million), increasing by 16.2% as compared to the last year, which was mainly due to the expansion of dealer channels and cooperation with dealers in large size in the current year.

沖調產品

截至2020年12月31日止年度，沖調產品分部業績為人民幣166.4百萬元(2019年：人民幣143.2百萬元)，較上年上升16.2%，主要是由於本年經銷商銷售渠道拓展且合作經銷商更具規模，從而令本年沖調產品收入增長。

Others

For the year ended 31 December 2020, the results of other segments were RMB79.8 million (2019: RMB43.6 million), increasing by 83.0% as compared to the last year, which was mainly due to the increase in the sales of defective raw material of Group during the year, which led to the increase in the results of other segments.

其他

截至2020年12月31日止年度，其他分部業績為人民幣79.8百萬元(2019年：人民幣43.6百萬元)，較去年上升83.0%。主要是由於本年集團降級粉銷售增加，從而令其他分部業績有所上升。

Product Introduction

The Group strives to become the preferred brand of all-round nutrition and health solutions for consumers. Its products are divided into two large categories, namely infant formula milk powder and health and nutrition products, and by type, cow milk powder, organic milk powder and goat milk powder, covering markets of various ends - ultra-high, high and middle. The infant formula milk powder brands the Group champions include Yashily, Dumex, Reeborne, Doraler and the cooperative brand Arla, and nutrition products carry mainly the Mengniu and Topconic names.

The Group prides a business mode that integrates premium imported dairy raw materials, world-class milk sources, world-class scientific research and self-developed formulas, advanced manufacturing system and stringent quality management system, enabling it to gather high-quality resources from around the world to turn out best quality dairy products worthy of the trust of consumers.

產品介紹

本集團致力於成為值得消費者信賴的營養健康全方案首選品牌，產品分為嬰幼兒配方奶粉和健康營養品兩大品類，實現牛奶粉、有機奶粉、羊奶粉三大品類齊頭並進，全面覆蓋超高端、高端、中端等不同層級的市場。其中，本集團旗下的嬰幼兒配方奶粉品牌包含雅士利、多美滋、瑞哺恩、朵拉小羊及合作品牌Arla；營養品則包含蒙牛、特康力等品牌產品。

本集團結合進口優質乳品原材料、世界級奶源地、世界級科學研究及自主研發配方、先進生產系統、嚴格質量管理體系的業務模式，集全球優質資源，達乳業至臻品質，為廣大消費者提供具有信心保證的產品。

Infant formula milk powder

Yashily

Yashily, which has for 38 years focused on research on the nutritional needs of Chinese babies and production and sale of infant formula milk powder, has international standard production bases in China and New Zealand. It sources milk of superior quality from New Zealand and carries out "double" quality inspection according to standards in China and New Zealand, striving to become a world-class "Chinese infant formula expert". Yashily's products are made with high-quality raw materials, such as OPO structured lipid, lactoferrin, prebiotics and nucleotides, from around the world.

Dumex

Dumex, born in Europe in 1946, boasts over 50 years' experience in research on breast milk and over 20 years' experience in research on the human immune and digestive systems. Dumex landed in the China market many years ago, and has over the years constantly innovated and upgraded its product formulas with the 9:1 golden ratio of prebiotics, and high DHA and lactoferrin content. Its milk powder contains 100% whole goat milk protein with OPO-structured lipid added, helping absorption of key nutrients.

Reeborne

In 2020, the Group reinvented the brand proposition of Reeborne and launched a series of breast milk-like milk powder products. As the core product series of the year and in the future, the series features a lighter taste and more nutritious ingredients. To serve customers with different needs, the series comprises seven new products, covering mainstream milk powder, high-growth organic milk powder and niche goat milk powder.

嬰幼兒配方奶粉

雅士利

專注中國寶寶營養研究和嬰幼兒配方奶粉生產銷售38年的雅士利，在中國和新西蘭擁有國際化標準的生產基地，甄選新西蘭黃金奶源，執行中國及新西蘭雙重質檢標準，致力成為世界一流的「中國嬰配奶粉專家」。雅士利產品匯聚全球優質原料，如OPO結構脂、乳鐵蛋白、益生元、核苷酸等。

多美滋

1946年誕生於歐洲的多美滋，擁有長達50多年的母乳研究以及20多年的免疫和消化系統研究經驗。多美滋於多年前進入中國市場，產品配方不斷創新升級，含黃金9：1配比益生元、高DHA及乳鐵蛋白。其奶粉堅持100%純羊乳蛋白，特別添加OPO結構脂，促進關鍵營養的吸收。

瑞哺恩

2020年，本集團煥新瑞哺恩的品牌主張，推出瑞哺恩親乳奶粉系列產品。作為本年度乃至未來核心打造的產品系列，該產品以更清淡的口味及更多營養成分為亮點。針對不同需求的目標客戶，親乳奶粉系列有7款新品，覆蓋主流牛奶粉、高增長有機奶粉以及細分品類羊奶粉。

Reeborne's "Kieember (菁珀)" cow milk powder adopts the advanced MSD drying process, which can retain the vitality of nutritional ingredients. It contains double high-quality protein, patented OPO-structured lipid, high living CPP factors and prebiotics in golden ratio, providing babies with all-round, easy-to-absorb nutrition. Reeborne's "Qinyou (親悠)" organic milk powder is made of pure organic milk sourced from seven-year clean soil farms in The Alps and dairy cows free range and grass-fed for 300 days, to provide milk powder with protein content of up to 20% for infants and toddlers. It has WIT organic certification and adopts the "one can, one code" tracking system for quality assurance. Reeborne's "TruYn (初穎)" goat milk powder selects high-quality small molecule goat milk protein, and rare ingredients, such as lactoferrin, the body-friendly OPO-structured lipid and probiotics and prebiotics, are added to provide high-quality nutrition that babies can easily digest and absorb. In addition, Reeborne's breast milk-like milk powder series also has other products at different prices, with different nutritional content tailored to address the different nutritional needs of infants.

瑞哺恩「菁珀」牛奶粉以先進MSD乾燥工藝，保留營養成分的活性，含雙重優質蛋白、專利OPO結構脂、高活CPP因子以及黃金比例的益生元，為寶寶提供全方位營養，更易吸收。瑞哺恩「親悠」有機奶粉採用來自七年淨土純淨牧場的純淨阿爾卑斯有機奶源，以300天自由草飼的幸福奶牛，為嬰幼兒提供蛋白含量高達20%的奶粉，擁有萬泰(WIT)有機認證以及一罐一碼的溯源系統，提供高質量的保證。瑞哺恩「初穎」親乳羊奶粉甄選優質小分子羊乳蛋白，同時特別添加珍稀成分乳鐵蛋白、親和人體成分OPO結構脂及益生菌益生元成分，為寶寶提供易消化、好吸收的優質營養。此外，瑞哺恩親乳奶粉系列亦包括其他不同價格、不同營養成分、解決不同嬰幼兒營養需求的產品。

Arla

Arla, a century-old brand, is also the world's largest organic dairy brand, and the high product quality it affords has made it an authorized brand fit for consumption by Danish royals. The organic milk powder of Arla "Baby & Me" has secured three major organic certifications and it contains high DHA and ARA, prebiotics in golden ratio and uses organic lactose. Arla "Baby & Me Lanxi (藍曦)" contains NutriCollab, a unique complementary set of nutrients, and quality nutritious elements such as choline, taurine and nucleotide. The new upgraded formula of Arla "Milex (美力滋)" combines OPO-structured lipid, BB-12 probiotics and a golden ratio of prebiotics to form the Pro Plus growth formula matching natural needs.

Arla

Arla擁有百年品牌歷史，是全球最大的有機乳品商，品牌的高質量使其被授權為丹麥皇室御用品牌。Arla「寶貝與我」有機奶粉獲得3大有機認證，含高DHA和ARA，黃金比例益生元，使用有機全乳糖；Arla「寶貝與我藍曦」含有獨特的NutriCollab營養協同組合，添加膽鹼、牛磺酸、核苷酸等優質營養元素；Arla「美力滋」全新升級配方以OPO結構脂、BB-12益生菌、黃金比例益生元，組成Pro Plus倍樂加成長配比，貼合自然需求。

Doraler

Originally from Australia, Doraler goat milk powder contains 100% whole goat milk protein, which can be easily digested and absorbed by the human body because it is all natural. Doraler insists on not adding sucrose, flavors and fragrances or maltodextrin in its products, that it may provide babies with the purest and healthiest nutrition.

朵拉小羊

朵拉小羊羊奶粉來自澳大利亞，含有100%純羊乳蛋白，天然易消化，腸胃好吸收。產品堅持不添加蔗糖、香精香料或麥芽糊精，只為給寶寶最純正健康的營養。

Health and nutrition products

Adult milk powder

The Group's health and nutrition products include various milk powders for adults. In addition to the Mengniu brand golden and standard series adult milk powder, the Youyi (優怡) series adult milk powder and Zhengwei (正味) brand oatmeal, the Group has continued to upgrade and innovate its products and launched the Mengniu ultra-gold series, platinum series and Yourui (悠瑞) series adult milk powder. Moreover, new category products, including Topconic (特康力) milk powder, Nutriall (紐西能) milk powder, fruit oatmeal, M8 children's growth formula milk powder and skimmed milk powder, etc. have been launched by the Group. Below are the key new category products:

Topconic milk powder

Topconic milk powder is a high-end product series with a goal is to strengthen immunity, targeting mainly consumer groups with low immunity. It is the first immune health formula milk powder in China. Topconic's milk powder uses Bifidobacterium, Lactobacillus and XOS as the main ingredients to help consumers boost their immune system.

Nutriall milk powder

Nutriall milk powder is imported and designed for family consumption. It uses milk from New Zealand and possesses the certificate of recognition from the New Zealand Fernmark Certification Licence Programme (新西蘭銀蕨葉認證). The formula can supplement nutrients, such as calcium, protein, vitamins, soybean lecithin and linoleic acid, to meet nutritional needs of all members of a family.

Fruit oatmeal

Fruit oatmeal is a product targeting young female consumers aged between 18 to 35. It contains diverse ingredients such as dried fruits, nuts, milk and rose petals. It is low-calorie and has no sugar, yet rich in dietary fiber. It can be served dry or with cold milk. It is a delicacy for instant enjoyment and the best choice for breakfast, afternoon tea and meal replacement.

健康營養品

成人奶粉

本集團的健康營養品包括多種成人奶粉，除了蒙牛品牌金裝系列成人奶粉及普通裝系列成人奶粉、優怡系列成人奶粉及正味麥片以外，本集團不斷進行產品升級與創新，推出了蒙牛超金裝系列、蒙牛鉑金裝系列及悠瑞系列成人奶粉。此外，本集團亦推出新品類產品包括特康力奶粉、紐西能奶粉、水果麥片、M8兒童成長配方奶粉及脱脂奶粉等。以下為重點新品類產品的介紹：

特康力奶粉

特康力奶粉為高端系列產品，以增強免疫力為核心價值，主要面向免疫力低下的消費群體，是中國首款免疫力保健品奶粉。特康力奶粉以雙歧桿菌、嗜酸乳桿菌、低聚木糖為主要成分，幫助消費者增強自身抵抗力。

紐西能奶粉

紐西能奶粉是一款適合全家消費者的進口奶粉，採用新西蘭奶源，擁有新西蘭銀蕨葉認證，配方能補充鈣、蛋白質、維生素、大豆卵磷脂、亞油酸等多種營養成分，滿足全家營養需求。

水果麥片

水果麥片是一款主打18-35歲年輕女性用戶的產品。產品添加水果乾、堅果、牛乳，玫瑰花瓣等多元成分，低卡零糖，富含膳食纖維，乾吃冷泡皆宜，真正實現「0」秒美味入口，是早餐、下午茶及減脂代餐的最佳選擇。

M8 children's growth formula milk powder

M8 children's growth formula milk powder has Bifidobacterium lactis Probio-M8 added to help nutrient absorption, benefiting intestinal health and enhancing protection. Various nutrients fortify the formula, particularly the addition of FOS, GOS, PS, DHA, ARA, lactoferrin, N-acetylneuraminic acid, zeaxanthin and lutein. It is also rich in calcium and vitamin D and is scientifically formulated to help children grow.

M8兒童成長配方奶粉

M8兒童成長配方奶粉，特別添加乳雙歧桿菌Probio-M8，幫助營養吸收、有益腸道健康，提升保護力。多種營養素強化配方，特別添加FOS、GOS、PS、DHA、ARA，乳鐵蛋白、N-乙醯神經氨酸、玉米黃質、葉黃素，富含鈣和維生素D，科學配比，助力孩子成長。

Brand Strategies

Rebranding and renovating products

To integrate superior resources and focus on brand building, the Group launched several rebranding projects in 2020. The core infant formula Reeborne took on the positioning of closer yet to breast milk. The Group combed through the cow milk, goat milk and organic milk categories, among others to restructure product mix, allowing it to add seven new products to the Reeborne series and those products were officially launched in the market in June 2020. The brand is competing in the market with a new brand proposition, high-quality products and in a brand-new packaging. Reeborne's "Kieember (菁珀)" realized a growth in sales of about 102% in the second half of the year compared with the first half.

Furthermore, the Group also reshaped the high-end positioning of the Arla Baby & Me brand with the organic features of products as highlights and upgraded the image of the brand. On 10 May 2020, Arla Baby & Me hosted an online global conference and released a new TVC to promote the brand's new slogan that emphasizes its "World Leadership in Production and Sales Volume of Organic Dairy Products (有機乳品產銷量全球遙遙領先)" for five consecutive years. Arla Baby & Me also invited top key opinion leaders (KOLs) to promote the brand helping to raise brand awareness.

The Group also refreshed Doraler's brand image and brand positioning stressing that "Doraler from Australia is the Best Choice of Goat Milk (小羊來自澳洲,羊奶就選朵拉)". Using new visuals, Doraler highlighted its high-end image with the fact of it canned in and imported from Australia, enhancing the core value of the brand.

品牌策略

重塑品牌，煥新產品

為整合優勢資源，聚焦品牌建設，本集團在2020年啟動了旗下多個品牌重塑項目。核心嬰幼兒配方奶粉品牌瑞哺恩以進一步貼近母乳為產品定位，對牛奶、羊奶、有機奶等進行品類再梳理，重組產品結構，全新推出7款瑞哺恩系列新品，並在2020年6月起正式推向市場，以新的品牌主張、高品質的產品質量及嶄新的包裝形象在市場競爭。本集團的核心品項瑞哺恩「菁珀」的銷售下半年環比上半年增長約102%。

此外，本集團亦為Arla寶貝與我品牌重塑高端定位，突出產品有機特性，並對品牌形象進行升級，在2020年5月10日舉辦線上全球發佈會，發佈全新TVC，宣傳其連續5年「有機乳品產銷量全球遙遙領先」的全新品牌口號，並邀請頂級網紅宣傳品牌，大力提升品牌知名度。

本集團亦為朵拉小羊進行品牌煥新，重新確立朵拉小羊「小羊來自澳洲，羊奶就選朵拉」的品牌定位，以全新視覺突出其澳洲原裝原罐進口的高端形象，提升品牌核心價值。

The Group also adjusted and established the brand positioning of Dumex, which is "Choosing the healthy Dumex for easy absorption of nutrition", building anew Dumex's competitive advantage. Efforts were also made to extend reach of the brand to lower-tier markets with a unified new brand vision.

本集團並重新調整多美滋品牌定位，確定「溫和好吸收，健康多美滋」的品牌定位，重新打造多美滋的競爭優勢，全面深耕下沉市場，統一全新的品牌視覺。

Strong media promotion and full force and scope for brand promotion

強勢媒體宣傳，全面鋪開品牌推廣

During the year, the Group's infant brands actively carried out media promotion. Reeborne organized more than a hundred of media conferences across the country, achieving strong publicity for the re-shaped brand. Reeborne also sponsored the first-tier variety show "Trump Card: Season 5" (《王牌對王牌第5季》) in the first quarter of the year, which saw consumer awareness of the brand improve markedly in a short period of time. At the same time, through content communication tied in with home delivery service during the COVID-19 pandemic, the brand image of Reeborne brand and corporate image of the Group were effectively enhanced and well-endorsed by consumers.

年內，本集團旗下嬰幼兒品牌積極進行媒體宣傳，其中，瑞哺恩就品牌煥新在全國組織了上百場的區域發佈會，讓重塑後的瑞哺恩品牌得到廣泛傳播，並於第一季度贊助了一線綜藝節目《王牌對王牌第5季》，短期內快速提升了品牌知名度，同時通過在新冠疫情期間送貨到家活動中的內容傳播，有效提升瑞哺恩品牌及本集團的企業形象，獲得了消費者的充分認可。

During the year, the Group's infant formula segment increased investment in promotion in local media and outdoor media. Focusing on mobilizing strong media resources in core markets to achieve extensive coverage, it empowered those on the sale-front and also the sales channels. In mounting innovative promotional activities, the Group's infant milk formula brands strengthened the use of social media, such as Douyin, Weibo and WeChat, which are popular among young mothers, to promote the brands and products in fun formats, such as interesting short videos, vivid graphics and texts, and celebrity interactions, thereby enhanced interaction between the brands and consumers.

在地方媒體和戶外媒體方面，本集團的嬰幼兒配方奶粉也在年內增加了投入，在核心市場集中調動強有力的媒體資源，廣泛覆蓋，賦能一綫，助力渠道；在創新推廣活動方面，本集團嬰幼兒配方奶粉品牌進一步加強運用抖音、微博、微信等年輕一代媽媽熱衷的社交平台，以趣味短視頻、生動圖文、明星互動等豐富有趣的形式推廣品牌和產品，加強品牌與消費者的互動性。

Regarding nutrition products, since the launch of Topconic on 20 May 2020, the Group has worked closely with major media outlets to establish a comprehensive media matrix. During the year, Topconic made a total of 278 promotional announcements, through regular online media releases, consumer-end news platforms and also large WeChat accounts to forcefully drive sales of the new products.

營養品方面，自從2020年5月20日特康力發佈以來與各大媒體緊密合作，建立全方位媒體矩陣，於年內特康力合計進行了278次宣傳發佈，覆蓋網媒普通發佈、新聞客戶端，以及微信大號，強力推動新產品銷售。

Committing to charity with passion and promoting the healthy habit of drinking milk

During the pandemic, the Group actively responded to the call from the National Health Commission in the "Guidelines on Nutrition and Dietary for Prevention and Treatment of Pneumonia Infection for Novel Coronavirus" and agreeing with the action plan of "Healthy Chinese People Drink Milk Everyday (天天飲奶，健康中國人)" of the Mengniu Group, public relations campaigns surrounding topics of interest to the media were launched and frequent publicity was undertaken via such channels as online media, we media, mother-and-baby groups and e-commerce channels to enhance awareness and reputation of the brand. The Group also donated batches of adult milk powder and infant formula milk powder to assure nutritional needs of front-line staff in the government and hospitals were met and their babies had sufficient food supply during the pandemic. The Group also led the delivery of supplies to the recipients, so as to enhance consumers' good feeling towards the brand, show the brand's sense of social responsibility and set the stage mounting strong subsequent brand promotion.

Increasing number of members with comprehensive tactics

The Group was able to draw in traffic flows through community marketing, member benefits cooperation with external parties and cross-selling with other industries. With the pandemic stimulating online sales, the total number of customer members of the Group increased steadily during the year. The Group also actively explored and pursed innovative cooperation mode with mother-and-baby retail platforms, mother-and-baby brands, medical channels, internet platforms, mother-and-baby communities, fast-moving consumer brands and financial platforms, pushing up fast the number of members. At the same time, to build a more comprehensive, efficient and precise membership marketing system, the Group launched a membership building project during the year to lay a solid foundation for developing effective marketing to members.

熱心投入公益，推動健康飲奶

疫情期間，本集團積極響應國家衛健委《新型冠狀病毒感染的肺炎防治營養膳食指導》的號召，配合蒙牛集團「天天飲奶，健康中國人」的行動計劃，在公關宣傳上緊貼媒體關注的題目，通過網媒、自媒體、母嬰社群及電商等渠道高頻投放宣傳，提升品牌知名度和美譽度。本集團並捐贈多批次成人奶粉、嬰幼兒配方奶粉等，以保障疫情期間多地政府、醫院等一線工作人員的營養需求及他們寶寶的口糧供應，並組隊親自帶隊將物資送至受助點，提升消費者對品牌的好感度，體現品牌的社會責任感，為後續品牌推廣強勢蓄能。

全面佈局增加會員

本集團通過社群營銷、外部權益合作及跨行業推廣，成功互相引導流量。由於疫情刺激線上銷售，本集團累積招募會員數持續穩步增長。本集團亦積極與母嬰零售、母嬰品牌、醫務渠道、互聯網平台、母嬰社群、快速消費品牌、金融平台共同挖掘創新的合作模式，實現會員數目的快速增長。同時，本集團為搭建更全面、高效及精準的會員營銷體系，也在年內啟動了會員體系搭建項目，為未來會員營銷的發展打下堅實的基礎。

Product Research and Development

The Group has been actively investing in technological research on product differentiation to give it competitive advantage. To meet the nutritional needs of infants at different stages of growth, the Group has been innovating and developing infant formula milk powder with nutritional composition resembling breast milk. Moreover, the Group developed a series of adult milk powder that can satisfy the nutritional needs of various consumer groups, especially the growing needs of middle-aged and elderly people. With a professional and sizeable R&D team and heeding market development trends and demands of consumers, the Group made good progress with registration of milk powder formulas and research and development of nutrition products.

Innovation and upgrade of infant formula milk powder

As of the end of December 2020, the Group and its partner Arla had a total of 54 infant formula products in 18 series with recipes registered. To continuously enhance and consolidate the advantages of differentiated products, the Group devised during the year a plan to upgrade across the board infant formula products already launched, entailing researches on protein, lipid and oligosaccharides, to develop innovative infant milk powder resembling breast milk and launching new packaging for infant formula products to attract more consumers and elevate the profile of the products

Innovation and development of high-end functional milk powder for adults

Using innovative functional ingredients, the Group is developing high-end adult functional milk powders with more merits attractive to consumers. Among them, there is Topconic's Bifidobacterium Lactobacillus XOS milk powder, whose development was completed in 2020 after six years of hard work. It is now an approved healthcare food. Such product provides consumers who need to enhance their immunity against the COVID-19 virus with a solution that combines probiotics and functional XOS ingredients. Moreover, the development of two series of milk powder for the middle-aged and elderly, namely Yourui Liyi (悠瑞力宜) and Xinpei (心沛), was also completed in 2020. The products with a selection of functional ingredients beneficial to muscle health and cardiovascular and cerebrovascular functions can help enhance the health of the middle-aged and elderly. The HMB-Ca in Yourui Liyi can promote muscle formation and reduce muscle wasting for middle-aged and elderly people, whereas Yourui Xinpei contains phytosterol esters and fish oil rich in EPA that can improve cardiovascular health.

產品研發

本集團一直積極投入科研，創造差異化產品優勢。為滿足嬰幼兒在不同成長階段日常餵哺的健康營養需求，本集團不斷創新開發接近母乳營養的嬰幼兒配方奶粉產品，同時開發一系列成人奶粉，以涵蓋不同消費人群日益增長的營養需求，尤其是中老年人群。此外，本集團憑藉龐大的專業研發團隊及因應市場發展趨勢和消費者需求，在奶粉配方註冊工作、營養產品研發等方面均進展理想。

嬰幼兒配方奶粉創新升級

截至2020年12月底，本集團及其合作夥伴Arla共有18個系列54個產品獲批嬰幼兒配方奶粉註冊。為持續提升和鞏固差異化產品優勢，本集團在2020年對已上市的嬰幼兒配方產品制定了全線產品配方升級方案，包括從蛋白質、脂質、低聚糖方面進行研究，創新開發親乳配方的嬰幼兒乳粉，及推出全新形象包裝，以吸引更多的消費人群，提升產品的消費層次。

創新開發高端成人功能型奶粉

本集團通過應用創新功能性配料，開發高端成人功能型奶粉，以增加成人奶粉的消費熱點。其中，特康力牌雙歧桿菌嗜酸乳桿菌低聚木糖乳粉經過六年研發，於2020年完成開發，並獲得保健食品批文。產品通過採用益生菌組合和低聚木糖的功能配料，為新冠疫情下消費者對增強免疫力的需求提供了解決方案。此外，悠瑞力宜、心沛兩個系列的中老年奶粉亦已於2020年完成開發，兩個系列通過精選有益於肌肉和心腦血管的功能性配料，促進中老年人群的健康。悠瑞力宜添加的β－羥基β－甲基丁酸鈣，有助於提高肌肉合成，改善中老年肌肉流失；悠瑞心沛添加的植物甾醇酯和富含EPA的魚油，有助於改善心血管健康。

Improving R&D level and launching researches on nutritional composition of breast milk

The Group continued to increase investment in the research of milk powder technology, testing methods, product standards and technological patents to raise the level of its research and development technology and product quality. A good number of patent applications were filed by the Group during the year. Regarding the research on the nutritional composition of breast milk under the "13th Five-Year Plan", the Group has kicked off work related to formula design, trial production and animal experiment, and a database of breast milk nutrient composition has also been set up. Furthermore, the Group started actively the study of "Optimizing the Design and Development of Proteins and Amino Acids in Infant Foods" (《優化蛋白質和氨基酸在嬰配食品中的設計和開發》) in eight cities across the country. In line with national policies, the Group is cooperating with well-known national medical institutions such as the Capital Institute of Pediatrics to conduct clinical trials investigating the impact of nutrients in infant formulas on the brain, intestines and the physical development of infants.

提升研發技術水平，開展母乳營養成分研究

本集團持續增加對奶粉工藝、檢測方法、產品標準及技術專利的研究投入，提升研發技術水平和產品品質，年內已遞交多項專利申請。此外，「十三五」項目中關於母乳營養成分的研究已經開展了配方設計、工廠試產以及動物實驗的工作，建立了母乳營養成分數據庫。此外，本集團亦在全國8個城市，積極進行《優化蛋白質和氨基酸在嬰配食品中的設計和開發》的課題研究。為順應國家政策，本集團並與首都兒科研究所等國家知名醫學機構合作，進一步通過臨床試驗，研究嬰幼兒配方奶粉中營養成分對嬰幼兒大腦神經、腸道和體格發育的影響。

Sales Channels

In 2020, on the back of the business division organization structure with infant formula milk powder and nutrition products as two main basic management units, Yashili continued to strengthen strategic channel deployment entailing "Mother-and-baby Stores for Infant Formula Products, Modern Trade Channels for Nutrition Products, Hasten Development of E-commerce Channels and Develop New Channels and New Products (嬰配奶粉聚焦母嬰渠道，營養品聚焦商超渠道，快速發展電商渠道，新渠道新產品全面發展)". When the COVID-19 pandemic broke out in the beginning of the year, in response to changes happening on the sales channel front, Yashili increased investment in digital marketing and, with a comprehensive product portfolio, came up with channel-specific product mix, helping build a solid distribution foundation for core sales channels. During the pandemic, home delivery service for the Group's infant formula milk powder and nutrition products have become a standard service, not only assuring supply of milk powder to end consumers, but also helping establish the good reputation of the Group among customers and consumers at all levels. In the second half year, Yashili further optimized its market layout and team operation, directing great effort onto channel penetration and deployment. At that, as well as mounting more in-store promotion of a wider reach, satisfactory results were achieved.

銷售渠道

2020年，雅士利在以嬰幼兒配方奶粉和營養品產品線為管理基礎的事業部組織架構下，持續加強「嬰配奶粉聚焦母嬰渠道，營養品聚焦商超渠道，快速發展電商渠道，新渠道新產品全面發展」的渠道策略佈局。在年初新冠疫情開始爆發期間，為順應銷售渠道的變化，雅士利在數字化營銷上加大了投入，配合健全產品線形成有針對性的渠道產品組合，在核心銷售渠道建立了扎實的分銷基礎。疫情下，本集團的嬰幼兒配方奶粉和營養品產品的送貨到家服務亦已成為標準的服務，保障了終端消費者的產品供應的同時，在各級客戶和消費者心中建立了良好的口碑。在下半年的後疫情時期，雅士利進一步優化市場佈局以及團隊運作，在渠道建設進行深度的精耕和佈局，配合更多更廣的門店營銷推廣方式，贏得了很好的成效。

Development of all online and offline channels in depth and breadth

With regard to development of channels for infant formula, the Group mainly focused on steadily development of the mother-and-baby store channel, and devising synergistic match among mother-and-baby store chains, modern trade and e-commerce channels. The Group insisted on opening channels in lower-tier markets by cooperating with well-known core chain retailers with presence nationwide, complementing its own channels in main markets. As for offline stores operation, Yashili continued to enhance the overall quality of its stores. In the latter half of 2020, the Group stepped up support to its e-commerce business with a stronger team and in terms of resources, plus cemented cooperation with e-commerce platforms like Alibaba and JD.com, and at the same time exerted on developing social retailing. Furthermore, the pandemic has speeded up the shift from traditional retailing to new retailing for adult milk powder. Apart from community group purchase and social e-commerce performing well, terminal stores also made more and bigger orders on the new platform. During the year, the Group's adult milk powder products achieved a sales increase of approximately 52% year-on-year.

線上線下全渠道縱深發展

在嬰幼兒配方奶粉品類的渠道發展上，本集團主力佈局穩定發展的母嬰渠道，並以連鎖母嬰、商超和電商渠道的協同組合上精心經營。本集團堅持渠道下沉，在全國範圍內與全國知名的核心連鎖零售商建立合作關係，在重點市場形成渠道互補，在線下門店的經營上，雅士利亦不斷提升整體網點質量。在2020年下半年，本集團在團隊和資源上對電商業務繼續加大支持，並加深與阿里巴巴、京東等電商平台的合作，同時拓展社交零售。此外，疫情亦加速了成人奶粉從傳統零售到新零售的消費轉移，除了社區團購、社交電商等大放異彩外，終端門店在平台的訂貨頻次和訂單單價亦明顯增加。本集團成人奶粉產品的銷售在年內同比實現約52%的增長。

Proactive marketing

The Group fully exploited the influence of its spokespersons in 2020, which helped bolstered popularity of the Reeborne brand. Various marketing events were organized highlighting the refreshed brand attribute "resemblance to breast milk (親乳)" and coinciding with festive occasions. The Group also established close to 20,000 brand stores during the year. At the same time, in the second half of the year, with "sales is supreme (動銷為王)" as theme, the Group launched sales and marketing campaign in the lower-tier markets, hosting close to 1,000 display and sale events in the fourth quarter, which raised effectively its overall results and the confidence of channels. In particular, during sales peak in September and October, employees were sent to first-tier markets to take part in client and in-store events to help zest up and take to the peak buying sentiment at the different channels.

積極進行市場推廣

2020年本集團充分運用代言人的影響力，為瑞哺恩品牌增強了品牌傳播力，並透過品牌煥新、以「親乳」為賣點及節慶促銷等進行各項市場推廣活動，以及完成了近2萬家品牌門店的布建。與此同時，本集團在下半年圍繞「動銷為王」的主題，在下沉市場全面開展銷售推廣活動，第四季度推出近1,000場陳列和展銷活動等，有效提升了整體業績和渠道信心，特別是在9至10月的銷售高峰期，本集團調動員工到一線市場，參與客戶及門店開展的渠道活動，把整個渠道的銷售氛圍帶到高峰。

Digital marketing empowers marketing innovations

Apart from conventional basic promotional activities, the Group increased investment in digitalization to smart up marketing, gradually realizing the shift from traditional marketing management to marketing empowerment, as such various marketing events of the Group have become more intelligent, innovative and effective. The Group created a new membership operation system that awards bonus points to consumers on spending. Engaging digital technology in its operation, the system has helped strengthen customers' loyalty to the brand. Furthermore, on top of in-store sales and marketing events, the Group made innovative uses of "family dinner (家宴)", "movie festival (電影節)", "breast milk-like milk festival (親乳節)" and other scenarios to achieve in-depth interaction with consumers, thereby boosted the effect of its consolidated marketing effort as well as customer loyalty.

數字化營銷賦能營銷創新

除了開展常規的基礎性推廣活動，本集團加大了在數字化、智能化上的投入，從傳統的營銷管理，逐步轉變成營銷賦能，使各類營銷活動更智能、更新穎、更有效。本集團透過建立消費者積分商城創立了新的會員運營體系，通過數字化運營加強了消費者的品牌黏性。與此同時，結合門店的銷售推廣活動，本集團創新運用了「家宴」、「電影節」、「親乳節」等與消費者深度互動的場景，在整合營銷和提高消費者忠誠度上都取得了很好的成效。

Quality Management

2020 was the third year of the Group's "Three Quality Years (3年質量年)". In agreement with the development plan of its parent company, Yashili worked hard on improving product quality, and also quality management standard with a view to raise customer satisfaction. During the year, the Group upheld its quality philosophy of "Quality comes first – be the quality benchmark of the global milk powder industry (匠心質造，成為全球奶粉行業質量標杆)" and the quality management targets of "T(rust), O(utstanding), P(referred) (T信賴，O卓越，P首選)", guiding it in the strive to provide the best products and product experience to consumers. All its products passed sampling tests conducted by external parties.

質量管理

2020年為本集團「3年質量年」的第三年，雅士利結合母公司發展戰略規劃，完善產品質量，以提升顧客滿意度為工作重點，持續提升質量管理水平。年內，雅士利以「匠心質造，成為全球奶粉行業質量標杆」為質量理念、「T信賴，O卓越，P首選」作質量方針，致力為消費者提供極致的產品和體驗，產品的外部抽檢合格率為100%。

Upgrading quality management system

In 2020, Yashili's quality management system underwent a comprehensive upgrade that covered four aspects, namely quality planning, quality control and assessment, quality performance and improvement and quality safety support and assurance across the entire industrial chain, which involved operations in relation to market management, product innovation management, procurement management, manufacturing operation, logistics and storage to sales management and customer communication. Yashili also further optimized its organization structure, expanded the scope and depth of management while improving related systems, adding or updating in 106 documents of relevance to the new management setup.

升級質量管理體系

2020年，雅士利質量管理體系全面升級，涵蓋質量策劃、質量監控與評價、質量績效與改進、質量安全支持與保障四個板塊，範圍包括市場管理、產品創新管理、採購管理、生產運營、物流倉儲、銷售管理和顧客溝通等全產業鏈。雅士利進一步完善組織架構，擴展管理範圍及深度，同時亦完善相關制度，新增或更新制度文件106份。

To manage and control risk across its entire industrial chain, Yashili worked to identify and analyze risks heeding quality management requirements and drew up a quality risk map to help it focus on risk control in critical operation stages, which is important for it to control overall risk. Moreover, during the year, Yashili established a compliance management system and compliance management team, completed identifying compliance obligations and assessing risks at group level and launched comprehensive compliance control.

為實施全產業鏈風險管理，雅士利根據質量風險管理要求，重新對各運作環節進行風險識別、分析，建立質量風險地圖，在全面控制的基礎上，加強對高風險點實施重點管控。此外，雅士利於年內建立了合規管理體系及合規管理小組，完成了集團層面的合規義務識別和風險評估，全面開展合規管控。

Raising consumer satisfaction

提升消費者滿意度

To raise consumer satisfaction, project teams dedicated to conquering difficulties were set up at all Yashili's factories. Meanwhile, Yashili continued to emphasize quality control throughout the entire production process, pushing for pursuits to heighten improvement of process quality by its plants. Its four plants in China had all kicked off standardized production procedures during the year. Furthermore, Yashili also started implementing quality design during the year, making sure quality risks are well under control in the early stages of new product development.

為提升消費者滿意度，雅士利旗下各工廠成立了攻關小組，專項攻克難題。同時，雅士利繼續聚焦生產過程質量控制，持續推進過程質量提升項目在各工廠的落地，年內，本集團國內4家工廠已實施標準化的生產作業。此外，雅士利於年內開始推行質量設計，在新品開發前期已控制相關質量風險。

Strengthening quality assessment

強化質量評審

To strengthen supervision and management, Yashili redesigned its quality assessment system during the year, with supervision covering all factories of the Group as well as OEM factories. Laboratories in factories will be independently supervised and assessed. Comprehensive improvement of the Group's assessment system, approaches and terms was made using Mengniu Group's as a benchmark, with senior assessors from Mengniu Group providing assessment guidance on site, helping raise the work standard of Yashili's own assessors. To strengthen supervision of processes, Yashili also started unannounced inspections. During the year, the level of quality management of all the factories and also the assessment score of the Group further improved as compared with 2019.

為加強監督管理，雅士利於年內重新規劃質量評審制度，監管範圍涵蓋本集團各工廠及OEM工廠，並對工廠實驗室進行獨立監督審核，同時對標蒙牛集團，全面完善審核的制度、方式和條款，由蒙牛集團資深審核員對內審員進行現場審核指導，進一步提升了雅士利內審員的審核水平；為加強過程監控，雅士利亦新增突擊檢查。年內，各工廠的質量管理水平明顯改善，本集團質量審核分數較2019年進一步提升。

Enhancing test management level

Enhancing test management level is one of the major tasks of Yashili in 2020. Taking reference of the quality test management requirements of Mengniu Group, Yashili established a collective laboratory system and implemented it in all factories, achieving uniform and standardized test management. Furthermore, to improve the testers' ability, the Group put in place a talent succession and cultivation and ability enhancement program for test managers to help them sustain development of their ability. During the year, the passing rate of external ability tests and internal blind tests for factories under the Group further increased as compared with 2019.

提升檢驗管理水平

提升檢驗管理水平是雅士利2020年的重點工作之一。借鑒蒙牛集團質量檢驗管理要求，雅士利建立了集團化的實驗室體系並於各工廠實施，實現了雅士利檢驗管理的統一化和標準化。此外，為提升檢驗人員能力，本集團實施檢驗管理人才梯隊培養和能力提升計劃，以實現檢驗人員能力的可持續發展。年內，本集團各工廠的外部能力驗證通過率和內部盲樣測試通過率較2019年進一步提升。

Strengthening digitalization for quality assessment

In 2020, the Group established a laboratory information system, ran test trials in Horinger Factory (和林工廠) and the system was implemented in all factories of the Group in January 2021. The system allows SAP system to send test tasks and receive test result, streamlining, simplifying and standardizing the quality test process, helpful for quality data analysis. Moreover, the quality assessors of the Group shared the salesforce system with Mengniu with review information of suppliers and factories uploaded to the system. This allowed sharing of the information and made it easy for responsible departments to follow up and access statistics for analysis, helping all parties to improve work efficiency.

加強質量數據化

2020年，本集團建立了實驗室信息化系統，並在和林工廠試行，2021年1月份開始在各工廠實施。系統可實現從SAP系統開始發出檢驗任務至檢驗結果的回傳功能，將實現質量檢驗流程化、簡單化和標準化，有助質量數據分析。此外，本集團的質量評審與蒙牛共享salesforce系統，將供應商、工廠的評審信息上傳系統，實現審核信息共享，並方便相關責任部門跟進及統計分析，改善各方工作效率。

Promoting a culture that embraces quality

Yashili has continuously raised awareness of the importance of quality among the factory staff. By providing various on-site quality training and promotion in the factories, offices and other places, the Group succeeded in fostering, with employee participation, a culture that embraces quality. In 2020, the Group organized a total of 419 quality related training sections, covering quality system, food safety laws, relevant regulations and standards, etc., to increase employees' quality awareness.

推行質量文化

雅士利持續提高工廠員工對質量的重視，通過在工廠現場、辦公室場所等多途徑開展質量培訓和宣傳，營造員工參與的質量文化氛圍。2020年，本集團共舉辦419場質量相關培訓，內容涵蓋質量制度、食品安全法、相關法規標準等，提升員工質量意識。

Supply Chain

The sudden outbreak of the COVID-19 pandemic in 2020 posed great challenges to Yashili in supply chain management. The Group responded quickly by setting up a supply chain pandemic emergency committee, making nationwide deployment, maintaining at full strength excellent supply chain operation, conducting strict management of factories, perfecting coordination of production, supply and sales, embarking on critical projects, linking up upstream suppliers and downstream customers, and also continuing to build up its culture, teams and talent, thereby supports the normal operation of the Group's front-end business.

Fighting against the pandemic and securing supply

Despite the pandemic lingering, all Yashili's factories resumed work and production in strict accordance with national policies and the Group's plan. In the period when the pandemic went wild, the Group still insisted on putting equal emphasis on fighting against the pandemic and resuming work and production, and diligently implemented sterilization and pandemic prevention procedures for employees, vehicles, and in production areas, and office and living areas. Throughout 2020, the Group had zero outbreak incidents and no infection among employees. Although logistics operations were almost paralyzed across the country during the pandemic, the Group was able to meet its targets with regard to order fulfillment rate, customer satisfaction, and shipment timeframe, giving front-end business the strong backup it needed.

Improving factory management, and expanding sources of income and reducing expenses

During the year, Yashili's supply chain officially upgraded the six major "Empowering 3.0" (賦能3.0) projects, covering the building up of culture, teams and talents, the strict management of factories, the excellent supply chain operation, the improvement of production, supply and sales coordination, the establishment of key projects and the connection between upstream suppliers and downstream customers. In the second half of 2020, the Group repositioned all its factories and launched a series of projects to expand sources of income and reduce expenses, such as human resource sharing and leasing out of vacant factories. The Group will continue to improve factory management and increase synergy between the supply chain and each business unit to facilitate the achievement of sales targets.

供應鏈

2020年新型冠狀病毒突然爆發，對雅士利的供應鏈管理工作帶來極大挑戰，本集團快速應對，成立供應鏈疫情應急委員會，全域部署，全力維繫卓越供應鏈運營，從嚴治廠、完善產供銷協調，打造關鍵項目，「鏈」通上游供應商及下游客戶，並繼續進行文化、團隊及人才的建設，支持本集團前端業務的正常運作。

抗擊疫情，保障供應

雅士利各工廠疫情期間嚴格按照國家政策及本集團的計劃復工復產，在疫情最嚴竣的時候，依然堅持抗擊疫情和復工復產並重，嚴謹執行對員工、車輛、生產區域、辦公區域、生活區域的消毒及防疫程序。2020年全年，本集團保持零疫情事故，零員工感染發生。在全國物流幾乎癱瘓的情況下，本集團訂單滿足率、客戶滿意度、運輸時效均仍達到目標，為前端的業務提供強而有力的保障。

提升工廠管理，開源節流

年內，雅士利供應鏈正式升級六大「賦能3.0」項目，涵蓋範圍包括文化、團隊及人才的建設、從嚴治廠、卓越供應鏈營運、完善產供銷協調、打造關鍵項目，以及「鏈」通上下游供應商及下游客戶。2020年下半年，本集團對所有工廠重新定位，且展開一系列開源節流項目，如人力共享、閑置廠房出租等。本集團將繼續提升工廠管理，增加供應鏈與各事業部之間的協同作用，以助力銷售目標的達成。

Cultural co-creation and strategic planning

In order to spread Yashili's visions, missions and values, the Group organized a number of cultural co-creation activities to collectively create values and behaviors in line with the functions of the supply chain and the business philosophy of "Supply chain is a service, and service creates value (供應鏈即服務,服務即價值創造)". In addition, the Group's supply chain department has set the strategic goal of "Satisfying customers' needs, reducing total supply chain costs, and helping the Company gain success through strict administration and coordinated operations" (以滿足客戶需要為導向,以降低供應鏈總成本為目的,從嚴治軍,協同作戰,助力集團奪冠), and has jointly formulated a three-year strategic plan regarding supply chain on the basis of cultural co-creation.

文化共創，制定戰略規劃

為傳播雅士利的願景、使命和價值觀，本集團組織多場文化共創活動，集體共創符合供應鏈職能的價值觀行為及「供應鏈即服務，服務即價值創造」的經營理念；此外，本集團的供應鏈部門訂立了「以滿足客戶需要為導向，以降低供應鏈總成本為目的，從嚴治軍，協同作戰，助力集團奪冠」的戰略目標，並在文化共創的基礎上，共同制定供應鏈方面的3年戰略規劃。

Management System

In the first half of 2020, the Group completed the integration of its business units. With the upgrading and transformation of its internal management system, the Group optimized and sorted out data assets to ensure smooth business operation.

Based on Yashili's digital platform jointly established with Alibaba, an e-commerce giant, in 2019, the Group launched the smart shopping guide platform online in 2020 to reshape the way of interaction with consumers by empowering shopping guidance with data. In terms of business model, the Group has created a brand-new operation model to facilitate the comprehensive digital upgrade of physical stores through Joyful-Shopping for staff members and Mengya Home and the establishment of independent online stores for every physical store. Consumers could watch video lessons conducted by experts on parenting knowledge centrally provided by brands in each independent store of Mengya Home, so as to accumulate the consumer assets of each store, expand the influence of brands and innovate the service form of channel participants.

管理系統

2020年上半年，本集團完成事業部整合，內部管理系統亦配合升級改造，將數據資產進行優化整理，保障業務順利運行。

本集團在2019年與電商巨頭阿里巴巴合作搭建的雅士利數據中台的基礎上，在2020年上線了智慧導購平台，通過以數據賦能導購，重塑與消費者的互動方式；在商業模式方面，本集團打造全新的營運模式，透過員工歡樂購和蒙雅到家，幫助實體門店進行全面數字化升級，為每家實體門店建立自己的獨立線上門店，消費者並可通過各蒙雅到家的獨立門店觀看品牌集中提供的育兒知識和專家課堂，以累積各門店的消費者資產，擴大品牌影響力，創新渠道參與者的服務形式。

In terms of marketing and sales, the Group has enabled sales data online in real time, at the same time, Yashili's marketing and sales expense management system has been put online to better manage the expenses and utilization efficiency of promotional campaigns through such digital management platform. In terms of supply chain, the Group comprehensively implemented SAP WMS stock management in the first half of the year to improve warehouse management capabilities. Meanwhile, the Group applied the Laboratory Information Management System (LIMS) in the inspection process of raw materials, auxiliary materials, semi-finished products and finished products. The LIMS system was integrated with systems such as the SAP and ERP systems, etc., to provide data support for the comprehensive quality management of the Group and achieve visible and effective tracking of the quality management of supply chain.

本集團在營銷端方面實現動銷數據實時在線，更為透明化。同時，雅士利的營銷費用管理系統已經上線，通過數字化管理平台，更好地管理促銷活動費用及使用效率。在供應鏈端方面，本集團於上半年全面實施SAP WMS庫存管理，提升倉庫管理能力。同時，本集團透過實驗室信息化系統(LIMS)覆蓋原輔料、半成品、成品的檢驗流程，並與現有SAP、ERP等系統集成，為本集團全面質量管理提供數據支持，實現供應鏈質量管理的可視化及有效追蹤。

In addition, the Group continuously leveraged on the successful experience of Mengniu Group in digitalizing and standardizing its corporate operations to further enhance the Group's overall operational efficiency.

此外，本集團持續借鑒蒙牛集團數字化及標準化企業營運的成功經驗，進一步提升本集團整體經營效能。

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2020, the Group's revenue amounted to RMB3,649.2 million (2019: RMB3,412.0 million), increasing by 7.0% as compared to the last year.

財務回顧

收入

截至2020年12月31日止年度，本集團之收入達人民幣3,649.2百萬元(2019年：人民幣3,412.0百萬元)，較上年上升7.0%。

By product category	按品牌類別劃分	2020 RMB million 人民幣百萬元	2019 RMB million 人民幣百萬元	Percentage change 變動比例
Milk powder products	奶粉產品	2,975.6	2,650.3	12.3%
Other milk powder products	其他奶粉產品	427.4	574.9	−25.7%
Dissolvable products	沖調產品	166.4	143.2	16.2%
Others	其他	79.8	43.6	83.0%
Total	總計	3,649.2	3,412.0	7.0%

For the year ended 31 December 2020, sales revenue from milk powder products amounted to RMB2,975.6 million (2019: RMB2,650.3 million), representing an increase of 12.3% from the last year, sales revenue from dissolvable products amounted to RMB166.4 million (2019: RMB143.2 million), representing an increase of 16.2% from the last year, which was mainly because the Group expanded its channels during the year, which resulted in an increase in performance; sales revenue from other milk powder products amounted to RMB427.4 million (2019: RMB574.9 million), representing a decrease of 25.7% from the last year, which was mainly due to the decrease in sales volume of Yashili New Zealand due to the impact of the COVID-19 pandemic.

截至2020年12月31日，奶粉產品實現銷售收入人民幣2,975.6百萬元(2019年：人民幣2,650.3百萬元)，較上年上升12.3%。沖調產品實現銷售收入人民幣166.4百萬元(2019年：人民幣143.2百萬元)，較上年上升16.2%，主要是由於本年本集團拓展渠道，帶來業績上升；其他奶粉產品實現銷售收入人民幣427.4百萬元(2019年：人民幣574.9百萬元)，相比上年下降25.7%，主要是受新冠疫情影響，子公司新西蘭乳業銷售數量下降所致。

The increase in the Group's sales revenue was mainly due to: (1) expansion of the coverage of adult milk powder and nutrition products on new functional products to shift focus to high-end products while developing market segments; (2) the infant formula market continued to optimize the product structure, the business grew after the brand rebranded and the momentum was good; and (3) enhanced brand exposure and credibility through a variety of advertising approaches and promoted the growth of online and offline sales.

本集團銷售收入上升主要是由於：(一)成人粉及營養品擴大新功能性產品覆蓋率，向高端化發展，同時發展細分市場；(二)嬰配粉持續優化產品結構，品牌煥新後業務增長，勢頭良好；及(三)通過多種投放方式，提升品牌曝光度及公信力，促進線上、線下銷量增長。

Gross profit

For the year ended 31 December 2020, the Group recorded a gross profit of RMB1,333.8 million (2019: RMB1,266.8 million), representing an increase of 5.3% from the last year. The gross profit margin was 36.6% (2019: 37.1%), representing a decrease of 0.5% from the last year, which was mainly because disposal of old goods due to rebranding, thus lowered the overall gross profit.

毛利

截至2020年12月31日止年度，本集團錄得毛利為人民幣1,333.8百萬元(2019年：人民幣1,266.8百萬元)，較上年上升5.3%。毛利率為36.6%(2019年：37.1%)，毛利率較上年下降0.5%，下降的主要由於品牌煥新而低價處理舊貨，從而拉低整體毛利。

Selling and distribution expenses

For the year ended 31 December 2020, the Group generated selling and distribution expenses of RMB1,039.1 million (2019: RMB963.8 million), representing an increase of 7.8% from the last year.

The Group's selling and distribution expenses as a percentage of revenue increased to 28.5% (2019: 28.2%), representing an increase of 0.3% from the last year. The overall fluctuation is mainly due to the increase in online promotion and advertising costs for the year.

銷售及經銷開支

截至2020年12月31日止年度，本集團產生銷售及經銷開支為人民幣1,039.1百萬元(2019年：人民幣963.8百萬元)，較去年上升7.8%。

本集團銷售及經銷開支佔收入比例上升至28.5%(2019年：28.2%)，較上年上升了0.3%；整體波動主要由於本年線上推廣及廣告費用增加所致。

Administrative expenses

For the year ended 31 December 2020, administrative expenses amounted to RMB186.6 million (2019: RMB223.0 million), representing a decrease of 16.3% from the last year, which was mainly attributable to the improved operation efficiency of back offices and the optimization of corporate organisational structure during the year.

行政開支

截至2020年12月31日止年度，行政開支為人民幣186.6百萬元(2019年：人民幣223.0百萬元)，較上年下降了16.3%，主要是由於本年後台運營效率提升及公司組織架構優化所致。

Net finance income

For the year ended 31 December 2020, net finance income amounted to RMB74.8 million (2019: RMB84.7 million). The decrease in net finance income of 11.7% was mainly attributable to the global adoption of quantitative easing policy under the pandemic, leading to a decrease in deposit rate and capital for deposits.

淨財務收入

截至2020年12月31日止年度，財務收入淨額為人民幣74.8百萬元(2019年：人民幣84.7百萬元)。財務收入淨額下降11.7%，主要是疫情影響下，全球開啟量化寬鬆政策，使得存款利率下降以及用於存款的資金下降。

Income tax

For the year ended 31 December 2020, the income tax expense of the Group amounted to RMB28.6 million (income tax credit of 2019: RMB9.4 million), and the effective income tax rate was 22.1% (2019: -9.1%). The increase in income tax expense was mainly attributable to the increase in utilization of unrecognized temporary differences in previous years, and the use of deferred tax assets that have been recognised in previous years.

所得稅

截至2020年12月31日止年度，本集團的所得稅費用為人民幣28.6百萬元(2019年所得稅抵減：人民幣9.4百萬元)，實際所得稅率為22.1%(2019年：-9.1%)。所得稅費用上升的原因主要是本集團本年利用以往年度未確認的暫時性差異增加以及使用以前年度已確認的遞延所得稅資產。

Inventory

As at 31 December 2020, the balance of inventory of the Group amounted to RMB984.8 million (31 December 2019: RMB924.0 million). The increase in inventory was mainly due to the strategic stocking up for raw materials near the end of the year.

存貨

於2020年12月31日，本集團存貨餘額為人民幣984.8百萬元(2019年12月31日：人民幣924.0百萬元)。存貨增加主要是年末本集團對原材料進行了戰略備庫。

Other current financial assets/structural bank deposits

As at 31 December 2020, other financial assets included fixed yield wealth management products of RMB121.8 million (31 December 2019: RMB643.4 million), with an anticipated annualised yield of 1.15% to 3.50% (31 December 2019: 1.30% to 6.10%).

其他流動金融資產／結構性銀行存款

於2020年12月31日，其他金融資產包含穩健型保本理財產品人民幣121.8百萬元(2019年12月31日：人民幣643.4百萬元)，預期年化收益率為1.15%至3.50%(2019年12月31日：1.30%至6.10%)。

Trade receivables

As at 31 December 2020, the Group's trade receivables amounted to RMB91.2 million (31 December 2019: RMB152.6 million). In 2020, the trade receivables turnover days were 12 days (2019: 16 days), representing a decrease of 4 turnover days from last year, which was mainly attributable to the accelerated collection of receivables.

貿易應收款

於2020年12月31日，本集團貿易應收款金額為人民幣91.2百萬元(2019年12月31日：人民幣152.6百萬元)。於2020年，貿易應收款周轉天數為12天(2019年：16天)，周轉天數較上年減少4天，主要由於資金回收速度加快。

Contingent liabilities

As at 31 December 2020, the Group had no material contingent liabilities (31 December 2019: nil).

或然負債

於2020年12月31日，本集團並無重大或然負債(2019年12月31日：無)。

Capital commitment

As at 31 December 2020, the Group's net cash outflow in capital expenditures was RMB84.1 million (31 December 2019: RMB101.1 million). As at 31 December 2020, the Group's capital commitment was RMB4.3 million (2019: RMB9.7 million), which is mainly related to workshop renovation projects and the purchase of milk powder production equipment.

資本承擔

於2020年12月31日，本集團資本支出淨現金流出金額為人民幣84.1百萬元(2019年12月31日：人民幣101.1百萬元)。於2020年12月31日，本集團資本承擔額為人民幣4.3百萬元(2019年：人民幣9.7百萬元)。主要為車間改造項目及購置奶粉生產設備。

Provision for doubtful debts of trade receivables

As at 31 December 2020, the Group had provisions for doubtful debts of RMB12.1 million (2019: RMB12.0 million). These provisions were made for impaired receivables relating to customers that were in default or delinquency of payments. The Group does not hold any collateral or other credit enhancements over such amounts. An impairment analysis is performed by the Group using a provision matrix to measure expected credit losses. The provision rates are based on ageing of the balances for the groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

貿易應收款呆帳撥備

於2020年12月31日，本集團的呆帳撥備為人民幣12.1百萬元(2019年：人民幣12.0百萬元)。該等撥備是與拖欠付款的客戶有關的減值應收款而作出的撥備。本集團並無就該等金額持有任何抵押品或其他信貸增級。本集團以撥備矩陣進行減值分析，以計量預期信用損失，撥備率基於具有類似報失模式的各個客戶群的分組(如按客戶類型)的賬齡確定。該計算反映了概率加權結果，貨幣時間價值以及報告日期可獲得的關於過去事件，當前狀況和未來經濟狀況預測的合理且可支援的資訊。

Provision for impairment and disposal losses of inventories

As at 31 December 2020, the Group's balance of provision for impairment of inventories was RMB71.2 million (2019: RMB78.7 million), which was mainly because certain inventories affected by the rebranding policy had longer age profile and were required to provide the impairment allowance under the policy accordingly. In addition, the Group recorded losses on disposal of inventories of RMB21.1 million in 2020 (2019: RMB4.4 million), which was mainly because the Group needs to dispose of unsuitable packaging materials affected by the rebranding policy, meanwhile, impairment provision was accrued for the inventories in degraded status.

存貨減值撥備和報廢虧損

於2020年12月31日，本集團的存貨減值撥備餘額為人民幣71.2百萬元(2019年：人民幣78.7百萬元)。主要是由於受品牌煥新影響的部分存貨庫齡較長，需按照政策計提相應的減值撥備。此外，本集團2020年亦錄得存貨報廢虧損人民幣21.1百萬元(2019年：人民幣4.4百萬元)；主要受品牌煥新影響，需報廢不適用的包材及對處於降級狀態的庫存計提存貨減值撥備。

Pledge of assets

As at 31 December 2020, the Group had pledged assets with an aggregate value of approximately RMB1,715.8 million (31 December 2019: RMB1,453.2 million).

已抵押資產

於2020年12月31日，本集團已抵押之資產合計約人民幣1,715.8百萬元(2019年12月31日：人民幣1,453.2百萬元)。

Profit attributable to equity holders of the Company

The profit attributable to equity holders of the Group amounted to RMB101.1 million, representing a decrease of 10.1% from the last year. This was mainly due to the increase in income tax expenses during the year.

本公司股權持有人應佔溢利

本集團股權持有人應佔溢利為人民幣101.1百萬元，較上年下降10.1%。主要由於本年所得税費用上升。

Liquidity and capital resources

As at 31 December 2020, the Group's liquidity and capital resources, including cash and bank balances, pledged deposits to be released within one year, other current financial assets/structured bank deposits and long-term bank deposits, amounted to RMB3,089.0 million in total (31 December 2019: RMB2,692.0 million), representing an increase of 14.7%. The increase was mainly due to the decrease in investment activities and the increase in daily working capital as a result of lower bank interest rates during the year.

流動資金及資本資源

於2020年12月31日，本集團的流動資金及資本資源包括現金及銀行結餘，一年內解除限制的保證金存款、其他流動金融資產／結構性銀行存款及長期銀行存款合計人民幣3,089.0百萬元(2019年12月31日：人民幣2,692.0百萬元)，上升14.7%。上升的原因主要是本年銀行利率較低，投資活動減少，日常運營資金增加。

Operating activities

For the year ended 31 December 2020, the Group's net cash inflow from operating activities was RMB118.7 million (2019: net cash inflow RMB177.2 million). The decrease in the net cash inflow from operations was mainly due to the preparation of strategic inventories of raw materials occupied cash flow at year end.

經營活動

截至2020年12月31日止年度，本集團的經營活動現金淨流入人民幣118.7百萬元(2019年：淨流入人民幣177.2百萬元)。經營現金淨流入減少主要由於年末採購戰略備庫原材料佔用現金流。

Investing activities

For the year ended 31 December 2020, net cash inflow generated from investing activities amounted to RMB1,067.1 million (2019: net cash outflow of RMB695.1 million), which was mainly attributable to the decrease in the purchase of wealth management products by the Group during the year.

投資活動

截至2020年12月31日止年度，投資活動產生的現金淨流入為人民幣1,067.1百萬元(2019年：淨流出人民幣695.1百萬元)，主要是本年集團購買理財產品減少所致。

Financing activities

For the year ended 31 December 2020, net cash inflow generated from financing activities amounted to RMB71.1 million (2019: net outflow of RMB64.2 million), mainly attributable to the increased bank borrowings as well as the maturity of deposits pledged to obtain the bank borrowings during the year.

融資活動

截至2020年12月31日止年度，融資活動所產生現金淨流入為人民幣71.1百萬元(2019年：淨流出人民幣64.2百萬元)，主要是本年銀行借款增加且用於獲取銀行借款相關的抵押存款到期所致。

Interest-bearing bank and other borrowings

As at 31 December 2020, the Group's interest-bearing bank and other borrowings amounted to RMB365.9 million (31 December 2019: RMB36.2 million). The above loans shall be repayable on demand upon maturity. As at 31 December 2020, the Group's gearing ratio, which is calculated by total interest-bearing bank and other borrowings at year end divided by total assets at year end, was 4.7% (31 December 2019: 0.5%).

計息銀行及其他借款

於2020年12月31日，本集團計息銀行及其他借款為人民幣365.9百萬元(2019年12月31日：人民幣36.2百萬元)。以上貸款需按要求到期償還。於2020年12月31日，本集團資產負債比率為4.7%(2019年12月31日：0.5%)，資產負債比率為年末計息銀行及其他借款總額除以年末資產總額。

Use of net proceeds from the Initial Public Offering

The Company's net proceeds from the Initial Public Offering amounted to approximately RMB1,965.8 million after deduction of relevant expenses. As of 31 December 2020, the Company had used up all the net proceeds from the Initial Public Offering in accordance with the manner as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus dated 30 October 2010.

首次公開招股所得款項淨額用途

本公司於扣除有關開支後的首次公開發售所得款項淨額約為人民幣1,965.8百萬元。於2020年12月31日，本公司已按照2010年10月30日的招股章程「未來計劃及所得款項用途」一節所披露的方式，用完所有首次公開發售所得款項淨額。

HUMAN RESOURCES

As at 31 December 2020, the Group has a total of 2,919 (31 December 2019: 2,965) full-time employees. The total staff cost for the year was approximately RMB435.3 million (2019: RMB532.4 million).

Commencing cultural co-creation and reshaping corporate culture

In order to achieve the strategic goal of rapid growth in results, the Group reshaped its corporate culture in the second half of 2020, with the mission of "Nutrient in a drop, blooming every life (點滴營養,綻放每個生命)", the vision of "winning with milk powder by 2026 (贏在奶粉,奪冠2026)", the values of "Consumer first, respect for values, results-oriented and digital intelligence innovation (消費者第一第一第一、尊重價值、結果導向、數智創新)", and the corporate spirit of "Dare to explore and compete with oneself (勇於開拓,與自己較勁)" as the new corporate culture.

Optimizing the organization and strengthening the business units

At the beginning of this year, the Group launched an organizational reform to introduce a multi-divisional organization structure and strengthen the business units. Based on the design principles of "vertical penetration, horizontal splitting, collaborating and sharing, and empowering and supporting (縱向下沉,橫向拆分,協同共享,賦能支持)", the Group transferred all its functional centers and departments of the headquarters to business units since March 2020, so as to continuously optimize the corporate structure and achieve the Group's strategic objectives more effectively.

人力資源

於2020年12月31日,本集團共有2,919名(2019年12月31日:2,965名)全職僱員。年內,僱員總成本約為人民幣435.3百萬元(2019年:人民幣532.4百萬元)。

開展文化共創,重塑企業文化

為實現業績高速增長的戰略目標,本集團於2020年下半年進行了企業文化重塑,以「點滴營養,綻放每個生命」為使命,以「贏在奶粉,奪冠2026」為願景,以「消費者第一第一第一、尊重價值、結果導向、數智創新」為價值觀,以「勇於開拓,與自己較勁」為企業精神的全新企業文化。

優化組織,強化事業部

本集團今年年初開展了組織變革,推行事業部制組織結構,強化事業部。依據「縱向下沉,橫向拆分,協同共享,賦能支持」的設計原則,從2020年3月起將總部職能中心與部門全部下調至事業部運作,不斷優化公司架構,更有效實現本集團戰略目標。

Establishing a talent evaluation model to identify talents

The Group established a talent evaluation model in the first half of 2020, conducted a stocktaking on the talent pool to identify high-potential talents, and implemented a personal development plan for high-potential talents based on the "70-20-10" cultivation concept.

Reforming remuneration system to retain talents

In 2020, the Group commenced a comprehensive job evaluation to lay the foundation for building a job system, optimizing the remuneration system and formulating a succession plan. In terms of remuneration reform, the Group increased the proportion of fixed income for sales staff during the year to enhance employees' sense of belonging; in terms of performance reform, the Group strengthened salary management based on employees' performance to enhance the sound and sustainable development of Yashili's business, and continuously adjusted the salaries of employees with outstanding performance to retain talents. In addition, the Group adopted a phantom share incentive scheme for the first time to motivate Yashili's middle management, so that key personnel would be more attentive to the long-term development of the Company.

Creating a better workplace atmosphere and enhancing employer's brand image

Through branding programs such as "Leaders Speak Up (領導有話說)" and "Executive's Direct (高管直通車)", Yashili has improved its communication mechanism and better listened to the suggestions and opinions of its employees to create a more inclusive and open workplace atmosphere. The Group also continued its employer brand building activities and outstanding human resources management and practices, successively won the title of "2020 China Best Employer Award (2020中國年度最佳僱主)" jointly awarded by Zhaopin.com (智聯招聘) and Institute of Social Science Survey, Peking University (北京大學社會調查研究中心), the "Outstanding Human Resources Management Award (人力資源管理傑出獎)" presented by 51job.com (前程無憂) and the "Best Talent Partner (最佳人才夥伴)" presented by Liepin.com (獵聘網) in 2020, which enhanced the employer's brand image of the Group.

建立人才評價模型，識別人才

本集團在2020年上半年建立了人才評價模型，進行人才盤點，識別高潛力的人才，依據「70-20-10」的培養理念，落實高潛力人才的個人發展計劃。

改革薪酬體系，保留人才

2020年，本集團開展全面職位評估，為搭建職位體系、優化薪酬體系以及制定繼任者計劃奠定基礎。薪酬改革方面，年內本集團增加了銷售員工的固定收入比例，提升員工歸屬感；績效改革方面，本集團加強根據員工績效計算的工資管理，增進業務的良性及可持續發展，並對高績效人員持續調薪，保留人才。此外，本集團首次採用虛擬股票計劃激勵中層骨幹，令關鍵人員更關注公司的長期發展。

營造更良好職場氛圍，提升僱主品牌形象

雅士利通過打造「領導有話說」、「高管直通車」等品牌項目，改善上下溝通機制，更好地傾聽員工的建議及意見，營造更包容、更開放的職場氛圍。本集團並持續進行僱主品牌建設活動，憑藉優秀的人力資源管理和實踐，於2020年內先後榮獲由智聯招聘聯合北京大學社會調查研究中心頒發的「2020中國年度最佳僱主」、前程無憂頒發的「人力資源管理傑出獎」和獵聘網頒發的「最佳人才夥伴」等獎項，提升了本集團的僱主品牌形象。

SOCIAL RESPONSIBILITY

At the beginning of 2020, in the face of the severe pandemic, the Group proactively shouldered its corporate social responsibility by providing nutrition supplement and milk powder, with a total value of over RMB46 million, to front-line personnel who fought against the pandemic and special families and children affected by the pandemic to secure their nutritional needs.

During the year, to cope with the urgent demand for food supply for infants and young children, Yashili fully mobilized resources from all parties and proactively liaised with various organizations, such as China Children and Teenagers' Fund (中國兒童少年基金會), China Nutrition and Health Food Association (中國營養保健食品協會), China Charity Federation (中華慈善總會), Henan Charity General Federation (河南省慈善總會) and Hubei Charity Federation (湖北省慈善總會), and donated nutritional milk powder products to regions severely suffered from the pandemic, so as to mitigate the material needs of special families. In addition, Yashili initiated the "Overcoming Difficulties with Love and Food (共克時艱,愛不斷糧)" campaign by deploying all channels, such as milk powder e-commerce channels, customer hotlines and physical mother-and-baby stores to establish the "home delivery" service, with an aim to deal with difficulties of families for going outside to purchase supplies.

In order to support front-line personnel to better participate in the prevention and control of the pandemic, Yashili also liaised with various organizations to donate batches of adult milk powder and infant formula milk powder to secure the nutritional needs of front-line staff of local governments and hospitals across the country and the food supply for their babies. Yashili's employees from different regions also proactively joined the volunteer teams, aiming to deliver supplies as fast as possible.

In view of the huge demand for supplies, the production and logistics teams of Yashili resumed production as soon as possible in an orderly manner under the premise of good scientific prevention and control of pandemic. Based on sufficient self-protection, the Group's employees insisted on rigorous sterilization and quality control on each production line to ensure food safety. In addition, Yashili's two warehouses in Chaozhou and Shanghai shipped goods at the same time to ensure the fastest delivery to the locations of recipients.

社會責任

2020年初，面對嚴峻的疫情，本集團主動肩負企業社會責任，為抗疫一線工作人員及受疫情影響的特殊家庭及兒童提供營養補充品及奶粉，保障其營養需要，總值逾人民幣46百萬元。

年內，為解決嬰幼兒食物供應的燃眉之急，雅士利充分調動各方資源，主動聯繫中國兒童少年基金會、中國營養保健食品協會、中華慈善總會、河南省慈善總會和湖北省慈善總會等多家機構單位，捐贈營養奶粉產品馳援疫情嚴重的地區，緩解特殊家庭的物資需求；此外，雅士利發起「共克時艱，愛不斷糧」活動，動員奶粉電商渠道、客戶熱綫、實體母嬰店等全渠道打造「送貨到家」的服務，解決廣大家庭出外購買物資的困難。

為支持一線人員更好地投入到疫情防控工作中，雅士利亦聯繫多家機構單位，捐贈多批成人奶粉、嬰幼兒配方奶粉等，保障多地政府、醫院等一線工作人員的營養需求及他們的嬰幼兒食物供應；雅士利各地員工亦主動加入運送物資的義工隊伍，務求以最快的速度運送物資。

面對大量的物資需求，雅士利的生產端及物流端，在做好科學防控的前提下，儘快有序恢復生產。本集團員工在做好自我防護的基礎上，堅持在每一條生產線上，進行嚴謹的消毒工序和品質控制，確保食品安全。此外，雅士利位於潮州和上海的兩個倉庫同時發貨，務求將物資以最快的速度運抵受贈方所在地。

In addition to supporting the pandemic alleviation, Yashili continued to carry out charitable activities across the countries. Doraler under Yashili launched a "Warm Sunshine with Doraler" caring campaign (溫暖「羊」光愛心活動) in Northern China and Henan Province, donating to left-behind children and children with disabilities; meanwhile, the "Reeborne's Charity Walk (瑞哺恩愛心公益行)" entered Nanchang, Anqing, Liuan and other regions to launch the "Care for the Elderly, Warmth for Families (關愛老人、溫暖家庭)" campaign. In May 2020, Yashili also donated Topconic milk powder, which was worth more than RMB1 million, to Air Force Hospital for Guangzhou Southern Military Area (廣州南部戰區空軍醫院), the People's Hospital of Liangshan County (梁山縣人民醫院), the Education Bureau of Yuexiu District, Guangzhou (廣州越秀區教育局) and the School of Public Health, Sun Yat-sen University (中山大學公共衛生學院).

雅士利在支援疫情的同時，繼續在全國各地推行公益活動。雅士利朵拉小羊在華北、河南發起溫暖「羊」光愛心活動，捐助留守兒童及殘疾兒童；同時，「瑞哺恩愛心公益行」走進南昌、安慶、六安等地，發起「關愛老人、溫暖家庭」活動。於2020年5月，雅士利並向廣州南部戰區空軍醫院、梁山縣人民醫院、廣州越秀區教育局及中山大學公共衛生院捐贈了價值超過人民幣1百萬元的特康力乳粉。

In the future, Yashili will continue to give full play to its strengths, firmly rooting social responsibility in its corporate development and making its best endeavor to protect consumers' health.

未來，雅士利將繼續發揮自身優勢，把社會責任堅定植根於企業發展中，盡最大努力保障消費者健康。

PUBLIC RELATIONS AND CRISIS MANAGEMENT

公共關係及危機處理

The Group has been striving to communicate with relevant government departments, media and consumers through various channels in a proactive, open, sound and active way to achieve mutual benefits and win-win results. In 2020, affected by the pandemic, consumers paid more attention to food safety issues. The Group carried out system reforms, integrated Mengniu Group's system with the original corporate crisis management system and strengthened learning and application to quickly handle various kinds of incidents in an active and effective manner. With the support of the crisis management system, the Public Affairs Management Department coordinated with various departments to timely respond to various consumer voices and assist in handling the consultation of government departments and dealing with media concerns.

本集團一直致力通過多種渠道，主動、公開、健康、積極與政府、媒體、消費者等各方面進行有效溝通，達到互利共贏的效果。2020年，受疫情影響，消費者對食品安全問題更加重視，本集團進行制度改革，將蒙牛集團制度與原有的企業危機管理制度相結合，並加強學習與運用，以積極有效的方式迅速回應各類事件。在危機管理制度支持下，公共事務管理部協同各個部門，及時處理各種消費者的聲音，協助配合政府部門的諮詢以及解答媒體關注的問題。

The Group also actively coordinated market sales and promotions, and timely responded to consumers' concerns, which thereby effectively prevented the occurrence of crisis. By closely monitoring industry trends and news events, the Group responded to industry events in a timely manner and communicated with the public and the media effectively, thereby establishing a good position in the industry. The Group also actively released information to the media in the aspects of brand activities, industry activities and trending information. By controlling the pace of communication, the Group established trending, influential and readable topics for each event, with an aim to improve the understanding of the public and media on the Group. Looking ahead, the Group will focus on topics regarding breast milk-like products, scientific research findings, and adult milk powder and so on. In line with its development strategies, the Group will proactively communicate with the public and media to continuously enhance its corporate and brand image.

本集團亦積極配合市場銷售推廣，及時為消費者答疑，從而有效預防危機事件的發生，並通過緊貼行業動向和新聞事件，對行業事件及時作出反應，與公眾及媒體有效溝通，樹立在行業中的良好地位。本集團亦圍繞品牌活動、行業活動、熱點信息等維度向媒體主動發放資訊，並通過控制傳播節奏，針對每一事件確立有熱度、影響力和可讀性的話題，增加公眾及媒體對本集團的了解。未來，本集團將聚焦親乳、科研成果、成人奶粉等主題，配合本集團發展戰略，積極與公眾及媒體進行有效溝通，持續提升企業及品牌的形象。

INVESTOR RELATIONS

The Group believes that effective communication with shareholders, investors and potential investors is essential for enhancing investor relationship and enabling investors to understand its business performance and strategies. The Group communicated with investors through various channels and means such as onsite receptions, telephone conferences, non-deal roadshows and investment summits of securities companies.

To facilitate effective communication, the Group has also set up a website (www.yashili.hk) to publish its latest financial information, corporate governance practices and other updated data for public reference.

投資者關係

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

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

FUTURE PROSPECTS

Policy implications

In December 2020, China's regulatory bodies published the Action Plan for Improving Dairy Product Quality and Safety (《乳製品質量安全提升行動方案》), which imposes mandatory requirements on quality improvement and further pushes companies to develop technological innovations to improve quality and upgrade formulas of their products. This will urge dairy companies to enhance their competitiveness on all fronts and jointly improve the quality of milk powder. As the leading and large enterprises in the industry have scientific research teams, they are more capable of conducting technological innovation to upgrade their formulas and optimize their products, and therefore, the new policy will benefit the leading enterprises.

In addition, the registration of the first batch of approved infant formula milk powder products under the Recipe Registration Requirement will expire in August 2022, these products need to start applying for renewal of recipe registration before 2022. The State Administration for Market Regulation is now revising the Recipe Registration Requirement, whereas requirements for recipe registration will be further tightened. Enterprises are required to strengthen the control of raw materials and increase their R&D, production and inspection capabilities in order to complete the registration application within the shortest possible time after the implementation of the new national standards, which will certainly accelerate the further consolidation of the milk powder market.

未來展望

政策影響

中國的監管機構在2020年12月公佈了《乳製品質量安全提升行動方案》，在品質提升上作出強制要求，進一步倒逼企業開展科技方面的創新，進行產品品質提升和配方升級，將促使乳製品企業全方位提升競爭力，共同提升奶粉品質。由於行業內的領先及大型企業擁有科技研究團隊，更有實力去做科技方面的創新，以升級配方優化產品，新政將有利於龍頭企業。

此外，在配方註冊制下首批獲批的嬰幼兒配方奶粉產品的註冊將會於2022年8月到期，該等產品需在2022年前開始申請延續配方註冊。國家市場監管總局現正在修訂配方註冊制，配方註冊料將進一步收緊，企業需要加強原料控制，增進研發、生產、檢驗能力等，才能在新國標實施之後的最短時間內完成申報註冊，勢必將會加速奶粉市場的進一步整合。

At present, a number of food safety-related regulations, including Administrative Measures on Filing of Infant Formula Foods (《嬰幼兒配方食品備案管理辦法》), National Food Safety Standard – Infant formula (《食品安全國家標準－嬰兒配方食品》), National Food Safety Standard – Older Infants Formula – (《食品安全國家標準－較大嬰兒配方食品》), National Food Safety Standard – Young Children Formula (《食品安全國家標準－幼兒配方食品》), Good Manufacturing Practice for Dairy Products (《乳製品良好生產規範》), Good Manufacturing Practice for Powdered Infant Formula Food (《嬰幼兒配方食品良好生產規範》) and Detailed rules on examination of manufacturing license for infant-formula milk powder manufacturers (《嬰幼兒配方乳粉生產許可審查細則》) are also being formulated and revised. The state will execute more stringent management on regulating the registered products and approving the products being registered, to further enhance the quality of domestic infant formula milk powder, optimize the structure of the industry and further eliminate the weak and keep the strong enterprises.

現時，多個食品安全有關的法規包括《嬰幼兒配方食品備案管理辦法》、《食品安全國家標準—嬰兒配方食品》、《食品安全國家標準—較大嬰兒配方食品》、《食品安全國家標準—幼兒配方食品》、《乳製品良好生產規範》、《嬰幼兒配方食品良好生產規範》、《嬰幼兒配方乳粉生產許可審查細則》亦正在制修訂當中，國家將更加嚴格管理對已經註冊的產品監管和正在註冊的產品的審批工作，有利國產嬰幼兒配方奶粉品質進一步提升，優化行業結構，進一步汰弱留強。

Industry Trend

Increasingly fierce market competition

With the steady recovery of Chinese economy after the pandemic, the demand of the public for high-quality products and services will increase, and the differences between the domestic and pandemic situations abroad will drive the rapid rise of domestic branded products, bringing business opportunities for domestic milk. Although the birth rate demonstrated a declining trend, it was still relatively stable as shown in the birth population data for 2019 and 2020, whereas the infant formula milk powder market is still undergoing structural adjustment, and the consumption amount per unit is also steadily increasing. Therefore, it is expected that the sales of infant formula milk powder in the entire industry will remain flat in 2021. Such situation will lead to a more and more competitive infant formula market, particularly the competition between local and foreign brands in China, and the leading enterprises will increase their invasion of the market shares to small- and medium-sized enterprises.

行業趨勢

市場競爭日趨激烈

隨著中國經濟在疫情之後逐步恢復，民眾對高質量的產品和服務的需求將增加，國內外的疫情形勢的差異，也推動著國產品牌產品的高速崛起，為國產奶帶來商機。雖然人口出生率出現下降趨勢，但從2019年和2020年的出生人口數據顯示，出生率仍相對穩定，嬰幼兒配方奶粉市場仍在結構化調整，每單位消費金額也在平穩提升，預計2021年全行業整體嬰幼兒配方奶粉銷量將基本持平。這一形勢下，將使嬰幼兒配方奶粉市場競爭越演越烈，特別是中國本土與外資品牌的競爭以及龍頭企業對中小企業市場份額的蠶食將增加。

Rapid development of digital marketing

At present, the vast mother-and-baby store channel is still the main battlefield of infant formula milk powder. In particular, the store channel is growing steadily in third-tier and fourth-tier markets, so there is still considerable room for penetration and exploration. In the first-tier and second-tier markets, due to the stable number of channel stores, the Group pays more attention to the advancement of each store on a single store operation level. Large-sized and medium-sized mother-and-baby chain stores are gradually seeking various industry innovations, and the trend of increasing convenience stores, digitalization and platformization has been formed. As the novel coronavirus pandemic has catalyzed more diversified and flexible digital marketing methods, information dissemination to and communication with consumers become more fragmented. Sales promotions of physical stores, consumer interaction and even delivery of goods will tend to be combined with the use of Internet, while emerging marketing methods such as live streaming and community operation will continue to see rapid development in 2021.

Accelerating the optimization of product structure

In the wake of the novel coronavirus pandemic, Chinese consumers' consuming attitude and purchasing behaviors have undergone far-reaching changes. Consumers are increasingly focusing on the quality and health functionality of products. This trend requires dairy companies to pay more attention to product production and quality assurance, as well as the layout of upstream quality milk sources, the research and development of milk powder formula, the promotion of healthy ingredients and consumer education.

In addition, with the "healthy and nutritious" lifestyle becoming more popular, the Group will continue to expand its product lines by introducing new products in different sub-segments to meet the nutritional needs of people at all stages of family life. The Group will optimize all product portfolios, particularly the layout of product categories including milk powder for pregnant women, children, the middle-aged and elderly etc., to seize the business opportunities in the nutrition product market.

數字化營銷高速發展

現時，廣大的母嬰店渠道仍然是嬰幼兒配方奶粉的主戰場，尤其是三四線市場的門店渠道正穩步增長，仍有可觀的下沉深耕的空間，在一二線市場，由於渠道門店數量穩定，則更注重門店的單店運營水平的提升，大中型連鎖母嬰店正逐步尋求各種行業革新，商超化、數字化、平台化趨勢已經形成。由於新冠疫情催化了更多樣化更靈活的數字化營銷方式，對消費者的信息傳播和溝通變得更為碎片化，實體門店的促銷方式、消費者互動乃至貨物交付，將更多的趨向於與互聯網結合的形式，新興的直播、社群運營等營銷方式在2021年料將繼續高速發展。

加快優化產品結構

新冠疫情過後，中國消費者的消費觀念和購物行為都因此而有了深遠的改變。消費者的消費觀念不斷的趨向看重產品的高品質和有益健康的功能性，此種趨勢要求乳企更加重視產品生產和質量的保證，同時也需要注重上游優質質奶源的佈局、奶粉配方的研發和健康成分的宣傳和消費者教育。

此外，伴隨「健康，營養」的生活方式更加深入人心，針對家庭各階段人群生活營養需求，本集團將不斷向細分領域新品進軍，拓寬企業的產品線，優化全品類矩陣，特別在孕婦奶粉、兒童奶粉、中老年奶粉等品類佈局，以抓緊營養品市場的無限商機。

Company Strategies

Brand Strategies

Focusing on brand and product category

The Group will continue to regard infant formula as its main product category, establish a successful business model that is sustainable, strive to consolidate its position in cow milk powder market, and expand the market for organic and goat milk products, while gradually developing the market for dissolvable nutritional products. In particular, the Reeborne brand will focus on brand new breast milk-like milk and organic products, the Arla brand will focus on high-end organic products, and the Doraler brand will seek for breakthroughs in imported goat milk, thereby forming a sound infant formula brand and product mix. On the other hand, under the two major trends of aging population and younger sub-healthy population, the Group will continue to develop the strategy of multi-brand operation, focus on sub-health populations, build a high-end adult milk powder brand with health maintenance functions for the middle-aged and elderly and become the market leader in this regard.

Enhancing brand image in multiple dimensions

In 2021, the Group will focus on newly renewed brands (such as Reeborne, Arla Baby & Me, and Doraler, etc.), further shape their high-end professional images, and concentrate resources to continuously invest in brand building and brand empowerment. In particular, the Group will adhere to the "breast milk-like" positioning of the Reeborne brand, establish the theme of "Choose Reeborne for your breast milk-like powder (親乳奶粉選瑞哺恩)" and put emphasis on promoting Reeborne's new brand image to create a new concept of infant formula and enhance brand awareness. Reeborne will also use the image of mother and baby pandas to convey the brand concept of "Every Baby is a Mother's National Treasure (每個寶寶都是媽媽的國寶)", and will actively participate in the national panda welfare and protection cause, calling on the society to pay attention to and participate in the protection of pandas, so as to further strengthen the positive image of the Group in terms of social responsibility. In addition, Reeborne has also continued the cooperation with the spokesperson Yao Chen (姚晨), and launched more attractive TV commercials and content in other media to strengthen the brand's professional image. For nutrition products, Mengniu M8 children's growth formula will continue to improve in respect of its packaging and formula, in order to promote its differentiated product advantages. The Group also will launch a public test and invite tens of thousands of participants in order to raise the consumers' awareness of the advantages of the Group's M8 children milk powder.

公司策略

品牌策略

品牌與品類聚焦

本集團將堅持以嬰幼兒配方奶粉作為主要產品品類，打造持續成功的業務模式，致力穩固牛奶粉產品市場，擴大有機和羊奶產品的市場，同時逐步開發沖調類營養品的市場。其中瑞哺恩品牌將以全新的親乳定位牛奶和有機奶作為品類主打，Arla品牌將以高端有機作為品類主打，朵拉小羊則作為進口羊奶的突破品牌，形成健全的嬰配奶粉品牌和產品梯隊。另一方面，隨著人口老齡化和亞健康人群年輕化兩大趨勢，本集團將持續發展多品牌運營戰略，重點聚焦亞健康人群，打造高端健康保養功能的中老年成人奶粉品牌，建立市場領導地位。

多維度強化品牌形象

2021年，本集團將聚焦瑞哺恩、Arla寶貝與我和朵拉小羊等剛煥新的品牌，進一步塑造其高端專業形象，集中資源，持續投入品牌建設及賦能品牌。其中，本集團將堅守瑞哺恩品牌的「親乳」定位，打造「親乳奶粉選瑞哺恩」主題，大力宣傳瑞哺恩的全新品牌形象，打造嬰幼兒配方奶粉新概念，提升品牌知名度。瑞哺恩亦將以熊貓母子的形象，來傳遞「每個寶寶都是媽媽的國寶」的品牌理念，並將積極參與國家的熊貓公益保護事業，呼籲社會共同關注並參與大熊貓保育，進一步強化本集團的正面社會責任形象。此外，瑞哺恩亦與代言人姚晨繼續合作，推出更具吸引力的電視廣告和其他形式的傳播內容，強化品牌專業形象。營養品方面，蒙牛M8兒童成長配方奶粉將持續進行包裝和配方的升級，推廣產品的差異化優勢，並將發起萬人公開實驗的邀約，提升消費者對於M8兒童奶粉優點的認知。

Empowering the retail-end with media and communication

In 2021, the Group will increase the Group's investment in the media, and will continue to concentrate resources in core cities, and actively strengthen the distribution, retail-end construction and consumer cultivation and interaction in core markets. Meanwhile, the Group will attract more consumers to buy the Group's products and enhance the Group's brand's reputation by different means, such as TV advertisements, cooperation with local media, as well as various digital media like internet advertisements and video social media.

媒體傳播賦能一線

本集團於2021年將加大媒體投入，並將繼續集中資源投放核心市場，積極加強核心市場的鋪貨、終端建設以及消費者培育和互動。同時，本集團亦將通過電視廣告、與地方媒體欄目合作，以及互聯網廣告、視頻社交媒體等多種數字化媒體的投入，吸引更多消費者購買產品及提升品牌口碑。

Product research and development

The Group will continue to enhance its differentiated product advantages and continuously upgrade all the launched infant formula milk products. By combining the latest research results of breast milk nutrition composition, the Group will continue to develop breast milk-like formula for infant milk powder product and are preparing to renew and upgrade the packaging of the product series under the brand, with an aim to attract more consumers and raise the consumption level of the products.

In 2021, the Group will continue to strengthen research efforts on breast milk nutritional components, including cooperation with the Nutrition Research Institute of Mengniu to carry out research on how to make infant formula products that are more similar to breast milk, and actively cooperate with industry-leading food and nutritional science experts and institutions to develop technologies on breast milk-like infant formula, as well as continue to proceed the research on nutritional components of breast milk under the "13th Five-Year Plan". Meanwhile, the Group will continue to increase the investment in milk powder craftsmanship, testing method, product standard, technology patents and other basic research and development projects to continuously improve the technical level of research and development and product quality.

產品研發

本集團將繼續提升差異化產品優勢，持續對已上市的嬰幼兒配方產品進行全線產品升級，結合最新的母乳營養成分研究成果，創新開發親乳配方的嬰幼兒奶粉產品，並對品牌旗下的系列產品包裝進行煥新升級準備，以吸引更多的消費人群，提升產品的消費層次。

本集團並將於2021年繼續加強母乳營養成分研究，包括與蒙牛營養研究院合作，開展嬰幼兒配方產品的親乳研究，並積極與行業領先的食品和營養科學專家及機構合作，研發嬰幼兒乳粉親乳科技，以及繼續推進「十三五」項目下關於母乳營養成分的研究。同時，本集團將繼續加大對奶粉工藝、檢測方法、產品標準、技術專利等基礎研發項目的投入，不斷提升技術水平和產品品質。

To cater for the diversified needs of the market, the Group will continue to enrich its brand matrix and improve its product portfolio. The Group will continue to devote more efforts on the design of the unique formulas for the needs of children, adolescents, adults, women and the middle-aged and the elderly, including the innovative development and application of nutritional milk powder with different functional ingredients to meet the diversified needs of the middle-aged and elderly people and the development of formula food products for special medical purposes for adult consumer groups with special needs. Furthermore, the Group will also actively develop other related products with regard to the demand for other nutrition products for core consumers.

為配合市場多元化的需求，本集團將繼續豐富品牌矩陣，完善產品組合，繼續加大針對兒童、青少年、成人、女士、中老年等不同人群的需求設計特有配方，其中包括加強創新開發應用不同功能配料的營養奶粉，以滿足中老年人群多樣化的需求，以及繼續開發特殊醫學用途配方食品產品以滿足成人的特殊消費群體。此外，本集團將積極圍繞核心消費人群的其他營養產品需求，開展相關的產品研發。

Sales channels

銷售渠道

Yashili will continue to increase its investment in its various brands and layout and construction of different sales channels for all business divisions, and continue to promote the balanced development of online and offline markets, enhance marketing digitalization, seize the development opportunities for e-commerce and new retail, and promote marketing innovations.

雅士利將持續加大旗下各品牌的投入和各事業部不同銷售渠道的佈局和建設，並繼續推動上下線市場均衡發展、加強營銷數字化建設，抓緊電商和新零售發展機遇，推進營銷創新。

Continuously strengthening market penetration

持續加強渠道下沉

The Group will continue to put great emphasis on its store channels in 2021, in order to empower the stores, enhance their quality and achieve balance development in second, third, fourth and fifth-tier markets. For online markets, the Group will gradually establish solid manufacturer-retailer cooperation with large-scale mother-and-baby chain stores, while at the same time consolidate the Group's resources in stores throughout the country to support their operations and sales. Furthermore, the Group will continuously strengthen channel penetration, further extend the Group's distribution coverage at the county, township and village levels, increase product categories for distribution and improve the income per store.

本集團將在2021年持續深耕門店，以賦能門店、提升門店質量，並在二三線、四五線市場均衡發展。在上線市場，本集團將逐步與大連鎖母嬰系統建立穩固的廠商合作關係，同時在全國範圍把資源重點投放到門店，支持門店的經營和動銷。此外，本集團將持續加強渠道下沉，在縣、鄉鎮、村進一步加強鋪市覆蓋，增加分銷品類及提升單店收入。

Increasing effort on marketing digitalization and innovation

Yashili will continue to invest in digitalization and improve its digital operation ability in 2021, focusing on monitoring and utilizing big data from channels and consumers to provide consumers with more efficient and tailor-made value-added services. Yashili will also establish a new membership operation system through creating a membership marketing platform, further accelerate the utilization of big data analysis, improve the service experience for front end consumers and provide precise support for stores. Moreover, the Group will enhance the efficiency of the Group's logistics and delivery as well as the Group's overall service standard through marketing digitalization, so as to promote business growth.

加強營銷數字化及創新

雅士利將在2021年繼續投入數字化建設，提升數字化運營能力，著力掌控和運用渠道和消費者的大數據，為消費者提供更高效、更精準到位的增值服務，並通過搭建會員營銷平台，建立新的會員運營體系，進一步加快大數據分析的應用，改善前端消費者的服務體驗、精準賦能門店。本集團並將通過營銷端的數字化，提升物流配送效率及整體服務水平，推動業務增長。

Expediting e-commerce and social retail development

For its tactics on e-commerce business, Yashili will strengthen its full cooperation with Alibaba in Tmall self-operated stores, Alimama digital media, Tmall new retail and Aliyun, making plans on e-commerce sales platforms, digital media, business model and big data utilization. The Group will also expedite the development of online sales and services for its infant formula milk powder, enhance online and offline traffic flow and improve overall services. Furthermore, the Group will gradually explore innovative business models related to social retailing, with an aim to seize the new business opportunities from the new retail model of e-commerce and social media.

加快拓展電商和社交零售

雅士利在電商業務的規劃上，將加大與阿里巴巴在天貓直營店、阿里媽媽數字媒體、天貓新零售及阿里雲方面的全面合作，從電商銷售平台、數字化媒體、業務模式及大數據利用上進行佈局。本集團亦將加快嬰幼兒配方奶粉的線上銷售和服務的建設速度，增強線上線下引流，提升整體服務。此外，本集團將逐步探索社交零售的創新業務模式，以緊握電商及社交新零售模式帶來的新機遇。

Supply Chain

In 2021, the Group will focus on the core abilities of developing the nationwide production planning capacity, worldwide procurement and logistics planning, supply, production and sales coordination, and overall operating cooperation for the Group's supply chain.

The Group will continue to enhance its policies in improving factory operation and empowering the factories, by implementing its six initiatives of "Empowerment 3.0", namely promoting cultural, team and talent development, adopting strict factory management and excellent supply chain operation, optimizing supply, production and sales coordination, establishing key projects and connecting upstream and downstream suppliers and customers. On top of that, the Group will complement with developing fresh milk, oatmeal, children milk powder and other businesses, pursuing government resources and other cooperation channels, expand sources of income and reduce expenses, in order to continuously enhance the supply chain's business ability.

In respect of lean production management, the Group will introduce higher flexibility into its supply chain in terms of raw material procurement, production and scheduling, quality inspection, logistics and delivery, in order to enhance its responsiveness to changes in demand. The Group will expedite its transition to digitalization, increase investment in supply chain digitalization projects, launch intelligent statement, visible inventory platform and other digitalization and intelligence development, with an aim to proactively capture the market demand and achieve supply chain digitalization transition.

Human resources

In 2021, the Group will further strengthen its business division system. Being business oriented, the Group will raise its human resources effort to a strategic level, maximize organizational performance and maintain the sustainable competitive advantages of the Group through policy deployment and active development.

供應鏈

2021年，本集團將集中發展供應鏈的全國產能規劃能力、全球採購能力、全球物流規劃能力、產供銷協調能力與整體運營協同能力等核心能力。

本集團將繼續落實提升工廠營運，賦能工廠的政策，推動文化、團隊及人才的建設、從嚴治廠、卓越供應鏈營運、完善產供銷協調、打造關鍵項目，以及「鏈」通上下游供應商及下游客戶等六大「賦能3.0」舉措，並且配合鮮奶業務、麥片業務、兒童粉等其他業務的開發，尋求政府資源及各種合作渠道，開源節流、持續提升供應鏈的業務能力。

在精益生產管理方面，本集團將從原料採購、生產排產、質量放行、物流發貨方面增加供應鏈靈活性，提高對需求變化的應變能力。本集團將加快數字化轉型的進程，加大供應鏈數字化項目的投入，開啟智能報表、庫存可視化平台等數智化建設，主動把握市場需求，實現供應鏈數字化的轉型。

人力資源

2021年，本集團將進一步強化事業部制，以業務為導向，通過政策部署、勇於開拓，將人力資源工作全面提升至戰略人力資源的高度，促進組織績效最大化，保持本集團的可持續競爭優勢。

Strengthening effort in promoting corporate culture and deepening employees' values

The Group will strengthen its effort in promoting corporate culture in 2021, so as to allow employees of the Group to keep the new corporate culture in mind and put the same in practice. The Group will also include value assessment into performance assessment as well as standard for recruitment and selection, with an aim to thoroughly embed the corporate culture into the organization system.

Further strengthening the business divisions structure and laying foundation

On top of transferring all the functional centers and departments of the headquarters to business divisions, the Group will further promote the core value of "production, supply and sales consolidation, and equal rights and responsibilities (產、供、銷一體化,責任權利對等)" to create business division structure with more flexibility in terms of operations. The focus of functional department will gradually transit from control and supervision to empowerment, supporting the business development of the Group through full authorization and empowerment.

Improving incentive mechanism to provide incentives to talents with excellent performance

In 2021, the Group will continue to deepen its remuneration system. With the strategic goals of the Group in mind, the Group will enhance the Group's results and performance and improve the Group's incentive mechanism, provide differentiated remuneration adjustment packages, bonus for gaining profit over the set target and phantom stock scheme for key employees, in order to encourage them to achieve target result.

Establishing supply chain for core talents and clear promotion path for employees

In 2021, the Group will establish clear talent standard. Through a standardized talent evaluation model, the Group will refine the talent development path to provide the Group's employees with dual development paths on both management and profession. The Group encourages internal promotion and multi-level promotion for talents. The Group will also strengthen its talent cultivation, launch cultivation schemes such as "Blue Ocean Program (藍海計劃)" and "Tidal Program (浪潮計劃)", introduce Mengniu's "Zhide (值得)" online learning platform and develop employees with potential.

加強推動企業文化，加深員工價值觀

本集團將於2021年加強推動企業文化，讓本集團員工對全新的企業文化內化於心、外化於行。本集團亦將推動價值觀考核融入績效考核及選人、用人的標準制定，使企業文化在組織制度內深入實踐。

進一步強化事業部組織，打下根基

本集團在總部職能中心與部門全部下調至事業部的基礎上，進一步推動「產、供、銷一體化，責任權利對等」的核心價值，打造經營更靈活的事業部組織。職能部門的焦點工作將逐步從管控轉為賦能，全面授權，賦能方法，支持本集團業務發展。

完善激勵機制，激勵高績效人才

2021年，本集團將繼續深化薪酬體系改革，以本集團戰略目標為導向，提升業績效能和完善激勵機制，為員工提供差異化調薪方案、超額利潤獎金、關鍵人員虛擬持股激勵方案等，激勵員工實現業績目標。

打造核心人才供應鏈，明晰員工成長路徑

2021年，本集團將明晰人才標準，通過標準人才評價模型，明確人才發展路徑，為員工提供管理、專業發展雙路徑，鼓勵人才內升、跨級提拔優秀人才。本集團亦將加強人才培養，開展「藍海計劃」、「浪潮計劃」等培養計劃，引入蒙牛「值得」在線學習平台，培養有潛力員工。

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**").

The Board is of the view that throughout the year ended 31 December 2020, the Company has complied with all applicable code provisions as set out in the CG Code, except for the deviation from code provision A.2.1 as explained under the paragraph "Chairman and Chief Executive Officer" below.

The Company is committed to enhancing its corporate governance practices appropriate to the conduct and the growth of its business and to reviewing such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

企業管治常規

董事會致力保持高水準的企業管治。

董事會相信，高水準的企業管治乃為本公司提供框架以保障股東權益、提升企業價值、制定其業務策略及政策以及提高透明度及問責性所必需。

本公司已採納香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)附錄十四所載企業管治守則(「**企業管治守則**」)載列的原則。

董事會認為，截至2020年12月31日止年度整段期間，除下文「主席及行政總裁」一段所闡述偏離守則條文第A.2.1條外，本公司已遵守企業管治守則載列的所有適用守則條文。

本公司致力提升適合其業務運作及發展的企業管治常規，並不時檢討該等常規，以確保其符合法定及專業標準，並緊貼最新發展。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 of the Listing Rules as the Group's code of conduct regarding directors' securities transactions.

Specific enquiry has been made by the Company with all directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2020.

The Company has also established written guidelines (the "**Employees Written Guidelines**") on no less exacting terms than the Model Code for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company during the year ended 31 December 2020.

證券交易之標準守則

董事會已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為本集團有關董事進行證券交易的行為守則。

本公司經向全體董事作出特定查詢後，各董事已確認，於截至2020年12月31日止年度整段期間皆有遵守標準守則。

本公司亦已為可能擁有本公司尚未公佈的內幕消息的僱員制定進行證券交易的書面指引(「**僱員書面指引**」)，其條款並不比標準守則寬鬆。本公司於截至2020年12月31日止年度並未發現任何僱員不遵守僱員書面指引的事件。

BOARD OF DIRECTORS

Responsibilities

The Board should assume responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All directors, including the non-executive directors and the independent non-executive directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interest and serving on Board committees, all non-executive directors (including the independent non-executive directors) make various contributions to the effective direction of the Company.

The independent non-executive directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All directors carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the shareholders at all times.

The directors shall disclose to the Company details of other offices held by them.

董事會

責任

董事會應負有領導及監控本公司的責任，並共同負責指示及監督本公司事務。

董事會直接及透過其轄下各委員會間接通過制定策略並監督其實施領導及提供方向予管理層，監督本集團的營運及財務表現，並確保建立健全的內部控制及風險管理系統。

所有董事(包括非執行董事及獨立非執行董事)均為董事會帶來廣泛的寶貴營商經驗、知識及專業，令其運作高效及有效。透過積極參與董事會會議，牽頭處理涉及潛在利益衝突的事務及於董事會委員會任職，所有非執行董事(包括獨立非執行董事)對本公司的有效引導作出各種貢獻。

獨立非執行董事負責確保本公司提供高標準的監管報告，並於董事會內提供制衡作用，以保障對企業行動及營運的有效獨立判斷。

所有董事均真誠地履行職責、遵守適用法律及法規及於任何時候均以符合本公司及其股東的利益行事。

董事須向本公司披露彼等擔任其他職務的詳情。

Board Composition

The Board currently comprises eight members, consisting of four non-executive directors, one executive director and three independent non-executive directors.

During the year ended 31 December 2020 and up to the date of this Annual Report, the Board comprises the following directors:

Non-executive directors

Mr. Jeffrey, Minfang Lu *(Chairman)*
Mr. Qin Peng
Mr. Zhang Ping
Mr. Gu Peiji (alias Philip Gu)

Executive directors

Mr. Yan Zhiyuan *(Chief Executive Officer)*
(appointed on 8 January 2020)
Mr. Chopin Zhang *(Chief Executive Officer)*
(resigned on 8 January 2020)

Independent non-executive directors

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

The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The biographical information of the directors including relationships among the members of the Board are set out in the section headed "Directors and Management Biographies" of this Annual Report.

To the best knowledge of the Company, there is no other financial, business or family relationship among the members of the Board.

董事會成員

董事會現由八名成員組成，包括四名非執行董事、一名執行董事及三名獨立非執行董事。

截至2020年12月31日止年度及直至本年報日期，董事會由下列董事組成：

非執行董事

盧敏放先生*(主席)*
秦鵬先生
張平先生
顧培基(又名Philip Gu)先生

執行董事

閆志遠先生*(行政總裁)*
(於2020年1月8日獲委任)
張平(Chopin Zhang)先生*(行政總裁)*
(於2020年1月8日辭任)

獨立非執行董事

莫衛斌先生
程守太先生
李港衛先生

董事名單(按類別劃分)亦披露於本公司不時根據上市規則發出的所有企業通訊中。根據上市規則，獨立非執行董事於所有企業通訊中會明確識別。

董事的履歷資料(包括董事會成員間的關係)載於本年報的「董事及管理層履歷」一節內。

據本公司所深知，董事會成員之間並無其他財務、業務或親屬關係。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

The position of Chairman of the Company is held by Mr. Jeffrey, Minfang Lu. On 8 January 2020, Mr. Chopin Zhang resigned and Mr. Yan Zhiyuan was appointed in place of Mr. Chopin Zhang as the CEO of the Company.

The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The CEO focuses on the Company's business development and daily management and operations generally. The Board considers that the responsibilities of the Chairman and CEO respectively are clear and distinctive and hence written terms thereof are not necessary.

主席及行政總裁(「行政總裁」)

企業管治守則的守則條文第A.2.1條規定主席與行政總裁的職責應有區分，且不應由同一人擔任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

本公司主席由盧敏放先生出任。於2020年1月8日，張平(Chopin Zhang)先生辭任，而閆志遠先生則獲委任接替張平(Chopin Zhang)先生為本公司行政總裁。

主席擔當領導角色及負責董事會有效運作及領導。行政總裁則一般專注於本公司的業務發展、日常管理及營運。董事會認為，主席與行政總裁各自之職責均有明確界定，故毋須編製彼等之書面職權範圍。

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year ended 31 December 2020, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

Each independent non-executive director has entered into an appointment letter with the Company for a term of three years commencing from 15 November 2013 and the service contract shall continue unless and until terminated by not less than three months' notice in writing served by either party to another.

The Company has received written annual confirmation from each of the independent non-executive directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company considers all independent non-executive directors are independent.

獨立非執行董事

截至2020年12月31日止年度，董事會一直符合上市規則有關委任至少三名獨立非執行董事的規定，獨立非執行董事人數佔董事會至少三分之一及其中一名獨立非執行董事須具備合適的專業資格或會計或相關財務管理專業知識。

各獨立非執行董事已與本公司訂立委任函，任期自2013年11月15日起計為期三年，服務合約應持續生效，除非及直至由任何一方向對方發出不少於三個月的書面通知終止為止。

本公司已收到各獨立非執行董事根據上市規則第3.13條所載的獨立性指引有關其獨立性的年度書面確認。本公司認為全體獨立非執行董事均為獨立人士。

NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the CG Code stipulates that non-executive directors shall be appointed for a specific term, subject to re-election, whereas code provision A.4.2 of the CG Code states that all directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment and that every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Each of the non-executive directors of the Company is appointed for a specific term of three years and is subject to retirement by rotation once every three years.

非執行董事

企業管治守則的守則條文第A.4.1條訂明非執行董事應按特定任期獲委任，並須膺選連任，而企業管治守則的守則條文第A.4.2條則列明所有獲委任以填補臨時空缺的董事應在彼等獲委任後的首次股東大會上由股東選任及每名董事(包括按特定任期獲委任者)須最少每三年輪席退任一次。

本公司各非執行董事按三年之特定任期獲委任，並須每三年輪值退任。

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. Such induction includes visits to the Company's key plant sites and meetings with senior management of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for directors would be arranged and reading materials on relevant topics would be provided to directors where appropriate. All directors are encouraged to attend relevant training courses at the Company's expenses.

董事之就任須知及持續專業發展

董事應掌握最新法規進展及變動以有效履行責任，以及確保彼等在持續獲得最新資訊及切合所需的情況下對董事會作出貢獻。

每位新獲委任的董事將於其首次獲委任時接受正式、全面及因應個別董事需要而設計的就任須知，以確保其適當瞭解本公司業務及營運，以及充分認識到上市規則及相關法定要求下董事須承擔的責任及義務。有關就任須知包括考察本公司的主要廠房場地及與本公司的高級管理層會面。

董事應參與合適的持續專業發展，以充實並更新其知識及技能。於適當的情況下，董事將獲安排出席內部舉行的簡報會，並獲發相關主題的閱讀材料。本公司鼓勵全體董事出席相關培訓課程，費用由本公司支付。

The record of continuous professional development relating to director's duties and regulatory and business development that have been received by the directors for the year ended 31 December 2020 and up to date of this report are summarized as follows:

於截至2020年12月31日止年度及截至本年報日期，董事已接獲有關董事職務以及監管規例及業務發展的持續專業發展記錄概述如下：

Directors	董事	Type of Training Note 培訓類別附註
Non-executive directors	**非執行董事**	
Mr. Jeffrey, Minfang Lu	盧敏放先生	A/B/C
Mr. Qin Peng	秦鵬先生	A/B
Mr. Zhang Ping	張平先生	A/B
Mr. Gu Peiji (alias Philip Gu)	顧培基(又名Philip Gu)先生	A/B
Executive directors	**執行董事**	
Mr. Chopin Zhang *(resigned on 8 January 2020)*	張平(Chopin Zhang)先生 *(於2020年1月8日辭任)*	–
Mr. Yan Zhiyuan *(appointed on 8 January 2020)*	閆志遠先生 *(於2020年1月8日獲委任)*	A/B
Independent non-executive directors	**獨立非執行董事**	
Mr. Mok Wai Bun Ben	莫衛斌先生	A/B
Mr. Cheng Shoutai	程守太先生	A/B
Mr. Lee Kong Wai Conway	李港衛先生	A/B

Note:

Types of Training

A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops

B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

C: Giving talks at seminars and/or conferences and/or forums

附註：

培訓類別

A： 出席培訓會，包括但不限於簡介會、研討會、會議及工作坊

B： 閱讀相關的新聞快訊、報章、期刊、雜誌及相關刊物

C： 在研討會及／或會議及／或論壇上發表演說

DELEGATION BY THE BOARD

The Board reserves for its decision of all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular to those that may involve conflict of interest), financial information, appointment of directors and other significant financial and operational matters.

The daily management, administration and operation of the Company are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed.

All directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Board committees are posted on the websites of the Company (www.yashili.hk) and the Stock Exchange (www.hkexnews.hk) and are available to shareholders upon request.

Audit Committee

The Audit Committee of the Company was established on 8 October 2010 with revised written terms of reference (adopted on 26 August 2015) in compliance with Rule 3.21 of the Listing Rules.

As at 31 December 2020, the Audit Committee consists of three members including two independent non-executive directors, namely Mr. Lee Kong Wai Conway (Chairman) and Mr. Mok Wai Bun Ben and one non-executive director, namely Mr. Zhang Ping with Mr. Lee Kong Wai Conway possessing the appropriate professional qualifications or accounting or related financial management expertise.

董事會的授權

董事會保留其在本公司所有重大事宜的決策權，包括審批及監督所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易(特別可能涉及利益衝突者)、財務資料、委任董事及其他重大財務及營運事宜。

本公司的日常管理、行政及營運由高級管理層負責，所指派的職能及責任會定期檢討。

所有董事均可全面並及時查閱本公司所有資料及可於要求時在適當情況下尋求獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司特定方面的事務。本公司所有董事委員會已制定明確書面職權範圍，清楚闡述彼等的權限及職責。董事委員會的職權範圍載於本公司網站(www.yashili.hk)及聯交所網站(www.hkexnews.hk)，且股東可要求查閱。

審核委員會

審核委員會於2010年10月8日成立，並制定經修訂書面職權範圍(於2015年8月26日採納)，以遵守上市規則第3.21條。

於2020年12月31日，審核委員會由三名成員組成，包括兩名獨立非執行董事李港衛先生(主席)及莫衛斌先生，以及一名非執行董事張平先生，其中李港衛先生具備適當專業資格或會計或相關財務管理專業知識。

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company, and providing advice and comments to the Board.

審核委員會職權範圍的要求不比企業管治守則所載條款寬鬆。審核委員會的主要職責是協助董事會審核財務資料及匯報程序、風險管理及內部監控系統、內部審核職能的有效程度、外聘核數師的審核範圍及委任，以及讓本公司僱員可就本公司在財務報告、內部監控或其他事宜上可能發生的不當行為提出關注的安排，以及向董事會提供意見及評論。

During the year ended 31 December 2020, the Audit Committee held three meetings and reviewed the Group's interim and annual financial results and interim and annual reports, significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works, connected transactions and arrangements for employees to raise concerns about possible improprieties. The Audit Committee has been provided with sufficient resources to discharge its duties.

截至2020年12月31日止年度，審核委員會舉行了三次會議及審閱本集團的中期及年度財務業績以及中期報告及年報、有關財務報告、營運及合規監控的重大事宜、風險管理及內部監控系統及內部審核職能的有效性、外聘核數師的委任以及相關工作範圍、關連交易、僱員可就可能發生的不當行為提出關注的安排。審核委員會已獲提供充足資源履行其職責。

The Audit Committee also met the external auditors three times without the presence of executive director.

審核委員會亦與外聘核數師進行三次會晤，當中執行董事並無列席。

Remuneration Committee

薪酬委員會

The Remuneration Committee of the Company was established on 8 October 2010. As at 31 December 2020, the Remuneration Committee consists of five members including three independent non-executive directors, namely Mr. Mok Wai Bun Ben (Chairman), Mr. Cheng Shoutai and Mr. Lee Kong Wai Conway and two non-executive directors, namely Mr. Jeffrey, Minfang Lu and Mr. Qin Peng.

本公司薪酬委員會於2010年10月8日成立。於2020年12月31日，薪酬委員會由五名成員組成，包括三名獨立非執行董事，分別為莫衛斌先生(主席)、程守太先生及李港衛先生，以及兩名非執行董事盧敏放先生及秦鵬先生。

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. Its main duties are to evaluate and make recommendation to the Board on the overall remuneration policy and structure relating to all directors and senior management of the Group, including making recommendations to the Board on the remuneration packages of individual executive directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration.

薪酬委員會的職權範圍不比企業管治守則所載條款寬鬆。其主要職責為就與本集團全體董事及高級管理層有關的整體薪酬政策及結構作出評估及向董事會作出建議，包括向董事會建議個別執行董事及高級管理層的薪酬待遇；以及建立具透明度的程序以制定有關薪酬政策及結構，確保董事或其任何聯繫人並無參與訂定本身的薪酬。

The Remuneration Committee has reviewed the remuneration policy and structure of the Company, and the remuneration packages as well as the annual bonuses of the executive directors and the senior management during the year ended 31 December 2020. In addition, the Remuneration Committee made recommendation to the Board on letter of appointment of the new director, Mr. Yan Zhiyuan, who was appointed on 8 January 2020.

薪酬委員會已審閱本公司的薪酬政策及結構，以及執行董事及高級管理層於截至2020年12月31日止年度內的薪酬待遇及年終花紅。此外，薪酬委員會已就新董事(2020年1月8日獲委任的閆志遠先生)的委任函向董事會作出建議。

The Remuneration Committee held three meetings during the year ended 31 December 2020.

於截至2020年12月31日止年度內，薪酬委員會舉行了三次會議。

Nomination Committee

提名委員會

The Nomination Committee of the Company was established on 8 October 2010. As at 31 December 2020, the Nomination Committee consists of three members including one non-executive director namely Mr. Jeffrey, Minfang Lu (Chairman), and two independent non-executive directors, namely Mr. Mok Wai Bun Ben and Mr. Cheng Shoutai.

本公司提名委員會於2010年10月8日成立。於2020年12月31日，提名委員會由三名成員組成，包括一名非執行董事盧敏放先生(主席)，以及兩名獨立非執行董事莫衛斌先生及程守太先生。

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of directors, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of independent non-executive directors.

提名委員會的職權範圍不比企業管治守則所載條款寬鬆。提名委員會的主要職責包括檢討董事會的組成、建立及制定有關提名及委任董事的相關程序、就董事委任及繼任計劃向董事會作出建議，以及評核獨立非執行董事的獨立性。

In assessing the Board composition, the Nomination Committee would take into account various aspects as set out in the Company's Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience, etc. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

於評估董事會組成時，提名委員會考慮本公司的董事會成員多元化政策所載之各方面及因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業及區域經驗等。於有需要時，提名委員會須討論並議定達至董事會多元化的可計量目標，並建議董事會採納。

During the year ended 31 December 2020 and up to the date of this annual report, the Nomination Committee reviewed the structure, size and composition of the Board and the independence of independent non-executive directors, to consider the qualifications for the retiring directors standing for election at the annual general meeting held on 3 June 2020 and to consider and recommend to the Board on the appointment of executive director. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained.

截至2020年12月31日止年度內及直至本年報日期，提名委員會檢討了董事會的架構、人數及組成以及獨立非執行董事的獨立性，並考慮於2020年6月3日所舉行的股東周年大會上候選之退任董事之資格，以及審議非執行董事的委任及向董事會提出建議。提名委員會認為，董事會多元化各方面已維持適當的平衡。

The Nomination Committee held one meeting during the year ended 31 December 2020.

截至2020年12月31日止年度，提名委員會舉行了一次會議。

BOARD PROCEEDINGS

董事會程序

Board practices and conduct of meetings

董事會常規及舉行會議

Annual meeting schedules and draft agenda of each meeting are normally made available to the directors in advance. Notice of regular Board meetings is served to all the directors at least 14 days before the meeting. For other Board and committee meetings, reasonable notice is generally given.

董事一般可預先獲提供全年會議日程及各會議的議程草稿。常規董事會會議通告均於會議舉行前最少14日向全體董事發出，而其他董事會及委員會會議的通告則通常會於合理時間內發出。

Board papers together with relevant information are sent to all directors at least 3 days before each Board meeting or committee meeting to keep directors apprised of the latest development and financial position of the Company and to enable them to make decisions. The Board and each director also have separate and independent access to the senior management where necessary.

董事會會議文件連同有關資料，均於各董事會會議或委員會會議舉行前最少3天發送予所有董事，以知會董事有關本公司的最新發展及財務狀況，讓彼等可作出決定。董事會及各董事亦可於有需要時個別及獨立與高級管理層接觸。

The senior management normally will attend regular Board meetings and where necessary, other Board and committee meetings, to advise on business development, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

高級管理層通常會出席常規董事會會議，並於有需要時出席其他董事會及委員會會議，以就本公司業務發展、財務及會計事宜、法定及監管合規情況、企業管治及其他重大事宜提供意見。

The Company's memorandum and articles of association contain provisions requiring directors to abstain from voting and not to be counted in the quorum at the meetings for approving transactions in which such directors or any of their associates have a material interest.

本公司的組織章程大綱及細則載有條文，規定倘董事或其任何聯繫人於交易中擁有重大利益，則有關董事須於批准該等交易的會議上放棄投票及不計入法定人數。

The secretary of the meetings is responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and final version are open for director's inspection.

會議秘書負責記錄及存置所有董事會會議及委員會會議的會議紀錄。會議紀錄草稿一般於各會議舉行後的一段合理時間內供董事傳閱，以收集意見，而最終版本可供董事查閱。

Attendance Records of Directors

董事出席會議的記錄

The attendance records of each director at the Board, Board committee meetings and the general meetings of the Company held during the year ended 31 December 2020 are set out below:

各董事出席本公司於截至2020年12月31日止年度舉行之董事會議、董事委員會會議及股東大會的記錄載列如下：

Name of director	董事姓名	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	Annual General Meeting[3] 股東周年大會[3]	Extraordinary General Meeting[4] 股東特別大會[4]
		Number of Attendance in Person/Number of Meeting(s) 親身出席次數／會議次數					
Mr. Jeffrey, Minfang Lu	盧敏放先生	7/7	–	3/3	1/1	1/1	0/1
Mr. Qin Peng	秦鵬先生	7/7	–	3/3	–	1/1	0/1
Mr. Zhang Ping	張平先生	7/7	3/3	–	–	0/1	0/1
Mr. Gu Peiji (alias Philip Gu)	顧培基(又名 Philip Gu)先生	7/7	–	–	–	1/1	0/1
Mr. Chopin Zhang[1]	張平(Chopin Zhang)先生[1]	1/7	–	–	–	–	–
Mr. Yan Zhiyuan[2]	閆志遠先生[2]	6/7	–	–	–	1/1	0/1
Mr. Mok Wai Bun Ben	莫衛斌先生	7/7	3/3	3/3	1/1	1/1	1/1
Mr. Cheng Shoutai	程守太先生	5/7	–	2/3	1/1	1/1	1/1
Mr. Lee Kong Wai Conway	李港衛先生	7/7	3/3	3/3	–	1/1	1/1

Notes:

(1) Resigned on 8 January 2020, one Board meeting was held before 8 January 2020.

(2) Appointed on 8 January 2020, six Board meetings were held on or after 8 January 2020.

(3) The annual general meeting of the Company was held on 3 June 2020.

(4) The extraordinary general meeting of the Company was held on 23 December 2020.

附註：

(1) 於2020年1月8日辭任，於2020年1月8日或之前舉行了一次董事會會議。

(2) 於2020年1月8日獲委任，於2020年1月8日或之後舉行了6次董事會會議。

(3) 本公司股東周年大會於2020年6月3日舉行。

(4) 本公司股東特別大會於2020年12月23日舉行。

Apart from regular Board meetings, an independent non-executive directors' meeting was also held without the presence of the executive director on 25 March 2020.

除定期董事會會議外，亦於2020年3月25日舉行了一次獨立非執行董事會議，會上並無執行董事列席。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的薪酬

The Company has established a formal and transparent procedure for formulating policies on remuneration of directors and senior management of the Group.

本公司已制定正式且具透明度的程序，以制定本集團董事及高級管理層的薪酬政策。

The annual remuneration of the members of the senior management (other than directors) by bands for the year ended 31 December 2020 is set out below:

截至2020年12月31日止年度，按薪酬組別劃分的高級管理層成員(董事除外)年薪如下：

		Number of individuals 人數
Nil to RMB1,000,000	零至人民幣1,000,000元	1
RMB2,000,001 to RMB3,000,000	人民幣2,000,001元至人民幣3,000,000元	1
Total	總計	2

Details of the remuneration of each of the directors for the year ended 31 December 2020 are set out in Note 9 to the consolidated financial statements.

各董事於截至2020年12月31日止年度內的薪酬詳情載於合併財務報表附註9。

Details of the remuneration of the five highest paid individuals of the Group are set out in Note 9 to the consolidated financial statements.

本集團五名最高薪酬人士的薪酬詳情載於合併財務報表附註9。

CORPORATE GOVERNANCE FUNCTIONS

企業管治職能

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

董事會負責履行企業管治守則的守則條文第D.3.1條所載的職能。

During the year ended 31 December 2020, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employee Written Guidelines, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

於截至2020年12月31日止年度，董事會已審閱本公司的企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司遵守法律及監管規定、遵守標準守則及僱員書面指引的政策及常規、本公司遵守企業管治守則的情況及於本企業管治報告的披露資料。

BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy on 14 December 2018 which sets out the Company's approach on the diversity of the Board of the Company.

The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

The Company believes that greater diversity of directors is good for corporate governance and is committed:

- To attract and retain candidate(s) for Board with a combination of competencies from the widest possible pool of available talent.
- To maintain a Board with diversity perspectives at all levels, in particular, those are aligning with the Company's strategy and objectives.
- To assess regularly the diversity profile of the Board and, where applicable, senior management prepared for Board positions under the succession planning of the Company and the progress on achieving diversity objectives, if any.
- To ensure that the selection and nomination of Board positions are appropriately structured so that a diverse range of candidates can be considered.
- To set up appropriate procedures for development of a broader and more diverse pool of skilled and experienced senior management that would be prepared for Board positions.
- To ensure that changes to the Board's composition can be managed without undue disruption.

The Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy.

董事會成員多元化政策

董事會已於2018年12月14日採納董事會成員多元化政策，該政策載列本公司實現其董事會成員多元化的方式。

本公司認同並深信董事會成員多元化裨益良多，並認為提升董事會多元化程度是維持本公司競爭優勢的必要元素。

本公司相信董事更加多元化有利於企業管治並致力於：

- 於廣泛人才庫中招攬並留聘具備各類不同才能的董事會候選人。
- 維持董事會全方位多元化，特別是與本公司策略及目標一致的方面。
- 定期評估董事會及根據本公司繼任計劃下準備獲擢升至董事職位的高級管理層(如適用)的多元化狀況，以及實現多元化目標(如有)的進展。
- 確保董事會職位甄選及提名按適當的程序進行，以便能招徠更多元背景的候選人供本公司考慮。
- 設立適當的程序以培養更廣泛及更多元化、技術經驗豐富的高級管理層，為出任董事會職位作準備。
- 確保董事會組成人員的變動不會帶來不適當的干擾。

提名委員會將每年檢討董事會的架構、人數及組成及(如適用)為配合本公司的公司策略而對董事會的變動提出建議。

In reviewing and assessing the Board composition and the nomination of directors (as applicable), Board diversity has to be considered from a number of aspects, including but not limited to the following:

- Gender
- Age
- Cultural and educational background
- Professional qualifications
- Skills, knowledge and industry and regional experience

The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth.

The Nomination Committee will discuss and where necessary, agree on the measurable objectives for achieving diversity on the Board and make recommendation to the Board.

The Board may adopt and/or amend from time to time (as applicable) such diversity perspectives and/or measurable objectives that are appropriate to the Company's business and Board succession planning, as applicable.

The Nomination Committee will review the Board diversity policy as appropriate and recommend revisions, if any, to the Board for consideration and approval.

於檢討及評估董事會組成及董事提名時(視情況而定),須考慮有關董事會成員多元化的各個方面,包括但不限於:

- 性別
- 年齡
- 文化及教育背景
- 專業資格
- 技能、知識及行業及地區經驗

本公司旨在使董事會成員多元化各方面保持適當平衡,以切合本公司業務發展。

提名委員會將討論及(如需)協定為達致董事會成員多元化的可計量目標並向董事會提出意見。

董事會可不時採納及╱或修訂(視情況而定)適用於本公司業務及董事會繼任計劃的有關多元化因素及╱或可計量目標(視情況而定)。

提名委員會將適時檢討董事會多元化政策並向董事會建議作出有關修訂(如有),以供考慮及批准。

DIRECTOR NOMINATION POLICY

The Board has adopted a Director Nomination Policy on 14 December 2018 which sets out the criteria and process in the nomination and appointment of directors of the Company. The policy aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company as well as the Board continuity and appropriate leadership at Board level.

Criteria for nomination and appointment of directors

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy.
- Any measurable objectives adopted for achieving diversity on the Board.
- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

董事提名政策

董事會於2018年12月14日採納董事提名政策，當中載列本公司提名及委任董事的準則及程序。該政策旨在確保董事會成員具備適合本公司的技能、經驗及多元觀點的平衡並確保董事會的持續性及維持其在董事會層面的適當領導角色。

提名及委任董事的準則

於評估及甄選董事候選人時，應考慮以下準則：

- 品格與誠實。
- 資格，包括與本公司業務及公司策略相關的專業資格、技能、知識及經驗以及董事會成員多元化政策所提述的多元化方面。
- 為實現董事會成員多元化而採納的任何可計量目標。
- 根據上市規則，董事會須包括獨立董事的規定，以及參考上市規則所載獨立性指引考慮候選人是否被視為獨立。
- 候選人在資格、技能、經驗、獨立性及性別多元化方面可為董事會帶來的任何潛在貢獻。
- 是否願意及是否能夠投放足夠時間履行身為董事會及╱或本公司董事委員會成員的職責。
- 適用於本公司業務及繼任計劃，以及(如適用)董事會及╱或提名委員會就提名董事及繼任計劃可能不時採納及╱或修訂的有關其他方面。

Nomination process

(a) Appointment of new director

(i) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

(ii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

(iii) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, where applicable.

(iv) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to shareholders in respect of the proposed election of director at the general meeting.

提名程序

(a) 委任新董事

(i) 提名委員會及╱或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，依據上文所載標準評估該候選人，以確定該候選人是否合資格擔任董事。

(ii) 倘程序產生一名或多名合意的候選人，提名委員會及╱或董事會應根據本公司的需要及每名候選人的背景調查(如適用)排列彼等的優先次序。

(iii) 提名委員會隨後應就委任合適人選擔任董事向董事會提出推薦意見(如適用)。

(iv) 就任何經由股東提名於本公司股東大會上選舉為董事的人士，提名委員會及╱或董事會應依據上文所載標準評估該候選人，以確定該候選人是否合資格擔任董事。

如合適，提名委員會及╱或董事會應就於股東大會上選舉董事的提案向股東提出推薦意見。

(b) Re-election of director at General Meeting

(i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.

(ii) The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above.

(iii) The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The Nomination Committee will conduct regular review on the structure, size and composition of the Board and this Policy and where appropriate, make recommendation on changes to the Board to complement the Company's corporate strategy and business needs.

(b) 於股東大會上重選董事

(i) 提名委員會及╱或董事會應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。

(ii) 提名委員會及╱或董事會亦應檢討及確定退任董事是否仍然符合上述標準。

(iii) 提名委員會及╱或董事會應就於股東大會上重選董事的提案向股東提出推薦意見。

倘董事會擬於股東大會上提呈決議案委任或重選某候選人為董事，候選人的有關資料將會按上市規則及╱或適用法律及法規，載入隨附有關股東大會通告的致股東通函及╱或説明函件中。

提名委員會將定期檢討董事會的架構、人數及組成以及本政策，並在適當時為配合本公司的企業策略及業務需求而提出對董事會作出變更的建議。

DIVIDEND POLICY

The Board adopted a Dividend Policy on 14 December 2018 which sets out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company.

A summary of the dividend policy is set out below:

1. In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value.

2. The Company intends to distribute part of the annual net profits of the Group or other special dividend amount approved by the Board as dividends to its shareholders, subject to the conditions and factors as set out below. No specific dividend proportion has been currently adopted.

3. The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the Articles of Association of the Company and all applicable laws and regulations and the factors set out below.

4. The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:

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

股息政策

董事會已於2018年12月14日採納股息政策，當中載有本公司對宣派、派付或分派其純利作為本公司股東股息擬應用的準則及指引。

股息政策概要載列如下：

1. 於建議或宣派股息時，本公司應維持足夠現金儲備，以應付其營運資金需求、未來增長以及其股東價值。

2. 受下列條件及因素所限，本公司擬分派本集團的部分年度純利或董事會批准的其他特定股息金額作為給予本公司股東的股息。目前概無採納特定股息比例。

3. 根據本公司組織章程細則、所有適用法律及法規以及下列因素，董事會可酌情宣派及分派股息予本公司股東。

4. 董事會在考慮宣派及派付股息時，應同時考慮下列有關本集團的因素：

    - 財務業績；
    - 現金流狀況；
    - 業務狀況及策略；
    - 未來營運及盈利；
    - 資金需求及支出計劃；
    - 股東的利益；
    - 任何派付股息的限制；及
    - 董事會可能視為相關的任何其他因素。

5. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out above, the following dividends may be proposed and/or declared by the Board for a financial year or period:
   - interim dividend;
   - final dividend;
   - special dividend; and
   - any distribution of net profits that the Board may deem appropriate.
6. Any final dividend for a financial year will be subject to shareholders' approval.
7. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.
8. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Company's Articles of Association.

The Board will review the dividend policy as appropriate from time to time.

5. 視乎本公司及本集團的財政狀況以及上述條件及因素，董事會可在財政年度或期間建議及／或宣派下列股息：
   - 中期股息；
   - 末期股息；
   - 特別股息；及
   - 任何董事會認為合適的純利派付。
6. 財政年度的任何末期股息均須由股東批准。
7. 本公司可以現金或以股代息方式或董事會認為合適的其他形式宣派及派付股息。
8. 任何未領取的股息應被沒收及應根據本公司組織章程細則復歸本公司。

董事會將在適當時不時檢討股息政策。

ACCOUNTABILITY AND AUDIT

Directors' responsibilities for financial reporting in respect of financial statements

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2020.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements relating to disclosure of insider information and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report of this Annual Report.

問責性及審核

董事就有關財務報表的財務報告的責任

董事確認負有編製本公司截至2020年12月31日止年度的財務報表之責任。

董事會負責呈報平衡、清晰及容易明白的年報及中期報告評估、有關披露內幕消息的公告及其他根據上市規則及其他法定和監管要求所規定的披露。

管理層已向董事會提供相關所需解釋及資料，讓董事會可以就本公司財務報表作出知情的評估，而有關財務報表已提交董事會審批。

董事會並不知悉有關可能對本集團持續經營能力構成重大疑問之事件或情況之任何重大不確定因素。

本公司獨立核數師有關其就綜合財務報表的申報責任的聲明載於本年報的獨立核數師報告。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is responsible for the risk management and internal control systems, and that it has the responsibility to review their effectiveness on an ongoing basis. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance that there will be no material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems. The Board is the highest decision-making authority for overall corporate risk management, and is mainly responsible for performing the following risk management duties.

風險管理及內部監控

董事會知悉其須對風險管理及內部監控系統負責，並有責任持續檢討該等系統的有效性。該等系統旨在管理而非消除未能達成業務目標的風險，而且僅能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

董事會有整體責任評估及釐定本公司為達成戰略目標時所願意承擔的風險性質及程度，並設立及維持適切及有效的風險管理及內部監控系統。董事會是公司整體風險管理的最高決策機構，主要履行以下風險管理職責。

A risk management committee composed of the members of the Board and the department heads of the Group was established pursuant to the guidelines of the Listing Rules. By establishing a comprehensive risk management organizational system, the Group carried out risk management effectively, clarified decision-making, execution, supervision and other risk management responsibilities, formed a scientific and effective system with division of duties and set up three lines of defense for risk management. The first line of defense consisted of sales management divisions, factories and bidding and procurement directly in charge of each of risk management; the second line of defense comprised the risk and internal control management committee, functional and support divisions and the risk management division in charge of the overall planning and supervising of risk management; and the third line of defense was composed of the Audit Committee, the internal audit division and the discipline inspection office in charge of verifying risk management.

風險管理委員會已根據上市規則指引成立，該委員會由董事會成員及本集團部門負責人組成。本集團通過建立全面風險管理組織體系，有效實施風險管理工作，明確決策、執行、監督及其他風險管理職責，形成科學有效的職責分工體系，建立風險管理三道防線，即銷售管理部、工廠及採招執行為第一道防線，是各風險管理的直接責任者；風險與內控管理委員會、各職能支持部門以及風險管理部為第二道防線，是風險管理的統籌策劃和監督者；審核委員會、內部審計部以及紀檢辦公室為第三道防線，是風險管理的驗證者。

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems. The Audit Committee is the supervisory and evaluation office of risk and internal control management, which guides and supervises the Group in carrying out risk management. The risk and internal control management committee, being a committee established under the Audit Committee, is the highest coordination and business affairs office for risk management. The committee is composed of the first level officials in charge of various divisions, and chaired by the chief executive officer of the Group. The risk management division is directly under the risk management and audit divisions of the Group, reporting to the head of the risk management and audit divisions. As the centralized management department of the Group's risk management, the risk management division is responsible for the Company's day-to-day arrangement, coordination, supervision, analysis and reporting of risk management.

審核委員會協助董事會領導管理層並監督彼等對風險管理及內部監控系統之設計、實施及監控。審核委員會是風險與內控管理工作的監督評價機構，對本集團開展風險管理工作進行指導和監督。風險與內控管理委員會作為審核委員會下設委員會，為風險管理的最高協調及議事機構。該風險委員會由各部門的第一負責人組成，委員會主席由本集團行政總裁擔任。風險管理部直屬本集團風險管控與審計部，向風險管控與審計部負責人彙報。作為本集團風險管理工作的中央管理部門，風險管理部負責本公司日常風險管理組織、協調、監督、分析和報告工作。

The risk management division has developed a "Risk Management Workflow", which divides the workflow into five major sections, namely (I) risk identification, (II) risk assessment, (III) risk response, (IV) risk monitoring and (V) risk management reporting, and clarifies and unifies the workflow trend of risk management as well as the roles and functions of relevant departments, implementation steps and so on. To regulate the system and set out unified management requirements for workflow execution, the department has specifically set out the work requirements for each section in the workflow as follows:

風險管理部制定了《風險管理工作流程》，將風險管理流程分為(一)風險識別、(二)風險評估、(三)風險應對、(四)風險監控及(五)風險管理報告五個主要環節，明確和統一了風險管理的流程走向、相關部門的角色職能和實施步驟等。為了規範系統和列明流程執行中的統一管理要求，該部門特規定各流程環節中的工作要求，具體如下：

(I) Risk identification

(一) 風險識別

Risk identification is the first step and the basis for risk management. It refers to the process of analysing and discovering, by the staff in each business area and at each level of the Company, the potential factors that may impact on the achievement of business objectives. The Group may take the initiative to select appropriate, effective ways to cope with and handle risks only if it is able to identify its own risks comprehensively and correctly.

風險識別是風險管理的第一步，也是風險管理的基礎，其是指本公司各業務領域、各層級人員對可能影響企業目標實現的潛在因素進行分析、發現的過程。只有全面、正確地識別出自身所面臨的風險，本集團才能主動選擇適當有效的方法進行風險應對處理。

The Group's risk identification is carried out in two main lines. The first one is a routine check on risk identification arranged and initiated by the risk management division once a year, and the second one is a temporary risk identification initiated by each of the affairs divisions and factories in line with the management needs. The job requirements for risk identification are as follows:

本集團風險識別工作分兩條主線開展，一為由風險管理部組織發起的一年一次例行風險識別盤點，二為各事業部及工廠根據管理需要發起的臨時性風險識別。風險識別的工作要求如下：

(1) Time of risk identification: the Group will initiate routine risk identification for the coming year in the fourth quarter of each year. The risk management division will issue the relevant notice and collect internal and external information (such as changes in China's relevant policies or industry regulatory requirements, the Company's strategic and operational objectives for the current period as well as major findings on the risk management and internal audit supervision for the previous year) for the preparation of annual risk alerts;

(1) 風險識別的時間：本集團每年第四季度將例行啟動下年度風險識別工作。風險管理部將下發相關通知，並收集內外部信息(如中國有關政策或行業監管要求的調整、本公司當期戰略目標和運營目標、上年度風險管理與內部審計監督重大發現等信息)，以編製年度風險提示；

(2) Scope of risk identification: there are inherent risks in conducting any business activities. Each of the affairs divisions, functional divisions and factories are required to organize risk identification on a unified basis according to the required dates of starting and ending the risk identification as notified by the risk management division. Management staff and risk counterpart staff at each level are the main organizers of risk identification and are required to boost the risk management awareness among all staff internally and to comprehensively identify various internal and external risks which impact on the achievement of objectives;

(3) Areas of risk identification: in commencing a risk identification process, each affairs division, functional division and factory are required to sort out and collect risks comprehensively and systematically in line with the Group's risk management framework which consists of seven dimensional areas including strategy, market, finance, operations, law and compliance, quality and food safety as well as sustainable development, taking into account the factors that impact on the achievement of the Company's business objectives;

(4) Principle of risk identification: it is necessary to follow the three basic principles including comprehensiveness, systematicness and continuity;

(5) Method of risk identification: employing the risk identification methods commonly used by enterprises as well as a variety of ways and methods to collect a wide range of risks associated with the Group's business areas;

(6) Summarizing and submitting findings on risk identification: risk counterpart staff of each affairs division, functional division and factory are required to describe each risk identified strictly in accordance with the Company's common risk language and compile a list of risks identified at the affairs division/functional division/factory level which, after being verified and confirmed by the affairs division, functional division and factory manager, shall be submitted by the risk counterpart staff of affairs division, functional division and factory to the risk management division of the Group;

(2) 風險識別的範圍：任何業務活動開展均存在固有風險，各事業部、職能部門及工廠需根據風險管理部通知的風險識別起止時間要求，統一組織開展風險識別工作。各層級管理人員及風險對接人是風險識別的主要組織者，須在內部倡導全員風險管理的意識，全面識別影響目標達成的內外部各種風險；

(3) 風險識別的領域：各事業部、職能部門及工廠在開展風險識別的過程中，需根據本集團風險管理框架，從戰略、市場、財務、運營、法律與合規、質量與食品安全、可持續發展七個維度全面、系統地進行風險梳理和收集，綜合考慮影響本公司業務目標達成的因素；

(4) 風險識別的原則：須遵循三項基本原則包括全面性、系統性和連續性；

(5) 風險識別的方法：利用企業常用的風險識別方法及通過多種途徑和方法廣泛收集本集團業務領域相關的風險；

(6) 風險識別概述與結果呈交：各事業部、職能部門及工廠風險對接人須將識別的每項風險嚴格按照本公司統一的風險語言進行描述，形成事業部／職能部門／工廠層面的風險識別清單，經各事業部、職能部門及工廠負責人審核確認後，由各事業部、職能部門及工廠的風險對接人呈交本集團風險管理部；

(7) Organization of risk seminars: specifically for the findings on risk identification submitted by each affairs division, functional division and factory, the risk management division is required to sort out the differences regarding the unclearly defined leading role in risk management and incomplete description of risks;

(8) Establishment and improvement of the risk database: the risk management division is required to establish and improve the risk database of the Group as an essential basis for risk management based on the findings on risk identification submitted by each affairs division, functional division and factory annually;

(9) Other requirements: in addition to the routine risk identification carried out by the Group each year, each of affairs divisions, functional divisions and factories are required to carry out temporary risk identification in line with their own internal actual situations. The workflow and methods shall be carried out with reference to the above criteria.

(II) Risk assessment

Risk assessment refers to the risk assessment conducted on the basis of the possibility of occurrence and the degree of impact of a risk. In particular, possibility refers to the probability of occurrence of a risk, and the degree of impact means the degree of impact of the occurrence of a risk created on the target. The scope of impact covers daily operations, laws and regulations, financial loss, food hygiene and safety, environmental protection, corporate reputation and so on. By comparing various risks, the significant risks are arranged, and the priority to manage these risks in chronological order and the strategies to cope with them are determined initially. The specific job requirements include:

(1) the cycle of a risk assessment (conduct regularly once a year);

(2) to carry out a risk assessment at different levels;

(3) to assess and identify significant risks at different levels;

(4) to build up a team of risk assessment experts;

(5) to set risk score weight across affairs divisions/functional divisions/factories.

(7) 風險研討會的組織：針對各事業部、職能部門及工廠呈交的風險識別結果，風險管理部須對存在風險管理主導職責不清、風險描述不完整等存異內容進行整理；

(8) 風險數據庫的建立和完善：風險管理部須根據每年度各事業部、職能部門及工廠呈交的風險識別結果，建立和完善本集團風險數據庫，作為風險管理的重要依據；

(9) 其他要求：在每年本集團例行開展的風險識別之外，各事業部、職能部門及工廠需根據彼等各自的內部實際情況組織開展臨時的風險識別工作，工作流程和方法參照以上標準執行。

(二) 風險評估

風險評估是指基於風險發生的可能性和影響程度進行評估，其中可能性是指風險發生的概率，影響程度是指風險發生對目標產生的影響程度，影響範圍包括：日常運營、法律法規、財務損失、食品衛生安全、環境保護、公司聲譽等。通過對各項風險進行比較排列出重大風險，並初步確定優先管理順序和應對策略。具體工作要求包括：

(1) 風險評估的周期(每年例行展開一次)；

(2) 分層次開展風險評估；

(3) 分層次評估及識別重大風險；

(4) 風險評估專家團隊建設；

(5) 跨事業部／職能部門／工廠風險評分權重的設定。

(III) Risk response

Risk response refers to the strategies and plans determined by each level of the management for responding to risks in line with the Company's own conditions and the external environment, with a focus on the management intent determined in the Company's development strategy upon assessment of the relevant risks. Risk response shall take into account the growth objectives and the balance between risk and opportunity, and focus on emphasized management of and response to significant risks at each level. The specific workflow includes:

(1) to determine the main unit in charge of the Group's significant risks;

(2) to make preparations for responding to and notifying of risk;

(3) to develop strategies for analysing and responding to risks;

(4) to execute and modify measures for responding to risks.

(IV) Risk monitoring

Risk monitoring is a mechanism or method used by the management to understand and determine whether risk management is functioning continuously and effectively under the changing internal and external environment. It is a continuous process aimed at evaluating the effectiveness of risk control, detecting control deficiencies and making improvement in a timely manner. The specific work requirements are as follows:

(1) Division of duties in risk monitoring: significant risks at Group level are monitored by the risk management division throughout the process. The risk management division conducts random checks while significant risks of functional division/affairs division/factory level are monitored by the risk counterpart staff of the functional divisions/affairs divisions/factories throughout the process;

(三) 風險應對

風險應對是指本公司根據自身條件和外部環境，圍繞本公司發展戰略確定的管理意圖，通過對相關風險進行了評估之後，本公司各級管理層應確定風險應對策略以及應對方案。風險應對須考慮成長目標和風險與機會的平衡，聚焦各層次重大風險進行重點管理和應對。具體工作流程包括：

(1) 本集團重大風險主負責單位確定；

(2) 風險應對準備與通知；

(3) 風險分析與應對策略制定；

(4) 風險應對措施執行與變更。

(四) 風險監控

風險監控是指管理層用於瞭解、確認風險管理工作是否在內外部環境的不斷變化過程中持續、有效地發揮作用的機制或方法，是一個旨在評價風險監控的有效性，發現監控缺陷，並及時進行改進的持續過程。具體工作要求如下：

(1) 風險監控職責分工：本集團層面重大風險由風險管理部全程監控；職能部門／事業部／工廠層面重大風險由職能部門／事業部／工廠風險對接人全程監控，風險管理部不定期抽查；

(2) Frequency of risk monitoring: significant risks at Group level are monitored quarterly, while significant risks at functional divisions/affairs division/factory level are monitored quarterly or monthly by the functional divisions/affairs divisions/factories on a selective basis;

(3) Particulars of risk monitoring: risk monitoring covers the implementation and effectiveness of strategies for responding to significant risks at each level as well as the monitoring and early warning of significant risk events and related risk information within the industry.

(2) 風險監控頻次：本集團層面的重大風險監控頻次為季度；職能部門／事業部／工廠層面的重大風險監控頻次為季度或月度，由各職能部門／事業部／工廠選擇性執行；

(3) 風險監控內容：包括各層級重大風險應對策略的執行情況與成效、重大風險事件和行業內相關風險信息的監測預警。

(V) Risk management reporting

Risk management reporting includes the report submitted to the superior risk management division annually as well as the information and communication details generated in each part of the process of carrying out risk management. The specific requirements for risk management reporting are as follows:

(1) Risk management reporting to the Audit Committee: report at least once a year, as required by the Audit Committee;

(2) Reporting to the risk and internal control committee: report at least twice a year, as required by the risk and internal control committee;

(3) Other risk management forms and reports: while the risk management system and workflow (refers to risk identification, assessment, response and monitoring) are being carried out, the functional divisions/affairs divisions/factories shall, as required by the risk management division, submit all kinds of process management form and information report in a timely and quality manner to ensure that the Group's risk management information is communicated and reported smoothly.

(五) 風險管理報告

風險管理報告包括每年度向上級風險管理部門呈交的報告和風險管理工作進行中每個流程環節產生的信息與溝通資料。風險管理報告的具體要求如下：

(1) 向審核委員會的風險管理報告：根據審核委員會的要求，每年度至少彙報一次；

(2) 向風險與內控管理委員會的報告：根據風險與內控管理委員會的要求，每年度至少彙報兩次；

(3) 其他風險管理表單與報告：在風險管理體系和流程(指風險識別、評估、應對、監控環節)進行的過程中，各職能部門／事業部／工廠須根據風險管理部的要求按時保質呈交各類過程管理表單和資料，保證本集團風險管理資料溝通與報告通暢。

As part of the drive to improve the internal control systems and pursuant to the direction of the Stock Exchange in the news release published on 27 September 2019, the Company appointed an independent international accounting firm on 25 October 2019, as the Company's internal control consultant (the "**Internal Control Consultant**") to conduct a thorough review (the "**Review**") of and make recommendations to improve the Company's internal controls to ensure compliance with Chapter 14A of the Listing Rules. The Review was completed on 27 November 2019, and the report of the Review has been issued by the Internal Control Consultant and submitted to the Stock Exchange on the same date.

作為推動改善內部監控系統工作的一部分，並根據聯交所於2019年9月27日發佈的新聞稿中的指示，本公司已於2019年10月25日委任一間獨立國際會計師事務所為本公司的內部監控顧問(「**內部監控顧問**」)，全面審閱本公司的內部監控(「**審閱**」)並就改善本公司的內部監控提出建議，以確保遵守上市規則第14A章的規定。審閱已於2019年11月27日完成，而審閱報告已由內部監控顧問發佈並於同日提交聯交所。

Procedures implemented by the Internal Control Consultant as part of the Review include:

內部監控顧問執行的審閱程序包括以下內容：

(i) conducting interviews with the relevant management personnel and staff of the Company, and conducting site review of the relevant documents relating to internal control at the same time;

(ii) conducting walk through testing on relevant internal control processes and systems;

(iii) conducting sample testing on relevant internal controls to determine whether the internal controls of the Company are consistent with the requirements of the management and the relevant policies and procedures handbook;

(iv) based on the results of procedures (ii) and (iii) above, identifying deficiencies of internal controls of the Company and making appropriate recommendations to improve them.

(i) 與本公司相關管理人員及工作人員進行訪談，同時對涉及內部監控的相關文件進行實地審核；

(ii) 對相關內部監控程序及體系進行穿行測試；

(iii) 對相關的內部監控作出抽樣測試，以釐定本公司的內部監控運行是否符合管理層與有關政策及程序手冊的要求，

(iv) 基於以上步驟(ii)及(iii)的結果，識別本公司內部監控的缺陷並提出適當的改進建議。

The Internal Control Consultant identified findings and made recommendations to the Company on the issues regarding the Internal Rules on Connected Transactions currently in effect, procedure for identification of connected persons, independent review of the list of the connected persons and written rules in relation to price enquiry procedures in connected transactions in supply transactions.

內部監控顧問已識別有關現行關連交易內部制度、識別關連人士身份之程序、獨立審查關連人士清單，以及與供應類別關連交易詢價程序的書面指引之事宜，並向本公司提出建議。

All the recommendations of the Internal Control Consultant as set out in the report of the Review have been implemented by the Company and a follow-up review (the "**Follow-up Review**") on the Company's internal controls by the Internal Control Consultant was completed on 23 January 2020. Report of the Follow-up Review has been issued by the Internal Control Consultant on 23 January 2020 and submitted to the Stock Exchange on 24 January 2020.

本公司已實施審閱報告所載內部監控顧問的所有改進建議，而內部監控顧問已於2020年1月23日完成對本公司內部監控的跟進審閱(「**跟進審閱**」)。內部監控顧問已於2020年1月23日發佈跟進審閱報告，並於2020年1月24日提交聯交所。

Procedures implemented by the Internal Control Consultant as part of the Follow-up Review include:

(i) conducting follow-up review of the rectification measures implemented by the Company;

(ii) discussing the procedures of the rectification measures with the relevant management personnel and staff of the Company; and

(iii) conducting walk through testing on the rectified internal control processes and systems.

內部監控顧問執行的跟進審閱程序包括以下內容：

(i) 對本公司實施的整改措施進行後續審閱；

(ii) 與本公司相關管理人員及工作人員討論整改措施的步驟；及

(iii) 對已整改的內部監控程序及體系進行穿行測試。

Having considered the findings and results of the Follow-up Review, the Board concurs with the Internal Control Consultant's view and are of the view that the Group's internal controls to ensure compliance with Chapter 14A of the Listing Rules are sufficient to meet the obligations under the Listing Rules. For further details of the internal control reviews, please refer to the announcements of the Company dated 8 November 2019, 11 December 2019 and 7 February 2020.

經考慮跟進審閱的發現及結果，董事會同意內部監控顧問的意見，並認為本集團確保遵守上市規則第14A章的內部監控足以履行上市規則下的責任。有關內部監控審閱的進一步詳情，請參閱本公司日期為2019年11月8日、2019年12月11日及2020年2月7日的公告。

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2020.

管理層已向董事會及審核委員會確認截至2020年12月31日止年度就有關風險管理及內部監控系統的成效。

At the board meeting held on 24 March 2021, the Board, as supported by the Audit Committee as well as the report from the Internal Control Consultant and the internal audit findings, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended 31 December 2020, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function and staff qualifications, experiences and relevant resources.

於2021年3月24日舉行的董事會會議上，董事會於審核委員會、內部監控顧問的報告及內部審核結果的協助下審閱截至2020年12月31日止年度的風險管理及內部監控系統，包括財務、營運及合規監控，並認為此等系統屬有效及充分。年度審閱亦涵蓋財務申報及內部審核職能及員工學歷、經驗及相關資源。

The Company has developed its disclosure policy which provides a general guide to the Company's directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

本公司已制定披露政策，向本公司董事、高級行政人員、高級管理層及相關員工就處理保密資料、監察披露資料及回應查詢提供一般指引。

Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

監控程序已經實施，以確保嚴禁未經授權訪問與使用內幕消息。

MANAGEMENT OF CONNECTED TRANSACTIONS

關連交易管理

To ensure compliance with Chapter 14A of the Listing Rules, the Company has implemented the "Rules for Management of Connected Transactions" (《關連交易管理制度》) with effect from 20 January 2020, with emphasis on the following areas:

為確保遵守上市規則第14A章，本公司已自2020年1月20日起實施《關連交易管理制度》，其中著重強調以下範疇：

- Maintenance of the list of connected persons and connected transactions;
- Procedure for identifying connected transactions other than those with members of the Mengniu Group and Danone;
- Procedure for aggregating connected transactions and managing the aggregated transaction amount; and
- Monitoring mechanism for the annual caps of continuing connected transactions.

- 關連人士和關連交易清單的維護；
- 識別除蒙牛集團和達能的成員公司以外之關連交易的程序；
- 關連交易的合併計算和交易總額管理程序；及
- 持續關連交易年度上限的監控機制。

Procedures for identifying connected transactions are as follows:

(I) The first control gate – Business Unit

All business units of the Company shall act as the first gatekeeper and maintain a high degree of sensitivity and alertness to connected transactions.

(1) When negotiating any business contract, it is necessary to take the initiative to check with the other party of the contract whether it is a connected person of the Company and conduct research and verification on the list of connected persons;

(2) When signing any business contract, it is necessary to add an option for declaration of connection to the contract with reference to the "Supplementary Rules on Contract Management" (《合同管理補充規定》). Currently, the option for declaration of connection is mainly targeted at the Company's substantial shareholders, Mengniu Group and Danone Group;

(3) Contracts confirmed as connected transactions must be countersigned to the Compliance Department in the OA system;

(4) The pricing of connected transaction contracts strictly follows the principles of fairness and impartiality;

(5) The time limit for signing the connected transaction contracts shall not exceed three years; and

(6) It is forbidden to make connected transactions first and then to supplement contracts or backdate the connected transaction contracts.

識別關連交易的程序如下：

(一) 第一道控制關口－業務部門

本公司各業務部門須自覺把好第一道關，保持對關連交易的高度敏感和警覺性。

(1) 談判任何業務合同，均須主動向合同的其他訂約方了解其是否屬於本公司關連人士，並結合關連人士清單進行搜索及驗證；

(2) 簽訂任何業務合同時，均須參考《合同管理補充規定》在合同中加入關連聲明選項。關連聲明選項目前主要針對本公司主要股東蒙牛集團及達能集團；

(3) 確定為關連交易的合同須在OA系統會簽給合規部；

(4) 關連交易合同定價嚴格遵循公平公正原則；

(5) 關連交易合同簽署期限不得超過三年；及

(6) 禁止關連交易先發生後補合同，禁止關連交易合同日期倒簽。

(II) The second control gate – Legal Department

(1) To supervise the review of any draft business contract initiated by the business unit and check whether the contract text includes the option for declaration of connection. If there is no option for declaration of connection, the draft contract will be returned to the business unit.

(2) If the connection is declared as "the contracted party is a connected company", the business unit must be reminded and requested to countersign the contracts to the Compliance Department in the OA system.

(III) The third control gate – OA system

The Compliance Department ensures that the latest list of connected persons is imported into the OA system back office. When the business unit initiates a contract review at the "contract process" in the OA system, the OA system will automatically search for and match the "contract counterpart" with the back-office list. The system will forcibly add the Compliance Department to the signing approval flow.

(IV) The fourth control gate – Seal Management Department

(1) If any business contract is found to lack the option for declaration of connection, the contract shall not be stamped;

(2) If the connection is declared as "the contracting party is a connected company", but the contract process of the OA system is not countersigned to the Compliance Department, the contract shall not be stamped.

(二) 第二道控制關口－法務部門

(1) 監督業務部門發起會審的任何業務合同草稿，檢查合同文本是否加入關連聲明選項。如缺少關連聲明選項，將合同草稿退回業務部門；

(2) 若發現合同關連聲明選項中勾選結果為「合同對方屬於關連企業」，須提醒及要求業務部門在OA系統將合同會簽給合規部。

(三) 第三道控制關口－OA系統

合規部確保將最新的關連人士清單導入OA系統後台。業務部門於OA系統中的「合同流程」發起合同會審時，其填寫的「合同相對方」，OA系統將自動與後台的清單進行搜索匹配，若「合同相對方」被識別為關連人士，OA系統會強制性將合規部加入至會簽的審批流程中。

(四) 第四道控制關口－印鑑管理部門

(1) 若發現任何業務合同缺少關連聲明選項，合同不得予以蓋章；

(2) 若發現關連聲明選項中勾選結果為「合同對方屬於關連企業」，但OA系統的合同流程中未會簽給合規部，合同不得予以蓋章。

EXTERNAL AUDITORS AND AUDITORS' REMUNERATION

外聘核數師及核數師的薪酬

The statement of the external auditors of the Company about their reporting responsibilities for the financial statements are set out in the section headed "Independent Auditors' Report" of this Annual Report.

本公司外聘核數師有關其對財務報表的申報之責任聲明載於本年報「獨立核數師報告」一節。

During the year ended 31 December 2020, the remuneration paid/payable to the Company's auditors, Ernst & Young, Certified Public Accountants, is set out below:

截至2020年12月31日止年度，本公司已付／應付本公司核數師安永會計師事務所（註冊會計師）的薪酬載列如下：

Category of services	**服務類別**	**Fee paid/payable** **已付／應付費用** RMB'000 人民幣千元
Audit services	審核服務	2,748
Non-audit services	非審核服務	–
Other assurance services	其他鑑證服務	203
Total	總計	2,951

COMPANY SECRETARY

Mr. Kwok Wai Cheong, Chris is the company secretary of the Company. Mr. Kwok is the financial controller and company secretary of China Mengniu Dairy Company Limited (a company listed on the Main board of the Stock Exchange, stock code: 2319) ("**Mengniu Dairy**") (the holding company of the Company), a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Kwok is not an employee of the Company. Mr. Kwok contacts the management of the Company and reports to the chairman of the Board and/or the chief executive officer of the Company through Mr. Eric Fang of Strategic Development Department, when necessary in accordance with the code provisions set out in the CG Code in Appendix 14 of the Listing Rules. Mr. Kwok has confirmed that he has taken no less than 15 hours of relevant professional trainings during the year ended 31 December 2020.

公司秘書

郭偉昌先生為本公司的公司秘書。郭先生為本公司控股公司中國蒙牛乳業有限公司(「**蒙牛乳業**」)(一間在聯交所主板上市的公司，股份代號：2319)的財務總監兼公司秘書，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。郭先生並非為本公司僱員。郭先生將於有需要時根據上市規則附錄十四企業管治守則所載守則條文透過戰略發展部方紹東先生與本公司管理層聯繫，並向董事會主席及／或本公司行政總裁匯報。郭先生已確認其於截至2020年12月31日止年度已參與不少於15小時的相關專業培訓。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through annual general meetings and other general meetings. The general meetings of the Company provide a platform for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees, are available to answer shareholders' questions at general meetings. A notice to shareholders is sent by the Company at least 20 clear business days before the annual general meeting and at least 10 clear business days in all other general meetings.

與股東的溝通及投資者關係

本公司認為，與股東進行有效溝通，乃提升投資者關係及讓投資者瞭解本集團業務表現及策略的要素。本公司亦深明透明度及適時披露公司資料的重要性，其將有助股東及投資者作出最佳投資決定。

本公司致力與股東持續對話，特別是透過股東周年大會及其他股東大會。本公司的股東大會為董事會與股東溝通提供一個平台。董事會主席及提名委員會、薪酬委員會及審核委員會主席(如未能出席，則為各委員會的其他成員)，會於股東大會上回答股東提問。本公司於股東周年大會最少20個完整營業日前向股東發出通知，而所有其他股東大會則於最少10個完整營業日前向股東發出通知。

During the year ended 31 December 2020, the Company has not made any changes to its Memorandum and Articles of Association. The Company's Memorandum and Articles of Association is available on the websites of the Company and the Stock Exchange.

本公司於截至2020年12月31日止年度並無對其組織章程大綱及細則作出任何改動。本公司的組織章程大綱及細則登載於本公司的網站及聯交所的網站。

To promote effective communication, the Company maintains a website (www.yashili.hk), where up-to-date information and updates on the Company's financial information, corporate governance practices, biographical information of the Board and other information are available for public access.

為促進有效溝通,本公司設有網站(www.yashili.hk),刊載有關本公司財務資料、企業管治常規、董事會履歷及其他資料的最新情況,以供公眾查閱。

SHAREHOLDERS' RIGHTS

股東權利

The Company engages with shareholders through various communication channels and a Shareholders' Communication Policy is in place to ensure that shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

本公司通過各種溝通渠道與股東進行交流,並已制定股東溝通政策,以確保股東的意見及顧慮得以妥善解決。本公司定期審閱該政策以確保其成效。

To safeguard shareholders' interests and rights, a separate resolution is proposed for each separate substantial issue at general meetings, including the election of individual directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

為保障股東利益及權利,須就各實質上獨立的事宜(包括選舉個別董事)於股東大會提呈獨立決議案。根據上市規則,所有於股東大會上提呈的決議案將以投票方式表決。而投票結果將於各股東大會後刊登於本公司及聯交所的網站。

The procedures for shareholders of the Company to propose a person for election as a director are available on the Company's website (www.yashili.hk).

本公司股東提名人士參選董事的程序登載於本公司網站(www.yashili.hk)。

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING AND PUTTING FORWARD PROPOSAL AT GENERAL MEETING

Article 58 of the Company's Articles of Association provides that any one or more members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

股東召開股東特別大會及於股東大會上提呈建議的程序

本公司組織章程細則第58條規定，任何一位或以上於遞呈要求當日持有不少於附有於本公司股東大會上投票權之本公司繳足股本之十分之一的本公司股東於任何時候均有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項，且該大會應於遞呈該要求後2個月內舉行。倘遞呈後21日內，董事會未能召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求的人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

PUTTING FORWARD ENQUIRIES TO THE BOARD

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

向董事會提出查詢

股東可以書面形式向本公司寄發查詢，藉以向董事會作出任何查詢。本公司一般不會處理口頭或匿名查詢。

CONTACT DETAILS

Shareholders may send their enquiries or requests as mentioned above to the Company:

Address:	Room A, 32nd Floor, COFCO Tower, 262 Gloucester Road Causeway Bay Hong Kong
Telephone:	+852 2845 1230
Fax:	+852 2845 1231
Email:	ir@yashili.cn
Contact person:	Mr. Eric Fang

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

聯絡資料

股東可如上文所述向本公司寄發彼等的查詢或要求：

地址：	香港 銅鑼灣 告士打道262號中糧大廈 32樓A室
電話：	+852 2845 1230
傳真：	+852 2845 1231
電郵：	ir@yashili.cn
聯絡人：	方紹東先生

為免生疑問，股東必須將正式簽署之書面要求、通知或聲明或查詢(視情況而定)之正本存放及寄發至上述地址，並提供彼全名、聯絡資料及身份，以使其生效。股東資料可能根據法律規定予以披露。

DIRECTORS AND MANAGEMENT BIOGRAPHIES
董事及管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. Jeffrey, Minfang Lu

Aged 52, was appointed as the Chairman of the Board, the Chairman of the Nomination Committee of the Board and a member of the Remuneration Committee of the Board, and was redesignated as a non-executive director of the Company on 15 September 2016. Mr. Lu was a director for each of the following subsidiaries of the Company, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Mengya International Group Limited (formerly known as Scient International Group Limited) from 27 April 2015 to 9 January 2017. Mr. Lu is currently an executive director and the CEO of Mengniu Dairy (a company listed on the Main Board of the Stock Exchange, stock code: 2319) as well as a non-executive director and the chairman of the board of China Modern Dairy Holdings Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1117). Mr. Lu is also a director of International Dairy Federation. Mr. Lu was the Vice President (Greater China) of Danone Early Life Nutrition Greater China and had been with the Danone Group and Dumex Baby Food Co., Ltd. ("**Dumex China**") for over 10 years. During the tenure at the Danone Group, he demonstrated strong strategic business and market planning capabilities. With strong leadership, management skills and in-depth knowledge of markets, Mr. Lu contributed significantly to the success of the Danone Group's baby nutrition business in China. Prior to joining the Danone Group, Mr. Lu spent 9 years with Johnson & Johnson (China) Company Limited and almost 4 years with General Electric Company (China). Mr. Lu has over 18 years of experience in sales and marketing and has been served in general manager or senior management roles for over 11 years. He has extensive experience in the management of fast-moving consumer products and dairy companies and has an excellent understanding and the in-depth knowledge of the PRC market. Mr. Lu obtained his bachelor degree from Shanghai Fudan University.

非執行董事

盧敏放先生

52歲，於2016年9月15日獲委任為本公司董事會主席、董事會提名委員會主席及薪酬委員會成員，並同時調任為本公司非執行董事。盧先生曾於2015年4月27日至2017年1月9日期間擔任本公司以下附屬公司之董事：雅士利國際有限公司、雅士利國際集團有限公司、新歐香港國際有限公司及蒙雅國際集團有限公司(前稱為施恩國際集團有限公司)。盧先生目前擔任蒙牛乳業(一間在聯交所主板上市的公司，股份代號：2319)之執行董事及行政總裁，以及中國現代牧業控股有限公司(一間在聯交所主板上市的公司，股份代號：1117)之非執行董事及董事會主席。盧先生亦為國際乳品聯合會董事。盧先生曾擔任達能早期生命營養品公司大中華區副總裁，曾服務達能集團及多美滋嬰幼兒食品有限公司(「**多美滋中國**」)超過10年。彼在達能集團任職期間已展現了非凡的戰略業務和市場規劃能力。盧先生利用其卓越的領導能力和管理技巧，以及對市場的深入瞭解，幫助達能集團在中國的嬰幼兒營養品業務取得了巨大的成功。加入達能集團前，盧先生曾在強生(中國)有限公司任職達9年並在美國通用電氣(中國)服務近4年。盧先生在銷售與市場領域擁有逾18年的經驗，亦擔任總經理或高層管理人員職務超過11年。盧先生具有豐富的快速消費品及乳品公司管理經驗，對中國市場有充分理解和豐富知識。盧先生於上海復旦大學獲得學士學位。

Mr. Qin Peng

Aged 65, was appointed as a non-executive director of the Company and a member of the Remuneration Committee on 27 April 2015 and 5 June 2015 respectively. Mr. Qin has been appointed as the Chairman of China division of the Danone Group since 2007, and has deep knowledge and understanding of international and Chinese business and culture. Mr. Qin joined the Danone Group in 1983. Mr. Qin was appointed as the vice president of the China Operation division of the Danone Group from 1997 to 2006 and as the vice president of the Corporate Development division of the Danone Group in Asia Pacific from 1995 to 1996. Mr. Qin served as the general manager of Amoy Foods Limited in Hong Kong from 1991 to 1994 and as the general manager of Guangzhou Danone Yogurt Company Limited from 1988 to 1990. Mr. Qin was engaged in Danone's marketing and sales operations in France when he joined the Danone Group and has stationed in Asia since 1988. Mr. Qin graduated from the Rene Descartes University with a Bachelor degree and from the Paris Institute of Political Sciences with a Master degree.

秦鵬先生

65歲，於2015年4月27日及2015年6月5日分別獲委任為本公司非執行董事及薪酬委員會成員。秦先生自2007年起獲委任為達能集團中國區主席，秦先生對國際及中國的商務及文化皆具有深入的知識和瞭解。秦先生於1983年加入達能集團。秦先生於1997年至2006年獲委任為達能集團中國營運部副總裁，於1995年至1996年獲委任為達能集團亞太區企業發展部副總裁。秦先生於1991年至1994年間出任香港淘化大同食品有限公司總經理，於1988年至1990年間出任廣州達能酸乳酪有限公司總經理。秦先生加入達能集團後先在達能法國公司從事營銷及銷售工作，自1988年起移駐亞洲。秦先生為法國巴黎第五大學(Rene Descartes University)學士畢業生及巴黎政治學院(Institute of Political Sciences)碩士畢業生。

Mr. Zhang Ping

Aged 56, was appointed as a non-executive director of the Company and a member of the Audit Committee on 27 April 2015. Mr. Zhang was appointed as the authorized representative of the Company on 16 March 2018. He has been also a director of Yashili International Group Limited, a subsidiary of the Company, since 27 April 2015. Mr. Zhang joined the Mengniu Group in 2014 and is currently a vice president and the chief financial officer of Mengniu Dairy. He has over 25 years of experience in the industry of fast-moving consumer goods, specializing in the management of operation, finance and audit as well as risk control. Mr. Zhang successively worked as the manager of internal audit and system development, finance director in Swire Beverages Co., Ltd., general manager of its bottler manufacturing company and chief executive officer in Coca-Cola Bottler Manufacturing Holdings Limited. Mr. Zhang graduated from Beijing Information Science and Technology University with a Master degree in management engineering. Mr. Zhang has been a non-executive director of China Modern Dairy Holdings Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1117) since 22 March 2016 and a non-executive director of China Shengmu Organic Milk Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1432) since 25 August 2020.

張平先生

56歲，於2015年4月27日獲委任為本公司非執行董事及審核委員會成員。於2018年3月16日，張先生獲委任為本公司之授權代表。自2015年4月27日起，彼亦出任本公司附屬公司雅士利國際集團有限公司之董事。張先生於2014年加入蒙牛集團，現任蒙牛乳業副總裁及首席財務官。彼於快速消費品行業累積超過25年經驗，專責營運、財務及審計之管理以及風險監控。張先生曾就職於太古飲料公司，歷任內審及系統發展經理、財務總監、裝瓶廠總經理，及可口可樂裝瓶商生產控股有限公司首席執行官。張先生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。張先生於2016年3月22日起出任中國現代牧業控股有限公司(一間在聯交所主版上市的公司，股份代號：1117)之非執行董事；及於2020年8月25日起出任中國聖牧有機奶業有限公司(一間在聯交所主版上市的公司，股份代號：1432)之非執行董事。

Mr. Gu Peiji (alias Philip Gu)

Aged 67, was appointed as a non-executive director of the Company on 29 April 2019. Mr. Gu received his Master of Laws degree from the East China Institute of Politics and Law (now known as East China University of Political Science and Law) in 1988 and had been teaching in the same institute from 1988 to 1991. Mr. Gu had been a practicing lawyer in Shanghai No. 7 Law Firm (the firm has changed its name to Shanghai Bund Law Firm) for ten years since 1989. Mr. Gu joined Danone Group in 1999, and is currently the general manager of Danone Asia Pacific (Shanghai) Management Co., Ltd and the chairman of the board of Danone (China) Food & Beverage Co., Ltd. In the past, Mr. Gu has also held various positions within Danone Group, including the General Counsel for Danone China.

顧培基(又名Philip Gu)先生

67歲，於2019年4月29日獲委任為本公司的非執行董事。顧先生曾於1988年獲得華東政法學院(現稱華東政法大學)法律碩士學位，並於1988年至1991年於該校教書。顧先生自1989年起於上海市第七律師事務所(現已更名為上海市外灘律師事務所)擔任執業律師十年。顧先生於1999年加入達能集團，現擔任達能亞太(上海)管理有限公司總經理及達能(中國)食品飲料有限公司董事會主席。過往，彼亦曾於達能擔任多個職位，包括達能集團中國區總法律顧問。

EXECUTIVE DIRECTORS

Mr. Yan Zhiyuan

Aged 38, was appointed as an executive director, Chief Executive Officer and authorized representative of the Company on 8 January 2020. Mr. Yan has also been a director for each of the following subsidiaries of the Company, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Mengya International Group Limited (formerly known as Scient International Group Limited) since 8 January 2020. Mr. Yan has seventeen years of working experience in Mengniu Dairy, together with its subsidiaries, the "Mengniu Group"), and has accumulated extensive sales and management experience in the dairy products industry. Mr. Yan was formerly the assistant vice president of Mengniu Dairy, and had also been the general manager of the sales management center of Mengniu Group's room temperature product business division since January 2017, leading the room temperature sales team to achieve continuous high growth in sales revenue and market share. During his term of office, Mr. Yan was also in charge of Xinjiang Mengniu Dairy Company Limited (新疆蒙牛乳業有限公司) (the "Xinjiang Company"), which runs an operation with integrated production and sales of room temperature, low temperature and frozen products. With his outstanding ability to manage the entire business chain, the performance of Xinjiang Company recorded steady growth and achieved continuous growth in profits in last three years. Prior to this, Mr. Yan held different management positions within the Mengniu Group, including general manager of Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. (內蒙古蒙牛阿拉乳製品有限責任公司) (milk powder segment) in Central/East China region and general manager of Mengniu Henan region. Mr. Yan obtained an Executive Master of Business Administration degree from the University of Texas at Arlington, and is currently pursuing a Doctorate degree in Business Administration at the City University of Hong Kong.

執行董事

閆志遠先生

38歲，於2020年1月8日起獲委任為本公司執行董事、行政總裁及授權代表。自2020年1月8日起，閆先生亦出任為本公司以下附屬公司之董事：雅士利國際有限公司、雅士利國際集團有限公司、新歐香港國際有限公司及蒙雅國際集團有限公司（前稱為施恩國際集團有限公司）。彼於蒙牛乳業，連同其附屬公司，「蒙牛集團」）擁有十七年的工作經驗，在乳製品行業積累了豐富的銷售及管理經驗。加入本公司前，閆先生原為蒙牛乳業助理副總裁，並自二零一七年一月起同時擔任蒙牛集團常溫事業部銷售管理中心總經理，帶領常溫銷售團隊實現銷售收入與市場份額的持續高增長。期間，閆先生同時分管蒙牛產供銷一體化、常低冰全品類經營的新疆蒙牛乳業有限公司（「新疆公司」），依靠其對全鏈條管理的出色能力，實現新疆公司近三年業績穩步增長，利潤持續提升。在此之前，閆先生曾擔任蒙牛集團不同職位的管理職務，包括內蒙古蒙牛阿拉乳製品有限責任公司（奶粉板塊）華中／華東大區總經理及蒙牛河南大區總經理。閆先生於美國得克薩斯大學阿靈頓分校獲高級工商管理碩士學位，目前於香港城市大學攻讀工商管理博士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mok Wai Bun Ben

Aged 72, was appointed as an independent non-executive director of the Company, the Chairman of the Remuneration Committee, and a member of each of the Nomination Committee and the Audit Committee on 15 November 2013. Mr. Mok has been appointed as an independent non-executive director of China Foods Limited (a company listed on the Main Board of the Stock Exchange, stock code: 506) since 29 August 2017. Mr. Mok served as a senior consultant for COFCO Coca-Cola Beverages Limited in 2012. Mr. Mok had served as a general manager of Beijing Coca-Cola Beverage Co., Ltd. from 2002 to 2011. From 1993 to 2001, he was a general manager of Hangzhou BC Foods Company Limited and Nanjing BC Foods Company Limited. Mr. Mok also served as the general manager of Swire Beverages Limited responsible for overseeing bottling plant of Swire Beverages Limited in China. Mr. Mok was awarded a Bachelor degree of Economics from McGill University, Canada in 1975.

Mr. Cheng Shoutai

Aged 54, was appointed as an independent non-executive director of the Company, and a member of each of the Remuneration Committee and the Nomination Committee on 15 November 2013. Mr. Cheng is a qualified lawyer of the People's Republic of China, the chief partner of Tahota Law Firm, a law firm based in China. Mr. Cheng also serves as a director of the All China Lawyers Association (中華全國律師協會理事), an arbitrator of the China International Economic and Trade Arbitration Commission (CIETAC) (中國國際經濟貿易仲裁委員會仲裁員), the president of Sichuan Province Lawyers Association (四川省律師協會會長) and a legal advisor of the People's Government of Sichuan Province. Mr. Cheng holds a Doctorate's degree in civil and commercial law from Southwestern University of Finance and Economics. Mr. Cheng is honored with the titles of "Model Worker in the Judicial Administration System in Countrywide (全國司法行政系統勞動模範)", National Outstanding Lawyer, Chambers Asia-Pacific Asia's Leading Lawyer for Business (錢伯斯亞太地區傑出商務律師), China Top Ten Influential Lawyers of Asia Legal Business (ALB) (亞洲法律雜誌) and LEGALBAND "China Top Lawyers of 2020" (LEGALBAND "2020年度中國頂級律師") and was one of the Fangyuan Top Ten Elite Lawyers of the Year as well as the First Session of Top Ten Outstanding Lawyers Graduated from Southwest University of Political Science and Law.

獨立非執行董事

莫衛斌先生

72歲，於2013年11月15日獲委任為本公司獨立非執行董事、薪酬委員會主席、提名委員會及審核委員會成員。莫先生於2017年8月29日起出任中國食品有限公司(一間在聯交所主板上市的公司，股份代號：506)之獨立非執行董事。莫先生於2012年擔任中糧可口可樂飲料有限公司高級顧問。莫先生於2002年至2011年期間擔任北京可口可樂飲料有限公司的總經理。於1993年至2001年期間擔任杭州中萃食品有限公司及南京中萃食品有限公司的總經理。莫先生亦曾任職於太古飲料有限公司總經理，負責監督太古飲料有限公司在中國的裝瓶廠管理。莫先生於1975年獲得加拿大麥基爾大學(McGill University)經濟學學士學位。

程守太先生

54歲，於2013年11月15日獲委任為本公司獨立非執行董事、薪酬委員會及提名委員會成員。程先生為中華人民共和國合資格律師，現任位於中國的律師事務所泰和泰律師事務所首席合夥人。程先生亦分別擔任中華全國律師協會理事、中國國際經濟貿易仲裁委員會(CIETAC)仲裁員、四川省律師協會會長、四川省人民政府法律顧問。程先生獲得西南財經大學民商法博士學位。程先生榮獲「全國司法行政系統勞動模範」稱號，全國優秀律師，錢伯斯亞太地區傑出商務律師(Chambers Asia-Pacific Asia's Leading Lawyer for Business)，亞洲法律雜誌(ALB)中國最具影響力的十佳律師，LEGALBAND「2020年度中國頂級律師」，方圓律政年度十大精英律師，西南政法大學首屆十大傑出律師校友。

Mr. Lee Kong Wai Conway

Aged 66, was appointed as an independent non-executive director of the Company, the chairman of the Audit Committee and a member of the Remuneration Committee on 27 November 2013. Mr. Lee has over 30 years of experience in public accounting and auditing, corporate finance, merger and acquisition and initial public offerings. Mr. Lee served at Ernst & Young from September 1980 to September 2009. Mr. Lee was a partner of Ernst & Young and held key leadership positions in the business development of Ernst & Young in China. Mr. Lee is a member of the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants in 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 respectively. From 2007 to 2017, Mr. Lee was a member of Chinese People's Political Consultative Conference of Hunan Province.

Mr. Lee is an independent non-executive director of Chaowei Power Holdings Limited (stock code: 951), China Modern Dairy Holdings Ltd. (stock code: 1117), GCL New Energy Holdings Limited (stock code: 451), GOME Retail Holdings Limited (stock code: 493), NVC Lighting Holding Limited (stock code: 2222), West China Cement Limited (stock code: 2233), WH Group Limited (stock code: 288) and Guotai Junan Securities Co., Ltd. (stock code: 2611) (the above companies are all listed on the Main Board of the Stock Exchange). From July 2014 to December 2020, Mr. Lee served as an independent non-executive director of China Rundong Auto Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1365). From March 2011 to February 2020, Mr. Lee also served as an independent non-executive director of Tibet Water Resources Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1115). From July 2014 to September 2015, Mr. Lee also served as a non-executive director of China Environmental Technology and Bioenergy Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1237). From November 2011 to May 2016, Mr. Lee was also an independent non-executive director of CITIC Securities Company Limited (a company listed on the Stock Exchange (stock code: 6030) as well as the Shanghai Stock Exchange (stock code: 600030)). Mr. Lee was an independent non-executive director of China Taiping Insurance Holdings Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 966) from October 2009 to August 2013. Mr. Lee was an independent non-executive director of Sino Vanadium Inc. (a company which was delisted on the TSX Venture Exchange in December 2011, stock code: SVX) from September 2009 to December 2011.

Mr. Lee graduated from Kingston University (formerly known as Kingston Polytechnic) in London with a Bachelor degree in Arts in July 1980 and further obtained his postgraduate diploma in business from Curtin University of Technology in Australia in February 1988.

李港衛先生

66歲，於2013年11月27日獲委任為本公司之獨立非執行董事、審核委員會主席及薪酬委員會成員。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。李先生於1980年9月至2009年9月任職於安永會計師事務所，李先生曾擔任安永會計師事務所的合夥人，並在安永會計師事務所中國業務的發展中擔任主要領導職務。李先生分別為英格蘭及威爾士特許會計師公會會員、澳洲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。自2007年至2017年止，李先生為中國人民政治協商會議湖南省委員。

李先生現為超威動力控股有限公司(股份代號：951)、中國現代牧業控股有限公司(股份代號：1117)、協鑫新能源控股有限公司(股份代號：451)、國美零售控股有限公司(股份代號：493)、雷士照明控股有限公司(股份代號：2222)、中國西部水泥有限公司(股份代號：2233)、萬洲國際有限公司(股份代號：288)及國泰君安證券股份有限公司(股份代號：2611)(上述均為在聯交所主板上市的公司)之獨立非執行董事。自2014年7月至2020年12月，李先生曾為中國潤東汽車集團有限公司(一間在聯交所主板上市的公司，股份代號：1365)的獨立非執行董事。自2011年3月至2020年2月，李先生亦曾為西藏水資源有限公司(一間在聯交所主板上市的公司，股份代號1115)的獨立非執行董事。自2014年7月至2015年9月，李先生亦曾為中科生物控股有限公司(一間在聯交所主板上市的公司，股份代號：1237)的非執行董事。自2011年11月至2016年5月，李先生亦出任中信證券股份有限公司(一間在聯交所(股份代號：6030)及上海證券交易所(股份代號：600030)上市的公司)之獨立非執行董事。自2009年10月至2013年8月，李先生曾為中國太平保險控股有限公司(一間在聯交所主板上市的公司，股份代號：966)之獨立非執行董事。自2009年9月至2011年12月，李先生曾為Sino Vanadium Inc.(一間已於2011年12月從多倫多證券交易所創業板(股份代號：SVX)除牌的公司)之獨立非執行董事。

李先生於1980年7月畢業於倫敦金斯頓大學(前稱為金斯頓理工學院)，獲得文學學士學位，並於1988年2月獲頒發澳洲科廷科技大學的商學深造文憑。

SENIOR MANAGEMENT

Ms. Chen Limin

Aged 41, has over 20 years of work experience in accounting and financial management. Prior to her appointment as the CFO, Ms. Chen served as Senior Director at the finance management department of Mengniu Group. Ms. Chen joined the Mengniu Group in May 2003 and had held various positions at the Mengniu Group. Ms. Chen obtained her Master of Business Administration degree from Inner Mongolia University of Finance and Economics in 2015. Ms. Chen is a member of the Chinese Institute of Certified Public Accountants.

Mr. Kwok Wai Cheong, Chris

Aged 48, was appointed as the company secretary of the Company on 10 April 2019. He is also the financial controller and company secretary of Mengniu Dairy. Prior to joining the Mengniu Group in May 2007, Mr. Kwok was the financial controller of a Hong Kong listed company and had also served in an international accounting firm. Mr. Kwok graduated from The Hong Kong Polytechnic University with a Bachelor degree in accountancy. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

高級管理層

陳立敏女士

41歲，於會計及財務管理方面擁有逾20年工作經驗。於獲委任為財務總監前，陳女士於蒙牛集團財務管理部擔任高級總監。陳女士於二零零三年五月加入蒙牛集團並於蒙牛集團擔任多個職位。陳女士於二零一五年自內蒙古財經大學取得工商管理碩士學位。陳女士是中國註冊會計師協會的成員。

郭偉昌先生

48歲，於2019年4月10日獲委任為本公司公司秘書。彼亦為蒙牛乳業的財務總監兼公司秘書。2007年5月加入蒙牛集團以前，郭先生曾任一間香港上市公司的財務總監，並曾於一間國際會計師事務所工作。郭先生畢業於香港理工大學，取得會計學學士學位，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。

REPORT OF THE DIRECTORS
董事會報告

The Directors have pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2020.

董事欣然提呈其報告，連同截至2020年12月31日止年度的經審核合併財務報表。

BUSINESS REVIEW AND PERFORMANCE

業務回顧及表現

A review of the business of the Group and a discussion and analysis of the Group's performance during the year under review and a discussion on the Group's future business development and outlook of the Company's business, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2020 are provided in the section headed "Management Discussion and Analysis" on pages 13 to 52 of this Annual Report. An account of the Company's relationships with its key stakeholders is included in the paragraphs headed "Emolument Policy", "Retirement Benefits Schemes" and "Major Customers and Suppliers" of this Report of the Directors.

本集團業務回顧及本集團於回顧年度表現的討論與分析、本集團未來業務發展及本公司業務前景的討論、本集團可能面臨的風險及不確定因素以及截至2020年12月31日止年度所發生影響本公司的重要事件，載列於本年報第13至52頁標題為「管理層討論與分析」的部分內。本公司與其主要持份者關係的說明載於本董事會報告「薪酬政策」、「退休福利計劃」及「主要客戶及供應商」的段落內。

An analysis of the Group's performance during the year ended 31 December 2020 using financial performance indicators is provided in the section headed "Management Discussion and Analysis" on pages 13 to 52 of this Annual Report.

本集團採用財務表現指標就其於截至2020年12月31日止年度表現進行的分析載列於本年報第13至52頁「管理層討論與分析」一節。

In addition, more details regarding the Group's performance by reference to environmental and social related policies, as well as compliance with relevant laws and regulations which have a significant impact on the Company will be provided in the "Environmental, Social and Governance Report" which will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yashili.hk) and a printed copy of the same will be despatched to the shareholders of the Company upon request.

此外，有關本集團在環境及社會相關政策方面表現以及遵守對本公司構成重大影響的相關法律及法規情況的更多詳情，將載於「環境、社會及管治報告」，該報告將於聯交所網站(www.hkexnews.hk)及本公司網站(www.yashili.hk)刊發，而本公司將於股東要求時向其寄發報告印刷本。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of its subsidiaries are set out in note 1 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year under review.

主要業務

本公司的主要業務為投資控股。有關其子公司主要業務的詳情載於合併財務報表附註1。於回顧年度，本集團的主要業務性質並無重大變動。

FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 December 2020 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 136 to 266 of this Annual Report.

財務報表

本集團截至2020年12月31日止年度的溢利以及本公司及本集團於該日的事務狀況載於本年報第136至266頁的合併財務報表。

FINAL DIVIDENDS

The Board did not recommend the payment of a final dividend for the year ended 31 December 2020 (31 December 2019: nil).

末期股息

董事會不建議就截至2020年12月31日止年度派發末期股息(2019年12月31日：零)。

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Wednesday, 2 June 2021. Notice of the annual general meeting and all other relevant documents will be published and despatched to the shareholders of the Company in due course.

股東周年大會

本公司股東周年大會將於2021年6月2日(星期三)舉行。該股東周年大會的通告及所有其他相關文件將於適當時候刊發並寄發予本公司股東。

RESERVES

Details of movements in reserves of the Group during the year under review are set out in the consolidated statement of changes in equity.

儲備

本集團於回顧年度儲備的變動詳情載於合併權益變動表。

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2020, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately RMB5,324 million, which may be distributed provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

本公司的可供分派儲備

於2020年12月31日，本公司根據開曼群島第22章(1961年第三號法例，經合併及修訂)公司法計算的可供分派儲備約為人民幣5,324百萬元，其可供分派，惟緊隨建議分派股息日期後，本公司須能繳清其於日常業務過程中到期的債務。

CHARITABLE DONATIONS

Donations made by the Group during the year under review amounted to approximately RMB21 million.

慈善捐贈

本集團於回顧年度作出價值約人民幣21百萬元的捐贈。

PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2020, the Group held property, plant and equipment of approximately RMB1,530 million. Movements in property, plant and equipment of the Group for the year ended 31 December 2020 are set out in note 12 to the consolidated financial statements.

物業、廠房及設備

截至2020年12月31日止年度，本集團持有物業、廠房及設備約人民幣1,530百萬元。本集團截至2020年12月31日止年度的物業、廠房及設備變動載於合併財務報表附註12。

SHARE CAPITAL

Details of the movements in share capital of the Company during the year ended 31 December 2020 are set out in note 29 to the consolidated financial statements.

股東

本公司截至2020年12月31日止年度股本的變動詳情載於合併財務報表附註29。

DIRECTORS

The Directors of the Company during the year ended 31 December 2020 and during the period from the end of the year of 2020 to the date of this Report of the Directors were:

Non-executive directors:

Mr. Jeffrey, Minfang Lu *(Chairman)*
Mr. Qin Peng
Mr. Zhang Ping
Mr. Gu Peiji (alias Philip Gu)

Executive directors:

Mr. Chopin Zhang[1]
Mr. Yan Zhiyuan *(Chief Executive Officer)*[2]

Independent non-executive directors:

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

1 Resigned with effect from 8 January 2020.

2 Appointed with effect from 8 January 2020.

In accordance with Article 84 of the Article of Association of the Company, Mr. Gu Peiji (alias Philip Gu), Mr. Mok Wai Bun Ben and Mr. Lee Kong Wai Conway shall retire at the forthcoming annual general meeting by rotation and, being eligible, offer themselves for re-election.

The Company has received annual confirmations of independence from each of the existing independent non-executive directors in accordance with Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent in accordance with the Listing Rules.

董事

截至2020年12月31日止年度及2020年年末至本董事會報告日期期間，本公司董事為：

非執行董事：

盧敏放先生*(主席)*
秦鵬先生
張平先生
顧培基(又名Philip Gu)先生

執行董事：

張平(Chopin Zhang)先生[1]
閆志遠先生*(行政總裁)*[2]

獨立非執行董事：

莫衛斌先生
程守太先生
李港衛先生

1 於2020年1月8日辭任。

2. 於2020年1月8日獲委任。

根據本公司組織章程第84條，顧培基(又名Philip Gu)先生、莫衛斌先生及李港衛先生須於應屆股東周年大會上退任，且符合資格膺選連任。

根據上市規則第3.13條，本公司已接獲各現有獨立非執行董事有關其獨立性的年度確認。本公司認為，根據上市規則，所有獨立非執行董事均屬獨立。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management are set out on pages 88 to 94 of this Annual Report.

董事及高級管理層履歷

董事及高級管理層的履歷詳情載於本年報第88至94頁。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed below, there was no transaction, arrangement or contract of significance to which the Company, its holding company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisting during or at the end of the year ended 31 December 2020.

董事於交易、安排或合約的權益

除下文所披露者外，截至2020年12月31日止年度或於該年年末，概無本公司、其控股公司或其任何子公司為訂約方而任何本公司董事直接或間接擁有重大權益的重大交易、安排或合約仍然存續。

DIRECTORS' SERVICE CONTRACTS

Each of the non-executive directors and independent non-executive directors in the Board has entered into a service contract with the Company for an initial fixed term of three years which will continue thereafter unless otherwise terminated in accordance with the terms of the service contract, including by not less than three months' notice in writing served by either party to the other. No Director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

董事服務合約

董事會各非執行董事及獨立非執行董事已與本公司訂立服務合約，初步固定期限為三年，除非其根據服務合約的條款(包括任何一方向另一方發出不少於三個月的書面通知)予以另行終止，否則服務合約將於該期限後繼續生效。概無擬於應屆股東周年大會上膺選連任的董事與本公司或其任何子公司訂有不可於一年內不作賠償(法定賠償除外)即可終止的尚未屆滿服務合約。

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association of the Company, every Director shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

獲准許彌償條文

根據本公司的組織章程細則，各董事均可就彼等或彼等任何一人、彼等或彼等任何一人的承繼人、遺囑執行人或遺產管理人因執行彼等各自職務或受託的職責或據稱職責或因就此而作出、贊同作出或沒有作出的任何行動而將會或可能承擔或蒙受的所有訴訟、成本、押記、虧損、損害及開支獲得以本公司的資產及溢利作出的彌償保證及免受損害。

本公司於本年度整段期間已為董事及本集團高級行政人員安排適當的董事及高級行政人員責任保險計劃。

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

As at 31 December 2020, the Directors and the chief executives of the Company had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**")), which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executives of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules:

Directors' interests in the shares of the Company:

董事及最高行政人員於股份、相關股份及債券的權益及淡倉

於2020年12月31日，本公司董事及主要行政人員於本公司及其相聯法團(定義見香港法例第571章《證券及期貨條例》(「**證券及期貨條例**」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所的權益或淡倉(包括董事及本公司主要行政人員根據證券及期貨條例該等條文被當作及視為擁有的權益及淡倉)或須記錄於根據證券及期貨條例第352條須予存置的登記冊的權益或淡倉，或根據上市規則所載標準守則另行知會本公司及聯交所的權益或淡倉如下：

董事於本公司股份中的權益：

Name of director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of ordinary shares 普通股數目	Approximate percentage of the issued share capital[2] 已發行股本的概約百分比[2]
Mr. Yan Zhiyuan 閆志遠先生	Beneficial owner 實益擁有人	8,949,100 (L)1	0.19%

Note:

1. Grant of 8,949,100 phantom shares by the Company pursuant to the phantom share incentive scheme adopted by the Company on 15 July 2020.
2. The total issued Shares as at 31 December 2020 was 4,745,560,296.

(L) The interest is held in long position.

附註：

1. 根據本公司於2020年7月15日採納的虛擬股票激勵計劃，本公司授出8,949,100股虛擬股票。
2. 於2020年12月31日，已發行股份總數為4,745,560,296股。

(L) 權益以好倉持有。

Directors' interests in the shares of Mengniu Dairy (being a holding company of the Company and an associated corporation of the Company):

董事於蒙牛乳業(本公司的控股公司及相聯法團)股份中的權益：

Name of director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of ordinary shares 普通股數目	Approximate percentage of the issued share capital 已發行股本的概約百分比
Mr. Jeffrey, Minfang Lu 盧敏放先生	Beneficial owner 實益擁有人	11,522,520[L]	0.29%
Mr. Zhang Ping 張平先生	Beneficial owner 實益擁有人	1,943,002[L]	0.05%
Mr. Yan Zhiyuan 閆志遠先生	Beneficial owner 實益擁有人	82,255[L]	0.00%

Note:

(L) All the shares are held in long position.

附註：

(L) 所有股份均以好倉持有。

Save as disclosed above, as at 31 December 2020, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

除上文所披露者外，於2020年12月31日，董事或本公司最高行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有或被視作擁有記錄於本公司根據證券及期貨條例第352條所存置登記冊的權益或淡倉，或已根據上市規則所載標準守則知會本公司及聯交所的任何權益或淡倉。

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

除上文所披露者外，於任何時間，本公司、其控股公司或其任何子公司概無訂立任何安排，致使董事及本公司最高行政人員(包括彼等的配偶及未滿18歲的子女)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份或相關股份或債券中持有任何權益或淡倉。

SHARE OPTION SCHEMES

The Company adopted a pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**") on 8 October 2010, and adopted a share option scheme (the "**Share Option Scheme**") on 8 October 2010. Details of the Share Option Scheme are as follows:

The Company has adopted the Share Option Scheme for the purpose of motivating eligible participants to optimize their future contributions to the Group and/or reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The maximum number of the ordinary shares of the Company (the "**Shares**") which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at 1 November 2010 (the "**Listing Date**"), that is, 350,000,000 Shares, which represented approximately 7.38% of the Company's shares in issue as at the date of this report. No option may be granted to any participant of the Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

購股權計劃

本公司已於2010年10月8日採納首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」),並已於2010年10月8日採納一項購股權計劃(「**購股權計劃**」)。購股權計劃的詳情如下：

本公司已採納購股權計劃，其目的為激勵合資格參與者，令其對本集團的未來貢獻達致最佳及／或獎勵彼等過往的貢獻、吸引及挽留或以其他方式維持與該等對本集團的表現、增長或成功而言屬重要及／或其貢獻屬有利或將會有利的合資格參與者的持續關係。

因行使根據購股權計劃及本集團任何其他計劃將予授出的所有購股權而可能發行的最高本公司普通股(「**股份**」)數目，合共不得超過於2010年11月1日(「**上市日期**」)已發行股份的10%，即350,000,000股股份，相當於本報告日期已發行股份約7.38%。本公司不得向任何購股權計劃參與人士授出購股權，致使在任何截至最近授出當日止12個月期間行使已授出及將予授出的購股權而已發行及將予發行的股份總數超過本公司不時已發行股本的1%。

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK$1.00 upon acceptance of the grant on or before the 28 days after the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

(a) the nominal value of a Share;

(b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheets on the offer date; and

(c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from the Listing Date, after which no further options will be granted or offered.

On 23 July 2013, China Mengniu International Company Limited ("**Mengniu International**") made a voluntary general offer to option holders of the Company ("**Option Offer**"), to cancel the outstanding options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme. Please refer to the composite offer and response document issued by the Company, Mengniu Dairy and Mengniu International relating to, among other things, the Option Offer dated 23 July 2013 for further details.

On 13 August 2013 (being the final closing date of the Option Offer), the Option Offer was accepted in respect of 52,088,266 options. The underlying options together with all the rights attached thereto were cancelled and given up and all the outstanding options automatically lapsed upon acceptance of the Option Offer.

No option was granted by the Company nor was there any outstanding option granted by the Company from 1 January 2020 to 31 December 2020. As at 31 December 2020, there is no outstanding option granted by the Company.

購股權可根據購股權計劃的條款於董事會釐定的期間內任何時間予以行使，惟不得超過授出日期起計10年。於購股權可獲行使前並無最短持有購股權的期限。購股權計劃參與人士在要約日期後28天或之前接納授出購股權時須向本公司繳付1.00港元。購股權的行使價由董事會全權酌情釐定，惟不得低於下列三者中的最高者：

(a) 股份面值；

(b) 於要約日期在聯交所每日報價表所列的股份收市價；及

(c) 緊接要約日期前五個營業日於聯交所每日報價表所列的股份平均收市價。

購股權計劃將由上市日期起計10年期間內有效及生效，於該期間後，將不會進一步授出或提呈購股權。

於2013年7月23日，中國蒙牛國際有限公司(「**蒙牛國際**」)向本公司的期權持有人提出自願性全面收購要約(「**期權要約**」)，以註銷首次公開發售前購股權計劃及購股權計劃項下授出的未行使期權。進一步詳情請參閱本公司、蒙牛乳業及蒙牛國際日期為2013年7月23日有關(其中包括)期權要約的綜合收購要約及回應文件。

於2013年8月13日(即期權要約的最後截止日期)，有關52,088,266份期權的期權要約已被接納。於期權要約獲接納後，相關期權連同其附帶的所有權利已被註銷及放棄，而所有未行使期權亦自動失效。

自2020年1月1日至2020年12月31日，本公司並無授出期權，亦概無任何由本公司授出的未行使期權。於2020年12月31日，本公司概無授出任何未行使期權。

PHANTOM SHARE INCENTIVE SCHEME

To motivate the employees to maximize the value of and share the results with the Company in order to achieve sustainable development of the Group, the Company adopted the Phantom Share Incentive Scheme (the "**Phantom Share Incentive Scheme**") on 15 July 2020 for certain key management team, middle and senior management personnel and key personnel who have a material impact on the operating performance and sustainable development of the Company (the "**Incentive Recipients**").

Phantom Share Incentive Scheme does not involve the grant of options over new shares or other new securities that may be issued by the Company (or any of its subsidiaries) and therefore, it does not fall within the ambit of, and is not subject to, the requirements under Chapter 17 of the Listing Rules.

Phantom Share Incentive Scheme shall be valid for a period of 10 years commencing from the effective date of the Scheme (the "**Effective Period**"). The Board could terminate the Scheme before the expiry of the Effective Period if the Board considers it necessary. The total number of Phantom Shares to be granted under the Effective Period shall not exceed 474,556,029 Shares. The Incentive Recipients do not own any shares, nor enjoy voting rights or allotment rights of the shares. Phantom Shares cannot be transferred or used as security or for repayment of debts.

On 15 July 2020, the Board approved the initial grant of 59,660,700 Phantom Shares under the Scheme.

For further details of the Phantom Share Incentive Scheme and the grant of Phantom Shares on 15 July 2020, please refer to the announcement issued by the Company on 16 July 2020.

虛擬股票激勵計劃

為激勵僱員實現本公司價值最大化，並與本公司共享成果，以實現本集團的可持續發展，本公司於2020年7月15日對部分對本公司經營業績及持續發展有重要影響的核心管理團隊、中高層管理人員及核心骨幹人員(「**激勵對象**」)採納了虛擬股票激勵計劃(「**虛擬股票激勵計劃**」)。

虛擬股票激勵計劃並無涉及授出本公司(或其任何附屬公司)可能發行的新股份或其他新證券的購股權，因此並不屬於上市規則第十七章規定的範疇內，亦不受其所限。

虛擬股票激勵計劃由計劃生效日期(「**有效期**」)起計10年內有效。如董事會認為有需要，可於有效期屆滿前終止該計劃。根據有效期將予授出的虛擬股票總數不得超過474,556,029股股份。激勵對象並不擁有任何股份的所有權，亦不享有任何股份的投票權或配股權。虛擬股票不能轉讓或用於擔保或償還債務。

於2020年7月15日，董事會批准根據該計劃首次授予59,660,700股虛擬股票。

有關虛擬股票激勵計劃及於2020年7月15日授予虛擬股票的進一步詳情，請參閱本公司於2020年7月16日刊發的公告。

EQUITY-LINKED AGREEMENTS

Save as disclosed under the sections headed "Share Option Schemes" and "Phantom Share Incentive Scheme" above, no equity-linked agreements were entered into by the Group, or existed during the year.

股票掛鈎協議

除上文「購股權計劃」及「虛擬股票激勵計劃」兩節所披露者外，本集團於本年度概無訂立或存在股票掛鈎協議。

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in paragraph headed "Share Option Schemes" above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

董事購買股份或債券的安排

除上文「購股權計劃」一段所披露者外，本公司概無於年內任何時間向任何董事或彼等各自的配偶或未成年的子女授出權利，以供藉收購本公司的股份或債券的方式獲取利益，而彼等亦無行使任何該等權利；本公司、其控股公司或其任何子公司概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體的股份或債務證券(包括債券)的方式獲取利益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

主要股東於股份及相關股份的權益及淡倉

So far as is known to the Director or chief executives of the Company, as at 31 December 2020, the persons or corporations (other than Directors or chief executives of the Company) who had interest or short positions in the shares and underlying shares of the Company or its associated corporation(s) which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

就本公司董事或主要行政人員所知，於2020年12月31日，於本公司或其相聯法團的股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須披露予本公司的權益或淡倉，或須記入根據證券及期貨條例第336條規定須存置的登記冊內的權益或淡倉的人士或法團(並非本公司董事或主要行政人員)如下：

Name 名稱	Capacity/Nature of interest 身份／權益性質	Number of ordinary shares 普通股數目	Approximate percentage of shareholding[5] 佔股權概約百分比[5]
Mengniu Dairy[1] 蒙牛乳業[1]	Interests in a controlled corporation 受控制法團的權益	2,422,150,437[4]	51.04%
Mengniu International[1] 蒙牛國際[1]	Beneficial owner 實益擁有人	2,422,150,437[4]	51.04%
Danone SA[2] 達能SA[2]	Interests in a controlled corporation 受控制法團的權益	1,186,390,074[4]	25.00%
Danone Baby and Medical Nutrition BV[2]	Interests in a controlled corporation 受控制法團的權益	1,186,390,074[4]	25.00%
Nutricia International BV[2]	Interests in a controlled corporation 受控制法團的權益	1,186,390,074[4]	25.00%
Danone Asia[2] 達能亞洲[2]	Beneficial owner 實益擁有人	1,186,390,074[4]	25.00%
Vanguard International Investment Co., Ltd[3]	Interests in a controlled corporation 受控制法團的權益	303,462,119[4]	6.39%
Zhang Yangui[3] 張雁桂[3]	Interests in a controlled corporation 受控制法團的權益	303,462,119[4]	6.39%
Zhang International Investment Ltd[3] 張氏國際投資有限公司[3]	Beneficial owner 實益擁有人	303,462,119[4]	6.39%

Note:

1 As at 31 December 2020, Mengniu Dairy held 99.95% interest in Mengniu International and Mengniu International directly held the relevant Shares.

2 As at 31 December 2020, Danone SA held 100% interest in Danone Baby and Medical Nutrition BV. Danone Baby and Medical Nutrition BV held 100% interest in Nutricia International BV. Nutricia International BV held 100% interest in Danone Asia and Danone Asia directly held the relevant shares.

3 As at 31 December 2020, Zhang International Investment Ltd. was held as to 35.06% by Vanguard International Investment Co., Ltd, which is in turn wholly owned by Mr. Zhang Yangui.

4 All the shares are held in long position.

5 The total issued Shares of the Company as at 31 December 2020 was 4,745,560,296.

附註：

1 於2020年12月31日，蒙牛乳業持有蒙牛國際的99.95%權益，而蒙牛國際直接持有有關股份。

2 於2020年12月31日，達能SA持有Danone Baby and Medical Nutrition BV的100%權益。Danone Baby and Medical Nutrition BV持有Nutricia International BV的100%權益。Nutricia International BV持有達能亞洲的100%權益，而達能亞洲直接持有有關股份。

3 於2020年12月31日，Vanguard International Investment Co., Ltd持有張氏國際投資有限公司的35.06%權益，而Vanguard International Investment Co., Ltd則由張雁桂先生全資擁有。

4 所有股份均以好倉持有。

5 於2020年12月31日，本公司已發行股份總數為4,745,560,296股。

Save as disclosed above, as at 31 December 2020, the Directors are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company or its associated corporation(s) which would require to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，於2020年12月31日，董事概不知悉任何其他人士或法團於本公司或其相聯法團的股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

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

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2020.

購買、出售或贖回本公司上市證券

除上文所披露者外，本公司或其任何子公司於截至2020年12月31日止年度概無購買、出售或贖回任何本公司上市證券。

CONTINUING CONNECTED TRANSACTIONS

Connected Persons

(a) **Mengniu Dairy, Inner Mongolia Mengniu and Burra Foods Pty Ltd ("Burra Foods")**

Mengniu International, a subsidiary of Mengniu Dairy, holds 51.04% of the shares of the Company and is a substantial shareholder of the Company. Therefore, Mengniu Dairy is a connected person of the Company. As Inner Mongolia Mengniu is a subsidiary of Mengniu Dairy, Inner Mongolia Mengniu is a connected person of the Company. Burra Foods is owned as to 51.35% by Inner Mongolia Fuyuan International Industrial (Group) Co., Ltd., which is in turn owned as to 43.35% by Inner Mongolia Mengniu, a subsidiary of Mengniu Dairy. Therefore, Burra Foods is an associate of Mengniu Dairy under Rule 14A.13(3) of the Listing Rules and a connected person of the Company.

(b) **Danone Trading, Danone Asia Pacific Holdings Pte. Ltd. ("DAPH"), Danone Nutricia NZ Ltd ("Nutricia NZ"), Shanghai Nutri Go Food Co. Ltd. ("Shanghai Nutri Go"), Milupa GmbH ("Milupa") and DanTrade B.V. ("DanTrade")**

Danone Asia, a subsidiary of Danone SA, has a 25.0% shareholding interest in the Company. Therefore, Danone SA is a connected person of the Company. As each of Danone Trading, DAPH, Nutricia NZ, Shanghai Nutri Go, Milupa and DanTrade is an indirect subsidiary of Danone SA and a member of the Danone Group, each of Danone Trading, DAPH, Nutricia NZ, Shanghai Nutri Go, Milupa and DanTrade is a connected person of the Company.

持續關連交易

關連人士

(a) **蒙牛乳業、內蒙蒙牛及Burra Foods Pty Ltd(「Burra Foods」)**

蒙牛乳業子公司蒙牛國際持有本公司51.04%股份,為本公司主要股東。因此,蒙牛乳業為本公司的關連人士。內蒙蒙牛為蒙牛乳業的子公司,故內蒙蒙牛為本公司的關連人士。內蒙古富源國際實業(集團)有限責任公司擁有Burra Foods 51.35%權益,而蒙牛乳業之子公司內蒙蒙牛擁有內蒙古富源國際實業(集團)有限責任公司43.35%權益。因此,根據上市規則第14A.13(3)條,Burra Foods為蒙牛乳業的聯繫人,並為本公司的關連人士。

(b) **Danone Trading、Danone Asia Pacific Holdings Pte. Ltd(「DAPH」)、Danone Nutricia NZ Ltd(「Nutricia NZ」)、上海起跑營養食品有限公司(「上海起跑營養」)、Milupa GmbH(「Milupa」)及DanTrade B.V.(「DanTrade」)**

達能SA的子公司達能亞洲擁有本公司25.0%股份權益,因此達能SA為本公司的關連人士。Danone Trading、DAPH、Nutricia NZ、上海起跑營養、Milupa及DanTrade各自為達能SA的間接子公司及達能集團成員公司,因此,Danone Trading、DAPH、Nutricia NZ、上海起跑營養、Milupa及DanTrade各自為本公司的關連人士。

Continuing Connected Transactions

1. Trademark Licensing Agreement

On 25 September 2015, as one of the conditions precedent to the completion of the equity transfer agreement in relation to the entire equity interests in Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("**Oushi Mengniu**"), Yashili International Group Ltd. ("**Yashili (Guangdong)**"), Oushi Mengniu and Inner Mongolia Mengniu entered into a trademark licensing agreement (the "**Trademark Licensing Agreement**") pursuant to which Inner Mongolia Mengniu (as licensor) agreed to grant Oushi Mengniu, Yashili (Guangdong) and its affiliates (as licensees) a nontransferable and non-exclusive right to use and sub – license certain registered trademarks (the "**Trademarks**") of Inner Mongolia Mengniu, which are subject to change by Inner Mongolia Mengniu from time to time in the PRC, for a term commencing from the date of the Trademark Licensing Agreement for a period of (i) 50 years, or (ii) the operation period of Oushi Mengniu, whichever is later. The Trademark Licensing Agreement may be renewed subject to the negotiations among the parties in the future. The annual license fee is equal to (a) 3% of the net sales revenue arising from the sale of the pediatric milk formula products and milk powder products for adults for which the Trademarks are used (the "**Products**") by Yashili (Guangdong) and its affiliates during that respective year, and (b)(i) 3% of the net sales revenue arising from the sale of the Products by Oushi Mengniu during that respective year, or (ii) RMB18.0 million, whichever is higher. The net sales revenue of Oushi Mengniu shall start to accrue (i) following the completion of the registration of the capital reduction as further described in the joint announcement of the Company and Mengniu Dairy dated 21 September 2015 and the circular of the Company dated 29 October 2015, or (ii) from January 1, 2016, whichever is earlier. The annual license fee shall be paid by Oushi Mengniu, Yashili (Guangdong) and its affiliates within two months after the end of each year. Please refer to the announcement of the Company dated 25 September 2015 for further details.

持續關連交易

1. 商標使用許可合同

作為完成有關內蒙古歐世蒙牛乳製品有限責任公司(「**歐世蒙牛**」)全部股權的股權轉讓協議的其中一項先決條件，於2015年9月25日，雅士利國際集團有限公司(「**雅士利(廣東)**」)、歐世蒙牛與內蒙蒙牛訂立一項商標使用許可合同(「**商標使用許可合同**」)，據此，內蒙蒙牛(作為許可人)同意授予歐世蒙牛、雅士利(廣東)及其關聯公司(作為被許可人)一項在中國有分許可權，但無轉讓權的非排他性、非獨佔使用內蒙蒙牛部分註冊商標(「**商標**」)(可由內蒙蒙牛不時更改)的權利，期限為(i) 50年或(ii)歐世蒙牛經營期限(以較後者為準)，自商標使用許可合同日期起生效，且日後各方可經協商確定商標使用許可合同續訂事宜。每年許可費金額相當於(a)相關年度內雅士利(廣東)及其關聯公司使用商標銷售嬰幼兒配方奶粉產品及成人奶粉產品(「**產品**」)所產生淨銷售收入的3%，及(b)(i)相關年度內歐世蒙牛銷售產品所產生淨銷售收入的3%；或(ii)人民幣18.0百萬元(以較高者為準)。歐世蒙牛的淨銷售收入將從(i)完成資本減少的註冊(於本公司與蒙牛乳業日期為2015年9月21日的聯合公告及本公司日期為2015年10月29日的通函進一步闡述)之後，或(ii) 2016年1月1日(以較早者為準)開始累計。年度許可費將由歐世蒙牛、雅士利(廣東)及其關聯公司於每年度結束後兩個月內支付。有關進一步詳情，請參閱本公司日期為2015年9月25日的公告。

The Directors are of the view that the entering into of the Trademark Licensing Agreement will benefit the Company and its Shareholders as a whole in the following respects: (i) the Company can benefit from the brand of Mengniu Dairy, the "Mengniu" trademark is highly recognized in the PRC and the use of the "Mengniu" trademark would be beneficial to the sale of the Company's adult milk powder products and maintain the market share of Oushi Mengniu's infant milk powder; and (ii) through the "Mengniu" trademark license, the Company could access more support from Mengniu Dairy in terms of brand resources.

董事認為，訂立商標使用許可合同將在下列方面整體有利於本公司及其股東：(i)本公司可受惠於蒙牛乳業品牌，「蒙牛」商標在中國市場備受肯定，使用「蒙牛」商標有利於本公司銷售成人奶粉產品，並保持歐世蒙牛嬰幼兒奶粉的市場份額；及(ii)借助「蒙牛」商標許可，本公司可獲取更多蒙牛乳業在品牌資源方面的支持。

On 22 December 2017, Yashili (Guangdong), Oushi Mengniu and Inner Mongolia Mengniu entered into a confirmation letter in relation to the Trademark Licensing Agreement, pursuant to which the parties agreed that for each of the years ending 31 December 2017 and 2018:

於2017年12月22日，雅士利(廣東)、歐世蒙牛與內蒙蒙牛就商標使用許可合同訂立一份確認函，據此，訂約方同意，截至2017年及2018年12月31日止年度各年：

– no license fee shall be payable by Oushi Mengniu and Yashili (Guangdong) to Inner Mongolia Mengniu for the use of the Trademarks under the Trademark Licensing Agreement provided that the expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) for the promotion, marketing, advertising and distribution of the Products (the "**Marketing Expenses**") in any such year shall not be less than 3% of the revenue from the sales of the Products to third party customers in such year; and

– in the event that the Marketing Expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) in any year are less than 3% of the revenue from the sales of the Products to third party customers in such year, Oushi Mengniu and Yashili (Guangdong) shall pay the shortfall to Inner Mongolia Mengniu within two months after the end of such year.

— 歐世蒙牛及雅士利(廣東)毋須就使用商標使用許可合同項下的商標向內蒙蒙牛支付許可費，惟歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何有關年度就產品推廣、營銷、廣告及分銷產生的開支(「**營銷開支**」)不少於有關年度向第三方客戶銷售產品所得收入的3%；及

— 倘歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何年度產生的營銷開支少於有關年度向第三方客戶銷售產品所得收入的3%，則歐世蒙牛及雅士利(廣東)須於有關年度結束後兩個月內向內蒙蒙牛支付有關差額。

On 12 July 2019, Yashili (Guangdong), Oushi Mengniu and Inner Mongolia Mengniu entered into a supplemental confirmation letter (the "**Supplemental Confirmation Letter**") in relation to the Trademark Licensing Agreement, pursuant to which the parties agreed that for each of the years ending 31 December 2019, 2020 and 2021:

- no license fee shall be payable by Oushi Mengniu and Yashili (Guangdong) to Inner Mongolia Mengniu for the use of the Trademarks under the Trademark Licensing Agreement, provided that the expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) for the promotion, marketing, advertising and distribution of the Products (the "**Marketing Expenses**") in any such year shall not be less than 3% of the revenue from the sales of the Products to third party customers in such year; and

- in the event that the Marketing Expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) in any year are less than 3% of the revenue from the sales of the Products to third party customers in such year, Oushi Mengniu and Yashili (Guangdong) shall pay the shortfall to Inner Mongolia Mengniu within two months after the end of such year.

The Directors (including the independent non-executive Directors but excluding Mr. Jeffrey, Minfang Lu and Mr. Zhang Ping) are of the view that the entering into of the Supplemental Confirmation Letter will benefit the Company and its Shareholders as a whole as the arrangements provided in the Supplemental Confirmation Letter would support the Company's promotional and marketing activities for the Products, which are important components of the product portfolio of the Company in the future, and thereby increasing the market share of and sales revenue of the Company.

於2019年7月12日，雅士利(廣東)、歐世蒙牛與內蒙蒙牛就商標使用許可合同訂立一份補充確認函(「**補充確認函**」)，據此，訂約方同意，截至2019年、2020年及2021年12月31日止年度各年：

- 歐世蒙牛及雅士利(廣東)毋須就使用商標使用許可合同項下的商標向內蒙蒙牛支付許可費，惟歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何有關年度就產品推廣、營銷、宣傳及分銷產生的開支(「**營銷開支**」)不少於有關年度向第三方客戶銷售產品所得收入的3%；及

- 倘歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何年度產生的營銷開支少於有關年度向第三方客戶銷售產品所得收入的3%，則歐世蒙牛及雅士利(廣東)須於有關年度結束後兩個月內向內蒙蒙牛支付差額。

董事(包括獨立非執行董事，惟盧敏放先生及張平先生除外)認為，訂立補充確認函將對本公司及其股東整體有利，原因是補充確認函下的安排將支持本公司對於產品(該等產品是本公司未來產品組合的重要組成部分)的市場推廣活動，從而提升本公司的市場佔有率及銷售收入。

On 9 July 2020, the Yashili (Guangdong), Oushi Mengniu and Inner Mongolia Mengniu entered into a supplemental agreement to the Trademark Licensing Agreement (the "**Supplemental Agreement**"), pursuant to which, among others, (i) Yashili New Zealand, an affiliate of Yashili (Guangdong) incorporated in New Zealand, is designated as a licensee under the Trademark Licensing Agreement, and may use and sub-license the Trademarks in New Zealand and use the Trademarks in the manufacturing of the Products in New Zealand, and such Products may be imported to the PRC for promotion, advertising, marketing and distribution; and (ii) the Supplemental Confirmation Letter shall apply to the Trademark Licensing Agreement as amended by the Supplemental Agreement.

於2020年7月9日，雅士利(廣東)、歐世蒙牛與內蒙蒙牛訂立商標使用許可合同的補充合同(「**補充合同**」)，據此，(其中包括)(i)於新西蘭註冊成立的雅士利(廣東)的關聯公司新西蘭雅士利乳業有限公司獲指定為商標使用許可合同項下的被許可人，且可在新西蘭使用及分許可商標，使用商標在新西蘭生產產品，且該等產品可進口至中國進行推廣、宣傳、營銷及銷售；及(ii)補充確認函適用於經補充合同修訂的商標使用許可合同。

The Directors are of the view that the Supplemental Agreement and the transactions contemplated thereunder would enable the Group to promote the advertising and distribution of its products through the Mengniu brand.

董事認為補充合同及其項下擬進行的交易有利於本集團進一步借力蒙牛母品牌的品牌力推動本集團產品的推廣及銷售。

For the year ended 31 December 2020, pursuant to the Supplemental Confirmation Letter, no license fee is payable by Oushi Mengniu, Yashili (Guangdong) and its affiliates to Inner Mongolia Mengniu under the Trademark Licensing Agreement.

截至2020年12月31日止年度，根據補充確認函，歐世蒙牛、雅士利(廣東)及其關聯公司概無就商標使用許可合同應付內蒙蒙牛的許可費。

2. Manufacturing and Supply Agreement

2. 生產及供應協議

On 27 May 2016, Dumex China entered into a manufacturing and supply agreement (the "**Manufacturing and Supplying Agreement**") with Danone Trading, an indirect subsidiary of Danone SA. pursuant to which Dumex China agreed to purchase and Danone Trading agreed to sell certain products for infant nutrition from time to time during the term from the completion of acquisition of the entire equity interest in Dumex China to 31 December 2027. The prices shall be negotiated each year prior to the start of the year and shall be calculated based on the cost of the relevant infant nutrition products supplied plus a markup of 10% and with reference to the volume forecasts provided by the Dumex China to Danone Trading. Please refer to the announcement of the Company dated 27 May 2016 for further details.

於2016年5月27日，多美滋中國與Danone Trading(達能SA間接子公司)訂立生產及供應協議(「**生產及供應協議**」)，據此，於收購多美滋中國之全部股權交割至2027年12月31日止期間內，多美滋中國同意不時購買而Danone Trading同意不時出售若干嬰幼兒營養品。價格將於每年年初之前進行磋商，並參考多美滋中國預期向Danone Trading提供的訂單數量按所提供相關嬰幼兒營養品的成本另加10%計算。有關進一步詳情，請參閱本公司日期為2016年5月27日的公告。

The Directors are of the view that the Manufacturing and Supply Agreement enables Dumex China to secure a long-term supply of four tailored nutrition products from the Danone Group, which would complement the existing product portfolio of the Group and enhance the bargaining power the Group in channel distribution.

董事認為，生產及供應協議可令多美滋中國獲得達能集團對四種定制營養品的長期供應，豐富本集團的現有產品組合，從而加強本集團在渠道分銷方面的議價能力。

For the year ended 31 December 2020, the value of the transactions contemplated under the Manufacturing and Supply Agreement was RMB0, which was less than the cap of RMB14 million (equivalent to approximately HK$16.576 million) as disclosed in the May 2016 Announcement.

截至2020年12月31日止年度，生產及供應協議下擬進行交易的價值為人民幣0元，低於2016年5月公告所披露的上限人民幣14百萬元(相當於約16.576百萬港元)。

3. The Service Agreement with Nutricia NZ

3. 與Nutricia NZ的服務協議

On 1 May 2017, Yashili New Zealand, a subsidiary of the Company, entered into a service agreement (the "**Service Agreement with Nutricia NZ**") with Nutricia NZ, pursuant to which Yashili New Zealand agreed to co-pack and deliver to Nutricia NZ canned infant formula during the period from 1 May 2017 to 30 June 2018 (being the initial term commencing from 1 May 2017 to 31 December 2017 extended for six months according to the Service Agreement with Nutricia NZ). Please refer to the announcement of the Company dated 18 January 2018 for further details.

於2017年5月1日，本公司子公司新西蘭乳業與Nutricia NZ訂立服務協議(「**與Nutricia NZ的服務協議**」)，據此，新西蘭乳業同意於2017年5月1日至2018年6月30日期間(即根據與Nutricia NZ的服務協議，將自2017年5月1日起至2017年12月31日的初步年期延長六個月)內向Nutricia NZ合作包裝並交付罐裝嬰幼兒配方奶粉。有關進一步詳情，請參閱本公司日期為2018年1月18日的公告。

On 31 May 2018, Yashili New Zealand and Nutricia NZ agreed to extend the Service Agreement with Nutricia NZ for another six months (the "**31 May 2018 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 31 December 2018. Please refer to the announcement of the Company dated 31 May 2018 for further details.

於2018年5月31日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議延長六個月(「**2018年5月31日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2018年12月31日。有關進一步詳情，請參閱本公司日期為2018年5月31日的公告。

On 3 December 2018, Yashili New Zealand and Nutricia NZ agreed to extend the Service Agreement with Nutricia NZ for another six months (the "**3 December 2018 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 30 June 2019. Please refer to the announcement of the Company dated 3 December 2018 for further details.

於2018年12月3日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議延長六個月(「**2018年12月3日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2019年6月30日。有關進一步詳情，請參閱本公司日期為2018年12月3日的公告。

On 31 May 2019, Yashili New Zealand and Nutricia NZ agreed to further extend the term of the Service Agreement with Nutricia NZ for another six months (the "**31 May 2019 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 31 December 2019. Please refer to the announcement of the Company dated 31 May 2019 for further details.

於2019年5月31日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議進一步延長六個月(「**2019年5月31日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2019年12月31日。有關進一步詳情，請參閱本公司日期為2019年5月31日的公告。

On 29 November 2019, Yashili New Zealand and Nutricia NZ agreed to further extend the term of the Service Agreement with Nutricia NZ for another six months (the "**29 November 2019 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 30 June 2020. Please refer to the announcement of the Company dated 29 November 2019 for further details.

於2019年11月29日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議進一步延長六個月(「**2019年11月29日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2020年6月30日。有關進一步詳情，請參閱本公司日期為2019年11月29日的公告。

On 29 May 2020, Yashili New Zealand and Nutricia NZ agreed to further extend the term of the Service Agreement with Nutricia NZ for another six months (the "**29 May 2020 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 31 December 2020. Please refer to the announcement of the Company dated 29 May 2020 (the "**29 May 2020 Announcement**") for further details.

於2020年5月29日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議進一步延長六個月(「**2020年5月29日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2020年12月31日。有關進一步詳情，請參閱本公司日期為2020年5月29日的公告(「**2020年5月29日公告**」)。

On 4 December 2020, Yashili New Zealand and Nutricia NZ agreed to further extend the term of the Service Agreement with Nutricia NZ for another six months (the "**4 December 2020 Extension**"). Accordingly, the Service Agreement with Nutricia NZ shall remain in force until 30 June 2021. Please refer to the announcement of the Company dated 4 December 2020 for further details.

於2020年12月4日，新西蘭乳業與Nutricia NZ同意將與Nutricia NZ的服務協議進一步延長六個月(「**2020年12月4日延長**」)。因此，與Nutricia NZ的服務協議將保持有效直至2021年6月30日。有關進一步詳情，請參閱本公司日期為2020年12月4日的公告。

The Directors are of the view that are of the view that the transactions contemplated under the Service Agreement with Nutricia NZ, the 31 May 2018 Extension, the 3 December 2018 Extension, the 31 May 2019 Extension, the 29 November 2019 Extension, the 29 May 2020 Extension and the 4 December 2020 Extension would enable Yashili New Zealand to further improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

董事認為，與Nutricia NZ的服務協議項下擬進行的交易、2018年5月31日延長、2018年12月3日延長、2019年5月31日延長、2019年11月29日延長、2020年5月29日延長及2020年12月4日延長能令新西蘭乳業進一步提升其利用率，從而增強本集團與達能之間的協同效應。

For the year ended 31 December 2020, the value of the transactions contemplated under the Service Agreement with Nutricia NZ as extended by the 29 May 2020 Extension was NZ$0.49 million, which was less than the annual cap of NZ$6 million as disclosed in the 29 May 2020 Announcement.

4. Processing Agreement with Shanghai Nutri Go

On 23 March 2018, Dumex China, a wholly-owned subsidiary of the Company, entered into a processing agreement (the "**2018 Processing Agreement**") with Shanghai Nutri Go pursuant to which Dumex China agreed to provide processing services in respect of NutriGo nutrition packs to Shanghai Nutri Go from time to time from 23 March 2018 to 22 March 2019. Please refer to the announcement of the Company dated 23 March 2018 for further details.

On 4 June 2019, Dumex China entered into a processing agreement (the "**2019 Processing Agreement**") with Shanghai Nutri Go, pursuant to which Dumex China agreed to provide processing services in respect of NutriGo nutrition packs to Shanghai Nutri Go from time to time from 4 June 2019 to 3 June 2020. Please refer to the announcement of the Company dated 4 June 2019 (the "**4 June 2019 Announcement**") for further details.

On 4 June 2020, Dumex China and Shanghai Nutri Go entered into the a supplemental agreement (the "**Supplemental Agreement**") to (i) extend the term of the 2019 Processing Agreement to the period from 4 June 2020 to 30 June 2020; and (ii) amend certain terms of the 2019 Processing Agreement. Save as described above, the transactions contemplated under the Supplemental Agreement shall comply with the terms of the 2019 Processing Agreement. Please refer to the announcement of the Company dated 4 June 2020 (the "**4 June 2020 Announcement**") for further details.

截至2020年12月31日止年度，與Nutricia NZ的服務協議(經2020年5月29日延長後)項下擬進行交易的價值為0.49百萬新西蘭元，低於2020年5月29日公告所披露的年度上限6百萬新西蘭元。

4. 與上海起跑營養的加工協議

於2018年3月23日，本公司全資子公司多美滋中國與上海起跑營養訂立加工協議(「**2018年加工協議**」)，據此，多美滋中國同意於2018年3月23日至2019年3月22日不時向上海起跑營養提供營養起跑營養包的加工服務。有關進一步詳情，請參閱本公司日期為2018年3月23日的公告。

於2019年6月4日，多美滋中國與上海起跑營養訂立加工協議(「**2019年加工協議**」)，據此，多美滋中國同意於2019年6月4日至2020年6月3日不時向上海起跑營養提供營養起跑營養包的加工服務。有關進一步詳情，請參閱本公司日期為2019年6月4日的公告(「**2019年6月4日公告**」)。

於2020年6月4日，多美滋中國與上海起跑營養訂立補充協議(「**補充協議**」)，以(i)將2019年加工協議的期限延長至2020年6月4日至2020年6月30日期間；及(ii)修訂2019年加工協議的若干條款。除上述外，補充協議項下擬進行的交易應符合2019年加工協議的條款。有關進一步詳情，請參閱本公司日期為2020年6月4日的公告(「**2020年6月4日公告**」)。

The Directors are of the view that the transactions contemplated under the 2018 Processing Agreement, the 2019 Processing Agreement and the Supplemental Agreement with Shanghai Nutri Go would generate revenue for the Group and enable the Group to explore additional business opportunities in the future.

董事認為，與上海起跑營養的2018年加工協議、2019年加工協議及補充協議項下擬進行的交易將為本集團產生收益，並可令本集團日後探索其他商機。

For the period from 4 June 2019 to 4 June 2020, the value of the transactions contemplated under the 2019 Processing Agreement was RMB1.28 million, which was less than the cap of RMB8 million for the period from 4 June 2019 to 3 June 2020 as disclosed in the 4 June 2019 Announcement.

於2019年6月4日至2020年6月4日的期間，2019年加工協議項下擬進行交易的價值為人民幣1.28百萬元，低於2019年6月4日公告所披露於2019年6月4日至2020年6月3日期間的上限人民幣8百萬元。

For the period from 4 June 2020 to 31 December 2020, the value of the transactions contemplated under the Supplemental Agreement was RMB0.94 million, which was less than the cap of RMB3.5 million for the period from 4 June 2020 to 31 December 2020 as disclosed in the 4 June 2020 Announcement.

於2020年6月4日至2020年12月31日的期間，補充協議項下擬進行交易的價值為人民幣0.94百萬元，低於2020年6月4日公告所披露於2020年6月4日至2020年12月31日期間的上限人民幣3.5百萬元。

5. **Can Supply Agreement with Nutricia NZ**

5. **與Nutricia NZ訂立的鐵罐供應協議**

On 23 May 2018, Yashili New Zealand, a subsidiary of the Company, entered into a can supply agreement (the "**Can Supply Agreement with Nutricia NZ**") with Nutricia NZ, a subsidiary of Danone SA, pursuant to which Yashili New Zealand agreed to purchase and Nutricia NZ, agreed to supply cans from time to time from 23 May 2018 to 30 June 2020 unless terminated earlier in accordance with the terms of the Can Supply Agreement with Nutricia NZ. Please refer to the announcement of the Company dated 23 May 2018 ("**23 May 2018 Announcement**") for further details.

於2018年5月23日，本公司的子公司新西蘭乳業與Nutricia NZ(達能SA的子公司)訂立鐵罐供應協議(「**與Nutricia NZ訂立的鐵罐供應協議**」)，據此，自2018年5月23日起至2020年6月30日止，新西蘭乳業同意不時採購，而Nutricia NZ同意不時供應鐵罐，惟根據與Nutricia NZ訂立的鐵罐供應協議條款提早終止除外。有關更多詳情，請參閱本公司日期為2018年5月23日的公告(「**2018年5月23日公告**」)。

The Directors are of the view that the transactions contemplated under the Can Supply Agreement with Nutricia NZ would enable Yashili New Zealand to procure high quality packing materials from a stable source, further achieving greater synergies between the Group and Danone.

董事認為，與Nutricia NZ訂立的鐵罐供應協議項下擬進行交易可使新西蘭乳業自穩定來源採購優質包材，並進一步增強本集團與達能之間的協同效應。

For the period from 1 January 2020 to 30 June 2020, the value of the transactions contemplated under the Can Supply Agreement with Nutricia NZ was NZ$0 million, which was less than the cap of NZ$5 million (equivalent to approximately HK$27.1 million) for the period from 1 January 2020 to 30 June 2020 as disclosed in the 23 May 2018 Announcement.

於2020年1月1日至2020年6月30日的期間，與Nutricia NZ訂立的鐵罐供應協議項下擬進行交易價值為0百萬新西蘭元，低於2018年5月23日公告所披露於2020年1月1日至2020年6月30日期間的上限5百萬新西蘭元(相當於約27.1百萬港元)。

6. **Framework Agreement with Mengniu Dairy**

On 29 June 2018, the Company entered into a Framework Agreement (the "**Framework Agreement with Mengniu Dairy**") with Mengniu Dairy in relation to (i) purchase of goods by the Mengniu Group from the Group ("**Type I CCT**"); (ii) purchase of goods by the Group from the Mengniu Group ("**Type II CCT**"); (iii) provision of services by the Mengniu Group to the Group ("**Type III CCT**"); and (iv) provision of services by the Group to the Mengniu Group ("**Type IV CCT**"). The Framework Agreement has a term of three years commencing from the date of the approval of the independent Shareholders (the "**Effective Date**").

The goods under the Type I CCT and Type II CCT are mainly raw materials for dairy products, raw materials for food, food additives (including but not limited to whole milk powder, skimmed milk powder, white sugar, etc.), auxiliary materials, packing materials, semi-finished goods and finished goods. The list of goods may be updated from time to time according to the business needs of the Group and the Mengniu Group. The services under the Type III CCT and Type IV CCT are mainly testing services, storage and leasing services, marketing and sales services, IT services, labour services, advisory services and management services. The scope of services may be updated from time to time according to the business needs of the Group and the Mengniu Group. The price and terms of the transactions under the Framework Agreement shall be determined in the ordinary course of business on normal commercial terms, negotiated on an arm's length basis and no less favourable to the Group than those available to the Group from independent third parties.

6. **與蒙牛乳業訂立的框架協議**

於2018年6月29日，本公司與蒙牛乳業就(i)蒙牛集團向本集團採購商品(「**持續關連交易類別I**」)；(ii)本集團向蒙牛集團採購商品(「**持續關連交易類別II**」)；(iii)蒙牛集團向本集團提供服務(「**持續關連交易類別III**」)；及(iv)本集團向蒙牛集團提供服務(「**持續關連交易類別IV**」)訂立框架協議(「**與蒙牛乳業訂立的框架協議**」)。框架協議自獨立股東批准當日(「**生效日期**」)起計為期三年。

持續關連交易類別I及持續關連交易類別II項下商品主要為乳製品原材料、食物原料、食品添加劑(包括但不限於全脂奶粉、脱脂奶粉、白糖等)、輔料、包裝材料、半成品及成品。商品清單或會因應本集團及蒙牛集團的業務需要不時更新。持續關連交易類別III及持續關連交易類別IV項下服務主要為檢測服務、倉儲及租賃服務、市場及銷售服務、IT服務、勞務服務、諮詢服務及管理服務。服務範疇或會因應本集團及蒙牛集團的業務需要不時更新。框架協議項下交易的價格及條款乃於日常業務過程中按正常商業條款經公平磋商後釐定，給予本集團的價格及條款並不遜於本集團自獨立第三方所獲得者。

Please refer to (i) the announcement of the Company dated 2 July 2018 in relation to the entering into of the Framework Agreement with Mengniu Dairy, (ii) the announcement of the Company dated 31 December 2018 in relation to, among others, the revision of proposed annual caps of the continuing connected transactions under the Framework Agreement with Mengniu Dairy, and (iii) the circular of the Company dated 22 February 2019 ("**22 February 2019 Circular**"), for further details.

有關更多詳情，請參閱(i)本公司日期為2018年7月2日有關訂立與蒙牛乳業訂立的框架協議的公告，(ii)本公司日期為2018年12月31日有關(其中包括)修訂與蒙牛乳業的框架協議項下持續關連交易之建議年度上限的公告，及(iii)本公司日期為2019年2月22日的通函(「**2019年2月22日通函**」)。

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 22 February 2019 Circular)) are of the view that the Framework Agreement with Mengniu Dairy and the transactions contemplated thereunder would enable the Group to achieve greater synergies with the Mengniu Group. In particular, (i) the purchase of goods and services from the Mengniu Group will enable the Group to realize stable and quality sourcing and reduce purchase costs; and (ii) the provision of goods and services by the Group to the Mengniu Group will diversify and increase the Group's income and most importantly improve the capacity utilization of the Group.

董事(包括獨立非執行董事，彼等意見已於2019年2月22日通函中所載的獨立董事委員會函件中載列)認為，與蒙牛乳業訂立的框架協議及其項下擬進行交易會有助提升本集團與蒙牛集團之間的協同效應。具體而言，(i)向蒙牛集團採購商品及服務有助本集團確保穩定及優質採購來源，並降低採購成本；及(ii)本集團向蒙牛集團提供商品及服務可多元化本集團的收入來源及增加本集團的收入，而更重要的是可提升本集團的產能利用率。

The Framework Agreement with Mengniu Dairy and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 12 March 2019. The Framework Agreement with Mengniu Dairy became effective on 12 March 2019.

與蒙牛乳業的框架協議及其項下擬進行交易已於2019年3月12日舉行之本公司股東特別大會上由本公司獨立股東批准。與蒙牛乳業的框架協議已於2019年3月12日生效。

For the year ended 31 December 2020, the value of transactions under the Framework Agreement with Mengniu Dairy was RMB325 million, RMB140 million, RMB0.67 million, RMB33 million for Type I CCT, Type II CCT, Type Ill CCT and Type IV CCT, respectively, which was less than RMB265 million, RMB364 million, RMB35 million and RMB168 million, respectively, as disclosed in the 22 February 2019 Circular.

截至2020年12月31日止年度，有關與蒙牛乳業的框架協議項下持續關連交易類別I、持續關連交易類別II、持續關連交易類別III及持續關連交易類別IV的交易價值分別為人民幣325百萬元、人民幣140百萬元、人民幣0.67百萬元及人民幣33百萬元，分別低於2019年2月22日通函所披露的人民幣265百萬元、人民幣364百萬元、人民幣35百萬元及人民幣168百萬元。

7. **Supply Agreement with Burra Foods**

On 29 March 2019, Newou, a wholly-owned subsidiary of the Company, entered into a supply agreement (the "**March 2019 Supply Agreement**") with Burra Foods, pursuant to which Newou agreed to purchase, and Burra Foods agreed to sell, base powder products for milk based recipes from time to time from 29 March 2019 to 31 December 2019. Please refer to the announcements of the Company dated 29 March 2019 and 29 April 2019 for further details.

The March 2019 Supply Agreement expired on 31 December 2019. On 17 April 2020, Newou entered into a supply agreement (the "**Supply Agreement with Burra Foods**") with Burra Foods, pursuant to which Newou agreed to purchase, and Burra Foods agreed to sell, base powder products from time to time from 17 April 2020 to 31 March 2021. Please refer to the announcement of the Company dated 17 April 2020 (the "**17 April 2020 Announcement**") for further details.

The Directors expect that the transactions contemplated under the March 2019 Supply Agreement and the Supply Agreement with Burra Foods would enable Newou to procure high quality raw materials from a stable source, which would lay a solid foundation for the Group's expansion into high end product categories.

For the period from 17 April 2020 to 31 December 2020, the value of the transactions contemplated under the Supply Agreement with Burra Foods was AUD7 million, which was less than the cap of AUD10 million (equivalent to approximately HK$49.19 million) as disclosed in the 17 April 2020 Announcement.

7. **與Burra Foods訂立的供應協議**

於2019年3月29日，本公司的全資子公司新歐與Burra Foods訂立供應協議(「**2019年3月供應協議**」)，據此，於2019年3月29日至2019年12月31日期間，新歐同意不時購買，及Burra Foods同意不時出售用於牛奶食譜的奶粉基粉產品。有關進一步詳情，請參閱本公司日期為2019年3月29日及2019年4月29日的公告。

2019年3月供應協議於2019年12月31日到期。於2020年4月17日，新歐與Burra Foods訂立供應協議(「**與BurraFoods訂立的供應協議**」)，據此，於2020年4月17日至2021年3月31日期間，新歐同意不時購買，及Burra Foods同意不時出售奶粉基粉產品。有關進一步詳情，請參閱本公司日期為2020年4月17日的公告(「**2020年4月17日公告**」)。

董事預期與Burra Foods訂立的2019年3月供應協議及供應協議項下擬進行的交易將能夠為新歐提供穩定的優質原材料採購來源，其將為本集團擴展至高端產品類別打下堅實的基礎。

於2020年4月17日至2020年12月31日期間，與Burra Foods訂立的供應協議項下擬進行的交易的價值為7百萬澳元，低於2020年4月17日公告所披露的上限10百萬澳元(相當於約49.19百萬港元)。

8. **Service Contract with Nutricia NZ**

On 19 June 2019, Yashili New Zealand, a wholly-owned subsidiary of the Company, entered into a service contract (the "**Service Contract with Nutricia NZ**") with Nutricia NZ, pursuant to which Yashili New Zealand and Nutricia NZ agreed to supply services including but not limited to consulting service, labor service, management service and marketing service, to each other from 19 June 2019 to 31 December 2021. Please refer to the announcement of the Company dated 19 June 2019 (the "**19 June 2019 Announcement**") for further details.

The Directors are of the view that the Service Contract with Nutricia NZ and the transactions contemplated thereunder would enable Yashili New Zealand to leverage on such Services provided by Danone, and hence take advantage of Danone's industry leading edge with the ultimate aim of achieving greater synergies between the Group and Danone.

For the year ended 31 December 2020, the value of the transactions contemplated under the Service Contract with Nutricia NZ was RMB3 million, which was less than the cap of RMB20 million as disclosed in the 19 June 2019 Announcement.

9. **Service Agreement with Milupa**

On 21 October 2019, Yashili New Zealand, a wholly-owned subsidiary of the Company, entered into a service agreement (the "**Service Agreement with Milupa**") with Milupa, pursuant to which Yashili New Zealand agreed to provide processing services in respect of goat milk powder to Milupa from time to time for six months commencing from 21 October 2019. Please refer to the announcement of the Company dated 21 October 2019 (the "**21 October 2019 Announcement**") for further details.

The Directors are of the view that the Service Agreement with Milupa and the transactions contemplated thereunder would enable Yashili New Zealand to explore more business opportunities with Danone, and achieve greater synergies between the Group and Danone.

8. **與Nutricia NZ訂立的服務合同**

於2019年6月19日，本公司的全資子公司新西蘭乳業與Nutricia NZ訂立服務合同(「**與Nutricia NZ訂立的服務合同**」)，據此，新西蘭乳業及Nutricia NZ同意於2019年6月19日至2021年12月31日互相提供服務(包括但不限於諮詢服務、勞工服務、管理服務及營銷服務)。有關進一步詳情，請參閱本公司日期為2019年6月19日的公告(「**2019年6月19日公告**」)。

董事認為，與Nutricia NZ訂立的服務合同及其項下擬進行的交易將使新西蘭乳業可依靠達能提供的有關服務，從而利用達能的行業領先優勢以實現增強本集團與達能之間的協同效應的最終目的。

截至2020年12月31日止年度，與Nutricia NZ訂立的服務合同項下擬進行的交易的價值為人民幣3百萬元，低於2019年6月19日公告所披露的上限人民幣20百萬元。

9. **與Milupa訂立的服務協議**

於2019年10月21日，本公司的全資子公司新西蘭乳業與Milupa訂立服務協議(「**與Milupa訂立的服務協議**」)，據此，新西蘭乳業同意由2019年10月21日起計六個月不時向Milupa提供羊奶粉加工服務。有關進一步詳情，請參閱本公司日期為2019年10月21日的公告(「**2019年10月21日公告**」)。

董事認為，與Milupa訂立的服務協議及其項下擬進行的交易將使新西蘭乳業探索與達能的更多商機並增強本集團與達能之間的協同效應。

For the period from 5 August 2019 to 20 April 2020, the value of the transactions contemplated under the Service Agreement with Milupa was RMB0 million, which was less than the cap of EUR0.7 million (equivalent to approximately RMB5.5 million) during the period from 5 August 2019 to 20 April 2020 as disclosed in the 21 October 2019 Announcement.

於2019年8月5日至2020年4月20日期間，與Milupa訂立的服務協議項下擬進行的交易的價值為人民幣0百萬元，低於2019年10月21日公告所披露於2019年8月5日至2020年4月20日期間的上限0.7百萬歐元(相當於約人民幣5.5百萬元)。

10. 2020 Supply Agreement with DAPH, Danone Trading, DanTrade and Their Affiliates

On 19 November 2019, Yashili New Zealand entered into a supply agreement (the "**2020 Supply Agreement**") with DAPH, Danone Trading, DanTrade and their affiliates (the "**Purchasers under the 2020 Supply Agreement**"), pursuant to which Yashili New Zealand agreed to supply, and the Purchasers under the 2020 Supply Agreement agreed to purchase, base powder and dairy ingredients from time to time. The 2020 Supply Agreement and the transactions contemplated thereunder are subject to the approval by the independent Shareholders. If the approval of the 2020 Supply Agreement by the independent Shareholders is obtained before 1 January 2020, the 2020 Supply Agreement shall take effect on 1 January 2020, and shall remain in force until 31 December 2020 unless otherwise agreed by the parties in writing. If the approval of the 2020 Supply Agreement by the independent Shareholders is obtained after 1 January 2020, the 2020 Supply Agreement shall take effect on the date on which it is approved by the independent Shareholders, and shall remain in force until 31 December 2020 unless otherwise agreed by the parties in writing. Please refer to the announcement of the Company dated 19 November 2019 and circular of the Company dated 12 December 2019 (the "**12 December 2019 Circular**") for further details.

The Directors (including the independent non-executive Directors) are of the view that the 2020 Supply Agreement would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

10. 與DAPH、Danone Trading、DanTrade及彼等的聯屬公司訂立的2020年供應協議

於2019年11月19日，新西蘭乳業與DAPH、Danone Trading、DanTrade及彼等的聯屬公司(「**2020年供應協議項下買家**」)訂立供應協議(「**2020年供應協議**」)，據此，新西蘭乳業同意不時供應，而2020年供應協議項下買家同意不時購買基粉及乳品原料。2020年供應協議及其項下擬進行的交易須經獨立股東批准。倘2020年供應協議於2020年1月1日前獲獨立股東批准，則2020年供應協議將於2020年1月1日開始生效，並將維持有效至2020年12月31日(除非訂約方另行書面協定)。倘2020年供應協議於2020年1月1日後獲獨立股東批准，則2020年供應協議將於獲獨立股東批准當日生效，並將維持有效至2020年12月31日(除非訂約方另行書面協定)。有關進一步詳情，請參閱本公司日期為2019年11月19日的公告及本公司日期為2019年12月12日的通函(「**2019年12月12日通函**」)。

董事(包括獨立非執行董事)認為，2020年供應協議將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

The 2020 Supply Agreement and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 31 December 2019. The 2020 Supply Agreement became effective on 1 January 2020.

2020年供應協議及其項下擬進行的交易於本公司在2019年12月31日舉行的股東特別大會獲獨立股東批准。2020年供應協議於2020年1月1日生效。

For the year ended 31 December 2020, the value of the transactions contemplated under the 2020 Supply Agreement was RMB354 million, which was less than the cap of RMB630 million as disclosed in the 12 December 2019 Circular.

於截至2020年12月31日止年度，2020年供應協議項下擬進行的交易的價值為人民幣354百萬元，低於2019年12月12日通函所披露的上限人民幣630百萬元。

On 13 November 2020, Yashili New Zealand entered into an agreement with DAPH and DanTrade to extend the term of the 2020 Supply Agreement for a period of one year from 1 January 2021 to 31 December 2021 and to amend certain terms of the 2020 Supply Agreement (the "**Extension**"). Please refer to the announcement of the Company dated 13 November 2020 and the circular of the Company dated 4 December 2020 for further details.

於2020年11月13日，新西蘭乳業與DAPH及DanTrade訂立協議，將2020年供應協議的期限延長一年至2021年1月1日至2021年12月31日期間，並修訂2020年供應協議的若干條款(「**延長**」)。有關進一步詳情，請參閱本公司日期為2020年11月13日的公告及本公司日期為2020年12月4日的通函。

The Directors (including the independent non-executive Directors) are of the view that the Extension would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

董事(包括獨立非執行董事)認為，延長將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

The Extension and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 23 December 2020. The Extension became effective on 1 January 2021.

延長及其項下擬進行的交易於本公司在2020年12月23日舉行的股東特別大會獲獨立股東批准。延長於2021年1月1日生效。

The pricing policies set out in the relevant announcements and circulars (where applicable) of the connected transactions and continuing connected transactions set out above have been followed when determining the price and terms of the transactions conducted during the year.

於釐定年內所進行交易之價格及條款時已遵從上述關連交易及持續關連交易的相關公告及通函(如適用)內所載的定價政策。

Other than the connected transactions and the continuing connected transactions set out above, in respect of which the disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied with, no contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholders during the year ended 31 December 2020.

除上文所載的關連交易及持續關連交易(已就此遵守上市規則第14A章的披露規定)外，本公司或其任何子公司與控股股東於截至2020年12月31日止年度內概無訂立重大合約。

The independent non-executive Directors of the Company have reviewed these connected transactions and confirmed that such transactions were entered into:

本公司的獨立非執行董事已審閱該等關連交易，並確認該等關連交易乃：

– in the ordinary and usual course of business of the Group;

– on normal commercial terms or better; and

– according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

— 於本集團一般及日常業務過程中進行；

— 按正常或較佳的商業條款訂立；以及

— 按照規管彼等的協議進行，而有關條款屬公平合理，並符合本公司股東的整體利益。

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "**Assurance Engagements Other Than Audits or Reviews of Historical Financial Information**" and with reference to Practice Note 740 "**Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules**" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued their unqualified letter containing their 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 Stock Exchange.

本公司核數師根據香港會計師公會頒佈的《香港核證委聘準則》第3000號「**審核或審閱過去財務資料以外的核證委聘**」，並參閱《實務説明》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**」，受聘對本集團的持續關連交易匯報。核數師已就本集團按照上市規則第14A.56條在本年報披露的持續關連交易發出無保留意見的函件，並載有其發現和結論。本公司已向聯交所提供了一份核數師函件的副本。

DIRECTORS' INTEREST IN COMPETING BUSINESS

The Directors named in the paragraphs below held offices in businesses, which are considered to compete or likely to compete, either directly or indirectly, with the businesses of the Group during the year ended 31 December 2020.

Each of Mr. Jeffrey, Minfang Lu and Mr. Zhang Ping held offices in the Mengniu Group during the year ended 31 December 2020. Mengniu Dairy is a substantial shareholder of the Company. Bellamy's Australia Limited, which is an Australian organic infant formula and baby food provider, acquired by the Mengniu Group in 2019, is engaged in, among others, manufacturing and distribution of milk formula. Each of Mr. Qin Peng and Mr. Gu Peiji (alias Philip Gu) held offices in Danone. Danone Asia, a member of the Danone Group, is a substantial shareholder of the Company. Danone is engaged in, among others, manufacturing and distribution of milk formula.

The above-mentioned competing businesses are 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 from, the businesses of these entities. When making decisions, the relevant Directors, in performance of their 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 ended 31 December 2020.

董事於競爭性業務的權益

於截至2020年12月31日止年度內，下段所列董事於業務中任職，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。

盧敏放先生及張平先生各自於截至2020年12月31日止年度內在蒙牛集團任職。蒙牛乳業為本公司的主要股東。蒙牛集團於2019年收購了澳洲有機嬰幼兒配方奶粉及嬰兒食品廠商Bellamy's Australia Limited，其從事(其中包括)生產及銷售配方奶粉。秦鵬先生及顧培基(又名Philip Gu)先生各自在達能任職。達能集團的成員公司達能亞洲是本公司的主要股東。達能從事(其中包括)生產及銷售配方奶粉。

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，於截至2020年12月31日止年度內概無董事或其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。

MANAGEMENT CONTRACTS

Other than the service contracts disclosed in the paragraph headed "**Directors' Service Contracts**" above, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2020.

管理合約

除上文「**董事服務合約**」一段所披露的服務合約外，於截至2020年12月31日止年度內概無訂立或存在有關本公司業務整體或任何重大部分的管理及行政合約。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of Cayman Islands where the Company is incorporated applicable to the Company.

優先權

本公司組織章程細則或開曼群島(本公司註冊成立所在地)法例項下概無任何優先權條文適用於本公司。

EMOLUMENT POLICY

The Group's emolument policies are based on the merit, qualifications and competence of individual employees and are reviewed by the Remuneration Committee periodically. The emoluments of the Directors are recommended by the Remuneration Committee and are decided by the Board, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has previously adopted two share option schemes and one Phantom Share Incentive Scheme to motivate and reward its Directors and eligible employees. Details of the schemes are set out in the paragraphs headed "**Share Option Schemes**" above and "**Phantom Share Incentive Scheme**".

None of the Directors waived any emoluments during the year ended 31 December 2020.

薪酬政策

本集團的薪酬政策乃按個別僱員的優點、資歷及能力為基礎，並定期由薪酬委員會審閱。董事薪酬乃經參考本集團的經營業績、個別表現及可比較的市場統計數字後由薪酬委員會建議，並由董事會決定。

本公司過往已採納兩項購股權計劃以及一項虛擬股票激勵計劃以推動及獎勵其董事及合資格僱員。該等計劃的詳情載於上文「**購股權計劃**」及「**虛擬股票激勵計劃**」各段。

概無董事於截至2020年12月31日止年度內放棄任何酬金。

RETIREMENT BENEFITS SCHEMES

The employees of the PRC subsidiaries of the Company are members of the state-managed retirement benefits scheme operated by the PRC government. The PRC subsidiaries are required to contribute certain percentages of basic salaries of the employees to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme. The contributions are charged to the consolidated income statements as they become payable in accordance with the rules of the state – managed retirement benefits scheme. The Group has no other material obligation for the payment of pension benefits beyond the annual contributions described above.

For the year ended 31 December 2020, the Group's total contributions to the retirement benefits schemes charged in the income statement amounted to RMB17 million. Details of the Group's retirement benefits scheme and the basis of calculation are set out in note 7 to the consolidated financial statements.

退休福利計劃

本公司於中國的子公司的僱員為由中國政府運作的國家管理退休福利計劃的成員。中國子公司須按僱員基本薪金的若干百分比向退休福利計劃供款以撥付該等福利。本集團有關退休福利計劃的唯一責任為根據計劃作出所需供款。該等供款於根據國家管理退休福利計劃的規則成為應付時於合併收益表內扣除。本集團並無有關上述年度供款以外的任何其他重大退休福利付款責任。

截至2020年12月31日止年度，本集團於收益表內扣除的退休福利計劃總供款為人民幣17百萬元。本集團的退休福利計劃及計算基準的詳情載於合併財務報表附註7。

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate sales attributable to the Group's largest and five largest customers were 10% and 17% of the Group's total sales respectively. Aggregate purchases attributable to the Group's largest and five largest suppliers were 6% and 18% of the Group's total purchases respectively. At no time during the year ended 31 December 2020 did a Director, his/her associate(s) or a shareholder, which to the knowledge of the Directors owns more than 5% of the Company's share capital, have an interest in any of the Group's five largest suppliers.

主要客戶及供應商

本集團最大及五大客戶所佔的銷售總額分別佔本集團銷售總額的10%及17%。本集團最大及五大供應商所佔的採購總額分別佔本集團採購總額的6%及18%。於截至2020年12月31日止年度內任何時間，概無董事、其聯繫人或據董事所知擁有本公司股本超過5%的股東於本集團任何五大供應商中擁有權益。

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of shareholders who are entitled to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Thursday, 27 May 2021 to Wednesday, 2 June 2021, both dates inclusive, during which period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the forthcoming annual general meeting to be held on Wednesday, 2 June 2021, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 26 May 2021.

暫停辦理股份過戶登記手續

為釐定有權出席應屆股東周年大會並於會上表決的股東身份，本公司將於2021年5月27日(星期四)至2021年6月2日(星期三)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會進行任何本公司股份過戶登記。為符合出席將於2021年6月2日(星期三)舉行的應屆股東周年大會並於會上表決的資格，所有已填妥及簽署的過戶表格連同相關股票必須於2021年5月26日(星期三)下午4時30分前送達本公司的香港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至1716號舖以作登記。

AUDIT COMMITTEE

The audit committee of the Company has reviewed, with the Company's management and the external auditors, the accounting principles and practices adopted by the Company and discussed auditing, risk management, internal control, whistleblowing policy and system and financial reporting matters, including the review of the Group's financial statements' for the year ended 31 December 2020.

審核委員會

本公司審核委員會與本公司管理層以及外部核數師審閱本公司採納的會計原則與慣例，並討論審核、風險管理、內部監控、舉報政策及系統以及財務報告事宜，其中包括審閱本集團截至2020年12月31日止年度的財務報表。

AUDITORS

The consolidated financial statements for the year ended 31 December 2020 have been audited by Ernst & Young, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company. A resolution for its re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

核數師

截至2020年12月31日止年度的合併財務報表已由安永會計師事務所審核，其將會退任並符合資格於本公司應屆股東周年大會上膺選以獲續聘。一項續聘本公司核數師的決議案將於本公司應屆股東周年大會上提呈。

SUFFICIENCY OF 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 of not less than 23.42% of the Company's issued shares pursuant to a waiver granted to the Company by the Stock Exchange for the period from the Listing Date.

充足公眾持股量

根據本公司可取得的公開資料及據董事於本年報日期所知，自上市日期以來期間，本公司已根據聯交所授予本公司的豁免，維持不低於本公司已發行股份23.42%的指定公眾持股量。

BANK LOANS AND OTHER BORROWINGS

Particulars of short-term and long-term bank loans of the Group as at 31 December 2020 are set out in note 27 to the consolidated financial statements. Other than such bank loans, the Group had no other bank loans.

銀行貸款及其他借貸

本集團於2020年12月31日的短期及長期銀行貸款的詳情載於合併財務報表附註27。除該等銀行貸款外，本集團並無其他銀行貸款。

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 53 to 87 of this Annual Report.

企業管治

本公司的企業管治原則及常規載於本年報第53至87頁的企業管治報告。

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the five financial years ended 31 December 2020 is set out on pages 267 to 268 of this Annual Report.

財務資料概要

本集團截至2020年12月31日止五個財政年度的業績以及資產及負債概要載於本年報第267至268頁。

EVENT AFTER THE REPORTING PERIOD

The Group had no significant event after the reporting period.

On behalf of the Board

Jeffrey, Minfang Lu
Chairman

Hong Kong, 24 March 2021

報告期後事項

本集團並無報告期後的重大事項。

代表董事會

盧敏放
主席

香港，2021年3月24日

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

安永會計師事務所
香港中環添美道1號
中信大廈22樓

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

To the shareholders of
Yashili International Holdings Ltd.,
(Incorporated in the Cayman Islands with limited liability)

致雅士利國際控股有限公司股東

(於開曼群島註冊成立的有限責任公司)

OPINION

We have audited the consolidated financial statements of Yashili International Holdings Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 136 to 266, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

意見

我們已完成審計雅士利國際控股有限公司(「貴公司」)及其子公司(「貴集團」)載於第136至266頁的合併財務報表，包括於2020年12月31日的合併財務狀況表、截至該日止年度的合併損益表、合併全面收益表、合併權益變動表及合併現金流量表，以及合併財務報表附註，包括重大會計政策概要。

我們認為，該等合併財務報表已根據國際會計準則理事會頒佈的國際財務報告準則(「國際會計準則」)真實而公平地反映貴集團在2020年12月31日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量，並已遵照香港公司法妥為編製。

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.

意見的基礎

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

KEY AUDIT MATTERS

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

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

Key audit matter	How our audit addressed the key audit matter
Impairment testing of goodwill Goodwill amounting to RMB991 million represented 12.72% of the Group's total assets as at 31 December 2020. The impairment tests performed by management involved significant estimations of the value in use of the cash-generating unit ("CGU") group to which the goodwill is allocated. The accounting policies, significant estimates and related disclosures are included in notes 2.4, 3 and 17 to the consolidated financial statements.	Our audit procedures included, among others, evaluation of management's identification of CGU group to which goodwill is allocated and assessment of the impairment model and underlying assumptions by comparing key assumptions, such as the forecasted revenue and gross margins with historical operating results. We involved our internal valuation experts to assist us in evaluating the impairment model and in benchmarking key assumptions, including expected growth rates and discount rates. We assessed management's sensitivity analysis in relation to the reasonably possible changes in assumptions, including revenue growth rates and gross margins. We also reviewed the adequacy of the related disclosures included in the consolidated financial statements.

關鍵審計事項

關鍵審計事項為我們的專業判斷中，審計本期合併財務報表中最重要的事項。此等事項乃於我們審計整體合併財務報表及就此出具意見時處理，而不會就此等事項單獨發表意見。下文載有我們的審計如何處理以下各項事項的資料。

我們已履行本報告「*核數師就審計合併財務報表須承擔的責任*」一節所述的責任，包括有關此等事項的責任。因此，我們的審計包括執行為評估應對合併財務報表重大錯誤陳述風險而設的程式。審計程式結果包括處理以下事項的程式，為我們就隨附的合併財務報表審計意見提供基礎。

關鍵審計事項	該事項在審計中是如何應對的
商譽減值測試 於2020年12月31日，商譽為人民幣9.91億元，佔貴集團總資產的12.72%。管理層執行的減值測試包含對商譽所分配至的現金產出單元組使用價值的重要估計。 會計政策、重要估計和相關披露包含於合併財務報告附註2.4、附註3和附註17中。	我們的審計程序包括評價管理層對於分配商譽的現金產出單位組的認定；評估減值模型及其假設，將收入增長率及毛利率等主要假設與歷史經營業績進行比較。我們邀請內部估值專家，協助我們評估減值模型，並對包括預期增長率及貼現率在內的主要假設進行同行業基準測試。我們還評估了管理層就收入增長率和毛利率等假設發生合理可能的變動時的敏感性分析。 我們也關注了貴公司合併財務報表中相關披露的充足性。

Key audit matter	How our audit addressed the key audit matter
Impairment testing of trademark with indefinite lives	
Trademark with indefinite life amounting to RMB283 million represented 3.63% of the Group's total assets as at 31 December 2020. The impairment tests performed by management involved significant estimations in determination of the value in use of the CGU to which the trademarks belong. The accounting policies, significant estimates and related disclosures are included in notes 2.4, 3 and 16 to the consolidated financial statements.	Our audit procedures included, among others, assessment of the impairment model and underlying assumptions by comparing key assumptions, such as the forecasted revenue and gross margins with historical operating results. We also reviewed brand strategy and business plan prepared by management and compared the assumptions such as unit selling prices and unit costs used in the impairment testing with the industry peers. We involved internal valuation experts to assist us in evaluating the impairment model and key assumptions, in particular those relating to perpetual growth rates and discount rates. We also assessed management's sensitivity analysis to evaluate the impact of reasonably possible changes, including revenue growth rates and gross margins. We also reviewed the adequacy of the related disclosures included in the consolidated financial statements.

關鍵審計事項	該事項在審計中是如何應對的
不確定使用壽命商標的減值測試	
於2020年12月31日，多美滋商標價值為人民幣2.83億元，佔貴集團總資產的3.63%。管理層執行的減值測試包含對商標所屬現金產出單元使用價值的重要估計。 會計政策、重要估計和相關披露包含於合併財務報告附註2.4、附註3和附註16中。	我們的審計程序包括對減值模型、預計收入增長率和預計毛利率等關鍵假設的評估。我們審查了管理層制定的品牌戰略和商業計劃，並將管理層對減值測試中使用的單位售價和單位成本等假設與同行業可比公司進行了比較。我們邀請內部估值專家，協助我們評估減值模型與包括預期增長率及貼現率在內的主要假設。我們還評估了管理層就收入增長率和毛利率等假設發生合理可能的變動時的敏感性分析。 我們也關注了貴公司合併財務報表中相關披露的充足性。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

年報所載其他資料

貴公司董事須負責編製其他資料。其他資料包括年報所載資料，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

審計合併財務報表時，我們的責任為閱讀其他資料，在此過程中，考慮其他資料是否與合併財務報表或我們於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。在此方面，我們並無任何報告。

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

董事對合併財務報表的責任

貴公司董事遵照國際會計準則理事會頒佈的國際財務報告準則及香港公司法編製真實兼公允地呈列的合併財務報表，並須負責其認為就編製不存在由於欺詐或錯誤而導致的重大錯誤陳述的合併財務報表而言屬必要的內部監控。

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

審核委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計合併財務報表須承擔的責任

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

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

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

- 識別及評估合併財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審計程序，獲得充足及適當審計憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。

- 瞭解有關審計的內部控制，以設計恰當的審計程序，但並非旨在對貴集團內部控制的有效程度發表意見

- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審計憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意合併財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審計憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。

- 評估合併財務報表(包括資料披露)的整體列報、架構及內容，以及合併財務報表是否已公允反映及列報相關交易及事項。

- 就貴集團內各實體或業務活動的財務資料獲得充足的審計憑證，以就合併財務報表發表意見。我們須負責指導、監督及執行集團的審計工作。我們須為我們的審計意見承擔全部責任。

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

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們的獨立性的關係及其他事宜，以及消除威脅所採取的行動或適用的防範措施(如適用)與審核委員會溝通。

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

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

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

出具本獨立核數師報告的審計項目合夥人為吳紹祺。

Ernst & Young
Certified Public Accountants

Hong Kong
24 March 2021

安永會計師事務所
執業會計師

香港
2021年3月24日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
合併損益表

Year ended 31 December 2020　截至2020年12月31日止年度

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue	收入	5	**3,649,206**	3,411,962
Cost of sales	銷售成本	7	**(2,315,373)**	(2,145,191)
Gross profit	毛利		**1,333,833**	1,266,771
Other income and gains	其他收入及收益	5	**102,039**	28,929
Selling and distribution expenses	銷售及經銷開支		**(1,039,102)**	(963,810)
Administrative expenses	行政開支		**(186,582)**	(222,978)
Impairment loss on financial assets	金融資產減值損失		**(3,758)**	(5,804)
Other expenses and losses	其他開支和損失	6	**(151,509)**	(84,836)
Finance income	財務收入	7	**88,470**	94,467
Finance costs	財務成本	8	**(13,712)**	(9,816)
PROFIT BEFORE TAX	**除稅前溢利**	7	**129,679**	102,923
Income tax (expense)/credit	所得稅(費用)/抵減	10	**(28,598)**	9,443
PROFIT FOR THE YEAR	**年度溢利**		**101,081**	112,366
Attributable to:	**歸屬於：**			
Owners of the parent	母公司股權持有人		**101,081**	112,366
			RMB cents 人民幣分	RMB cents 人民幣分
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	**母公司普通股擁有人應佔每股盈利**	11		
Basic and diluted	基本和攤薄		**2.1**	2.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
合併全面收益表

Year ended 31 December 2020 截至2020年12月31日止年度

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
PROFIT FOR THE YEAR	**年度溢利**	**101,081**	112,366
OTHER COMPREHENSIVE (LOSS)/INCOME	**其他全面(損失)／收益**		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:	可於以後期間重新分類至損益之其他全面(損失)／收益:		
Exchange differences on translation of financial statements	外幣報表折算差額	**(53,861)**	43,954
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	可於以後期間重新分類至損益之淨其他全面(損失)／收益:	**(53,861)**	43,954
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF TAX	**年度稅後其他全面(損失)／收益**	**(53,861)**	43,954
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**年度全面收益總額**	**47,220**	156,320
Attributable to:	**歸屬於：**		
Owners of the parent	母公司股權持有人	**47,220**	156,320

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
合併財務狀況表

31 December 2020 2020年12月31日

		Notes 附註	2020 RMB'000 人民幣千元	2019 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	12	**1,530,467**	1,549,669
Construction in progress	在建工程	13	**49,199**	63,414
Investment properties	投資物業	14	**63,924**	73,548
Right-of-use assets	使用權資產	15	**101,420**	112,659
Intangible assets	無形資產	16	**345,541**	346,294
Goodwill	商譽	17	**991,236**	991,236
Deferred tax assets	遞延稅項資產	18	**370,995**	385,712
Long-term bank deposits	長期銀行存款	24	**736,004**	546,091
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	21	**403**	4,135
Total non-current assets	非流動資產總額		**4,189,189**	4,072,758
CURRENT ASSETS	**流動資產**			
Inventories	存貨	19	**984,760**	924,018
Trade receivables	貿易應收款	20	**91,166**	152,632
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	21	**171,745**	205,498
Other current financial assets	其他流動金融資產	22	**20,000**	49,434
Structural bank deposits	結構性银行存款	22	**101,764**	593,960
Derivative financial assets	衍生金融工具	23	**2,175**	–
Pledged deposits	保證金存款	24	**150,261**	9,968
Cash and bank balances	現金及銀行結餘	24	**2,080,918**	1,504,233
Total current assets	流動資產總額		**3,602,789**	3,439,743
CURRENT LIABILITIES	**流動負債**			
Trade and bills payables	貿易應付款及票據	25	**698,052**	553,468
Other payables and accruals	其他應付款及應計費用	26	**950,991**	1,202,365
Interest-bearing bank and other borrowings	計息銀行及其他借款	27	**365,857**	26,831
Derivative financial liabilities	衍生金融工具	23	**262**	–
Lease liabilities	租賃負債	15	**8,839**	9,378
Tax payable	應付所得稅		**4,885**	7,294
Total current liabilities	流動負債總額		**2,028,886**	1,799,336
NET CURRENT ASSETS	**流動資產淨值**		**1,573,903**	1,640,407
TOTAL ASSETS LESS CURRENT LIABILITIES	**資產總值減流動負債**		**5,763,092**	5,713,165

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
NON-CURRENT LIABILITIES	**非流動負債**			
Deferred income	遞延收益	28	**9,200**	3,477
Lease liabilities	租賃負債	15	**10,700**	18,671
Deferred tax liabilities	遞延税項負債	18	**20,075**	9,296
Total non-current liabilities	非流動負債總額		**39,975**	31,444
Net assets	**資產淨額**		**5,723,117**	5,681,721
EQUITY	**權益**			
Equity attributable to owners of the parent	**母公司擁有人應佔權益**			
Share capital	股本	29	**399,352**	399,352
Reserves	儲備		**5,323,765**	5,282,369
TOTAL EQUITY	**權益總額**		**5,723,117**	5,681,721

Mr. Yan Zhiyuan
閆志遠先生
Director
董事

Mr. Zhang Ping
張平先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
合併權益變動表

Year ended 31 December 2020 截至2020年12月31日止年度

			Attributable to owners of the parent 歸屬於母公司股權持有人										
		Notes 附註	Share capital 股本 RMB'000 人民幣千元 (note 29) (附註29)	Share premium 股份溢價 RMB'000 人民幣千元 (note 37(i)) (附註37(i))	Capital redemption reserve 股份回購儲備 RMB'000 人民幣千元	PRC statutory reserve 中國法定儲備 RMB'000 人民幣千元	Other capital reserve 其他資本儲備 RMB'000 人民幣千元	Share option reserve/share award reserve 購股權儲備／股份購股權儲備／股份獎勵儲備 RMB'000 人民幣千元	Translation reserve 匯兑儲備 RMB'000 人民幣千元 (note 37(iii)) (附註37(iii))	Contributed surplus 實繳盈餘 RMB'000 人民幣千元 (note 37(ii)) (附註37(ii))	Merger Reserve 合併儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於2019年1月1日		399,352	3,845,616*	818*	182,021*	(44,615)*	9,646*	31,168*	1,367,204*	(850,504)*	617,119*	5,557,825
Profit for the year	年度溢利		-	-	-	-	-	-	-	-	-	112,366	112,366
Other comprehensive income	其他全面收益												
Exchange differences on translation of financial statements	外幣報表折算差額		-	-	-	-	-	-	43,954	-	-	-	43,954
Total comprehensive income for the year	全面收益總額		-	-	-	-	-	-	43,954	-	-	112,366	156,320
Statutory reserves appropriated	撥入法定儲備		-	-	-	-	-	-	-	-	-	-	-
Final 2019 dividend declared***	2019年宣派股息***		-	-	-	-	-	-	-	-	-	(47,524)	(47,524)
Share option and share award arrangements**	股票期權及股權激勵計劃**		-	-	-	-	-	15,100	-	-	-	-	15,100
At 31 December 2019	於2019年12月31日		399,352	3,845,616*	818*	182,021*	(44,615)*	24,746*	75,122*	1,367,204*	(850,504)*	681,961*	5,681,721
At 1 January 2020	於2020年1月1日		399,352	3,845,616*	818*	182,021*	(44,615)*	24,746*	75,122*	1,367,204*	(850,504)*	681,961*	5,681,721
Profit for the year	年度溢利		-	-	-	-	-	-	-	-	-	101,081	101,081
Other comprehensive loss	其他全面損失												
Exchange differences on translation of financial statements	外幣報表折算差額		-	-	-	-	-	-	(53,861)	-	-	-	(53,861)
Total comprehensive income for the year	全面收益總額		-	-	-	-	-	-	(53,861)	-	-	101,081	47,220
Statutory reserves appropriated	撥入法定儲備		-	-	-	5,880	-	-	-	-	-	(5,880)	-
Share option and share award arrangements**	股票期權及股權激勵計劃**		-	-	-	-	-	(5,824)	-	-	-	-	(5,824)
At 31 December 2020	於2020年12月31日		399,352	3,845,616*	818*	187,901*	(44,615)*	18,922*	21,261*	1,367,204*	(850,504)*	777,162*	5,723,117

* These reserve amounts comprise the consolidated reserves of RMB5,323,765,000, (2019: RMB5,282,369,000) in the consolidated statement of financial position.

** On 7 May 2018, 24 December 2018 and 5 June 2019, China Mengniu Dairy Company Limited ("Mengniu Dairy"), the Company's ultimate holding company, cumulatively granted 327,355 units of shares and 2,067,151 units of share options under its share award scheme and share option scheme, respectively, to the Company's directors and the management of the Group for the purpose of providing incentives and rewards to eligible participants who contribute to the success of Mengniu Dairy. The amount represented the fair value amortisation of these share options and share awards at 31 December 2020.

*** The Board recommended the payment of a special dividend of RMB1 cent per ordinary share for the year ended 31 December 2018, amounting to RMB47,524,000 in total, to shareholders whose names appear on the register of members on 18 June 2019.

* 這些儲備金額組成2020年財務狀況合併表中的儲備人民幣5,323,765,000元（2019年：人民幣5,282,369,000元）。

** 於2018年5月7日、2018年12月24日和2019年6月5日，中國蒙牛乳業有限公司（「蒙牛乳業」），本公司之最終控股公司，根據其股票期權及股權激勵計畫向本公司董事及管理人員累計授出327,355股股票和2,067,151股期權，以向為中國蒙牛業務成功作出貢獻的重要人員提供激勵及獎勵。列式金額為以上股票期權及股權激勵截至2020年12月31日的公允價值攤銷額。

*** 董事會建議就截至2018年12月31日止年度向與2019年6月18日名列股東名冊的股東派付特別股息，每股股份人民幣1分，合計共約人民幣47,524,000元。

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動現金流量**			
Profit before tax	稅前溢利		**129,679**	102,923
Adjustments for:	調整項目：			
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	7	**119,452**	107,416
Depreciation of investment properties	投資物業折舊	7	**3,882**	4,037
Amortisation of intangible assets	無形資產攤銷	7	**17,381**	13,012
Amortisation of right-of-use assets	使用權資產攤銷	7	**11,097**	10,554
Amortisation of other non-current assets	其他非流動資產攤銷	7	**3,616**	3,627
Amortisation of deferred income	遞延收益攤銷		**5,723**	(885)
Net loss on disposal of inventories	存貨報廢淨損失	6	**21,058**	4,356
Net loss on disposal of non-current assets	出售非流動資產的損失	6	**772**	3,200
Impairment of trade and other receivables, net	貿易及其他應收款的減值淨損失	7	**3,758**	5,804
Impairment of inventories	存貨跌價準備	6	**75,281**	65,528
Interest income	利息收入		**(33,912)**	(94,467)
Interest expense	利息開支	8	**13,712**	9,816
Foreign exchange differences, net	匯兌損益淨額	5,6	**(40,792)**	7,174
COVID-19-related rent concessions from lessors	疫情租金減免	15	**(463)**	–
(Reversal of)/equity-settled share-based payment expenses	股權結算股份支付(沖回)／開支		**(3,380)**	15,100
			326,864	257,195
Increase in inventories	存貨增加		**(161,397)**	(229,149)
Decrease/(increase) in trade receivables	貿易應收賬款減少／(增加)		**32,748**	(10,935)
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少		**41,213**	29,461
(Increase)/decrease in pledged deposits	保證金存款(增加)／減少		**(19,401)**	214,805
Decrease in trade and bills payables, other payables and accruals	貿易應付賬款、其他應付款項和應計費用減少		**(90,652)**	(77,450)
Cash generated from operations	經營活動所得現金		**129,375**	183,927
Income tax paid on operating activities	經營活動已付所得稅		**(10,635)**	(6,700)
Net cash flows from operating activities	**經營活動所得現金淨額**		**118,740**	177,227

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動現金流量**			
Purchases of property, plant and equipment	購買物業、廠房及設備		(66,317)	(30,979)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項		36,181	4,637
Additions to construction in progress	在建工程項目的增加		(36,193)	(65,682)
Purchases of intangible assets	購買無形資產		(17,744)	(9,066)
Decrease/(increase) in long-term bank deposits	長期銀行存款的減少/(增加)		10,087	(446,091)
Purchases of other financial assets	購買其他金融資產		(180,833)	(2,089,280)
Proceeds from disposal of other financial assets	出售其他金融資產所得款項		773,827	1,918,616
New time deposits with original maturity of more than three months	原到期日為三個月以上的銀行存款的增加		(262,630)	(928,069)
Receipts of time deposits with original maturity of more than three months	原到期日為三個月以上的銀行存款到期的收款		928,069	851,945
Increase in pledged time deposits	已抵押定期存款的增加		(144,892)	–
Interest received	已收利息		27,509	98,901
Net cash flows from/(used in) investing activities	**投資活動所得/(流出)現金淨額**		**1,067,064**	(695,068)
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動現金流量**			
Proceeds from bank loans	貸款所得款項		368,051	1,051,091
Repayment of bank loans	償還計息貸款		(26,831)	(1,347,640)
New bank deposits pledged for bank loans	與銀行借款相關的抵押存款的增加		(249,278)	–
Release of bank deposits pledged for bank loans	與銀行借款相關的到期抵押存款收款		–	301,428
Principal portion of lease payments	租賃付款的本金部分	30	(8,373)	(7,161)
Interest paid	已付利息		(12,493)	(14,417)
Dividends paid	已付股息		–	(47,524)
Net cash flows from/(used in) financing activities	**融資活動所得/(流出)現金淨額**		**71,076**	(64,223)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**現金及現金等價物增加/(減少)淨額**		**1,256,880**	(582,064)
Cash and cash equivalents at beginning of year	**年初現金及現金等價物**	24	**576,164**	1,158,373
Effect of foreign exchange rate changes, net	**匯率變動對現金及現金等價物的影響淨額**		**(14,756)**	(145)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**年末現金及現金等價物**	24	**1,818,288**	576,164

1. CORPORATE AND GROUP INFORMATION

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

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

In the opinion of the directors, the holding company is China Mengniu International Company Limited (BVI). The ultimate holding company of the Company is China Mengniu Dairy Company Limited (Cayman).

Information about subsidiaries

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

1. 公司及集團資料

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

本集團主要從事製造及銷售乳製品及營養品。

董事認為，集團控股公司為中國蒙牛國際有限公司(BVI)。集團最終控股公司為中國蒙牛乳業有限公司(開曼)。

子公司信息

本公司重要子公司的詳情如下：

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行股本／註冊資本詳情	Percentage of equity attributable to the Company 本公司應佔的股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Yashili International Ltd. ("Yashili (BVI)")		BVI	US$1	100%	–	Investment holding
雅士利國際有限公司(「Yashili (BVI)」)		英屬處女群島	1美元	100%	–	投資控股
Yashili International Group Limited ("Yashili (HK)")		Hong Kong	HK$1	–	100%	Investment holding
雅士利國際集團有限公司(「雅士利(香港)」)		香港	1港元	–	100%	投資控股

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

Information about subsidiaries (Continued) 子公司信息（續）

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行股本／註冊資本詳情	Percentage of equity attributable to the Company 本公司應佔的股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Newou Hong Kong International Co., Limited ("Newou Hong Kong")		Hong Kong	HK$1	–	100%	Import and export of dairy products and related materials
新歐香港國際有限公司（「新歐香港」）		香港	1港元	–	100%	進出口乳製品及相關材料
Yashili New Zealand Dairy Co., Limited ("Yashili New Zealand")		New Zealand	NZD287,032,059	–	100%	Production and sale of dairy products
新西蘭雅士利乳業有限公司（「新西蘭乳業」）		新西蘭	新西蘭元287,032,059元	–	100%	生產及銷售乳製品
Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu")	(ii)	The People's Republic of China (the "PRC" /The PRC except for Hong Kong ("Mainland China")	RMB470,000,000	–	100%	Production and sale of dairy products
內蒙古歐世蒙牛乳製品有限責任公司（「歐世蒙牛」）		中華人民共和國（「中國」）／中國香港除外（「中國大陸」）	人民幣470,000,000元	–	100%	生產及銷售乳製品
Yashili International Baby Nourishment Co., Ltd. ("Yashili Nourishment")	(i) & (ii)	PRC/Mainland China	RMB531,815,600	–	100%	Production and sale of dairy products
雅士利國際嬰幼兒營養品有限公司（「雅士利營養品」）		中國／中國大陸	人民幣531,815,600元	–	100%	生產及銷售乳製品
Yashili Dairy (Maanshan) Trading Limited ("Maanshan Trading")	(ii)	PRC/Mainland China	RMB620,000,000	–	100%	Wholesale and retail of dairy products
雅士利乳業（馬鞍山）銷售有限公司（「馬鞍山銷售」）		中國／中國大陸	人民幣620,000,000元	–	100%	乳製品批發兼零售

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

Information about subsidiaries (Continued) 子公司信息（續）

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行股本／註冊資本詳情	Percentage of equity attributable to the Company 本公司應佔的股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Yashili International Group Ltd. ("Yashili (Guangdong)")	(i) & (ii)	PRC/Mainland China	RMB1,676,105,300	–	100%	Production and sale of dairy products
雅士利國際集團有限公司（「雅士利（廣東）」）		中國／中國大陸	人民幣1,676,105,300元	–	100%	生產及銷售乳製品
Shanxi Yashili Dairy Co., Ltd. ("Yashili (Shanxi)")	(ii)	PRC/Mainland China	RMB300,000,000	–	100%	Production and sale of dairy products
山西雅士利乳業有限公司（「雅士利（山西）」）		中國／中國大陸	人民幣300,000,000元	–	100%	生產及銷售乳製品
Dumex Baby Food Co., Ltd. ("Dumex")	(ii)	PRC/Mainland China	RMB2,226,000,000	–	100%	Production and sale of dairy products
多美滋嬰幼兒食品有限公司（「多美滋」）		中國／中國大陸	人民幣2,226,000,000元	–	100%	生產及銷售乳製品
Yashili (Inner Mongolia) Nutrition Co., Ltd. ("Yashili (Inner Mongolia)")	(ii)	PRC/Mainland China	RMB10,000,000	–	100%	Production and sale of dairy products
內蒙古雅士利營養品有限公司（「雅士利（內蒙古）」）		中國／中國大陸	人民幣10,000,000元	–	100%	生產及銷售乳製品
Mengniu Oushi Nutritional Food Co., Ltd. ("Mengniu Oushi")	(ii)	PRC/Mainland China	RMB50,000,000	–	100%	Production and sale of dairy products
蒙牛歐世營養食品有限公司（「蒙牛歐世」）		中國／中國大陸	人民幣50,000,000元	–	100%	生產及銷售乳製品

1. CORPORATE AND GROUP INFORMATION (Continued)

(i) These companies are registered as wholly-foreign-owned enterprises under PRC law.

(ii) These companies are limited liability companies established in the PRC. The official names of these companies are in Chinese and the English names are for reference only.

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

1. 公司及集團資料(續)

(i) 該等公司為於中國成立的外資企業。

(ii) 該等公司為於中國成立的有限責任公司。該等公司的正式名稱為中文，而其英文譯名則僅供參考。

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

2.1 BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with IFRSs (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Boards ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for other current financial assets and structural bank deposits which have been measured at fair value. These consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

2.1 呈列基準

該等合併財務報表乃根據由國際會計準則理事會發佈的國際財務報告準則(其中包括全部國際會計報告準則、國際會計準則及其詮釋)的披露規定以及香港公司法編製。除其他流動金融資產和結構性銀行存款以公允價值計量外，該等財務報表已根據歷史成本慣例編製。該等合併財務報表以人民幣(「人民幣」)呈列，除另有指明外，所有數值均調整至最接近的千位數。

2.1 BASIS OF PRESENTATION (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2020.

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

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

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

2.1 呈列基準(續)

合併基準

合併財務報表包括本公司及其子公司(統稱為「本集團」)於截至2020年12月31日止年度的財務報表。

子公司是指由本公司直接或間接控制的實體(包括結構化實體)。當本集團因參與被投資企業的活動而承擔或有權獲得可變回報，且有能力通過對被投資企業行使權力影響所得到回報的金額(即本集團有對被投資企業相關活動施加影響的現時權利)，視為本集團能夠控制該被投資企業。

當本公司直接或間接擁有被投資企業半數或半數以下的表決權，本集團會考慮以下相關事實來確定其是否對被投資企業擁有控制：

(a) 與被投資企業其他投票權持有者之間的協議；

(b) 因其他協議而擁有的權利；及

(c) 本集團的投票權和潛在投票權。

子公司的財務報表乃使用一致的會計政策，並按與本公司相同的報告期間編製。子公司的業績由收購日期(即本集團取得控制權之日)起合併於賬目內，並將繼續合併直至該控制終止之日。

2.1 BASIS OF PRESENTATION (Continued)

Basis of consolidation (Continued)

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

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

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to IFRS 3	*Definition of a Business*
Amendments to IFRS 9, IAS 39 and IFRS 7	*Interest Rate Benchmark Reform*
Amendments to IFRS 16	*Covid-19-Related Rent Concessions*
Amendments to IAS 1 and IAS 8	*Definition of Material*

2.1 呈列基準(續)

合併基準(續)

損益和其他全面收益的各組成部分都在集團母公司的所有者和非控股權益之間進行分配,即使這樣會導致非控股權益產生赤字。所有集團內成員之間發生的資產、負債、權益、收入、開支及現金流相關的交易都在合併層面予以抵銷。

如果事實和情況表明以上所描述的三項控制條件中的一項或多項發生了改變,集團將會對是否控制以下子公司進行重評估。在不失去對子公司控制權情況下的所有者權益的改變被核算為權益性交易。

倘本集團失去對一間子公司的控制權,則其撤銷確認(i)該子公司的資產(包括商譽)及負債;(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計折算差額;及確認(i)所收代價的公允價值;(ii)所保留任何投資的公允價值及(iii)損益賬中任何因此產生的盈餘或虧損。先前於其他全面收益內確認的本集團應佔部份重新分類為損益或保留利潤,在集團直接處置相關資產和負債的情況下也應作相同的考慮。

2.2 會計政策及披露事項的變動

本集團於本年財務報表中首次應用2018年財務報告概念框架及以下經修訂的國際財務報告準則。

國際財務報告準則第3號之修訂	*業務之定義*
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號之修訂	*利率基準改革*
國際財務報告準則第16號之修訂	*新冠肺炎疫情相關租金減免*
國際會計準則第1號及國際會計準則第8號之修訂	*重大之定義*

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

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

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

2.2 會計政策及披露事項的變動（續）

2018年財務報告概念框架及經修訂的國際財務報告準則之性質及影響如下：

(a) *2018年財務報告概念框架*（「概念框架」）陳列了一套全面的財務報告概念及準則制定概念，為財務報表編製者制定一致的會計政策提供指導，並協助所有各方理解、解釋準則。該概念框架包括計量、報告財務績效的新章節，有關資產和負債終止確認的新指南以及經更新的資產、負債之定義及確認標準。概念框架也闡明了管理層、謹慎性及計量不確定性在財務報告中的作用。概念框架並不是標準，且其中所包含的任何概念都不得凌駕於任何具體準則中的概念或要求。概念框架對本集團的財務狀況及業績無重大影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

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

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

2.2 會計政策及披露事項的變動(續)

(b) 國際財務報告準則第3號之修訂對業務定義作出澄清，並提供有關業務定義的進一步指引。該修訂明確，對於一系列被視為業務的綜合活動及資產，其須至少包括一項對共同創造產出能力有顯著貢獻之投入及實質程序。一項業務可以不包括創建輸出所需的所有投入及相應程序。該修訂取消了對市場參與者是否有能力收購業務並繼續創造產出之評估。相反，重點是獲得之投入及實質性過程是否有助於共同對創造產出能力。該修訂還縮窄產出之定義，重點關注向客戶提供之商品或服務，投資收入或普通活動之其他收入。此外，該修訂提供了指導以評估所收購的流程是否具有重要性，並引入可選之公允價值集中測試，以便簡化評估所獲得之一系列活動及資產是否不構成業務。本集團已將該修訂應用於發生在2020年1月1日或其之後之交易及事項。該修訂對本集團之財務狀況及業績不會產生任何影響。

(c) 國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號之修訂解決了在以可替代無風險利率方案(「無風險利率替代」)取代現有基準利率前之期間內，對財務報表的影響事項。該修訂提供了暫時性補救措施，使得對衝會計在引入無風險利率替代方案前之不確定時期得以繼續。此外，修訂要求企業向投資者提供更多關於受不確定因素影響之對衝關係之額外信息。本集團無任何利率對衝關係，因此該修訂對集團之財務狀況及業績不會產生任何影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(d) Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 December 2020, certain monthly lease payments for the leases of the Group's plant and buildings have been reduced or waived by the lessors upon reducing the scale of production as a result of the pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the year ended 31 December 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of RMB463,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss (Or the corresponding right-of-use assets) for the year ended 31 December 2020.

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

2.2 會計政策及披露事項的變動(續)

(d) 國際財務報告準則第16號之修訂為承租人提供了一個實際可行的權宜方法，使其可選擇對由於新冠肺炎疫情直接導致的租金減免不進行租賃變更會計處理。該實用辦法僅適用於由於疫情直接導致的租金減免，並且僅當(i)租賃付款額變化導致變更後的租賃對價基本相同於或小於變更前最近的租賃對價金額；(ii)任何租賃付款額的減少僅影響原定於2021年6月30日或之前到期的付款；及(iii)租賃之其他條款無實質性變化。該修訂對自2020年6月1日或之後開始之年度期間有效，且允許提早應用並應追溯應用。

於2020年12月31日截止之年度，由於疫情所導致的生產規模下降，出租人減少或放棄了本集團租賃廠房及樓宇的某些月份之租賃費用，該租賃條款無其他變化。本集團於2020年1月1日提早應用該修訂並選擇對所有於2020年12月31日截止之年度因疫情出租人所授予的租金減免不採用租賃修訂會計處理。於2020年12月31截止之年度，金額為人民幣463,000元的租金減免所導致的租賃費用減少已被通過取消確認部分租賃負債並貸記損益(或對應的使用權資產)作為可變租賃費用入賬。

(e) 國際會計準則第1號及國際會計準則第8號之修訂為重大提供新定義。新定義指出，倘若省略，錯報或模糊某項信息後，可合理預期此些行為會影響財務報表使用者基於財務報表所做出之決策，則這項信息是重大的。該修訂明確了重大將取決於信息之性質或程度，或兩者兼有。該修訂對集團之財務狀況及業績不會產生任何影響。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

Amendments to IFRS 3	*Reference to the Conceptual Framework*[2]
Amendments to IFRS 9, IAS 39, IFRS 7,IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform Phase 2*[1]
Amendments to IFRS 10 and IAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
IFRS 17	*Insurance Contracts*[3]
Amendments to IFRS 17	*Insurance Contracts*[3,5]
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*[3]
Amendments to IAS 37	*Onerous Contracts – Cost of Fulfilling a Contract*[2]
Annual Improvements to IFRSs 2018-2020	Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41[2]
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*[3]
Amendments to IAS 8	*Definition of Accounting Estimates*[3]

1 Effective for annual periods beginning on or after 1 January 2021

2 Effective for annual periods beginning on or after 1 January 2022

3 Effective for annual periods beginning on or after 1 January 2023

4 No mandatory effective date yet determined but available for adoption

5 As a consequence of the amendments to IFRS 17 issued in June 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023

2.3 已公佈未生效的國際會計準則

本集團在編製該等財務報表時並未採用下列已頒佈但尚未生效的新訂及經修訂之國際財務報告準則。

國際財務報告準則第3號之修訂	*概念框架之提述*[2]
國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號和國際財務報告準則第16號之修訂	*利率基準改革－第二階段*[1]
國際財務報告準則第10號之修訂及國際會計準則第28號之修訂(2011)	*投資者與其聯營公司或合營公司之間資產出售或注資*[4]
國際財務報告準則第17號	*保險合同*[3]
國際財務報告準則第17號之修訂	*保險合同*[3,5]
國際會計準則第1號之修訂	*負債分類為即期或非即期*[3]
國際會計準則第37號之修訂	*虧損合同－達成合約之成本*[2]
國際財務報告準則2018年至2020年周期之年度改進	國際財務報告準則第1號、國際財務報告準則第9號之修訂，國際財務報表準則第16號及國際會計準則第41號隨附說明性示例[2]
國際會計準則第1號及國際財務報告準則實務聲明第2號之修訂	*會計政策披露*[3]
國際會計準則第8號之修訂	*會計估計之定義*[3]

1 於2021年1月1日或之後開始之年度期間生效

2 於2022年1月1日或之後開始之年度期間生效

3 於2023年1月1日或之後開始之年度期間生效

4 尚未確定強制生效日期，但可採納

5 由於2020年6月所發表的國際財務報表準則第17號之修訂，對國際財務報表準則第4號進行了修訂，其拓展了允許保險人於2023年1月1日開始之年度期間應用國際會計準則第39號而非國際財務報表準則第9號之暫時豁免

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

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

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

2.3 已公佈未生效的國際會計準則（續）

下文載述了該等預計適用於本集團的國際財務報告準則之進一步信息。

國際財務報告準則第3號之修訂旨在以2018年3月所頒佈的財務報告概念框架參考取代先前的財務報表編製及列示框架參考，且毋須重大改變其要求。該等修訂亦就國際財務報告準則第3號就實體引用概念框架以釐定構成資產或負債之內容之確認原則增設一項例外情況。該例外情況說明，對於國際會計準則37號範圍之內的負債及或有負債，若其是單獨產生而非產生與企業合併中，則應用國際財務報表第3號準則之實體應參考國際會計準則第37號而非概念框架。此外，該修訂闡明或有資產於收購日不符合確認之條件。本集團預期於2022年1月1日應用該修訂。由於該修訂適用於收購日於首次適用日當日或其之後的企業合併，因此本集團於過度日不受此些修訂影響。

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

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

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

2.3 已公佈未生效的國際會計準則(續)

國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號之修訂解決了先前修訂未處理的償以可替代無風險利率替代方案替代現有基準利率對財務報告所造成之影響的事項。第2階段之修訂提供了可行權宜方法,在考慮決定金融資產及金融負債之合同現金流的基準變化情況下,如果該變化是由於利率基準改革所直接造成的,且該決定合同現金流的新基準於經濟上等同於變更前的基準,則允許在不調整賬面價值的情況下對實際利率進行調整。此外,該修訂允許因應利率基準改革之要求,在不終止對衝關係的情況下,對對沖指定及對衝文件進行修改。過度期間的任何可能產生的損益均通過國際財務報表準則第9號之常規要求進行處理,以計量和確認對衝的無效性。當無風險利率被認定為風險組成部分時,該修訂亦減輕了實體必須滿足可單獨識別之要求。當實體合理地預期無風險利率於未來24個月可被單獨識別,則該減免允許實體於指定對沖後假定已滿足可單獨識別之規定。此外,該修訂亦要求實體對額外信息進行披露,以使得財務報表使用者理解利率基礎改革對實體金融工具及風險管理戰略之影響。該修訂於2021年1月1日當日及其之後生效,且應進行追溯調,但實體並毋須重述對比信息。

於2020年12月31日,本集團存在以美元計價的且基於倫敦銀行同業拆借利率的計息銀行借款。若此些借款的利率於未來期間將被無風險利率替代,儻滿足「在經濟上等同」之標準時,本集團將在對這些借款進行修訂時採用權宜之計,並預期由於對這些變更採用該修訂,無重大修訂損益產生。

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

Amendments to IFRS 10 and IAS 28 (2011) address an inconsistency between the requirements in IFRS 10 and in IAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 (2011) was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now. The application are not expected to have any significant impact on the Group's consolidated financial statements.

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

2.3 已公佈未生效的國際會計準則（續）

國際財務報告準則第10號及國際會計準則第28號(2011)之修訂針對在處理投資者與其聯營公司或合營企業之間的資產出售或出資時，國際財務報告準則第10號和國際會計準則第28號（2011年）的要求之間之不一致情況。該修訂規定，當投資者與其聯營公司或合營企業之間的資產出售或出資構成一項業務時，須確認全數收益或虧損。對於涉及不構成業務的資產的交易，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂已前瞻應用。國際財務報告準則第10號及國際會計準則第28號（2011年）之前的強制生效日期已由國際會計師公會於2015年12月取消，而新的強制生效日期將於完成對聯營公司及合營公司會計處理的更廣泛審核後釐定。但是，該修訂現在可供採納。預計該採納不會對本集團之合併財務報表產生重大影響。

國際會計準則第1號之修訂闡明負債分類為流動負債或非流動負債之要求。該修訂規定，若實體推遲清償負債的權利受該實體符合特定條件的約束，若該實體滿足此些條件，則該實體有權於報告期結束之日推遲清償負債之權利。負債的分類不受該實體行使推遲清場負債的可能性的影響。該修訂亦闡明了被視為債務清償的情況。該修訂於2023年1月1日當日或其之後生效並應追溯應用。允許提早應用。預計此修訂不會對本集團之合併財務報表產生重大影響。

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

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

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

- IFRS 9 Financial Instruments: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's consolidated financial statements.

- IFRS 16 Leases: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

2.3 已公佈未生效的國際會計準則(續)

國際會計準則第37號闡明，為評估根據國際會計準則第37號合同是否屬虧損性，履行合同之成本包括與合同直接相關的成本。與合同直接相關的成本包括履行該合同的增量成本(例如，直接人工及材料)及與履行該合同直接相關的其他歸集成本(例如，用於履行合同的物業、廠房及設備折舊費用所歸集部分以及合同管理和監督成本)。一般的行政開支與合同無直接關係，除非根據合同明確該費用是向對方可收取的費用，否則不包括在內。該修訂於2022年1月1日或其之後開始的年度期間生效，並應適用於實體在其首次應用該修訂之年度報告期的初始日的尚未對其義務履行完畢之合同。允許提前採用。任何由於首次採用該修訂所造成的纍計影響應於首次採用日被確認為對期初權益的調整，且無需重述比較信息。預計此修訂不會對本集團之合併財務報表產生重大影響。

國際財務報告準則2018年至2020年之年度改進列出國際財務報告準則第1號及國際財務報告準則第9號之修訂，以及對國際財務報告準則第16號及國際會計準則第41號的隨附説明性實例。預期適用於該集團的修訂之詳細信息如下：

- 國際財務報告準則第9號金融工具闡明，黨實體對新的或經修訂的金融負債是否與原始金融負債的條款是否存在重大差異時所包含的費用。此費用僅包括債權人與債務人之間支付或收取的費用，包括債權人或債務人代表對方所支付的或收取的費用。實體應於首次應用該修訂之年度報告日的初始日當日或其之後修訂或交換的金融負債。該修訂於2022年1月1日當日或其之後生效。允許提前採用。預計此修訂不會對集團之合併財務報告產生重大影響。

- 國際財務報告準則第16號：國際財務報告準則第16號移除了其於示例13中對關於出租人租賃改進的相關付款的説明。這消除了在採用國際財務報告準則第16號時有關於租賃優惠處理的潛在困惑。

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

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

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

2.3 已公佈未生效的國際會計準則(續)

國際會計準則第1號之修訂要求實體披露其重大會計政策資訊,而非其重大會計政策。為幫助實體對國際會計準則第1號之修訂的應用,國際會計準則理事會亦對國際財務報告準則實務聲明第2號-就重要性做出判斷進行了修訂,以説明實體如何判斷會計政策資訊對其財務報表是否重大。國際會計準則理事會於國際財務報告準則實務聲明第2號中添加指導及示例以助於實體將四步重要性流程應用於會計政策資訊。實體應於2023年1月1日或之後開始之年度期間生效該國際會計準則第1號之修訂。允許提早應用。預計此修訂不會對本集團之財務報表產生重大影響。

國際會計準則第8號之修訂引入會計估計之新定義。該修訂旨在明確會計估計變更、會計政策變更及差錯更正之區別。該修訂於2023年1月1日或其之後開始的年度期間生效,並應適用於實體在其首次應用該修訂之年度報告期的初始日或其之後發生的會計估計變更及會計政策變更。允許提早應用,預計此修訂不會對本集團之財務報表產生重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations and goodwill

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

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

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

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

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

2.4 主要會計政策摘要

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團自被收購方之前任擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公允值或被收購方可識別資產賬面淨值的應佔比例，計算被賦予現時擁有人權利並將於清盤時按比例分佔實體的淨資產的非控股股東權益。非控股股東權益的一切其他成分乃按公允值計量。收購成本於產生時列為開支。

當所購入的一系列活動及資產，包括一項投入及一項實質性流程，其共同促成創造產出的能力，則本集團認定其已收購一項業務。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示。其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘企業合併分階段進行，收購方先前持有的被收購方股權於收購日期的權益價值應按收購日期的公允價值以及透過損益賬確認的損益重新計量。

由收購方將予轉讓的任何或然代價將於收購日期按公允價值確認。或然代價(被視為一項資產或負債)公允價值的其後變動確認為損益。倘將或然代價分類為權益，則其毋須重新計量。後續結算計入權益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

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

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

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

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

2.4 主要會計政策摘要（續）

業務合併及商譽（續）

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

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽的年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值通過評估與商譽有關的現金產生單位（或現金產生單位組別）的可收回金額來確定。如果現金產生單位（或現金產生單位組別）的可收回金額低於賬面值，則確認減值損失。已確認的商譽減值損失不在後續期間內回撥。

如果商譽構成現金產生單位（或現金產生單位組別）的一部分，該單位的部分業務出售時，則在確定所出售業務的盈虧時，與所出售的業務相關的商譽計入該業務的賬面值。在這種情況下出售的商譽根據所出售業務的相對價值和現金產生單位的保留份額進行計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement

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

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

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

2.4 主要會計政策摘要(續)

公允價值計量

主體在每個報告期末對其衍生金融工具採用公允價值計量。公允價值為市場參與者之間在計量日發生的有序交易中，出售一項資產所能收到或轉移一項負債所需支付的價格。公允價值計量假設出售資產或者轉移負債發生在主要市場，或者在主要市場不存在的情況下，能夠在最有利的市場上進行資產和負債的交易。並且主體可以在主要市場或者有利市場上進行交易。對資產和負債採用公允價值計量假定市場參與者以符合其經濟利益的最優價格，對資產和負債進行定價。

以公允價值計量非金融資產，應當考慮市場參與者通過直接將該資產用於最佳效用的方式產生經濟利益的能力，或者通過將該資產出售給能夠使其用於最佳效用的其他市場參與者的方式產生經濟利益的能力。

主體在計量公允價值時，應當採用在當前情況下適用並且有足夠可利用數據支持的估值技術，應當盡可能多地使用相關可觀察輸入值，盡可能少地使用不可觀察輸入值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

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

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

2.4 主要會計政策摘要(續)

公允價值計量(續)

所有在財務報表上以公允價值計量和披露的資產和負債，基於對公允價值計量整體而言重要的輸入值所屬的最低層次，分為以下層級：

第1層次－ 以在活躍市場中相同資產或負債的未經調整的報價來確定公允價值。

第2層次－ 以使用輸入數據為可直接或間接觀察的及對公允價值計量有重要影響的市場信息的估值技術來確定公允價值。

第3層次－ 以使用輸入數據是對公允價值計量有重大影響，而並非可觀察的市場信息的估值技術來確定公允價值。

資產和負債基於連續性原則在財務報表上進行確認，集團根據在每個報告結束時的重新評估分類。(根據最低水準的輸入值對作為整體的公允價值計量有重大影響)來決定是否在層級上發生轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

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

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

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

2.4 主要會計政策摘要(續)

非金融資產減值

當有跡象顯示出現減值，或當須進行資產年度減值測試(存貨、合同資產、遞延所得稅資產、金融資產、投資性房地產、以及非流動資產或持有待售資產除外)，則估計資產的可收回金額。資產的可收回金額乃選取資產或現金產生單位的使用價值及其公允值減處置成本的較高者，並對個別資產釐定，惟倘資產並無產生大致獨立於其他資產或資產組別的現金流入，則可收回金額在該資產所屬的現金產生單位基礎上確定。

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

於各報告期末，本集團評估是否有跡象顯示先前確認的減值損失可能不再存在或已經減少。如有該等跡象，本集團會估計可收回金額。僅若用以釐定商譽除外資產的可收回金額的估計有變動，方會撥回先前確認該資產的減值損失，惟金額不得超過假使該資產在過往年度並無確認減值損失時，原應釐定的賬面值(扣減任何折舊／攤銷後)。減值損失轉回計入減值產生期間的損益表中，除非資產按重估價值計量，在該模式下減值損失的轉回將根據該重估資產的相關會計政策計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

2.4 主要會計政策摘要(續)

關聯人士

一方被視為與本集團有關聯,倘:

(a) 該方為該名人士家族的人士或直系親屬,而該名人士

(i) 控制或共同控制本集團;

(ii) 對本集團施加重大影響;或

(iii) 為本集團或本集團母公司主要管理人員的成員;

或

(b) 該方為符合下列任何條件的實體:

(i) 該實體與本集團屬同一集團的成員公司;

(ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體的母公司、子公司或同系子公司之旗下);

(iii) 該實體及本集團均為同一第三方的合營企業;

(iv) 一間實體為第三方實體的企業,而另一實體為該方實體的聯營公司;

(v) 該實體為離職後福利計劃,計劃的受益人為本集團或與本集團有關的實體僱員;以及退休福利計劃的僱主;

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) the party is an entity where any of the following conditions applies: (Continued)

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

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

Property, plant and equipment and depreciation

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

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

2.4 主要會計政策摘要(續)

關聯人士(續)

(b) 該方為符合下列任何條件的實體:(續)

(vi) 該實體由(a)項所述人士控制或共同控制;

(vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理人員的成員;及

(viii) 該實體或集團內的任意一個部分,其主要管理人員服務於本集團或者本集團的母公司。

物業、廠房及設備以及折舊

物業、廠房及設備,在建工程除外,是按成本值減去累計折舊及任何減值損失後列賬。當一項物業、廠房及設備被分類為持有待售或作為被分類為持有待售的處置資產組的組成部分,並且根據國際財務報告準則第5號,將不做折舊處理,在之後分類為「持有待售的非流動資產」中有相關解釋。物業、廠房及設備項目成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接應佔成本。

成本還可能包括使用外幣購買物業,廠房和設備的合規現金流量對沖中的任何收益或損失的權益轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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

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

Freehold land	Not depreciated
Plant and buildings	13–47 years
Machinery and equipment	5–10 years
Motor vehicles	4–5 years
Office equipment and others	3–5 years

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

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

2.4 主要會計政策摘要(續)

物業、廠房及設備以及折舊(續)

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

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

自有土地	不提折舊
廠房及樓宇	13–47年
機器及設備	5–10年
機動車	4-5年
辦公室設備及其他設備	3-5年

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

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

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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

Investment properties

Investment properties are interests in buildings (including the leasehold property held as right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of investment properties. The estimated useful lives are 50 years. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

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

2.4 主要會計政策摘要(續)

物業、廠房及設備以及折舊(續)

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

投資物業

投資物業指為賺取租賃收入及／或資本增值而持有的樓宇(包括符合投資物業定義持作使用權資產的租賃物業)，而非用作生產或提供商品或服務，或用作行政用途，或屬於在日常業務過程中出售的土地及樓宇。該等物業初始確認時按成本(包括交易成本)計量。初始確認之後，投資物業按成本減去累計折舊和任何減值損失列賬。

折舊根據資產成本減去剩餘價值計量。折舊是在投資物業的估計可使用年期內，以直線法在損益中確認。估計可使用年期為50年。折舊方法、可使用年期及剩餘價值於各報告日重新審核。

在資產退役或處置時所產生的任何損益會在該項目被取消確認的年度內計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets and disposal groups held for Sale

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

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 主要會計政策摘要(續)

非流動資產和持有待售的處置組

當非流動資產或待處置組的賬面價值通過銷售交易收回，而非繼續使用，則其將被列為持有待售。對於這種情況，資產或處置組須符合可以在當前狀態下按通常或慣用條款即可立即出售的條件及該出售是極可能發生的。集團子公司定義為處置組的所有資產和負債將重分類為持有待售，無論本集團是否保留在其非控制性權益。

非流動資產或處置組(除金融資產外)被分類為持有待售將按賬面價值和公允價值減去處置成本後的淨額孰低計量。房產、廠房及設備和無形資產在列為持有待售後不計提折舊或攤銷。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併時所收購無形資產的成本相等於收購日期的公允值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度結算日復核一次。

年期無限的無形資產每年將單獨或以現金組的形式進行測試。該無形資產不進行攤銷。年期無限的無形資產每年將進行使用年期測試以確定其是否繼續符合年期無限的條件。如果不符合，使用年限從無限到有限的改變將採用未來適用法核算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

Office software

Office software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 5 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

2.4 主要會計政策摘要（續）

無形資產（商譽除外）（續）

辦公軟件

所購買的軟件按成本減任何減值損失列賬，並於5年期內按直線法攤銷。

研發成本

所有研究成本均於產生時計入損益。

當本集團可證明完成無形資產以供使用或出售在技術上屬可行，且有意完成並有能力使用或出售該資產，能明確資產產生未來經濟利益的方法及擁有足夠的資源以完成專案，並能夠可靠衡量開發期間的開支時，方會將開發新產品的項目開支資本化並遞延處理。不符合上述條件的產品開發支出於產生時列作費用開支。

遞延開發成本按成本減任何減值損失入賬，並於有關產品投入商業生產之日起在其商業年期內以直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Land use right	50 years
Plant and building	3 to 6 years
Machinery and equipment	5 years
Motor vehicles	2 to 4 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策摘要(續)

租賃

集團在合同開始日評估該合同是否為或包含租約。若該合同在一段時間內轉移了對某一特定資產的使用控制權以換取對價，則該合同即為或包含租約。

作為承租人

除短期租賃和低價值租賃外，集團對所有租賃均採用單一的確認和計量方法。集團確認租賃負債表示支付租賃費用的義務，以及確認使用權資產表示對相關資產所擁有的使用權。

(a) 使用權資產

使用權資產於租賃開始日(即標的資產達到可供使用的當天)確認。使用權資產按成本減去所有累計折舊及減值損失計量，並就任何重新計量租賃負債做出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及在開始日期或之前做出的租賃付款減去收到的任何租賃激勵。使用權資產按如下估計可使用年限和租賃期較短者以直線法折舊。

土地使用權	50年
廠房及樓宇	3至6年
機器及設備	5年
運輸設備	2至4年

如若在租賃期結束時租賃資產的所有權將會轉移至集團或租賃成本體現了購買選擇權的行使，則折舊應按該資產的預計可使用年限進行折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the commencement date, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2.4 主要會計政策摘要(續)

租賃(續)

作為承租人(續)

(b) 租賃負債

租賃負債於租賃開始日按租賃期內租賃付款額的現值確認。租賃付款額包括固定付款額(包括實質固定付款額)減去應收租賃獎勵,取決於某指數或比率的可變租賃付款額,以及根據擔保餘值預計需支付的款項金額。如果租賃期反映出本集團將行使終止租賃選擇權,租賃付款額亦包括本集團合理確定將行使的購買選擇權的行使價格及支付終止租賃的罰款。不依賴於指數或比率的可變租賃付款額在觸發付款的事件或條件發生的期間內確認為費用。

在對租賃費用現值進行計算時,本集團使用租賃開始日的增量借款利率計算租賃付款額,因租賃內含利率並未決定。在租賃開始日之後,租賃負債的金額隨著利息的增加而增加,隨著支付租賃款項而減少。此外,如果由於指數或利率變化引起未來租賃付款額變動(如:因利率變動所引起的未來租賃費用變動),租賃期限變動,實質固定租賃付款額變動或購買相關資產的評估變動等,本集團將重新計量租賃負債的賬面金額。

集團的租賃負債將被包括於計息銀行及其他借款中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset are accounted for as finance leases.

2.4 主要會計政策摘要(續)

租賃(續)

作為承租人(續)

(c) 短期租賃和低價值租賃

集團對其機械及設備的短期租賃(即自生效日起租賃期為12個月或更短，且不包括購買選擇權的租賃)應用短期租賃確認豁免。此外，對辦公設備以及筆記本電腦等被視為低價值的低價資產租賃亦適用於租賃確認豁免。

短期租賃以及低價值租賃在租賃期內，按照直綫法基礎對租賃費用進行確認。

作為出租人

集團作為出租人，需在租賃開始時(或租賃條款變更時)，將其每一項租賃劃分為經營租賃或融資租賃。

對於所有權所附的所有風險及報酬未轉移的租賃歸為經營租賃。若一個合同包含租賃部分與非租賃部分時，集團將合同中的對價按獨立的銷售價格分配至租賃部分與非租賃部分。租金收入按照直綫法在租賃期內入賬，並根據其經營性質計入損益。在談判與協調經營租賃的過程中所產生的直接成本應計入租賃資產的賬面價值，並在租賃期內按與租賃收入相同的基礎予以確認。或有租金應當在其取得的期間確認為收入。

對於所有權所附的所有風險及報酬轉移的租賃歸為融資租賃。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策摘要(續)

投資及其他金融資產

初始確認和計量

金融資產於初步確認時分類為後續計量按攤銷成本,公允價值按其他綜合收益及公允價值按損益的方式計量。

初始確認時的金融資產分類取決於金融資產的合約現金流量特徵以及本集團管理這些金融資產的業務模式。除貿易應收款項不包含重大融資成分或本集團已採用不調整重大融資成分影響的實際權宜之外,本集團初步以公允價值計量金融資產,加上金融資產不以公允價值計量且其變動計入損益的交易費用。不包含重大融資成分或本集團已採用實際權宜方式按國際財務報告準則第15號所確定的交易價格確定,參見下文「收入確認」所載政策計量。

為了使金融資產歸類於按攤餘成本或以公允價值計量且其變動計入其他綜合收益核算損益的金融資產,該金融資產應當滿足產生現金流量,這些現金流量僅用於支付未償還本金額的本金及利息(「SPPI」)。無論採用何種商業模式,非現金流僅用於支付未償還本金額的本金及利息的金融資產都按照公允價值進行分類與計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

初始確認和計量(續)

本集團管理金融資產的業務模式是指其如何使用金融資產以產生現金流量。業務模型確定現金流量是否來自收穫合同現金流量，出售金融資產，或兩者兼而有之：以攤餘成本計量的金融資產，其持有商業目的為獲取合同現金流，以公允價值計量且其變動計入其他綜合收益的金融資產，其持有商業目的為獲取合同現金流以及出售該金融資產。除上述金融資產外，剩餘資產為以公允價值計量及其變動計入損益的金融資產。

所有常規方式的金融資產購買和出售均在交易日確認，即本集團承諾購買或出售資產的日期。定期購買或出售的方式是購買或出售哪些需要在市場規則或慣例規定的期限內交付的金融資產。

後續計量

金融資產的後續計量取決於其如下分類：

以攤餘成本計量的金融資產(債務工具)

按攤餘成本計算的金融資產後續計量採用實際利率法，並減去可能出現的減值。當資產終止計量，修改或減值時，損益在損益表中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

後續計量(續)

以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)

就以公允價值計量且其變動計入其他綜合收益的債務投資而言,利息收入,外匯重估及於損益表中確認的減值虧損或撥回並按與按攤餘成本計量的金融資產相同的方式計算。其餘公允價值變動確認為其他全面收益。終止確認後,去認為其他綜合收益的累計公允價值變動將轉回損益表。

以公允價值計量且變動計入其他綜合收益(股權投資)的金融資產

本集團在符合國際會計準則第32號披露*財務資產*的權益定義且不用於交易時,可在初始確認時選擇直接指定為不可撤銷地將其股權投資分類為以公允價值計量且其變動計入其他綜合收益的股權投資。分類是根據工具的不同分別確定的。

這些金融資產的收益和損失將不會轉回到損益表當中。當支付權確立時股息在損益表中確認為其他收入,與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠地計量,除非當本集團從收益中獲益時,即收回部分金融資產成本,在此情況下,該等收益計入其他綜合收益。以公允價值計量且其他綜合收益的股權投資不需要接受減值評估。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 主要會計政策摘要（續）

投資及其他金融資產（續）

以公允價值計量且其變動計入損益的金融資產

以公允價值計量且其變動計入損益的金融資產在財務狀況表中按公允價值列賬，公允價值變動淨額在損益表中確認。

此類別包括衍生工具及股本投資，本集團並無不可撤銷地選擇按公允值透過其他全面收益分類。當與股息相關的經濟利益很可能流入本集團及股息金額可以可靠地計量，分類為以公允價值計量且其變動計入損益的金融資產的股權投資股息也在確認支付權時在損益表中確認為其他收益。

如果經濟特徵和風險與持有沒有密切關係，則混合合同中包含金融負債或非金融主體的衍生工具與持有分離，並作為單獨衍生工具入賬；若與嵌入衍生工具具有相同條款的單獨工具符合衍生工具的定義；而混合合約並非按公允值計入損益。嵌入式衍生工具按公允價值計量，公允價值變動計入損益表。只有在合同條款發生變化時才需要重新評估，這些變更會顯著改變原本需要的現金流量或將金融資產重新分類為以公允價值計量且其變動計入損益類別。

嵌入式衍生工具包含在混合合同中不會單獨計算。金融信託與嵌入式衍生工具必須全部分類為以公允價值計量且其變動計入損益的金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策摘要（續）

金融資產終止確認

在下列情況下，一項金融資產（或在適用情況下，一項金融資產的一部分或一組類似金融資產的一部分）主要終止確認（即從本集團的綜合財務狀況表中刪除）：

- 通過該項資產收取現金流量的權利已逾期；或
- 本集團已轉讓其收取該項資產現金流量的權利，或已承擔按「過手」合同向第三方全額支付已收現金流量的責任；(a)本集團已將該資產的絕大部分風險及報酬轉移，或(b)本集團並未轉移或保留該資產的絕大部分風險及報酬，但已轉讓該資產的控制權。

當本集團已轉讓其從資產收取現金流量或已訂立轉讓安排的權利時，其會評估其是否以及在多大程度上保留該資產所有權的風險及回報。當既未轉讓或保留資產的絕大部分風險及報酬或轉讓資產控制權時，本集團繼續在本集團持續參與的範圍內確認轉讓資產。在該情況下，本集團亦確認相關負債。轉讓資產及相關負債按反映本集團所保留權利及責任的基準計量。

以擔保形式的持續參與按資產原始賬面金額與本集團可能需要償還的最高代價金額中的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

2.4 主要會計政策摘要（續）

金融資產減值

本集團針對所有未按公允價值計量且其變動計入損益的債務工具按預期信用損失（「ECLs」）計提了撥備。預期信用損失基於到期的合同現金流量與本集團預期收到的所有現金流量之間的差額，以原始實際利率的近似值貼現。預期現金流量將包括出售所持有抵押品的現金流量或其他合同條款的組成部分中的信貸增強。

一般方式

預期信用損失分兩階段進行確認。對於自初始確認以來信用風險沒有顯著增加的信用風險敞口，預期信用損失提供了由未來12個月（12個月ECL）內可能發生的違約事件而導致的信用損失。對於自初始確認以來信用風險顯著增加的信用風險敞口，無論違約時間（終身ECL）如何，預計在風險的剩餘期限內預計的信用損失均需要損失準備金。

於各報告日期，本集團評估自初步確認後金融工具的信貸風險是否大幅增加。在進行評估時，本集團將金融工具在報告日發生的違約風險與初始確認日期金融工具發生違約的風險進行比較，並考慮在沒有不必要的成本或精力下可用的合理且可支持的信息，包括歷史和前瞻性信息。

對於以公允價值計量且變動計入其他綜合收益的債務投資，本集團採用低信用風險簡化。於各報告日期，本集團會使用所有合理及可支持且無需過多的成本或努力的資料評估債務投資是否被視為低信貸風險。在進行評估時，本集團重新評估債務投資的外部信用評級。此外，本集團認為，合約付款超過30天後，信貸風險大幅增加。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs;

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs;

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

2.4 主要會計政策摘要(續)

金融資產減值(續)

一般方式(續)

合約付款逾期90天時,本集團認為金融資產違約。然而,在若干情況下,當內部或外部資料顯示本集團無法考慮本集團持有的任何信貸增強前已經不可能全數收取未償還合同金額時,本集團亦可能認為金融資產違約。當沒有合理預期收回合約現金流量時,會撇銷金融資產。

以公允價值計量且其變動計入其他綜合收益的債務工具和金融資產和按攤銷成本計量的金融資產在一般方法下可能會發生減值,並且除採用簡化方法的合同資產(以下詳述)外,它們在以下階段分類用於計量預期信用損失。

第1階段 — 自初始確認以來信用風險未顯著增加且其損失準備金等於12個月預期信用損失的金融工具;

第2階段 — 自初始確認以來信用風險顯著增加但不是信用減值金融資產且其損失準備金等於終身預期信用損失的金融工具;

第3階段 — 報告日信用減值的金融資產(但不是購買或原始信用減值),其損失準備金的金額等於終身預期信用損失。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and interest-bearing bank and other borrowings.

2.4 主要會計政策摘要(續)

金融資產減值(續)

簡化方法

對於不包含重大融資成分的貿易應收款項，或本集團採用不調整重大融資成分影響的實際權宜方式，本集團採用簡化方法計算預期信用損失。根據簡化方法，本集團不會追踪信用風險的變化，而是根據每個報告日的終身ECL確認損失準備。本集團已根據其歷史信用虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

金融負債

初始確認和計量

金融負債於初始確認時分類為以公允值計量且其變動計入損益的金融負債，貸款及借款，應付賬款或指定為有效對沖的對沖工具的衍生工具(如適用)。

所有金融負債初始時均按公允值確認，而貸款和借款和應付賬款則須在此基礎上扣除直接應佔交易成本。

本集團的金融負債包括貿易應付賬款、其他應付款項、計息銀行及其他借款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2.4 主要會計政策摘要(續)

金融負債(續)

後續計量

金融負債的後續計量取決於其分類如下：

按攤餘成本計量的金融負債(貸款和借款)

於初始確認後，計息貸款和借款其後採用實際利率法以攤銷成本計量，除非折現影響非屬重大，在此情況下，則按成本列賬。當負債終止確認並透過以實際利率法攤銷時，收益及虧損於綜合損益表確認。

攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入綜合損益表的融資成本中。

財務擔保合約

本集團發行的財務擔保合約乃因特定債務人不能支付到期款項(與債務工具所述條款一致)而應向持有人支付款項以彌補其由此招致的損失的合約。財務擔保合約首次按公允值並對發行擔保的直接應佔交易成本進行調整後確認為負債。於首次確認後，本集團按下列兩者的較高者計量財務擔保合約：(i)按「金融資產減值準備」規定所確認的預期信用損失撥備及(ii)首次確認金額減累計攤銷金額(如適用)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

2.4 主要會計政策摘要(續)

金融負債終止確認

當責任義務解除或取消或到期時，金融負債終止確認。

如果現有金融負債由同一貸款人以實質上不同的條款替換為現有金融負債，或者現有負債的條款被大幅修改，則此類交換或修改被視為終止確認原始責任並確認新的負債，前後負債賬面價值之間的差額於損益表確認損益。

金融工具的抵銷

倘目前有強制執行的法律權力要求抵銷已確認的金額且有按照淨額結清，或同時變現資產和結清負債的意圖，金融資產和金融負債可抵銷並按淨值列報於財務狀況表中。

衍生金融工具及對沖會計處理

初始確認及其後計量

本集團利用衍生金融工具，如外幣合約及利率掉期，以分別對沖其外幣風險及利率風險。該等衍生金融工具乃按訂立衍生工具合約當日的公允值初步確認，其後按公允值重新計量。當公允值為正數時，該等衍生工具入賬列為資產，當公允值為負數時，則列為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments and hedge accounting (Continued)

Initial recognition and subsequent measurement (Continued)

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

2.4 主要會計政策摘要(續)

衍生金融工具及對沖會計處理(續)

初始確認及其後計量(續)

衍生工具公允值變動所產生的任何收益或虧損,直接列入損益表內,惟現金流量對沖的有效部分則於其他全面收益內確認,且於之後該對沖項目影響損益時重新分類至損益。

就對沖會計而言,對沖分類為:

- 公允值對沖,即對沖某項已確認資產或負債的公允值變動風險或某項未確認已承諾承擔;或
- 現金流量對沖,即對沖現金流量變動風險,該風險屬某項已確認資產或負債或某項很可能發生的預計交易相關特定風險,或未確認的已承諾承擔的外匯風險;或
- 對沖於海外業務的投資淨額。

對沖關係開始時,本集團正式指定及以文件記錄本集團有意採用對沖會計處理的對沖關係、風險管理目標及其進行對沖的策略。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments and hedge accounting (Continued)

Initial recognition and subsequent measurement (Continued)

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is "an economic relationship" between the hedged item and the hedging instrument.
- The effect of credit risk does not "dominate the value changes" that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

2.4 主要會計政策摘要(續)

衍生金融工具及對沖會計處理(續)

初始確認及其後計量(續)

記錄文件應包含對沖工具、對沖項目的識別、被對沖風險的性質及實體如何評估對沖關係是否符合對沖有效性規定(包括其對對沖無效性來源的分析及對沖比率如何釐定)。對沖關係於達成以下全部有效性規定時,方可合資格採用對沖會計處理:

- 對沖項目與對沖工具之間有「經濟關係」。
- 信貸風險的影響不會「主導」經濟關係引致的「價值變動」。
- 對沖關係的對沖比率與本集團實際對沖對沖項目的數量及實體實際使用以對沖對沖項目數量的對沖項目數量所引致者相同。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments and hedge accounting (Continued)

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

2.4 主要會計政策摘要(續)

衍生金融工具及對沖會計處理(續)

符合所有對沖會計處理標準的對沖如下：

現金流量對沖

對沖工具收益或虧損的有效部份在其他全面收益的現金流量對沖儲備內直接確認，而任何非有效部份即時在損益表內確認。現金流量對沖儲備調整至對沖工具累計收益或虧損與對沖項目公允值累計變動之間的較低者。

在其他全面收益內累積的金額視乎相關對沖交易的性質入賬。倘對沖交易其後導致確認非金融項目，於股權累積的金額則自股權的獨立構成部分移除，並計入對沖資產或負債的初始成本或其他賬面值。這並非為重新分類作出的調整，且不會於期內的其他全面收入內確認。倘一項非金融資產或非金融負債的對沖預測交易其後變成採用公允值對沖會計處理的堅定承諾，則亦可應用此做法。

任何其他現金流量對沖在其他全面收益累積的金額於對沖現金流量影響損益的同一期間或多個期間內重新分類至損益表為重新分類調整。

終止現金流量對沖會計處理時，倘預期仍會出現對沖未來現金流量，則在其他全面收益內累積的金額必須保留在累積其他全面收益內。否則，有關金額會即時在損益表內重新分類為重新分類調整。終止會計處理後，倘出現對沖現金流量，任何保留在累積其他全面收益的金額會視乎上述相關交易性質入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis and in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

2.4 主要會計政策摘要(續)

存貨

存貨按成本與可變現淨值兩者中較低者入賬。成本按加權平均法計算，就在產品及製成品而言，其成本包括直接原料成本、直接勞工及按適當比例分攤的間接成本。可變現淨值根據估計出售價減去預計至完工及出售將產生的任何估計成本計算。

現金及現金等價物

就現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月或三個月內到期的短期高流動性投資，扣減須應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就合併財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款)及與現金性質相似的資產。

撥備

本集團若因過往事項而現時有法定或推定債務，而且可能需要有涉及經濟利益的資源外流以償付這些債務，並能對債務數額作出可靠估計，便確認撥備。

如折現的影響重大，則確認的撥備額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而增加的折現現值，列作融資成本計入損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策摘要(續)

所得稅

所得稅包括即期及遞延稅項。損益賬外確認的相關所得稅項目,計入損益賬外的其他全面收益或直接計入權益。

當期或前期的即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期可收回的數額或支付予稅務機關數額計算,並考慮本集團經營所在國家的現行詮釋及慣例。

於報告期末的資產及負債的稅基與其就財務報告而言的賬面值之間的暫時性差異,須按債務法計提遞延稅項撥備。

所有應課稅暫時性差異均會確認遞延稅項負債,惟下列各項除外:

- 倘若遞延稅項負債的起因,是產生於商譽或非業務合併交易中資產或負債的初始確認,而且在交易時,對會計利潤或應課稅利潤或虧損均無影響;及
- 對於涉及子公司的投資的應課稅暫時性差異,倘若撥回暫時性差異的時間可以控制,且該暫時性差異在可預見的將來很可能不會撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 主要會計政策摘要(續)

所得稅(續)

對於所有可扣減暫時性差異及結轉的未用稅項抵免及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、且結轉的未用稅項抵免及未用稅項虧損的，則遞延稅項資產一律確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是產生於非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司的投資的可扣減暫時性差異，只有在暫時性差異有可能在可預見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在報告期末予以審閱。若不再可能有足夠應課稅利潤用以抵扣遞延稅項資產的全部或部分金額，則扣減遞延稅項資產賬面值。並無確認的遞延稅項資產，在報告期末重新評估，若日後可能有應課稅利潤將可收回遞延稅項資產，則予確認。

變現資產或清償負債的年度預期適用的稅率，會用作計量遞延稅項資產及負債，並以報告期末已經頒佈或實質上已經頒佈的稅率(及稅法)為基準。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non – monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

2.4 主要會計政策摘要(續)

所得稅(續)

當且僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷,且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應課稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時,擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同稅務實體徵收的所得稅相關,則遞延稅項資產與遞延稅項負債可予抵銷。

政府補助金

當有相當把握將會收到補助金及將符合所有附帶條件時,政府補助金即按公允值確認入賬。若補助金與支出項目有關,即於所擬補償的成本的支銷期間內有系統地確認為收入。

若補助金與資產有關,即將其公允值計入遞延收益賬戶,並於有關資產的預計可使用年期內,以等額年金調撥往損益表或從資產賬面值中扣減並以經扣減折舊開支調撥往損益表。

對於集團獲取的非貨幣性的資產補助,將會按照該非貨幣性資產的公允價值進行入賬,並在其預期使用年限內進行折舊至損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants (Continued)

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above.The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策摘要（續）

政府補助金（續）

對於集團獲取因建造符合條件的資產而獲取的利息低於市場利率的低息或無息政府貸款，該政府貸款的初始入賬金額將根據實際利率法進行計算，更多解釋詳見上述「金融負債」。政府貸款初始入賬價值與實際收取金額的差額計入損益，並在相關資產的預期可使用年限內進行直綫攤銷。

收入確認

與客戶簽訂合同的收入

與客戶簽訂合同的收入在商品控制權轉移時確認，金額為交換該等貨品或服務而有權獲得的代價。

當合約中的代價包括可變金額時，交易對價將由本集團以轉移貨品或服務有權獲取的金額估計。可變對價在合約開始時估計並被抵減，直至很可能在隨後解決與可變對價的相關不確定性時，未確認累計收入金額隨後轉回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Sale of dairy and nourishment products

Revenue from the sale of dairy and nourishment products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the dairy and nourishment products.

Some contracts for the sale of dairy and nourishment products provide customers with rights of return. The rights of return give rise to variable consideration.

2.4 主要會計政策摘要(續)

收入確認(續)

與客戶簽訂合同的收入(續)

如果合同中包含一個融資部分,即為客戶提供轉移貨物或服務的同時還獲得超過一年的重大金融收益時,收入應按應收金額的現值計量,並使用在合約開始時反映在本集團與客戶之間的獨立融資交易中的貼現率貼現。當合約包含為本集團提供超過一年的重大財務利益的融資部分時,根據合約確認的收入應去除按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與承諾商品或服務轉讓之間的期限為一年或一年以下的合同,交易價格不會根據國際財務報告準則第15號的實際權宜方式根據重大融資成分的影響進行調整。

(a) 銷售乳製品和營養品

銷售乳製品和營養產品的收入在資產控制權轉移給客戶的時間點確認,通常是在交付乳製品和營養品時。

一些乳製品和營養產品銷售合同為客戶提供了退貨權。退貨權會產生可變對價。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

(a) Sale of dairy and nourishment products (Continued)

Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(b) Consigned processing service

Revenue from the consigned processing service is recognised when dairy and nourishment products is delivered.

Rental income

Revenue is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income

Revenue is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.4 主要會計政策摘要(續)

收入確認(續)

與客戶簽訂合同的收入(續)

(a) 銷售乳製品和營養品(續)

退貨權

對於為客戶提供在指定期限內退貨權的合同，預期價值法會被用於估計不會被退回的貨物，因為該方法是預測本集團的可變對價金額的最好之方法。國際財務報告準則第15號有關限制可變代價估計的規定適用於確定可計入交易價格的可變對價金額。對於預計將退回的貨物而非收入，需要確認退貨負債。對於從客戶處收回商品的權利，還需要確認應收退貨成本(銷售成本也應當調整)。

(b) 受託代加工服務

受託代加工服務的收入在乳製品和營養產品交付時確認。

租金收入

收入乃按租期的時間比例確認。不由指數或比率所決定的變動租賃費用應當在其發生的會計期間計入損益。

利息收入

在利息收入產生時預先確認為收入，採用實際利率法計算，該比率為將金融工具估計未來收回現金按金融工具的估計年期或更短期間，如適用，折現至金融資產賬面淨值的折現率。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Dividend income

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Service income

The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of customer acceptance. Revenues from services rendered are derived principally from the testing service performed by the Group. Revenue is recognised when the services are rendered.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

2.4 主要會計政策摘要（續）

收入確認（續）

股息收入

股息收入於作為股東獲得收取款項的權利後確認，並且與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠地計量。

服務收入

隨著時間的推移，履行義務會隨著提供服務而逐漸履行，付款通常應在客戶驗收完成後支付。服務提供收入主要來自集團提供的檢測服務。收入在服務提供時確認。

合同資產

合同資產是轉移給客戶的商品或服務以獲取交易對價的權利。如果本集團在客戶支付對價之前或在付款到期之前將貨物交付給客戶或執行了相關服務，則合同資產的確認存在不確定性。關於對合同資產進行減值測試的細節，其內容詳見金融資產減值會計政策。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relateds. Other contract costs are expensed as incurred.

2.4 主要會計政策摘要(續)

合同負債

合約負債是指本集團已收到客戶對價或應付款項(兩者較早者)後所需要交付的商品或提供服務。合約負債於本集團履行合約時確認為收入。(如，相關商品或服務的控制權轉移至客戶時)

合同成本

除作為存貨，物業，廠房和設備以及無形資產資本化的成本外，與客戶履行合同所發生的成本在符合以下所有條件的情況下可以資本化：

(a) 費用直接與合同或企業可以確定的預期合同有關。

(b) 成本產生或增加企業資源以用於滿足(或繼續履行)履約義務。

(c) 費用預計可以收回。

資本化合同成本攤銷及計入損益表並按資產相關的商品或服務向客戶的轉移一致的攤銷方式攤銷。其他合約成本於產生時費用化。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Right-of-return assets

A right-of-return asset is recognized for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods, and any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to the expected level of returns, and any additional decreases in the value of the returned goods.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Employee benefits

Defined contribution plans

The Group's subsidiaries operating in Mainland China participate in a central defined contribution retirement benefit plan managed by the local municipal government in the locations in which they operate. Contributions are made based on a percentage of the companies' payroll costs and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central defined contribution retirement benefit plan.

2.4 主要會計政策摘要(續)

應收退貨成本

應收退貨成本是指本集團收回客戶預期退回的貨物的權利。資產按之前退回貨物的賬面金額減去收回貨物的預期成本(包括退回貨物價值的任何可能減損)計量。本集團會基於對其預期回報水平的修訂以更新相關資產的計量,以及退回貨物價值的任何額外減損。

預計負債－應付退貨款

退款債務是指退還部分或全部客戶對價的義務,並按本集團最終預期需要返還給客戶的金額計量。本集團於各報告期末更新其退款負債估計(及交易價格的相應變動)。

僱員福利

界定供款計劃

本集團在中國大陸營運的子公司,參與其營業所在地的地方政府管理的中央界定供款退休福利計劃,有關供款乃根據公司薪金費用的某百分比計算,並根據中央界定供款退休福利計劃的規則,應付時在綜合利潤表內支銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

Share-based payments

The Group operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using a binomial model.

2.4 主要會計政策摘要(續)

僱員福利(續)

短期僱員福利

短期僱員福利責任乃按未折現基準計算，並於提供有關服務時列為開支。

倘本集團就僱員過去提供的服務而擁有現有法定或推定責任支付有關金額，且該責任能可靠估計，則就預期根據短期現金獎金或分紅計劃將予支付的金額確認準備。

辭退福利

辭退福利於本集團不能撤回該等福利要約時或本集團確認涉及支付辭退福利的重組成本時兩者中較早的時點確認。

股權支付

本集團採納股權支付計劃，藉此對集團業務有貢獻的合資格參與者作出鼓勵及獎賞。本集團僱員(包括董事)會收取以股份為基礎的支付形式的酬金，而僱員會提供服務作為換取股本工具(「權益結算的交易」)的代價。

與僱員進行的股權結算交易乃參考授出權利當日的公允值計算成本。公允值乃由外聘估值師按二項式計價模式釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策摘要（續）

Share-based payments (Continued)

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

股權支付（續）

在員工福利費中，權益結算交易的成本連同權益的相應增加會於業績及／或服務條件達到的期間內確認。歸屬日之前的各報告期末就權益結算交易確認的累計支出反映歸屬期屆滿的部分以及本集團對最終將歸屬的股本工具數目的最佳估計。期間內於損益表扣除或計入的數額指於該期間初及終已確認累計支出的變動。

釐定獎勵的授出日期公允值時並不計及服務和非市況表現條件，但將評估條件獲達成的機會率，作為本集團對最終將歸屬的股權工具數目的最佳估計一部分。市況表現條件在授出日期公允值內反映。在一項獎勵上附加但不設相關服務要求的任何其他條件被視為非歸屬條件。非歸屬條件在一項獎勵的公允值內反映，並導致一項獎勵的即時支銷，除非同時有其他服務及／或表現條件。

對因非市場表現及／或服務條件未達成而最終未有歸屬的獎勵而言，將不會確認開支。如獎勵附帶市況或非歸屬條件，則該情況下不論是否達到該市況或非歸屬條件，該交易均會視作歸屬處理，惟其他所有業績及／或服務條件必須達成。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the equity-settled transactions or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 主要會計政策摘要(續)

股權支付(續)

當權益結算報酬條款修訂時，倘報酬的原條款達到，需按條款並無進行修訂的情形確認最少的支出。此外，倘任何修訂導致於修訂日期所計量的以股份為基礎的支付的總公允值增加或以其他方式令僱員受惠，則所產生的任何額外支出予以確認。

當股權結算報酬註銷時，視作報酬於註銷當日已經歸屬，而報酬尚未確認的任何支出會即時確認。此包括本集團或僱員並未達致其可控制的非歸屬條件的任何報酬。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為對原有報酬的修訂處理。

尚未行使購股權的攤薄影響應通過計算每股盈利時的額外股份攤薄反映。

借貸費用

若借貸費用直接屬於購買、興建或生產合資格資產(即需要相當長時間才可擬定用途的資產)，即撥充資本作為該等資產成本的一部分，而當相關資產大致達到擬定用途時，即不再把該等借貸費用撥充資本。用以支付合資格資產的特定借款的臨時投資所賺取的投資收益從撥充資本的借貸費用中扣除。所有其他借貸費用皆於產生期間支銷。借貸費用包括利息及實體因資金借貸而產生的其他成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. The directors did not recommend the payment of dividend.

Interim dividends are simultaneously proposed and declared. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Each entity in the Group determines its own functional currency based on the assessment of its specific facts and circumstances. Once the functional currency is determined, it can be changed only if there is a change to the underlying transactions, events and conditions. As the Group mainly operates in Mainland China, RMB is used as the presentation currency of the Group. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

2.4 主要會計政策摘要(續)

股息

期末股息一經股東大會批准，即確認為負債。董事不建議派發本年股息。

中期股息同時建議及宣派。因此，中期股息在建議及宣派時直接確認為負債。

外幣

本集團各實體按其特定事實及情況釐定其功能貨幣。只有當基礎交易，事件和條件發生變化時，實體才能改變已確定的功能貨幣。由於本集團主要於中國大陸營業，故使用人民幣作為本集團的呈列貨幣。由本集團實體記錄的外幣交易最初以交易當日各通行功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債，則按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生的差額於損益表確認。

當外幣貨幣性項目是由於管理層對於國外業務淨投資特定套期保值的一部份時，以外幣為單位的貨幣資產及負債按報告期末的適用功能貨幣匯率重新換算的差額不撥入損益，而計入其他全面收益，直到在這些國外投資項目處置時，此前累計記錄的差額將重分類至損益。因這些貨幣性項匯率差異造成的稅務收入及費用也計入其他全面收益中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

2.4 主要會計政策摘要(續)

外幣(續)

以外幣列值及按歷史成本計量的非貨幣項目，乃按最初進行交易當日的匯率換算。以外幣列值及按公允值計量的非貨幣項目，須按釐定公允值當日的匯率換算。換算按公允值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公允值變動的收益或虧損一致的方法處理(即其他全面收益或合併損益表已確認的項目的公允值收益或虧損，其換算差額亦分別於其他全面收益或損益表確認)。

於釐定用於相關資產，或終止確認非貨幣資產或非貨幣負債的預付對價產生的費用或收入初始確認的匯率時，初始交易日期為本集團初步確認因預付代價產生的非貨幣性資產或非貨幣性負債的日期。如果提前有多筆付款或收據，則本集團會確定每筆付款或收到預付代價的交易日期。

若干集團內境外子公司的功能貨幣並非人民幣。於報告期末，該等實體的資產及負債按報告期末的匯率換算為本集團的列報貨幣，該等實體的損益表按本年度的加權平均匯率換算為人民幣。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2.4 主要會計政策摘要（續）

外幣（續）

產生的匯兑差額於其他全面收益中確認並計入外幣變動儲備中。在出售海外業務時，與該特定海外業務相關的其他全面收益組成部分確認於損益中。

就合併現金流量表而言，海外子公司的現金流量按產生現金流量當日的適用匯率換算為人民幣。海外子公司全年經常產生的現金流量則按當年的加權平均匯率換算為人民幣。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations,which have the most significant effect on the amounts recognised in the consolidated financial statements:

3. 重大會計判斷及估計

管理層於編製本集團的財務報表時，須對收入、開支、資產及負債及其隨附披露事項，以及或然負債的披露作出判斷、估計及假設。由於該等假設及估計具有不確定性，可能導致資產或負債的賬面值須於未來作出重大調整。

判斷

於應用本集團的會計政策的過程中，除了與之關聯的估計，管理層已作出以下判斷，乃對合併財務報表內已確認金額構成最重大影響：

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the method to estimate variable consideration and assessing the constraint for the sale of dairy and nourishment products.

Certain contracts for the sale of dairy and nourishment products include a right of return that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

3. 重大會計判斷及估計(續)

判斷(續)

與客戶訂立合同獲取的收入

本集團採用的以下判斷顯著影響與客戶合約收入金額及時間的確定：

確定估算可變對價和評估銷售乳製品和營養品的限制的方法。

某些乳製品和營養品銷售合同包括產生可變對價的退貨權。在估計可變對價時，本集團將使用預期價值法或最佳估計法對可變對價進行預估。

在將任何數額的可變對價納入交易價格之前，本集團會考慮可變對價的金額是否受到限制。本集團根據其歷史經驗，業務預測及當前經濟狀況確定可變對價的估計是否不受限制。此外，可變對價的不確定性將在短時間內得到解決。

物業租賃分類－作為出租人

集團將其投資性房地產組合進行進行對外租賃。根據對租賃協議條款的評估，如租賃期並不構成該商業物業的主要使用壽命以及最低租賃付款額的現值不等於該商業物業的公允價值，即該物業的附屬與使用權的風險及收益並未轉移，此類租賃應被歸為經營租賃。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements(Continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualified as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

3. 重大會計判斷及估計(續)

判斷(續)

對含有續訂選擇權合同的租期判斷

集團所有部分包含延期及中止選擇權的租賃合同。集團對於是否使用選擇權以使得租賃延期或終止進行判斷。集團考慮會產生經濟影響並使其延期或終止租賃的所有相關因素。在合同生效日後，如存在重大事項或變更，集團將會對租期進行重新評估，以決定是否行使其延期選擇權或終止選擇權(如，對租賃資產的改良修建或重大定制租賃資產)。

投資物業與自置物業的分類

本集團決定物業是否符合投資物業的資格，並已制訂出作此判斷的準則。投資物業是為賺取租金或資本增值或同時為此兩項目的而持有的物業。因此，本集團會考慮一項物業產生現金流量時是否基本上與集團持有的其他資產無關。倘此等部分可獨立出售或根據融資租約獨立出租，本集團會將該等部分個別列賬。倘該等部分無法獨立出售，則僅於非重大部分乃持作生產或供應貨品或服務或作行政用途的情況下，該項物業方分類為投資物業。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Variable consideration for returns

The Group estimates variable consideration to be included in the transaction price for the sale of dairy and nourishment products with rights of return.

The Group developed a statistical model for forecasting sales returns. The model used the historical return data to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group.

The Group updates its assessment of expected returns every half year and the refund liabilities are adjusted accordingly. As at 31 December 2020, the amount recognised as refund liabilities was RMB11,919,000 for the expected returns and trade discounts.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value ("CGU"s) in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2020 was RMB991,236,000 (2019: RMB991,236,000). Further details are given in note 17.

3. 重大會計判斷及估計(續)

估計的不確定性

對未來事項的主要假設及於報告期末估計的不確定性的其他主要來源(存有重大風險可能導致資產及負債賬面值須於下一財政年度內作出重大調整者)於下文論述。

可變對價退貨因素考慮

本集團估計可變對價將包括在具有退貨權的乳製品和營養品銷售的交易價格中。

本集團開發了預測銷售退貨的統計模型。該模型使用歷史退貨數據來得出預期的退貨百分比，應用這些百分比來確定可變對價的預期值。與歷史回報模式相比，經驗的任何重大變化都將影響本集團估計的預期退貨百分比。

本集團每半年更新其對預期退貨的評估，並相應調整預計負債－應付退貨款。截至2020年12月31日，因預期退貨而確認為預計負債－應付退貨款的金額為人民幣11,919,000元。

商譽減值

本集團每年最少一次釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽的現金產生單位的使用價值作出估計。估計使用價值時，本集團須估計預期來自現金產生單位之日後現金流量，並挑選合適的折現率以計算該等現金流量的現值。2020年12月31日商譽賬麵價值為人民幣991,236,000元(2019年：人民幣991,236,000元)更細節的信息將會在附註17中闡述。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details, including a sensitivity analysis of key assumptions, are given in note 16 to the financial statements.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on ageing of the balances for groupings of various customer segments that have similar loss patterns (i.e., by customer type).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3. 重大會計判斷及估計（續）

估計的不確定性（續）

非金融資產的減值（商譽除外）

集團在每一報告期結束時對所有非金融資產（包括使用權資產）進行評估以確定該資產是否有減值跡象。無限年期的無形資產將每年或者存在減值跡象時進行減值測試。其他非金融資產在賬面價值可能無法回收時進行減值測試。當資產或者現金產生組的賬面價值高於其可回收價值時，即其公允價值減去處置成本和使用價值孰高值，該資產存在減值。交易的公允價值減去成本是根據在一定時期內相似資產的交易或處置資產可觀察的市場價格等相關有效數據進行計算。在計算時，管理者必須估計資產或現金產生組織的預期未來現金流，並選擇合適的折現率來計算現金流的現值。進一步的細節，包括關鍵假設的敏感性分析，在財務報表附註16中披露。

貿易應收款項的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項的預期信用損失。撥備率基於具有類似損失模式的各個客戶群的分組（如按客戶類型）的賬齡確定。

撥備矩陣最初基於集團歷史觀察到的違約率。本集團將校準矩陣以使用前瞻性信息調整歷史信用損失經驗。例如，如果預計經濟狀況（即國內生產總值）預計在明年惡化，這可能導致製造業違約數量增加，則調整歷史違約率。在每個報告日期，更新歷史觀察到的違約率並分析前瞻性估計值的變化。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Provision for expected credit losses on trade receivables (Continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 20 to the financial statements.

Useful lives, residual values and depreciation of items of property, plant and equipment

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charges where useful lives are different to those previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and, therefore, depreciation expenses in the future periods.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

貿易應收款項的預期信貸虧損撥備(續)

對歷史觀察到的違約率，預測經濟狀況和預期信用損失之間的相關性的評估是一個重要的估計。預期信用損失的數量對環境變化和預測經濟條件敏感。本集團的歷史信用損失經驗和經濟狀況預測也可能無法代表客戶未來的實際違約。有關集團貿易的預期信用損失的信息請參見附註20。

物業、廠房及設備的使用年期、剩餘價值及折舊

本集團就其物業、廠房及設備釐定估計可使用年期及相關折舊開支。此項估計乃按照性質及用途相似的物業、廠房及設備的實際可使用年期的過往經驗而作出。倘可使用年期與過往的估計年期有出入，本集團將調整折舊開支，或撇銷或撇減技術上陳舊或非策略性而已遭廢棄或出售的資產。實際經濟年期或會與估計可使用年期有所不同；實際剩餘價值亦可能會與估計剩餘價值有所不同。定期審閱可導致可予折舊年期及剩餘價值有所更改，從而導致未來期間的折舊開支有所更改。

遞延税項資產

遞延税項資產就所有可扣減暫時性差異及所有未用税項虧損加以確認。管理層需要進行重大判斷以確定可確認的遞延所得税資產的金額。

4. OPERATING SEGMENT INFORMATION

The Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) Milk powder products – this segment includes the development, manufacture and sale of milk powder products in the People's Republic of China (the "PRC") and overseas.

(b) Other milk powder products – this segment includes the production and sale of base powder.

(c) Dissolvable products – this segment includes the development, manufacture and sale of soymilk powder, rice flour and cereal products.

(d) Other operations mainly include the sale of surplus raw materials, and consigned processing operation. The results of these operations are included in the "others" column.

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

4. 經營分部資料

本集團根據產品和服務對經營分部進行分類，共有下列四個可報告經營分部：

(a) 奶粉產品－該分部包括在中國及海外開發、製造及銷售奶粉產品。

(b) 其他奶粉產品－該分部包括生產和出售基粉。

(c) 沖調產品－該分部包括開發、製造及銷售豆奶粉、米粉及麥片產品。

(d) 其他業務主要包括銷售盈餘原材料及受託加工。該等業務的業績載於「其他」一欄。

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

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

分部間銷售及轉讓是參考以當時市價向第三者銷售所採用的售價進行交易。

		Year ended 31 December 2020 截至2020年12月31日止年度				
		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 5)	**分部收入(附註5)**					
Sales to external customers	銷售予外部客戶	2,975,566	427,384	166,412	79,844	3,649,206
Intersegment sales	分部間銷售	–	111,714	–	–	111,714
		2,975,566	539,098	166,412	79,844	3,760,920
Reconciliation:	*對賬:*					
Elimination of intersegment sales	抵銷分部間銷售	–	(111,714)	–	–	(111,714)
Revenue	總收入					3,649,206
Segment results	**分部業績**	313,442	31,367	39,512	(89,590)	294,731
Reconciliation:	*對賬:*					
Finance income	財務收入					88,470
Finance costs (other than interest on lease liabilities)	財務成本(不包括租賃負債的利息支出)					(12,921)
Other income and gains	其他收入及收益					102,039
Unallocated other expenses	未分配的其他 支出					(342,640)
Profit before tax	除稅前溢利					129,679
Other segment information	**其他分部資料**					
Total depreciation and amortisation	折舊及攤銷總額	73,253	68,505	9,012	4,658	155,428

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料（續）

		Year ended 31 December 2019 截至2019年12月31日止年度				
		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 5)	**分部收入（附註5）**					
Sales to external customers	銷售予外部客戶	2,650,244	574,869	143,203	43,646	3,411,962
Intersegment sales	分部間銷售	–	69,142	–	–	69,142
		2,650,244	644,011	143,203	43,646	3,481,104
Reconciliation:	*對賬：*					
Elimination of intersegment sales	抵銷分部間銷售	–	(69,142)	–	–	(69,142)
Revenue	總收入					3,411,962
Segment results	**分部業績**	282,022	40,764	16,822	(36,647)	302,961
Reconciliation:	*對賬：*					
Finance income	財務收入					94,467
Finance costs (other than interest on lease liabilities)	財務成本（不包括租賃負債的利息支出）					(8,962)
Other income and gains	其他收入及收益					28,929
Unallocated other expenses	未分配的其他 支出					(314,472)
Profit before tax	除稅前溢利					102,923
Other segment information	**其他分部資料**					
Total depreciation and amortisation	折舊及攤銷總額	65,148	64,401	6,312	2,785	138,646

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

Geographical information

地區資料

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Mainland China	中國內陸	**3,151,244**	2,828,509
Overseas	海外地區	**497,962**	583,453
		3,649,206	3,411,962

The revenue information above is based on the locations of the customers.

上述收入信息以客戶所在地區劃分。

Information about a major customer

主要客戶的信息

Revenue of approximately RMB353,831,000 (2019: RMB508,812,000) was derived from sales by other milk powder products segment to a single customer, including sales to a group of entities which are known to be under common control with that customer.

總收入中約人民幣353,831,000元(2019年:人民幣508,812,000元)乃來自其他奶粉產品分部向單一客戶的銷售,包括向已知與該客戶共同控制的一組實體的銷售。

5. REVENUE, OTHER INCOME AND GAINS

5. 收入、其他收入及收益

An analysis of revenue is as follows:

收入分析如下:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue from contracts with customers	依據與客戶訂立合同收入		
Sale of goods	銷售商品	**3,624,284**	3,391,734
Consigned processing services	受託代加工服務	**24,922**	20,228
		3,649,206	3,411,962

5. REVENUE, OTHER INCOME AND GAINS (Continued)

5. 收入、其他收入及收益(續)

Revenue from contracts with customers

依據與客戶訂立合同收入

(i) Disaggregated revenue information

(i) 收入信息明細

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

以下列出的是本集團依據與客戶訂立合同收入分部間信息明細:

For the year ended 31 December 2020 截至2020年12月31日止年度

		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segments	**分部**					
Types of goods or services	**產品服務類別**					
Sale of goods	銷售產品	2,975,566	427,384	166,412	54,922	3,624,284
Consigned processing services	受託代加工服務	–	–	–	24,922	24,922
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,975,566	427,384	166,412	79,844	3,649,206
Geographical markets	**地區市場**					
Mainland China	中國大陸	2,905,787	12,398	165,895	67,164	3,151,244
Overseas	海外	69,779	414,986	517	12,680	497,962
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,975,566	427,384	166,412	79,844	3,649,206
Timing of revenue recognition	**收入確認時點**					
Goods transferred at a point in time	於時點交接貨物	2,975,566	427,384	166,412	54,922	3,624,284
Services transferred at a point of time	於時點完成服務	–	–	–	24,922	24,922
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,975,566	427,384	166,412	79,844	3,649,206

5. REVENUE, OTHER INCOME AND GAINS (Continued) 5. 收入、其他收入及收益（續）

Revenue from contracts with customers (Continued) 依據與客戶訂立合同收入（續）

(i) Disaggregated revenue information (Continued) (i) 收入信息明細（續）

		For the year ended 31 December 2019 截至2019年12月31日止年度				
		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segments	分部					
Types of goods or services	**產品服務類別**					
Sale of goods	銷售產品	2,650,244	574,869	143,203	23,418	3,391,734
Consigned processing services	受託代加工服務	–	–	–	20,228	20,228
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,650,244	574,869	143,203	43,646	3,411,962
Geographical markets	**地區市場**					
Mainland China	中國大陸	2,641,937	3,479	143,203	39,890	2,828,509
Overseas	海外	8,307	571,390	–	3,756	583,453
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,650,244	574,869	143,203	43,646	3,411,962
Timing of revenue recognition	**收入確認時點**					
Goods transferred at a point in time	於時點交接貨物	2,650,244	574,869	143,203	23,418	3,391,734
Services transferred at a point of time	於時點完成服務	–	–	–	20,228	20,228
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,650,244	574,869	143,203	43,646	3,411,962

5. REVENUE, OTHER INCOME AND GAINS (Continued)

5. 收入、其他收入及收益(續)

Revenue from contracts with customers (Continued)

依據與客戶訂立合同收入(續)

(i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

(i) 收入信息明細:(續)

下表顯示本報告期內確認的、被包括在年初合同負債中及以前期間滿足的履約義務的收入金額:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	年初合同負債中在報告期內確認的收入:		
Sale of goods	銷售產品	126,938	249,686

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of dairy and nourishment products

Revenue from the sale of dairy and nourishment products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the dairy and nourishment products.

Consigned processing services

Revenue from the provision of consigned processing service is recognised when dairy and nourishment products are delivered.

(ii) 履約義務

本集團的履約義務如下:

銷售乳製品和營養品

銷售乳製品和營養產品的收入在資產控制權轉移給客戶的時間點確認,通常是在交付乳製品和營養品時。

受託代加工服務

受託代加工服務的收入在乳製品和營養產品交付時確認。

5. REVENUE, OTHER INCOME AND GAINS (Continued) 5. 收入、其他收入及收益(續)

An analysis of other income and gains is as follows:

其他收入及收益的分析如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Other income and gains	**其他收入及收益**		
Gross rental income from investment property operating leases	投資性房地產經營租賃租金收入		
– Income relating to fixed lease payments	一固定租賃收入	9,816	9,562
Government grants	政府補助		
– Compensation for expenses incurred	一對已產生支出的補償	11,512	6,145
– Compensation for acquisition of assets	一對購買資產的補償	293	885
– Taxes refunded	一退稅	944	77
Foreign exchange gain,net	匯兑收益淨額	40,792	–
Others	其他	38,682	12,260
		102,039	28,929

6. OTHER EXPENSES AND LOSSES 6. 其他開支和損失

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Impairment of inventories	存貨跌價準備	75,281	65,528
Donations	捐贈	21,388	30
Net loss on disposal of inventories	存貨報廢淨損失	21,058	4,356
Net loss on disposal of non-current assets	處置非流動資產淨損失	772	3,200
Foreign exchange losses, net	匯兑損失淨額	–	7,174
Others	其他	33,010	4,548
		151,509	84,836

7. PROFIT BEFORE TAX

7. 除稅前溢利

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

本集團的稅前溢利乃經扣除/(增加)下列各項後計算所得:

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cost of goods sold	貨品銷售成本		**2,299,223**	2,132,589
Cost of consigned processing services	受託加工成本		**16,150**	12,602
			2,315,373	2,145,191
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12	**119,452**	107,416
Depreciation of investment properties	投資物業折舊	14	**3,882**	4,037
Depreciation of right-of-use assets	使用權資產攤銷	15	**11,097**	10,554
Amortisation of other non-current assets	其他非流動資產攤銷		**3,616**	3,627
Amortisation of intangible assets	無形資產攤銷	16	**17,381**	13,012
Total depreciation and amortisation	折舊及攤銷總額		**155,428**	138,646
Lease payments not included in the measurement of lease liabilities	租賃負債外的租賃費用	15	**48,397**	35,613
Auditors' remuneration	核數師酬金		**2,923**	2,944
Employee benefit expense (excluding directors' and chief executive's remuneration (note 9)):	僱員福利費(不包括董事及主要行政人員薪酬(附註9)):			
Wages, salaries and allowances	工資、薪金及津貼		**424,582**	465,179
Termination benefits	離職補償		**1,028**	11,940
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(定額供款計劃)		**3,317**	32,976
(Reversal of)/equity-settled share-based payment expenses	股權結算股份支付(沖回)/開支		**(3,380)**	15,100
			425,547	525,195
Interest income	利息收入		**(78,208)**	(66,736)
Other investments income	其他投資收益		**(8,429)**	(27,731)
Fair value gains of derivative instruments, net	衍生金融工具公允價值變動收益		**(1,833)**	–
Total financial income	財務收入總額		**(88,470)**	(94,467)
Impairment of trade and other receivables, net	貿易及其他應收款減值淨損失		**3,758**	5,804

8. FINANCE COSTS

8. 財務成本

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款的利息	12,921	8,962
Interest on lease liabilities	租賃負債的利息	791	854
		13,712	9,816

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

9. 董事及首席執行官薪酬

The Directors' and chief executive's remuneration for the years, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

根據香港公司條例第383條(1)(a), (b), (c)和(f)及第二部分(關於董事及總裁薪酬的披露),如下:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Fees	袍金	750	750
Other emoluments	其他酬金		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,653	2,175
Performance related bonuses	與業績有關的獎金	6,300	4,208
Pension scheme contributions	退休金計劃供款	–	49
		8,953	6,432
		9,703	7,182

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9. 董事及首席執行官薪酬(續)

(a) Independent non-executive directors

(a) 獨立非執行董事

The fees paid to independent non-executive directors during the year were as follows:

本年度支付給獨立非執行董事的費用如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
– Mr. Mok Wai Bun Ben	一莫衛斌先生	**250**	250
– Mr. Cheng Shoutai	一程守太先生	**250**	250
– Mr. Lee Kong Wai Conway	一李港衛先生	**250**	250
		750	750

There were no other emoluments payable to the independent non-executive directors during the year (2019: nil).

本年度無應支付給獨立非執行董事的其他薪酬(2019年：無)。

(b) Executive directors, non-executive directors and the chief executive

(b) 執行董事、非執行董事和首席執行官

2020	2020年	Fees 袍金 RMB'000 人民幣千元	Salaries, allowances, and benefits in kind 薪金、津貼及實物利益 RMB'000 人民幣千元	Performance related bonuses 與業績有關的獎金 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total remuneration 薪酬總額 RMB'000 人民幣千元
Executive directors	執行董事					
– Mr. Yan Zhiyuan (i) (ii)	一閆志遠(i) (ii)	-	2,562	6,300	-	8,862
– Mr. Chopin Zhang (iii)	一張平Chopin先生(iii)	-	91	-	-	91
Non-executive directors	非執行董事					
– Mr. Lu Minfang	一盧敏放先生	-	-	-	-	-
– Mr. Qin Peng	一秦鵬先生	-	-	-	-	-
– Mr. Zhang Ping	一張平Peter先生	-	-	-	-	-
– Mr. Gu Peiji	一顧培基先生	-	-	-	-	-
		-	2,653	6,300	-	8,953

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9. 董事及首席執行官薪酬(續)

(b) Executive directors, non-executive directors and the chief executive (Continued)

(b) 執行董事、非執行董事和首席執行官(續)

2019	2019年	Fees 袍金 RMB'000 人民幣千元	Salaries, allowances, and benefits in kind 薪金、津貼及實物利益 RMB'000 人民幣千元	Performance related bonuses 與業績有關的獎金 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total remuneration 薪酬總額 RMB'000 人民幣千元
Executive directors	執行董事					
– Mr. Chopin Zhang (iii)	-張平Chopin先生(iii)	–	2,175	4,208	49	6,432
Non-executive directors	非執行董事					
– Mr. Lu Minfang	-盧敏放先生	–	–	–	–	–
– Mr. Qin Peng	-秦鵬先生	–	–	–	–	–
– Mr. Zhang Ping	-張平Peter先生	–	–	–	–	–
– Mr. Gu Peiji	-顧培基先生	–	–	–	–	–
		–	2,175	4,208	49	6,432

(i) On 8 January 2020, Mr. Yan Zhiyuan was appointed as the chief executive officer.

(ii) During the year ended 31 December 2020, Mr. Yan Zhiyuan has been granted certain units of shares and share options by Mengniu Dairy under its share option scheme and share award scheme. The amount of fair value amortisation of these shares and share options granted to Mr. Yan Zhiyuan during the year ended 31 December 2020 was RMB695,000 (31 December 2019: nil). The remuneration relating to the share options and shares granted to the directors is not included in the above analysis.

(iii) On 8 January 2020, Mr. Chopin Zhang resigned as the chief executive officer.

(i) 於2020年1月8日，閆志遠先生擔任首席執行官。

(ii) 截至2020年12月31日止年度，閆志遠先生被授予蒙牛乳業的購股權計畫及股份獎勵計畫下的若干股份及購股權。閆志遠先生獲授予的該等股份及購股權於截至2020年12月31日止年度的公允價值攤銷金額為人民幣695,000元(2019年12月31日：無)。有關董事獲授予的該等購股權及股票的相關酬金並未包含於上述分析中。

(iii) 於2020年1月8日，張平(Chopin Zhang)先生辭任首席執行官。

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9. 董事及首席執行官薪酬（續）

(c) Five highest paid employees

The five highest paid employees during the year included one director (2019: one), details of whose remuneration are set out in note 9 (b) above. Details of the remuneration for the year of the remaining four (2019: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

(c) 五名最高酬金僱員

本年度五位最高薪人士中包括一位（2019年：一位）董事，有關彼等的酬金資料已於上文附註9(b)披露。本年度支付予四位（2019年：四位）非董事、非首席執行官的最高薪高級行政人員的酬金如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,962	4,637
Performance related bonuses	與業績有關的獎金	11,955	11,688
Pension scheme contributions (defined contribution schemes)	退休金計劃供款（定額供款計劃）	130	132
		15,047	16,457

The number of the non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

酬金列入以下組別的非董事及非首席執行官的最高薪酬的僱員數目如下：

		Number of employees 僱員數目 2020	2019
HK$2,500,001 to HK$3,000,000	港幣2,500,001元至港幣3,000,000元	1	–
HK$3,000,001 to HK$3,500,000	港幣3,000,001元至港幣3,500,000元	–	–
HK$3,500,001 to HK$4,000,000	港幣3,500,001元至港幣4,000,000元	1	1
HK$4,000,001 to HK$4,500,000	港幣4,000,001元至港幣4,500,000元	–	–
HK$4,500,001 to HK$5,000,000	港幣4,500,001元至港幣5,000,000元	1	2
HK$5,000,001 to HK$5,500,000	港幣5,000,001元至港幣5,500,000元	–	1
HK$5,500,001 to HK$6,000,000	港幣5,500,001元至港幣6,000,000元	–	–
HK$6,000,001 to HK$6,500,000	港幣6,000,001元至港幣6,500,000元	–	–
HK$6,500,001 to HK$7,000,000	港幣6,500,001元至港幣7,000,000元	1	–
		4	4

10. INCOME TAX

10. 所得稅

PRC income tax has been provided at the rate of 25% (2019: 25%) on the estimated assessable profits arising in the PRC during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries (or jurisdictions) in which the Group operates.

中國大陸所得稅已按年內在中國產生的估計應課稅溢利按25%(2019年：25%)的稅率計算。其他地區應課稅溢利的稅項乃按本集團經營所在國家(或司法權區)的現行稅率計算。

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Current income tax	即期所得稅	3,043	4,864
Deferred income tax	遞延所得稅	25,555	(14,307)
Tax charge/(credit) for the year	本年度稅項費用/(抵減)	28,598	(9,443)

A reconciliation of the income tax charge/(credit) applicable to profit before tax at the PRC statutory income tax rate and the income tax charge/(credit) at the Group's effective income tax rate for the year is as follows:

在年度內，就除稅前溢利按中國法定所得稅稅率計算的所得稅費用/(抵減)，與按照本集團實際所得稅稅率計算的所得稅費用/(抵減)，對賬如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Profit before tax	除稅前溢利	129,679	102,923
At the PRC statutory tax rate of 25% (2019: 25%) (i)	按中國法定稅率25% (2019年：25%)(i)	32,420	25,731
Effect of opening deferred tax of changes in tax rates	稅率變動對年初遞延所得稅餘額的影響	1,095	940
Effect of non-deductible expenses	不可扣稅開支的影響	975	626
Effect of tax rate differences (i)	不同稅率的影響(i)	(21,717)	(4,794)
Tax losses not recognised	未確認稅項虧損	38,467	11,610
Tax losses utilised from previous periods	動用以往未確認虧損	(15,769)	(34,958)
Effect of non-taxable income	不徵稅收入的影響	(6,873)	(8,598)
Tax charge/(credit) for the year at the effective rate	本年度按實際稅率計算的稅項費用/(抵減)	28,598	(9,443)

10. INCOME TAX (Continued)

(i) Pursuant to the Corporate Income Tax Law of the PRC passed by the Tenth National People's Congress on 16 March 2007 (the "Income Tax Law"), the statutory income tax rate of the Group's subsidiaries located in Mainland China is 25%, except for Oushi Mengniu (Inner Mongonia) Diary Products Co., Ltd. ("Oushi Mengniu") and Ya Ou Duo (Inner Mongonia) Nutrition & Food Co., Ltd. ("Ya Ou Duo") which are subject to a preferential tax rate of 15% in accordance with "The Notice of Tax Policies Relating to The Implementation of Western China Development Strategy". Inner Mongonia Yashili Nourishment Co., Ltd. ("Inner Mongonia Yashili") is a small and micro enterprise, which is subject to a preferential tax rate of 5% in 2019, but not applied for 2020.

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

The provision for Hong Kong profits tax for 2020 is calculated at 16.5% (2019: 16.5%) of the estimated assessable profit for the year.

Pursuant to the rules and regulations of New Zealand, Yashili New Zealand is subject to an income tax rate of 28% (2019: 28%) in New Zealand.

10. 所得稅(續)

(i) 根據第十屆全國人民代表大會於2007年3月16日通過的《中華人民共和國企業所得稅法》(「所得稅法」),本集團位於中國大陸的附屬公司的法定所得稅稅率為25%。根據「關於深入實施西部大開發戰略有關稅收政策問題的通知」,內蒙古歐世蒙牛乳製品有限責任公司(「歐世蒙牛」)和內蒙古雅歐多營養食品有限公司(「雅歐多」)享有15%的優惠稅率。內蒙古雅士利營養品有限公司(「內蒙古雅士利」)於2019年是小微企業,享有5%的優惠稅率,2020年不再適用。

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

本集團2020年香港利得稅撥備是以本年度的估計應課稅溢利,按照16.5%(2019年:16.5%)的稅率計提。

根據新西蘭國家的規定及法規,新西蘭乳業在新西蘭採納法定28%(2019年:28%)的所得稅稅率。

11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 4,745,560,296 (2019: 4,745,560,296) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2020 (31 December 2019: nil).

The calculations of basic and diluted earnings per share are based on:

11. 母公司普通權益持有人應佔的每股盈利

每股基本盈利乃根據年內母公司普通權益持有人應佔溢利除以年內已發行普通股的加權平均數4,745,560,296股(2019年：4,745,560,296股)計算。

本集團截至2020年12月31日止，無潛在稀釋性普通股發行(2019年12月31日：無)。

計算每股基本和攤薄盈利金額基於如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Earnings:	盈利：		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	用於計算每股基本和攤薄盈利的母公司普通權益持有人應佔溢利	**101,081**	112,366

		Number of shares 股份數目 2020 '000 千股	2019 '000 千股
Shares:	股份：		
Weighted average number of ordinary shares for the purpose of the basic and diluted earnings per share calculations	計算每股基本和攤薄盈利所用的普通股加權平均數	**4,745,560**	4,745,560

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

2020	2020年	Freehold land 自有土地 RMB'000 人民幣千元	Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 機動車 RMB'000 人民幣千元	Office equipment and others 辦公室及其他設備 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost:	**成本：**						
At 1 January 2020	於2020年1月1日	53,021	920,395	1,612,379	18,066	72,926	2,676,787
Additions	添置	–	840	57,983	–	6,698	65,521
Transfer from construction in progress (note 13)	轉撥自在建工程(附註13)	–	30,251	27,882	–	4,229	62,362
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	–	23,073	–	–	–	23,073
Disposals	處置	–	(1,256)	(35,603)	(3,762)	(12,426)	(53,047)
Exchange realignment	匯率調整	87	638	1,335	1	11	2,072
At 31 December 2020	於2020年12月31日	53,108	973,941	1,663,976	14,305	71,438	2,776,768
Accumulated depreciation and impairment:	**累計折舊及減值：**						
At 1 January 2020	於2020年1月1日	–	(286,580)	(779,305)	(15,360)	(45,873)	(1,127,118)
Depreciation provided during the year (note 7)	年內計提的 折舊(附註7)	–	(40,852)	(69,430)	(313)	(8,857)	(119,452)
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	–	(17,331)	–	–	–	(17,331)
Disposals	處置	–	423	7,824	3,585	6,176	18,008
Exchange realignment	匯率調整	–	(91)	(312)	(1)	(4)	(408)
At 31 December 2020	於2020年12月31日	–	(344,431)	(841,223)	(12,089)	(48,558)	(1,246,301)
Net carrying amount:	**賬面淨值：**						
At 31 December 2020	於2020年12月31日	53,108	629,510	822,753	2,216	22,880	1,530,467
At 1 January 2020	於2020年1月1日	53,021	633,815	833,074	2,706	27,053	1,549,669

12. PROPERTY, PLANT AND EQUIPMENT (Continued) 12. 物業、廠房及設備(續)

2019	2019年	Freehold land 自有土地 RMB'000 人民幣千元	Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 機動車 RMB'000 人民幣千元	Office equipment and others 辦公室及其他設備 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost:	**成本：**						
At 1 January 2019	於2019年1月1日	51,871	863,664	1,554,648	20,120	49,212	2,539,515
Additions	添置	–	27,441	5,720	–	20,799	53,960
Transfer from construction in progress (note 13)	轉撥自在建工程(附註13)	–	22,846	65,137	–	5,441	93,424
Transfer to investment properties (note 14)	轉撥至投資物業(附註14)	–	(42,752)	–	–	–	(42,752)
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	–	40,758	–	–	–	40,758
Disposals	處置	–	–	(30,868)	(2,064)	(2,690)	(35,622)
Exchange realignment	匯率調整	1,150	8,438	17,742	10	164	27,504
At 31 December 2019	於2019年12月31日	53,021	920,395	1,612,379	18,066	72,926	2,676,787
Accumulated depreciation and impairment:	**累計折舊及減值：**						
At 1 January 2019	於2019年1月1日	–	(249,923)	(732,561)	(16,259)	(30,168)	(1,028,911)
Depreciation provided during the year (note 7)	年內計提的 折舊(附註7)	–	(33,530)	(55,517)	(923)	(17,446)	(107,416)
Transfer to investment properties (note 14)	轉撥至投資物業(附註14)	–	282	–	–	–	282
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	–	(2,088)	–	–	–	(2,088)
Disposals	處置	–	–	13,343	1,832	1,796	16,971
Exchange realignment	匯率調整	–	(1,321)	(4,570)	(10)	(55)	(5,956)
At 31 December 2019	於2019年12月31日	–	(286,580)	(779,305)	(15,360)	(45,873)	(1,127,118)
Net carrying amount:	**賬面淨值：**						
At 31 December 2019	於2019年12月31日	53,021	633,815	833,074	2,706	27,053	1,549,669
At 1 January 2019	於2019年1月1日	51,871	613,741	822,087	3,861	19,044	1,510,604

All the property, plant and equipment of Yashili New Zealand amounting to RMB953,783,000 (31 December 2019: RMB999,041,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣953,783,000元(2019年12月31日：人民幣999,041,000元)的物業、廠房及設備用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000元。

13. CONSTRUCTION IN PROGRESS

13. 在建工程

		Note 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cost	**成本**			
At beginning of the year	於年初		**63,414**	85,677
Additions	增加		**48,135**	70,978
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	12	**(62,362)**	(93,424)
Exchange realignment	匯率調整		**12**	183
At end of the year	於年末		**49,199**	63,414
Carrying amount at 31 December	於12月31日的賬面值		**49,199**	63,414

All the construction in progress of Yashili New Zealand amounting to RMB4,205,000 (31 December 2019: RMB5,964,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣4,205,000元(2019年12月31日：人民幣5,964,000元)的在建工程用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000 元。

14. INVESTMENT PROPERTIES

14.投資物業

		Notes 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cost:	**成本：**			
At beginning of the year	於年初		**95,338**	93,344
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	12	**–**	42,752
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	12	**(23,073)**	(40,758)
At end of the year	於年末		**72,265**	95,338
Accumulated depreciation:	**累計折舊：**			
At beginning of the year	於年初		**(21,790)**	(19,559)
Charge for the year	年內折舊	7	**(3,882)**	(4,037)
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	12	**–**	(282)
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	12	**17,331**	2,088
At end of the year	於年末		**(8,341)**	(21,790)
Carrying amount at end of the year	**於年末的賬面價值**		**63,924**	73,548

The Group's investment properties consist of several units and car parks in a commercial building in Mainland China.

The fair value of the investment properties, as determined by the directors of the Company, based on the market approach with reference to market transaction prices of similar properties, taking into account other factors, i.e., characteristics of the properties and locations, was estimated to be approximately RMB171,950,000 at 31 December 2020 (31 December 2019: RMB167,074,000). The fair value measurements of the Group's investment properties are categorised within Level 2.

本集團之投資物業由位於中國大陸一幢商業大廈的數個單元及停車位組成。

本公司的董事參照類似物業的市場交易價格，並考慮到其他的因素，如該物業的特徵、位置，以市場法評估出該投資物業於2020年12月31日的公允價值約為人民幣171,950,000元(2019年12月31日：人民幣167,074,000元)。本集團之投資物業公允價值計量歸類於第2層級。

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and buildings, machinery and equipment motor vehicles used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of plant and buildings generally have lease terms between 3 and 6 years. Leases of machinery and equipment generally have lease terms of 5 years, while motor vehicles generally have lease terms between 2 and 4 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. The lease contracts of building and machinery include extension and termination options. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

15. 租賃

作為承租人

本集團擁有廠房及樓宇、機器及設備、運輸設備多項租賃合同。通過一次性支付，購買租賃期為50年的租賃土地使用權，根據土地使用權條款，將不會再進行付款。廠房及樓宇的租賃期限通常為3至6年，機器及設備的租賃期限通常為5年，運輸設備的租賃期限通常為2至4年。其他設備通常租賃期限小於12個月並且／或者單個價格較低。對於樓宇及機械的租賃具有延期或終止選擇權。通常，集團被限制在集團之外轉讓和轉租已租賃的資產。

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

(a) 使用權資產

本集團的使用權資產的賬面金額以及本期的變動情況如下：

		Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 運輸設備 RMB'000 人民幣千元	Land use rights 土地使用權 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2019	截至2019年1月1日	27,175	1,931	462	88,002	117,570
Additions	本年增加	4,368	–	1,188	–	5,556
Depreciation charge	本年攤銷	(7,828)	(51)	(301)	(2,374)	(10,554)
Exchange differences on translation of financial statements	外幣報表折算差額	34	43	10	–	87
As at 31 December 2019 and 1 January 2020	截至2019年12月31日及2020年1月1日	23,749	1,923	1,359	85,628	112,659
Additions	本年增加	–	–	–	–	–
Depreciation charge	本年攤銷	(6,763)	(1,280)	(680)	(2,374)	(11,097)
Exchange differences on translation of financial statements	外幣報表折算差額	(55)	(57)	(30)	–	(142)
As at 31 December 2020	**截至2020年12月31日**	**16,931**	**586**	**649**	**83,254**	**101,420**

All the right-of-use assets of Yashili New Zealand amounting to RMB3,304,000 (31 December 2019: RMB6,884,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣3,304,000元（2019年12月31日：人民幣6,884,000元）的使用權資產用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000元。

15. LEASES (Continued)

15. 租賃(續)

The Group as a lessee (Continued)

作為承租人(續)

(b) Lease liabilities

(b) 租賃負債

The carrying amount of lease liabilities and the movements during the year are as follows:

本集團的租賃負債的賬面金額以及本年的變動情況如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Carrying amount at 1 January	年初賬面價值	28,049	29,568
New leases	新增租賃	–	5,556
Accretion of interest recognized during the year	本年確認利息	791	854
Exchange differences on translation of financial statements of group entities	外幣報表折算差額	(137)	86
Payments	支付	(8,701)	(8,015)
COVID-19-related rent concessions from lessors	疫情相關的租金減免	(463)	–
Carrying amount at 31 December	年末賬面價值	19,539	28,049
Current portion	計入流動負債	8,839	9,378
Non-current portion	計入非流動負債	10,700	18,671

(c) The amounts recognised in profit or loss in relation to leases are as follows:

(c) 本集團本期確認的租賃費用情況如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債計提利息	791	854
Depreciation of right-of-use assets	使用權資產折舊	11,097	10,554
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December	短期租賃以及其他剩餘租賃期結束與或早於12月31日的租賃費用	43,994	32,488
Expense relating to leases of low-value assets	低值租賃的租賃費用	4,403	3,125
Covid-19-related rent concessions from lessors	疫情相關的租金減免	(463)	–
Total amount recognised in profit or loss	費用總計	59,822	47,021

15. LEASES (Continued)

The Group as a lessee (Continued)

(d) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in note 30 and note 32, respectively, to the financial statements.

The Group as a lessor

The Group leases its investment properties (note 14) of commercial properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB9,816,000 (2019: RMB9,562,000).

At 31 December 2020, the undiscounted minimum lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

15. 租賃(續)

作為承租人(續)

(d) 租賃相關的現金流流出以及尚未開始的租賃的未來現金流出分別詳見附註30和附註32。

作為出租人

集團將其投資性房地產中的商業物業(附註14)對外進行經營租賃。該租賃條款要求承租人繳付押金,並根據市場情況定期調整租金。集團本年確認的出租收入為人民幣9,816,000元(2019:人民幣9,562,000元)。

截至2020年12月31日,本集團與租戶簽訂的不可撤銷經營租賃的未折現最低租賃費用應收款如下:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Within one year	一年以內	**6,685**	9,030
After one year but within two years	一年以上兩年以內	**6,151**	6,728
After two years but within three years	兩年以上三年以內	**4,242**	5,861
After three years but within four years	三年以上四年以內	**3,197**	1,341
After four years but within five years	四年以上五年以內	**2,654**	1,309
After five years	五年以上	**2,436**	3,810
		25,365	28,079

16. INTANGIBLE ASSETS 16. 無形資產

31 December 2020	2020年12月31日	Note 附註	Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost at 1 January 2020, net of accumulated amortisation	年初淨值		63,247	283,047	346,294
Purchased	購置		17,743	-	17,743
Disposals	處置		(1,119)	-	(1,119)
Amortisation provided during the year	本年攤銷	7	(17,381)	-	(17,381)
Exchange realignment	匯率變動		4	-	4
At 31 December 2020	年末淨值		62,494	283,047	345,541
At 31 December 2020	年末				
Cost	成本		113,914	283,047	396,961
Accumulated amortisation	累計攤銷		(51,420)	-	(51,420)
Net carrying amount	年末淨值		62,494	283,047	345,541

31 December 2019	2019年12月31日	Note 附註	Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost at 1 January 2019, net of accumulated amortisation	年初淨值		44,925	283,047	327,972
Purchased	購置		31,244	–	31,244
Disposals	處置		–	–	–
Amortisation provided during the year	本年攤銷	7	(13,012)	–	(13,012)
Exchange realignment	匯率變動		90	–	90
At 31 December 2019	年末淨值		63,247	283,047	346,294
At 31 December 2019	年末				
Cost	成本		102,087	283,047	385,134
Accumulated amortisation	累計攤銷		(38,840)	–	(38,840)
Net carrying amount	年末淨值		63,247	283,047	346,294

16. INTANGIBLE ASSETS (Continued)

All the intangible assets of Yashili New Zealand amounting to RMB1,050,000 (31 December 2019: RMB1,662,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

At 31 December 2020 and 31 December 2019, the intangible assets represented trademarks with indefinite useful lives identified in acquisition, and purchased and customised software held by the Group. Amortisation of the intangible assets is included in "Administrative expenses", "Selling and distribution expenses" and "Cost of sales".

Impairment testing of trademarks

The recoverable amount of the Dumex infant formula products CGU to which the trademarks belong has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projection is 16.02% (2019: 14.31%). The growth rate used to extrapolate the cash flows of the Dumex infant formula products CGU beyond the five-year period is 3% (2019: 3%).

A decrease in the growth rate by 2% would cause the recoverable amount of the Dumex infant formula products CGU to decrease by approximately RMB21,319,000. A decrease in the gross margin by 2% would cause the recoverable amount of the Dumex infant formula products CGU to decrease by approximately RMB20,048,000. An increase in the discount rate by 2% would cause the recoverable amount of the Dumex infant formula products CGU to decrease by approximately RMB20,738,000. In the opinion of the Company's directors, any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the Dumex infant formula products CGU's carrying amount to exceed its recoverable amount.

16. 無形資產(續)

新西蘭乳業價值人民幣1,050,000元(2019年12月31日：人民幣1,662,000元)的無形資產用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000 元。

於2020年12月31日及2019年12月31日，無形資產為收購中識別的使用壽命不確定的商標和購買及訂製的由本集團持有的軟件。無形資產攤銷乃計入「行政開支」、「銷售及經銷開支」及「銷售成本」。

商標減值測試

商標所屬於的多美滋嬰兒配方奶粉產品現金產出單位的可收回金額乃以經高級管理人員批准的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。推算五年期以後現金流量的貼現率為16.02%(2019年：14.31%)。多美滋嬰幼兒配方奶粉現金產生單位現金流量增長率根據涵蓋五年期之財務預算確定為3%(2019年：3%)。

收入增長率下降2%的情況下，多美滋嬰兒配方奶粉產品現金產出單元組合的可收回金額將下降人民幣21,319,000元。在毛利率下降2%的情況下，多美滋嬰兒配方奶粉產品現金產出單元組合的可收回金額將下降人民幣20,048,000元。在折現率上升2%的情況下，多美滋嬰兒配方奶粉產品現金產出單元組合的可收回金額將下降人民幣20,738,000元。本公司管理層認為，在計算使用價值時採用的若干假設的任何可能的合理變動範圍內，均不會導致多美滋嬰兒配方奶粉產品現金產出單位組合的帳面價值超過其可收回金額。

16. INTANGIBLE ASSETS (Continued)

Impairment testing of trademarks (Continued)

Assumptions were used in the calculation of value in use as at 31 December 2020 and 31 December 2019. The following describes key assumptions based on which management prepared the cash flow projections to undertake impairment testing of trademarks:

a) Budgeted gross margin – The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in prior historical years, adjusted for the expected efficiency improvements and expected increase in production costs.

b) Discount rate – The discount rate used is before tax and reflects specific risks relating to the relevant CGU.

c) Growth rate – The growth rate used to extrapolate the cash flows beyond the five-year period are based on the estimated growth rate taking into account the industry growth rate, past experience and the medium or long term growth target of the relevant CGU.

The values assigned to the key assumptions on market development of dairy products, discount rates and raw materials price inflation are consistent with external information sources.

16. 無形資產(續)

商標減值測試(續)

在計算2020年12月31日及2019年12月31日的使用價值時採用若干假設。管理層準備現金流量預測進行商標減值測試所依據的主要假設詳述如下:

a) 預算毛利率－用於釐定預算毛利率價值的基準乃緊接考慮預算年度前之歷史平均毛利率,並因應預計效能提升及預期生產成本增加而予以調整。

b) 折現率－所用折現率乃稅前並反映有關現金產出單位的特定風險。

c) 增长率－用於推算五年期以後現金流量的增長率,乃以估計增長率為基準,並考慮行業增長率、過往經驗及有關現金產生單位中長期增長目標計算所得。

基於乳製品市場發展情況、折現率和原材料價格變動的主要假設的價值與外部數據來源一致。

17. GOODWILL

17. 商譽

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Carrying amount at 1 January and 31 December	於1月1日和12月31日的賬面價值	**991,236**	991,236

In 2016, Yashili (Guangdong) (the "acquirer"), a subsidiary of the Group, acquired a 100% equity interest in Dumex China (the "acquiree"). The business acquisition gave rise to goodwill of RMB718,476,000.

於2016年，本集團的一家子公司雅士利(廣東)(「收購方」)，收購多美滋中國(「被收購方」)100%股權。此項業務收購帶來價值人民幣718,476,000元之商譽。

In 2015, Yashili (Guangdong) (the "acquirer"), a subsidiary of the Group, acquired a 100% interest in Oushi Mengniu (the "acquiree"), a subsidiary of Mengniu Dairy, which is also the ultimate holding company of the Group. The acquirer recorded goodwill amounting to RMB272,760,000, which was originally recorded in the book of Mengniu Dairy as a result of Mengniu Dairy's acquisition of Oushi Mengniu in previous year.

於2015年，雅士利(廣東)(「收購方」)，本集團的一家子公司，收購了歐世蒙牛(「被收購方」)(本集團的控股公司蒙牛乳業的一家子公司)的100%股權。收購方賬面記錄了人民幣約272,760,000元的商譽。該商譽為過往年度蒙牛乳業收購歐世蒙牛股權時產生。

Impairment testing of goodwill

商譽減值測試

Goodwill acquired through business combinations is allocated to the following cash-generating unit for impairment testing which is in line with the way in which the Company manages its business:

- Milk powder products cash-generating unit group

通過業務合併產生的商譽根據管理業務的方式被分配到以下現金產出單元組合以做減值測試：

- 奶粉產品現金產出單位組合

The carrying amount of goodwill allocated to the milk powder products cash-generating unit group is RMB991,236,000.

被分配到奶粉產品現金產生單位組合的商譽為人民幣991,236,000元。

The recoverable amount of the milk powder products cash-generating unit group has been determined based on value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 15.81% (2019: 15.45%). The growth rate used to extrapolate the cash flows of the milk powder products CGU beyond the five-year period is 3% (2019: 3%).

奶粉產品現金產出單位組合的可收回金額乃以經高級管理人員批准的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。推算五年期以後現金流量的貼現率為15.81%(2019年：15.45%)。奶粉產品產生單位現金流量增長率根據涵蓋五年期之財務預算確定為3%(2019年：3%)。

17. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

A decrease in the growth rate by 3% would cause the recoverable amount of the cash-generating unit to decrease by approximately RMB1,803,714,000. A decrease in the gross margin by 2% would cause the recoverable amount of the cash-generating unit to decrease by approximately RMB1,710,754,000. An increase in the discount rate by 3% would cause the recoverable amount of the cash-generating unit to decrease by approximately RMB1,205,273,000. In the opinion of the Company's directors, any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

Assumptions were used in the value in use of calculation as at 31 December 2020 and 2019. The following describes the key assumptions, based on which management prepared cash flow projections to undertake impairment testing of goodwill:

a) Budgeted gross margin – The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in prior historical years, adjusted for the expected efficiency improvements and expected increase in production costs.

b) Discount rate – The discount rate used is before tax and reflects specific risks relating to the relevant group of CGU.

c) Growth rate – The growth rate used to extrapolate the cash flows beyond the five-year period are based on the estimated growth rate taking into account the industry growth rate, past experience and the medium or long term growth target of the relevant CGU.

The values assigned to the key assumptions on market development of dairy products, discount rates and raw materials' price inflation are consistent with external information sources.

17. 商譽(續)

商譽減值測試(續)

收入增長率下降3%的情況下，奶粉產品現金產出單元組合的可收回金額將下降人民幣1,803,714,000元，在毛利率下降2%的情況下，奶粉產品現金產出單元組合的可收回金額將下降人民幣1,710,754,000元，在折現率率上升3%的情況下，奶粉產品現金產出單元組合的可收回金額將下降人民幣1,205,273,000元。本公司管理層認為，在計算使用價值時採用的若干假設的任何可能的合理變動範圍內，均不會導致奶粉產品現金產出單位組合的帳面價值超過其可收回金額。

在計算2020年及2019年12月31日的使用價值時採用若干假設。管理層準備現金流量預測進行商譽減值測試所依據的主要假設詳述如下：

a) 預算毛利率－用於釐定預算毛利率價值的基準乃緊接考慮預算年度前之歷史平均毛利率，並因應預計效能提升及預期生產成本增加而予以調整。

b) 折現率－所用折現率乃税前並反映有關現金產出單位的特定風險。

c) 增長率－用於推算五年期以後現金流量的增長率，乃以估計增長率為基準，並考慮行業增長率、過往經驗及有關現金產生單位中長期增長目標計算所得。

基於乳製品市場發展情況、折現率和原材料價格變動的主要假設的價值與外部數據來源一致。

18. DEFERRED TAX

18. 遞延稅項

The movements in deferred tax assets and liabilities during the year are as follows:

年內遞延所得稅資產項和負債項的變動如下:

Deferred tax assets

遞延所得稅資產

		Note 附註	Impairment 資產減值 RMB'000 人民幣千元	Tax losses 稅務虧損 RMB'000 人民幣千元	Accruals 預提費用 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日		16,083	130,169	218,909	20,551	385,712
(Credited)/Debited to the statement of profit or loss	年內於損益表計入的遞延稅項	10	(6,862)	94,221	(100,889)	(1,246)	(14,776)
Charged to other comprehensive income	其他全面收益內支賬		–	59	–	–	59
At 31 December 2020	**於2020年12月31日**		**9,221**	**224,449**	**118,020**	**19,305**	**370,995**
At 1 January 2019	於2019年1月1日		15,081	128,977	197,785	29,193	371,036
(Credited)/Debited to the statement of profit or loss	年內於損益表計入的遞延稅項	10	1,002	122	21,124	(8,642)	13,606
Charged to other comprehensive income	其他全面收益內支賬		–	1,070	–	–	1,070
At 31 December 2019	於2019年12月31日		16,083	130,169	218,909	20,551	385,712

18. DEFERRED TAX (Continued)

18. 遞延稅項（續）

Deferred tax liabilities

遞延所得稅負債

		Note 附註	Interest income accruals 定期存款利息預提 RMB'000 人民幣千元	Accelerated depreciation of property, plant and equipment 固定資產加速折舊 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日		9,265	–	31	9,296
Debited to the statement of profit or loss	年內於損益表計入的遞延稅項	10	1,373	9,406	–	10,779
At 31 December 2020	於2020年12月31日		**10,638**	**9,406**	**31**	**20,075**
At 1 January 2019	於2019年1月1日		9,966	–	31	9,997
Credited to the statement of profit or loss	年內於損益表計入的遞延稅項	10	(701)	–	–	(701)
At 31 December 2019	於2019年12月31日		9,265	–	31	9,296

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Represented by:	其中包括：		
– Deferred tax assets	－遞延稅項資產	**370,995**	385,712
– Deferred tax liabilities	－遞延稅項負債	**(20,075)**	(9,296)
		350,920	376,416

All the deferred tax assets of Yashili New Zealand amounting to RMB26,921,000 (31 December 2019: RMB26,524,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣26,921,000元（2019年12月31日：人民幣26,524,000元）的遞延稅項資產用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000 元。

Management expects that it is probable that taxable profits will be available against which the above tax losses and deductible temporary differences can be utilised in the coming years.

管理層預期未來年度有可能出現應課稅利潤，可用以抵扣上述稅項虧損及可扣減暫時性差異。

18. DEFERRED TAX (Continued)

The Group has tax losses arising in New Zealand of RMB96,145,000 on which deferred tax assets have been recognised (31 December 2019: RMB95,518,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses arising in Mainland China of RMB797,872,000 on which deferred tax assets have been recognised (31 December 2019: RMB413,698,000) that will expire in one to five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of the following item:

18. 遞延稅項（續）

本集團於新西蘭產生的稅項虧損人民幣96,145,000元已確認遞延稅項資產（2019年12月31日：人民幣95,518,000元），可無限期抵銷虧損公司的未來應稅溢利。

本集團於中國內地產生的稅項虧損為人民幣797,872,000元已確認遞延稅項資產（2019年12月31日：人民幣413,698,000元），將於一至五年屆滿，以抵銷未來應稅溢利。

遞延稅項資產並未就下列項目確認：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Tax losses arising in Mainland China (i)	於中國大陸產生的稅項虧損(i)	1,892,426	1,545,471
Tax losses arising in New Zealand (ii)	於新西蘭產生的稅項虧損(ii)	324,043	23,758
		2,216,469	1,569,229

(i) The above tax losses are available for a maximum of five years to offset against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the above item as it is not considered probable that there will be taxable profit available to offset against the tax losses in the future.

(ii) The above tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the above item as it is not considered probable that there will be taxable profit available to offset against the tax losses in the future.

(i) 上述稅項虧損可用以抵銷公司產生虧損日後應課稅利潤最多五年。

就上述各項的遞延稅項資產並未予以確認，原因是本集團不大可能擁有未來應課稅利潤用以抵銷未動用稅項虧損。

(ii) 上述稅項虧損可以無限期抵銷虧損公司的未來應稅溢利。

就上述各項的遞延稅項資產並未予以確認，原因是本集團不大可能擁有未來應課稅利潤用以抵銷未動用稅項虧損。

18. DEFERRED TAX (Continued)

The following deferred tax liabilities have not been recognised in respect of the following items:

At 31 December 2020, temporary differences relating to the undistributed profits of the subsidiaries established in Mainland China amounted to RMB666,429,000 (31 December 2019: RMB543,415,000). Deferred tax liabilities have not been recognised in respect of the withholding tax that would be payable on the distribution of these retained earnings, as the Company controls the dividend policy of these subsidiaries in Mainland China and the directors have determined that these profits are not likely to be distributed in the foreseeable future.

18. 遞延稅項(續)

未確認的遞延稅項負債：

於2020年12月31日，與在中國大陸成立的子公司的未分配利潤有關之暫時性差異為人民幣666,429,000元(2019年12月31日：人民幣543,415,000元)。由於本公司控制此等在中國大陸的子公司的股息政策，並且董事已確定於可見的將來溢利將不會被分配，故未有確認於分配此等留存溢利時須要繳納的預提稅款為遞延稅項負債。

19. INVENTORIES

19. 存貨

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Finished goods	成品	**483,555**	333,733
Raw materials	原材料	**359,722**	262,689
Work in progress	半成品	**109,328**	301,439
Packing materials	包裝材料	**29,767**	24,391
Low value consumables	低價消耗品	**2,388**	1,766
		984,760	924,018

All the inventories of Yashili New Zealand including amounting to RMB202,258,000 (31 December 2019: RMB244,793,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣202,258,000元(2019年12月31日：人民幣244,793,000元)的存貨用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000 元。

20. TRADE RECEIVABLES

20. 貿易應收款

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Trade receivables	貿易應收款	**103,219**	164,614
Provision for impairment	撥備	**(12,053)**	(11,982)
		91,166	152,632

20. TRADE RECEIVABLES (Continued)

20. 貿易應收款(續)

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

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

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

於報告期末，經扣除撥備的應收賬款按發票日期的賬齡分析如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Within 3 months	三個月以內	**80,472**	119,984
3 to 6 months	三至六個月	**8,817**	29,837
6 months to 1 year	六個月至一年	**1,407**	1,118
1 to 2 years	一年至兩年	**470**	1,693
		91,166	152,632

All the trade receivables of Yashili New Zealand amounting to RMB60,507,000 (31 December 2019: RMB33,991,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣60,507,000元(2019年12月31日：人民幣33,991,000元)的貿易應收款用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000 元。

The movements in the loss allowance for impairment of trade receivables are as follows:

貿易應收款減值撥備的變動如下：

		Note 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
At beginning of year	於年初		**11,982**	7,553
Impairment losses, net	減值損失淨額	7	**71**	4,429
At end of year	於年末		**12,053**	11,982

20. TRADE RECEIVABLES (Continued)

20. 貿易應收款(續)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the ageing of the balances for groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

每個報告日期都會用撥備矩陣進行減值分析，以計量預期信用損失。撥備率基於具有類似損失模式的各個客戶群的分組(如按客戶類型)的賬齡確定。該計算反映了概率加權結果，貨幣時間價值以及報告日期可獲得的關於過去事件，當前狀況和未來經濟狀況預測的合理且可支援的資訊。

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

本集團貿易應收款使用撥備矩陣的信貸風險的信息載列如下：

		Ageing 賬齡			
As at 31 December 2020	**於2020年12月31日**	**Less than 1 year 一年以內**	**1 to 2 years 一年至兩年**	**Over 2 years 兩年以上**	**Total 總計**
Expected credit loss rate	預期信用損失率	**9%**	**83%**	**100%**	
Gross carrying amount (RMB'000)	總賬面價值(人民幣千元)	**99,532**	**2,789**	**898**	**103,219**
Expected credit losses (RMB'000)	預期信用損失(人民幣千元)	**8,836**	**2,319**	**898**	**12,053**

		Ageing 賬齡			
As at 31 December 2019	於2019年12月31日	Less than 1 year 一年以內	1 to 2 years 一年至兩年	Over 2 years 兩年以上	Total 總計
Expected credit loss rate	預期信用損失率	2%	81%	100%	
Gross carrying amount (RMB'000)	總賬面價值(人民幣千元)	154,736	8,729	1,149	164,614
Expected credit losses (RMB'000)	預期信用損失(人民幣千元)	3,797	7,036	1,149	11,982

21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

21. 預付款項、其他應收款項及其他資產

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Value-added tax recoverable	待抵扣增值稅	**31,515**	29,278
Prepayments for purchase of raw materials	購買原材料的預付款	**71,900**	15,535
Prepayments for purchase of advertising services	預付廣告開支	**11,835**	8,482
Interest receivable	應收利息	**10,220**	3,817
Advances to sales offices	聯絡點備用金	**4,555**	2,957
Others	其他	**44,760**	152,261
		174,785	212,330
Less: Non-current prepayments	減：一年以上的長期待攤費用	**(403)**	(4,135)
Impairment allowance	減值準備	**(2,637)**	(2,697)
		171,745	205,498

All the prepayments, other receivables and other assets of Yashili New amounting to RMB16,838,000 (31 December 2019: RMB7,692,000) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業的價值人民幣16,838,000元(2019年12月31日：人民幣7,692,000元)的預付款項、其他應收款項及其他資產用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000元。

Except the amounts disclosed above, the amounts as at 31 December 2020 and 31 December 2019 were unsecured, non-interest-bearing and had no fixed terms of repayment.

除上述金額外，2020年12月31日及2019年12月31日應收結餘均為無抵押及免息，沒有固定還款日期。

22. OTHER CURRENT FINANCIAL ASSETS/STRUCTURAL BANK DEPOSITS

22. 其他流動金融資產／結構性银行存款

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Structural bank deposits (i)(ii)	結構性银行存款(i)(ii)	**101,764**	593,960
Commercial bank wealth investment products (iii)	商業銀行財富投資產品(iii)	**20,000**	37,691
Bills receivable(iv)	應收票據(iv)	**–**	11,743
		121,764	643,394

(i) At 31 December 2020, the structural bank deposits purchased from commercial banks were for treasury management for fixed terms within 1 year. The expected annual rates of structural bank deposits ranged from 1.82% to 3.50% (31 December 2019: 1.30% to 6.10%). The Group measured the structural bank deposits at fair value through profit and loss.

(ii) At 31 December 2020, the structural bank deposits amounting to RMB100,000,000 were pledged for bank loans (31 December 2019: nil).

(iii) At 31 December 2020, the Group's commercial bank wealth investment products were mainly financial products purchased from banks with an good credit ratings, which the Group measured the structural bank deposits at fair value through profit and loss, with an expected annual interest rate of 1.20% to 1.90% (31 December 2019: 3.65%). The investment products were acquired with original maturity of one month to one year and were not allowed to be withdrawn prior to the maturity date without the banks' consent.

At 31 December 2020, no bank wealth management products (31 December 2019: RMB26,722,000) were pledged for certain bank loans. (31 December 2019: RMB26,831,000).

(iv) At 31 December 2020, the Group has no bills receivable (31 December 2019: bills receivable amounting to RMB11,743,000 measured at fair value through profit and loss).

(i) 於2020年12月31日，本集團不時為庫務管理目的向商業銀行購買1年內到期的結構性銀行存款，預期的年利率為1.82%至3.50%（2019年12月31日：1.30%至6.10%），集團將其作為以公允價值計量且其變動計入損益的金融資產核算。

(ii) 於2020年12月31日，總金額為人民幣100,000,000元的結構性銀行存款被質押用於獲取銀行貸款（2019年12月31日：無）。

(iii) 於2020年12月31日，本集團的商業銀行理財產品主要為從良好的信貸評級的銀行購買的金融產品，集團將其作為以公允價值計量且其變動計入損益的金融資產核算，預期的年利率為1.20%至1.90%（2019年12月31日：3.65%）。這些投資為一個月到一年到期且到期前沒有銀行的同意不得撤回。

於2020年12月31日，無商業銀行財富投資產品（2019年12月31日：人民幣26,722,000元）被質押用於獲取銀行貸款（2019年12月31日：人民幣26,831,000元）。

(iv) 於2020年12月31日，本集團無應收票據（2019年12月31日：人民幣11,743,000元的應收票據作為以公允價值計量且其變動計入損益的金融資產核算）。

23. DERIVATIVE FINANCIAL INSTRUMENTS 23. 衍生金融工具

		2020 RMB'000 人民幣千元 Assets 資產	2020 RMB'000 人民幣千元 Liabilities 負債	2019 RMB'000 人民幣千元 Assets 資產	2019 RMB'000 人民幣千元 Liabilities 負債
Foreign currency forward contracts	遠期外幣合約	2,175	262	–	–

The Group had foreign currency forward contracts with a bank to manage its exchange rate risk. These forward contracts are not designated for hedging purposes and are measured at fair value through profit or loss.

本集團為管理匯率風險，與銀行訂立遠期外幣合約。該遠期合約並非指定對沖用途，並按公允價值計入損益計量。

All the derivative financial assets of Yashili New Zealand amounting to RMB2,175,000 (31 December 2019: nil) were collateralised for the banking facilities available to Yashili New Zealand amounting to NZD40,020,000.

新西蘭乳業價值人民幣2,175,000元(2019年12月31日：無)的衍生金融資產用於抵押或擔保以獲取新西蘭乳業可使用的授信額度共計紐幣40,020,000元。

24. CASH AND BANK BALANCES AND OTHER DEPOSITS 24. 現金及銀行結餘及保證金存款

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cash and cash equivalents as stated in the consolidated statement of cash flows	合併現金流量表所列現金及現金等價物	1,818,288	576,164
Pledged deposits	受限制的銀行存款	150,261	9,968
Time deposits with original maturity of more than three months	原到期日為三個月以上定期存款	998,634	1,474,160
		2,967,183	2,060,292
Less: Short-term pledged deposits for banking facilities	減：銀行融資之保證金短期存款	150,261	9,968
Less: Long-term bank deposits	減：長期銀行存款	736,004	546,091
Cash and bank balances as stated in the consolidated statement of financial position	合併財務狀況表所列現金及銀行結餘	2,080,918	1,504,233

24. CASH AND BANK BALANCES AND OTHER DEPOSITS (Continued)

24. 現金及銀行結餘及保證金存款(續)

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
The above balances denominated in:	以下列貨幣列值的現金及銀行結餘：		
– RMB	一人民幣	**2,505,205**	1,762,222
– Hong Kong dollar ("HKD")	一港幣	**160,811**	1,831
– United States dollar ("USD")	一美元	**151,915**	185,877
– New Zealand dollar ("NZD")	一紐幣	**116,101**	10,332
– European dollar ("EUR")	一歐元	**26,322**	59,487
– Australian dollar ("AUD")	一澳元	**6,829**	40,543
		2,967,183	2,060,292

The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

人民幣並非可自由兌換為其他貨幣。然而，根據中國大陸的外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行，將人民幣匯兑為其他貨幣。

Cash at banks earns interest at the prevailing market interest rates. As at 31 December 2020, the effective annual interest rates of short-term time deposits were approximately 1.93% to 4.18% (31 December 2019: 1.36% to 5.00%), which would be due within a year. The effective interest rate of long-term deposits was 3.14% to 4.18% (31 December 2019: 1.95% to 4.18%). The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

銀行現金按通行市場利率計息。於2020年12月31日，短期定期存款的實際年利率約為1.93%至4.18%(2019年12月31日：1.36%至5.00%)，並將於一年內到期。長期定期存款的實際存款利率為3.14%至4.18%(2019年12月31日：1.95%至4.18%)。銀行結餘及已抵押存款於近期無違約記錄且信譽良好的銀行儲存。

As at 31 December 2020, the long-term bank deposits amounting to RMB146,000,000 were pledged for bank loans amounting to RMB326,664,000 (31 December 2019: nil). As at 31 December 2020, the long-term bank deposits amounting to RMB9,108,000 and a deposit of RMB20,261,000 were pledged for bank acceptance bills (31 December 2019: RMB90,000,000).

於2020年12月31日，總金額為人民幣146,000,000元的長期銀行存款被質押用於獲取人民幣326,664,000元的銀行借款(於2019年12月31日：無)。於2020年12月31日，總金額為人民幣9,108,000元的長期銀行存款和人民幣20,261,000元存款被作為開具銀行承兑匯票的保證金(於2019年12月31日：人民幣90,000,000元)。

24. CASH AND BANK BALANCES AND OTHER DEPOSITS (Continued)

As at 31 December 2019, a deposit of RMB4,476,000 were pledged for letters of credit.

As at 31 December 2020, the long-term bank deposits of RMB44,892,000 and a deposit of RMB130,000,000 were pledged for banking facilities (31 December 2019: nil).

24. 現金及銀行結餘及保證金存款(續)

於2019年12月31日，總金額為人民幣4,476,000元的存款被作為開具信用證的保證金。

於2020年12月31日，總金額為人民幣44,892,000元的長期存款和人民幣130,000,000元的短期銀行存款，用於抵押以獲取授信額度(於2019年12月31日：無)。

25. TRADE AND BILLS PAYABLES

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

25. 貿易應付款及票據

於報告日期，本集團根據發票日期的貿易應付款及票據的賬齡分析如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Within 3 months	三個月以內	**598,593**	422,713
3 to 6 months	三個月至六個月	**70,755**	66,720
More than 6 months	六個月以上	**28,704**	64,035
		698,052	553,468

25. TRADE AND BILLS PAYABLES (Continued)

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

25. 貿易應付款及票據(續)

貿易應付款，包括應付關聯方的賬款，為不計息且一般於一至三個月內結算。

26. OTHER PAYABLES AND ACCRUALS

26. 其他應付款及應計費用

		Note 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Accrued expenses	預提費用		**265,258**	588,198
Contract liabilities	合同負債	(a)	**220,522**	126,938
Accrued payroll	應計薪金		**173,273**	201,541
Payables for constructions of property, plant and equipment	應付工程款		**83,882**	64,167
Guarantee deposits from customers	收取客戶的保證金		**69,501**	115,001
Other tax payables	其他應付稅項		**8,842**	21,374
Interest payables	應付利息		**1,892**	673
Termination benefits payables	應付離職補償		**–**	15,792
Others	其他		**127,821**	68,681
			950,991	1,202,365

Note:

(a) Details of contract liabilities are as follows:

附註：

(a) 合同負債詳情如下：

		31 December 2020 2020年12月31日 RMB'000 人民幣千元	31 December 2019 2019年12月31日 RMB'000 人民幣千元	1 January 2019 2019年1月1日 RMB'000 人民幣千元
Short-term advances received from customers Sale of goods	收取客戶的短期款項 銷售商品	**220,522**	126,938	249,686

27. INTEREST-BEARING BANK AND OTHER BORROWINGS

27. 計息銀行及其他借款

		As at 31 December 2020 於2020年12月31日			As at 31 December 2019 於2019年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元
Current	流動						
Bank loans – secured	銀行貸款–有抵押	2.60 to 3.22	2021	326,664	3.20	2020	26,831
Credit loans	信用貸款	LIBOR+1.20	2021	39,193			–
				365,857			26,831

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Bank loans denominated in	銀行貸款		
– RMB	一以人民幣計值	326,664	26,831
– USD	一以美元計值	39,193	–
		365,857	26,831

As at 31 December 2020, the time deposits amounting to RMB96,000,000 were pledged for bank loans amounting to RMB178,450,000 (31 December 2019: nil).

於2020年12月31日，總金額為人民幣178,450,000元的銀行貸款以人民幣96,000,000元的存款進行質押（2019年12月31日：無）。

As at 31 December 2020, the time deposits amounting to RMB50,000,000 and structural bank deposits amounting to RMB100,000,000 were pledged for bank loans amounting to RMB148,214,000 (31 December 2019: nil).

於2020年12月31日，總金額為人民幣148,214,000元的銀行貸款以人民幣100,000,000元的結構性存款和人民幣50,000,000元的存款進行質押（2019年12月31日：無）。

As at 31 December 2019, a bank loan of approximately RMB26,831,000 was pledged by bank wealth investment products amounting to RMB26,722,000.

於2019年12月31日，人民幣26,831,000元的銀行貸款以人民幣26,722,000元的商業銀行財務投資產品進行質押。

28. DEFERRED INCOME

28. 遞延收益

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
As at beginning of the year	年初結餘	3,477	4,362
Received for the year	年內收到	6,000	–
Amortisation for the year	年內攤銷	(277)	(885)
As at end of the year	年末結餘	9,200	3,477

29. SHARE CAPITAL

29. 股本

		Note 附註	Number of shares 股份數目 '000 千股	Nominal value 面值 RMB'000 人民幣千元
Authorised:	**已註冊：**			
Ordinary shares of HK$0.1 each	每股面值0.1港元 的普通股	(i)	10,000,000	861,600
Ordinary shares, issued and fully paid:	**已發行、已繳足：**			
Shares issued upon the reorganisation in 2010	於2010年重組時發行的股份	(ii)	100	9
Capitalisation issue in 2010	於2010年資本化發行	(iii)	2,925,900	251,364
Shares issued by share offer in 2010	於2010年透過股份發售發行股份	(iv)	574,000	49,312
Shares repurchased in 2011	於2011年股份回購	(v)	(10,000)	(818)
Accumulated share options exercised up to 2014	2014年前累計股權計劃行權		69,170	5,665
Shares issued to Danone Asia in 2015	於2015年向達能亞洲發行股權	(vi)	1,186,390	93,820
At 31 December 2019 and 2020	**於2019年及2020 年12月31日**		4,745,560	399,352

29. SHARE CAPITAL (Continued)

Notes:

(i) The Company was incorporated on 3 June 2010 with authorised capital of 3,800,000 shares at HK$0.10 per share. As part of a reorganisation of the Group in preparation for the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") in 2010 (the "Reorganisation"), the authorised share capital of the Company was increased to HK$1,000,000,000 (equivalent to RMB861,600,000) divided into 10,000,000,000 shares of HK$0.10 each.

(ii) On 2 July 2010, as part of the Reorganisation, the Company issued a total of 99,999 shares at HK$0.10 per share equivalent to RMB9,000 to the shareholder of Yashili (Guangdong) as the consideration to acquire Yashili (Guangdong).

(iii) Pursuant to the resolution of the Company's shareholders passed on 8 October 2010, the authorised share capital of the Company was increased from HK$380,000 to HK$1,000,000,000; in addition, 2,925,900,000 ordinary shares of HK$0.1 each were issued at par value to the shareholders of the Company as at 8 October 2010 by way of capitalisation of HK$292,590,000 (equivalent to RMB251,364,000) from the Company's share premium account.

(iv) A total of 3,500,000,000 shares of the Company were listed on the Stock Exchange on 1 November 2010 ("IPO"), among which 644,000,000 shares (18.4% of the total number of shares of the Company) were issued to the public, comprising 574,000,000 new shares and 70,000,000 sale shares. The gross proceeds received by the Company from the IPO were approximately HK$2,411 million.

(v) On 10 June 2011 and 13 June 2011, the Company repurchased all of its own ordinary shares of 10,000,000 at an aggregate price (including a transaction fee and commission) of HK$18,728,000 (equivalent to RMB15,538,000), which was deducted from reserves.

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to section 49H of the Hong Kong Companies Ordinance, an amount equivalent to the par value of the shares cancelled of HK$1,000,000 (equivalent to RMB818,000) was transferred to the capital redemption reserve. The premium and transaction costs paid on the repurchase and cancellation of the shares of HK$17,728,000 (equivalent to RMB14,720,000) were charged to reserves.

(vi) On 30 October 2014, the Company, Mengniu International and Danone Asia entered into a Subscription Agreement pursuant to which, among other things, Danone Asia has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 1,186,390,074 subscription shares at the subscription price of HK$3.70 per subscription share.

The share subscription has been approved by the Company's shareholders at an extraordinary general meeting on 28 November 2014.

On 12 February 2015, the Company received all the share subscription proceeds of HK$4,389,643,000, equivalent to RMB3,471,330,000, among which RMB93,820,000 was accounted for as share capital, and the remaining, after deducting issuance cost, amounting to RMB3,374,773,000 was accounted for as share premium.

29. 股本(續)

附註:

(i) 本公司於2010年6月3日註冊成立,法定股本為3,800,000股,每股面值為0.1港元的股份。作為本集團於2010年為籌備本公司股份於香港聯合交易所有限公司(「香港聯交所」)主板上市而進行的重組(「重組」)的一部分,其法定股本增至港幣1,000,000,000元(相當於人民幣861,600,000元),分為10,000,000,000千股,每股面值0.10港元的股份。

(ii) 於2010年7月2日,作為重組的一部分,本公司向雅士利(廣東)當時每名股東發行合共99,999股每股面值0.1港元的股份,相等於人民幣9,000元,作為本公司收購雅士利(廣東)的對價。

(iii) 根據本公司股東於2010年10月8日通過的決議案,本公司的法定股本由380,000港元增加至1,000,000,000港元;此外,透過從本公司股份溢價賬撥充292,590,000港元(相當於人民幣251,364,000元)作資本,本公司於2010年10月8日按面值向其股東發行2,925,900,000股每股面值0.1港元的普通股。

(iv) 本公司的股份於2010年11月1日在香港聯交所上市(「首次公開發行」),總數為3,500,000,000股,其中644,000,000股(佔本公司股份總數的18.4%)向公眾人士發行,其中包括574,000,000千股新股及70,000,000股銷售股份。本公司收取的首次公開發行的所得款項總額約為2,411百萬港元。

(v) 於2011年6月10日及6月13日,本公司共回購其自身的普通股10,000,000股,總價格(含手續費及佣金)為港幣18,728,000元(相當於人民幣15,538,000元),並已於儲備中扣除。

回購股份已被註銷,而本公司對已發行股本亦已相應減去該等回購股份的面值。依照香港公司條例第49H章節,註銷股份的面值港幣1,000,000元(等值人民幣818,000元)轉入股份回購儲備中。就回購及註銷股份所支付的溢價及交易成本港幣17,728,000元(等值人民幣14,720,000元)已在儲備中扣除。

(vi) 2014年10月30日,本公司、蒙牛國際及達能亞洲簽訂了認購協定,其中據此,達能亞洲已附條件同意認購,且本公司已附條件同意配發及發行1,186,390,074股認購股份。認購價格為每股認購股份3.70港元。

於2014年11月28日該股份認購已獲本公司股東在股東特別大會上批准。

於2015年2月12日,本公司收到全部股權認購款4,389,643,000港元,約合人民幣3,471,330,000元,其中人民幣93,820,000元計入已發行股本,剩餘金額在扣除發行費用後約人民幣3,374,773,000元計入股本溢價。

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

30. 合併現金流量表附註

(a) Major non-cash transactions

In 2019, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB5,556,000 and RMB5,556,000, respectively, in respect of lease arrangements for plant and equipment. In 2020, the Group had no non-cash transaction of right-of-use assets and lease liabilities.

(a) 主要非現金交易

2019年，本集團發生使用權資產和租賃負債的非現金交易人民幣5,556,000元和人民幣5,556,000元，分別是關於廠房和設備的租賃安排。2020年本集團沒有發生使用權資產和租賃負債的非現金交易。

(b) Changes in liabilities arising from financing activities

(b) 融資活動引起的負債變動如下

		Bank loans 銀行借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元
At 1 January 2020	**於2020年1月1日**	26,831	28,049
Changes from financing cash flows	融資現金流量的變動	341,220	(8,373)
Exchange differences on translation of financial statements of group entities	外幣報表折算差額	(2,194)	(137)
Interest expense	利息費用	–	791
Interest paid classified as operating cash flows	經營現金流量中的利息支付	–	(328)
Covid-19-related rent concessions from lessors	疫情租金減免	–	(463)
At 31 December 2020	**於2020年12月31日**	365,857	19,539
At 1 January 2019	於2019年1月1日	415,128	29,568
Changes from financing cash flows	融資現金流量的變動	(296,549)	(7,161)
New leases	新增租賃	–	5,556
Exchange differences on translation of financial statements of group entities	外幣報表折算差額	(91,748)	86
Interest expense	利息費用	–	854
Interest paid classified as operating cash flows	經營現金流量中的利息支付	–	(854)
At 31 December 2019	**於2019年12月31日**	26,831	28,049

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

30. 合併現金流量表附註（續）

(c) Total cash outflow for leases

(c) 租賃產生的現金流出

The total cash outflow for leases included in the statement of cash flows is as follows:

現金流量表中包含的租賃的現金流出總額如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Within operating activities	包含在經營活動	(791)	(854)
Within financing activities	包含在融資活動	(8,373)	(7,161)
		(9,164)	(8,015)

31. PLEDGE OF ASSETS

31. 資產抵押

Details of the Group's pledged assets are included in notes 12, 13, 14, 15, 16, 18, 19, 20, 21, 23, 24, 25, 26 and 27 to the financial statements.

有關集團獲資產作抵押的詳情，載於財務報表附註12、13、14、15、16、18、19、20、21、23、24、25、26及27。

32. COMMITMENTS

32. 承擔

(a) The Group had the following capital commitments at the end of the reporting period:

(a) 截至本報告期末，本集團資本承擔情況如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但未撥備		
Buildings	房屋及建築物	661	5,682
Plant and machinery	機械設備	3,590	4,019
		4,251	9,701

(b) The Group has various lease contracts that have not yet commenced as at 31 December 2020. The future lease payments for these non-cancellable lease contracts are RMB3,625,000 (2019: RMB4,339,000) due within one year, and RMB1,976,000 (2019: RMB2,135,000) due in the second to fifth years.

(b) 於2020年12月31日本集團存在已簽訂但尚未開始的租賃合同。未來所需支付的不可撤銷租賃合同一年內的租賃費用為人民幣3,625,000元（2019年：人民幣4,339,000元），未來所需支付的不可撤銷租賃合同兩年至五年的租賃費用為人民幣1,976,000元（2019年：人民幣2,135,000元）。

33. RELATED PARTY TRANSACTIONS

33. 關聯方交易

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

(a) 除去在本財務報表其他附註中提及的關聯交易，本集團曾與關聯方進行以下重大交易：

		Note 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Transactions with subsidiaries of the ultimate holding company	與最終控股公司的子公司的關聯方交易			
Purchase of goods	採購商品*	(i)	**324,670**	272,637
Sale of goods	銷售商品*	(i)	**139,673**	46,601
Service income	服務收入*	(i)	**33,075**	16,395
Share option and share award arrangements	股票期權及股權激勵計劃*	(i)	**–**	16,468
Service fee	服務費用*	(i)	**669**	921
Trademark licence fee	商標使用許可費*	(i)	**–**	–
Transactions with subsidiaries of the ultimate holding company's main shareholder	與最終控股公司的主要股東的附屬公司的關聯方交易			
Purchase of packing materials	購買包裝材料	(i)	**74,320**	51,552
Purchase raw materials	購買原料	(i)	**9,652**	11,926
Transactions with a substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司			
Sale of base powder	銷售基粉*	(i)	**353,831**	511,003
Purchase of raw materials	購買原料*	(i)	**1,244**	8,147
Income from consigned processing	委托加工奶粉產品收入*	(i)	**3,149**	9,667
Consulting service expense	顧問服務費*	(i)	**3,008**	3,065
Office rental expense	租賃收入*	(i)	**55**	158
Rental income	採購設備	(i)	**–**	11
Testing service income	檢測服務收入*	(i)	**50**	138
Transactions with associates of the ultimate holding company	與最終控股公司的聯屬公司的關聯方交易			
Purchase of base powder	購買基粉	(i)	**35,892**	76,622

The above related party transactions were conducted in accordance with the terms mutually agreed between the parties.

上述關聯交易乃根據雙方共同同意之條款進行。

* The above transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

* 上述交易也構成上市規則14A章所界定的關連交易或持續關連交易。

33. RELATED PARTY TRANSACTIONS (Continued)

33. 關聯方交易(續)

(b) Outstanding balances with related parties

(b) 與關聯方的未償還結餘

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
TRADE RECEIVABLES	貿易應收款		
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	9,899	20,839
Subsidiaries of the ultimate holding company	最終控股公司的子公司	8,743	968
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	326	–
		18,968	21,807
PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS	預付款項、其他應收款項及其他資產		
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	1,926	648
Subsidiaries of the ultimate holding company	最終控股公司的子公司	288	–
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	–	59
		2,214	707
TRADE AND BILLS PAYABLES	貿易應付款及票據		
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	39,345	19,478
Associates of the ultimate holding company	最終控股公司的聯屬公司	30,745	7,850
Subsidiaries of the ultimate holding company	最終控股公司的子公司	15,787	75,349
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	273	714
		86,150	103,391
OTHER PAYABLES AND ACCRUALS	其他應付款及應計費用		
Subsidiaries of the ultimate holding company	最終控股公司的子公司	13,346	–
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	2,487	5,118
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	–	60
		15,833	5,178

As at 31 December 2020, the above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to or by independent third parties.

於2020年12月31日，上述餘額為無擔保、無息餘額，應按照類似于向獨立第三方提供或由獨立第三方提供的信貸條款償還。

(c) Compensation of key management personnel of the Group

(c) 本集團主要管理人員的酬金

Key management compensation is detailed in note 9 to the financial statements.

主要管理人員的報酬詳載於財務報表附註9。

34. FINANCIAL INSTRUMENTS BY CATEGORY

34. 按類別劃分的金融工具

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

截至報告期末，各類金融工具的賬面價值如下：

Financial assets	金融資產	Audited 經審核 31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元	Audited 經審核 31 December 2019 二零一九年十二月三十一日 RMB'000 人民幣千元
Financial instruments at amortised cost	**以攤餘成本計量的金融工具**		
Trade receivables	貿易應收款	91,166	152,632
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	24,104	49,871
Pledged deposits	受限制銀行存款	263,217	9,968
Long-term bank deposits	長期銀行存款	736,004	546,091
Cash and bank balances	現金及銀行結餘	1,967,962	1,504,233
Financial assets at fair value through profit or loss	**以公允價值計量且其變動計入損益的金融資產**		
Other current financial assets	其他流動金融資產	20,000	49,434
Structural bank deposits	結構性銀行存款	101,764	593,960
Derivative financial instruments	衍生金融工具	2,175	–
		3,206,392	2,906,189

Financial liabilities	金融負債	Audited 經審核 31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元	Audited 經審核 31 December 2019 二零一九年十二月三十一日 RMB'000 人民幣千元
Financial liabilities at amortised cost	**以攤餘成本計量的金融負債**		
Trade and bills payables	貿易應付款及票據	698,052	553,468
Other payables and accruals	其他應付款及應計費用	548,354	836,719
Derivative financial instruments	衍生金融工具	262	–
Interest-bearing bank borrowings	計息銀行借款	365,857	26,831
Lease liabilities	租賃負債	19,539	28,049
		1,632,064	1,445,067

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS(Continued)

34. 金融工具之公允值及公允值層級（續）

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

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

		Carrying amounts 賬面價值		Fair values 公允價值	
		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Financial assets	金融資產				
Long-term bank deposits	長期銀行存款	736,004	546,091	724,829	544,204
Other current financial assets	其他流動金融資產	20,000	49,434	20,000	49,434
Structural bank deposits	結構性銀行存款	101,764	593,960	101,764	593,960
Derivative financial instruments	衍生金融工具	2,175	–	2,175	–
		859,943	1,189,485	848,768	1,187,598

		Carrying amounts 賬面價值		Fair values 公允價值	
		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	262	–	262	–
Interest-bearing bank borrowings	計息銀行借款	365,857	26,831	365,857	26,831
		366,119	26,831	366,119	26,831

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

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

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

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of long-term bank deposits, other current financial assets, structural bank deposits, derivative financial instruments and the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2020 were assessed to be insignificant.

34. 金融工具之公允值及公允值層級(續)

管理部門已評估現金和現金等價物、計入流動資產部分的抵押存款、貿易應收款、其他流动金融資產、衍生金融工具、貿易應付款項、計入預付款項、其他應收款項及其他資產的金融資產、計入其他應付款及應計費用的金融負債、衍生金融工具和短期計息銀行借款的公允價值與其賬面價值相同,由於這些金融工具的大部分將在短期內到期。

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

金融資產及負債的公允價值以該工具自願交易方(強迫或清盤出售除外)當前交易下之可交易金額入賬。

估計公允價值的方式以及假設如下:

長期銀行存款、其他流動金融資產、結構性銀行存款、衍生金融工具和計息銀行和其他借款的公允價值是通過使用具有類似條款,信用風險和剩餘到期日的金融工具的當前可用利率折現預期的未來現金流量來計算的。於2020年12月31日,由於本集團對計息銀行及其他借貸自身的非履約風險而導致的公允價值變動被評估為並不重大。

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

34. 金融工具之公允值及公允值層級（續）

Fair value hierarchy

公允值層級

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

本集團採用以下層級以説明金融工具的公允值計量：

Assets measured at fair value:

按公允值計量的資產：

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入數據（第二等級） As at 31 December 2020 於2020年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入數據（第二等級） As at 31 December 2019 於2019年12月31日 RMB'000 人民幣千元
Other current financial assets	其他流動金融資產	**20,000**	49,434
Structural bank deposits	結構性銀行存款	**101,764**	593,960
Derivative financial instruments	衍生金融工具	**2,175**	–
		123,939	643,394

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

34. 金融工具之公允值及公允值層級（續）

Fair value hierarchy (Continued)

公允值層級（續）

Liabilities measured at fair value:

按公允值計量的負債：

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入數據（第二等級） As at 31 December 2020 於2020年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入數據（第二等級） As at 31 December 2019 於2019年12月31日 RMB'000 人民幣千元
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	**262**	–

During the years of 2020, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets and financial liabilities (2019: nil).

2020年金融資產及金融負債並無第一等級與第二等級之間的公允價值轉移，且無自第三等級的轉入或轉出(2019年：無)。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise interest-bearing bank loans and other borrowings, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are fair value and cash flow interest rate risks, foreign currency risk, credit risk and liquidity risk. Generally, the senior management of the Company meets regularly to analyse and formulate measures to manage the Group's exposure to these risks. In addition, the board of directors of the Company holds meetings regularly to analyse and approve the proposals made by the senior management of the Company. Generally, the Group introduces conservative strategies on its risk management. The Group's accounting policies in relation to derivative financial instruments are set out in note 2.4 above.

(a) Fair value and cash flow interest rate risks

The Group regularly reviews and monitors the fixed interest rate borrowings in order to manage its interest rate risk. The Group's interest-bearing bank loans and short-term deposits are stated at amortised cost and not revalued on a periodic basis. Floating rate interest income is credited to profit as earned.

35. 財務風險管理目標及政策

本集團除衍生工具外的主要金融工具包括計息銀行貸款、現金及現金等價物及已抵押存款。該等金融工具的主要目的乃為本集團運營籌措資金。本集團擁有多種由其運營直接產生的其他金融資產及負債，如貿易應收款項及應收票據及貿易應付款項。

本集團金融工具產生的主要風險為公允價值及現金流量利率風險，外幣風險，信貸風險及流動資金風險。一般而言，本公司高級管理層會定期召開會議分析及制定政策，管理本集團面臨的該等風險。此外，本公司董事會定期召開會議分析及批准本公司高級管理層提呈的建議。一般而言，本集團於其風險管理中採取保守策略。本集團有關衍生金融工具的會計政策載於上文附註2.4。

(a) 公允價值及現金流量利率風險

本集團定期審查並監督固定利率的借款，以管理其利率風險。本集團計息銀行貸款及短期存款按攤銷成本列支，而不會定期重估。浮動利率利息收入按賺取的收入計入損益。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Fair value and cash flow interest rate risks (Continued)

If there was a general increase/decrease in the interest rates of deposit and financial products with floating interest rates by one percentage point, with all other variables held constant, the consolidated pre-tax profit would have increased/decreased by approximately RMB200,000 (2019: RMB102,000) for the year ended 31 December 2020, with no impact on other components of the consolidated equity, except for retained earnings of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and the Group has applied the exposure to interest rate risk to those financial instruments in existence at those dates. The estimated one percentage point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period.

(b) Foreign currency risk

The Group is exposed to foreign currency risk primarily on bank deposits, other receivables, trade payables and bank loans of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HKD, USD, NZD and EUR.

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rates to HKD, USD, NZD and EUR with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities):

35. 財務風險管理目標及政策(續)

(a) 公允價值及現金流量利率風險(續)

倘按浮動利率計算的存款及理財產品的利率整體加息/減息一個百分點,而所有其他變量不變,則截至2020年12月31日止年度,合併稅前利潤將增加/減少約人民幣200,000元(2019年:人民幣102,000元),其對本集團合併權益的其他部分並無影響,惟未分配利潤除外。上述敏感度分析是假設利率變動已於各報告期末發生而釐定,本集團已將面臨的利率風險應用於該等日期存在的金融工具。估計一個百分點的增減是管理層對期內直至下一個報告期末為止利率能合理變動的評估。

(b) 外幣風險

本集團的外匯風險主要來自以外幣計價之銀行存款,其他應收款、貿易應付款項以及銀行貸款,即與營運相關交易之功能貨幣以外的貨幣。引致風險之貨幣主要為港幣、美元、紐幣以及歐元。

下表列示在所有其他變數維持不變的情況下,人民幣與港幣、美元、紐幣、以及歐元的兑換率可能出現的合理變動(因貨幣資產及負債的公允值變動導致)對本集團稅前溢利的影響。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

35. 財務風險管理目標及政策(續)

(b) Foreign currency risk (Continued)

(b) 外幣風險(續)

		Increase/(decrease) in RMB exchange rate % 人民幣匯率 上升/(下降)%	Increase/(decrease) in profit before tax 稅前溢利 上升/(下降) 2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
If RMB weakens against the USD	倘人民幣兑美元貶值	(5)	(7,596)	8,882
If RMB strengthens against the USD	倘人民幣兑美元升值	5	7,596	(8,882)
If RMB weakens against the HKD	倘人民幣兑港元貶值	(5)	7,961	5
If RMB strengthens against the HKD	倘人民幣兑港元升值	5	(7,961)	(5)
If RMB weakens against the NZD	倘人民幣兑紐元貶值	(5)	5,805	1
If RMB strengthens against the NZD	倘人民幣兑紐元升值	5	(5,805)	(1)
If RMB weakens against the EUR	倘人民幣兑歐元貶值	(5)	545	2,974
If RMB strengthens against the EUR	倘人民幣兑歐元升值	5	(545)	(2,974)

(c) Credit risk

The Group's credit risk is primarily attributable to trade receivables, prepayments, other receivables and other assets, pledged deposits and cash and cash equivalents. Exposure to the credit risk is monitored by management on an ongoing basis. Details of the Company's credit policy are contained in note 20 to the financial statements.

Maximum exposure and year-end staging:

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on the ageing information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

(c) 信貸風險

本集團的信貸風險主要來自貿易應收款、預付賬款、其他應收賬款及其他資產、受限制銀行存款和現金及銀行結存。信貸風險乃由管理層持續監察。本公司的信用政策載於財務報表附註20。

最高信貸風險:

下表載列基於本集團信貸政策的信貸質量和最大信貸風險敞口,以及截至12月31日的階段分類。該信貸政策主要基於過去的賬齡信息,以及其他無需不必要的成本或努力即可獲得的信息。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

35. 財務風險管理目標及政策（續）

(c) Credit risk (Continued)

(c) 信貸風險（續）

As at 31 December 2020	於2020年12月31日	12-month ECLs 12個月預期信用損失 Stage 1 第一階段 RMB'000 人民幣千元	Lifetime ECLs 整個存續期預期信用損失 Stage 2 第二階段 RMB'000 人民幣千元	Stage 3 第三階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade receivables*	貿易應收款*	–	–	–	103,219	103,219
Financial assets included in prepayments, other receivables and other assets	包括預付款項，其他應收款和其他資產的金融資產					
– Normal**	－正常**	24,104	–	–	–	24,104
– Doubtful**	－存疑**	–	–	2,637	–	2,637
Pledged deposits	受限制銀行存款					
– Not yet past due	－未到期	150,261	–	–	–	150,261
Long-term bank deposits	长期银行存款					
– Not yet past due	－未到期	736,004	–	–	–	736,004
Cash and bank balances	現金及銀行結餘					
– Not yet past due	－未到期	2,080,918	–	–	–	2,080,918
		2,991,287	–	2,637	103,219	3,097,143

As at 31 December 2019	於2019年12月31日	12-month ECLs 12個月預期信用損失 Stage 1 第一階段 RMB'000 人民幣千元	Lifetime ECLs 整個存續期預期信用損失 Stage 2 第二階段 RMB'000 人民幣千元	Stage 3 第三階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade receivables*	貿易應收款*	–	–	–	164,614	164,614
Financial assets included in prepayments, other receivables and other assets	包括預付款項，其他應收款和其他資產的金融資產					
– Normal**	－正常**	49,871	–	–	–	49,871
– Doubtful**	－存疑**	–	–	2,697	–	2,697
Pledged deposits	受限制銀行存款					
– Not yet past due	－未到期	9,968	–	–	–	9,968
Long-term bank deposits	長期銀行存款					
– Not yet past due	－未到期	546,091	–	–	–	546,091
Cash and bank balances	現金及銀行結餘					
– Not yet past due	－未到期	1,504,233	–	–	–	1,504,233
		2,110,163	–	2,697	164,614	2,277,474

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 to the financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Majority of the Group's customers have been trading with the Group for years and the Group did not record significant bad debt losses during the years ended 31 December 2020 (31 December 2019: nil). At the end of the reporting period, the Group had certain concentration of credit risk of the trade receivables as the receivables from the five largest trade debtors represented 87.85% of the total trade receivables as at 31 December 2020 (31 December 2019: 72.87%).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position. The Group does not provide any other guarantees which would expose the Group to credit risk.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 20 to the financial statements.

(d) Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other interest-bearing loans.

35. 財務風險管理目標及政策(續)

(c) 信貸風險(續)

* 就本集團採用減值的簡化方法的貿易應收款而言，基於撥備矩陣的資料分別於財務報表附註20披露。

** 預付款項，其他應收款和其他資產中包含的金融資產的信貸質量在未到期時被視為「正常」且自初始確認以來沒有信息表明該金融資產的信貸風險顯著增加。否則，金融資產的信貸質量被認為是「存疑的」。

本集團大部分客戶一直與本集團交易多年，而截至2020年12月31日止年度中本集團於相關期間內並無錄得重大壞賬虧損(2019年12月31日：無)。於結算日，本集團有若干集中貿易應收款信貸風險，於2020年12月31日，五大貿易應收款佔總貿易應收款的87.85%(2019年12月31日：72.87%)。

最高信貸風險指合併資產負債表內各金融資產的賬面值。本集團並無提供任何其他擔保致使本集團面臨信貸風險。

有關本集團因應收賬款而須面對之信貸風險之其他量化數據，披露於財務報表附註20。

(d) 流動性風險

本集團使用經常性流動資金計劃工具監控資金短缺的風險。該工具考慮其金融工具和金融資產(例如貿易應收賬款)的到期日以及經營活動的預計現金流量。本集團的目標是通過使用銀行透支，銀行貸款和其他計息貸款，在資金連續性和靈活性之間保持平衡。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

35. 財務風險管理目標及政策(續)

(d) Liquidity risk (Continued)

(d) 流動性風險(續)

The maturity profile of the Group's financial liabilities as at the reporting period, based on the contractual undiscounted payments, is as follows:

本集團及本公司金融負債於報告日的到期情況(按合同未折現付款計算)如下:

31 December 2020	2020年12月31日	Within 1 year or on demand 一年內或按要求 RMB'000 人民幣千元	1 to 2 years 一至兩年 RMB'000 人民幣千元	2 to 5 years 二至五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Derivative financial instruments	衍生金融工具	262	–	–	262
Lease liabilities	租賃負債	8,839	5,942	4,758	19,539
Interest-bearing bank borrowings	計息銀行借款	365,857	–	–	365,857
Trade and bills payables	貿易應付賬款及票據	698,052	–	–	698,052
Other payables and accruals	其他應付款及應計費用	548,354	–	–	548,354
		1,621,364	5,942	4,758	1,632,064
31 December 2019	2019年12月31日				
Derivative financial instruments	衍生金融工具	–	–	–	–
Lease liabilities	租賃負債	9,378	8,839	9,832	28,049
Interest-bearing bank borrowings	計息銀行借款	26,831	–	–	26,831
Trade and bills payables	貿易應付賬款及票據	553,468	–	–	553,468
Other payables and accruals	其他應付款及應計費用	836,719	–	–	836,719
		1,426,396	8,839	9,832	1,445,067

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

35. 財務風險管理目標及政策（續）

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 (31 December 2019: nil).

The Group uses different measures including an adjusted net debt-to-equity ratio to monitor its capital. Net debt is calculated as interest-bearing bank loans, as shown in the consolidated statement of financial position, less cash and bank deposits. Total capital is calculated as equity holders' funds (i.e., total equity attributable to owners of the parent), as shown in the consolidated statement of financial position. The ratios as at the end of the reporting periods were as follows:

(e) 資本管理

本集團資本管理的主要目標是保障本集團持續經營及維持健康資本比率的能力，以支持其業務及最大化股東價值。

本集團管理其資本架構，並根據經濟狀況的變化及相關資產的風險特徵作出調整。截至2020年12月31日止年度，資本管理的目標，政策或程序並無變動（2019年12月31日：無）。

本集團使用不同措施，包括經調整淨債務權益比率，以監察其資本。淨債務以合併資產負債表所示的貸款及借款減現金及銀行存款計算得出。總資本以合併資產負債表所示的股權持有人資金（即母公司股權持有人應佔總權益）計算得出。截至報告期末的比率如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Interest-bearing bank borrowings (note 27)	計息銀行借款（附註27）	365,857	26,831
Lease liabilities (note 15)	租賃負債（附註15）	19,539	28,049
Less:	減：		
Cash and cash equivalents (note 24)	現金及現金等價物（附註24）	1,818,288	576,164
Short-term bank deposits	短期銀行存款	262,630	928,069
Long-term bank deposits (note 24)	長期銀行存款（附註24）	736,004	546,091
Pledged bank deposits (note 24)	受限制銀行存款（附註24）	150,261	9,968
Net debt	負債淨額	(2,581,787)	(2,005,412)
Total equity attributable to owners of the parent	母公司股權持有人應佔權益總額	5,723,117	5,681,721
Adjusted net debt-to-equity ratio	經調整淨債務權益比率	(45%)	(35%)

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

無論是本公司或其任何子公司概無受限於外部施加的資本要求。

36. EVENTS AFTER THE REPORTING PERIOD

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

36. 報告期後事項

於本合併財務報表批准日，本集團無重大報告期後事項需要披露。

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of reporting period is as follows:

37. 公司財務狀況報表

報表期末本公司的財務狀況信息如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**		
Investments in subsidiaries	於子公司的權益	**5,133,151**	5,465,372
Total non-current assets	非流動資產總額	**5,133,151**	5,465,372
CURRENT ASSETS	**流動資產**		
Prepayment, other receivables and other assets	預付款項、其他應收款項及其他資產	**589,879**	642,850
Cash and cash equivalents	現金及現金等價物	**13,660**	5,267
Total current assets	流動資產總額	**603,539**	648,117
CURRENT LIABILITIES	**流動負債**		
Trade payables	貿易應付款	**970**	–
Other payables and accruals	其他應付款項及應計費用	**11,255**	22,855
Total current liabilities	流動負債總額	**12,225**	22,855
NET CURRENT ASSETS	**流動資產淨額**	**591,314**	625,262
Net ASSETS	**資產淨額**	**5,724,465**	6,090,634
EQUITY	**權益**		
Share capital	股本	**399,352**	399,352
Reserves	儲備	**5,325,113**	5,691,282
Total equity	權益總額	**5,724,465**	6,090,634

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

37. 公司財務狀況報表（續）

Notes:

附註：

A summary of the Company's reserves is as follows:

本公司的儲備變動如下：

		Share premium 股份溢價 RMB'000 人民幣千元 (i)	Capital redemption reserve 資本回購儲備 RMB'000 人民幣千元	Contributed surplus 實繳盈餘 RMB'000 人民幣千元 (ii)	Translation reserve 匯兑儲備 RMB'000 人民幣千元 (iii)	Retained earnings 保留盈利 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2019	於2019年1月1日的結餘	3,845,616	818	1,449,863	304,806	15,765	5,616,868
Total comprehensive income for the year	全面收益總額	–	–	–	133,075	(11,137)	121,938
Final 2019 dividend declared	2019年宣派股息	–	–	–	–	(47,524)	(47,524)
At 31 December 2019	於2019年12月31日的結餘	3,845,616	818	1,449,863	437,881	(42,896)	5,691,282
Total comprehensive loss for the year	全面損失總額	–	–	–	(367,264)	1,095	(366,169)
At 31 December 2020	**於2020年12月31日的結餘**	**3,845,616**	**818**	**1,449,863**	**70,617**	**(41,801)**	**5,325,113**

Notes:

(i) Share premium

The excess of the issued price net of any issuance expenses over the par value of the shares issued has been credited to the share premium account of the Company. Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Contributed surplus

As part of the Reorganisation, the shareholders of Yashili (Guangdong) transferred their equity interests in Yashili (Guangdong) to Yashili (HK) on 2 July 2010. A contributed surplus of RMB1,367,204,000 was resulted from these transfers for the purpose of the Group's consolidated financial statements.

In addition, for the purpose of the Company's financial statements, a contributed surplus of RMB1,449,863,000 arose from the issuance of shares by the Company in exchange for the equity interests in the subsidiaries held by the shareholders of these subsidiaries pursuant to the Reorganisation.

(iii) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements.

附註：

(i) 股份溢價

發行價（扣除任何發行開支）超出已發行股本面值的數額已計入本公司的股份溢價賬。根據開曼群島公司法（經修訂），本公司股份溢價賬的資金可分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中已到期之債務。

(ii) 實繳盈餘

於2010年7月2日，作為重組的一部份，雅士利（廣東）當時的股東將其在雅士利（廣東）的權益轉讓於雅士利（香港）。本集團在合併財務報表中因該轉讓產生實繳盈餘人民幣1,367,204,000元。

此外，於本公司財務報表中，因重組本公司發行股票以換取子公司股東在子公司持有的權益產生實繳盈餘人民幣1,449,863,000元。

(iii) 匯兑儲備

換算儲備包括因換算財務報表而產生的所有外匯差額。

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 24 March 2021.

38. 批准財務報表

董事會已於2021年3月24日批准及授權刊發財務報表。

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

摘自經審核財務報表之本集團過往五個財政年度已公布之業績、資產及負債概要如下。

The table below sets forth our summary income statement information for the periods indicated:

下表載列本集團於所示期間的收益表概要資料：

RMB million	人民幣百萬元	2016 Restated 經重述	2017	2018	2019	**2020**
Revenue	營業額	2,203.30	2,254.70	3,011.20	3,412.00	**3,649.20**
Cost of sales	銷售成本	(1,166.00)	(1,332.50)	(1,817.40)	(2,145.20)	**(2,315.40)**
Gross profit	毛利	1,037.30	922.20	1,193.80	1,266.80	**1,333.80**
Other revenue	其他收入	227.40	70.20	91.60	28.90	**102.00**
Selling and distribution expenses	銷售及經銷開支	(1,170.90)	(893.20)	(1,140.40)	(963.80)	**(1,039.10)**
Administrative expenses	行政開支	(389.50)	(271.20)	(208.60)	(223.00)	**(186.6)**
Impairment losses on financial Assets	金融資產減值損失	–	(17.40)	1.20	(5.80)	**(3.80)**
Other expenses	其他開支	(148.30)	(145.60)	(69.90)	(84.80)	**(151.50)**
Profit/ (loss) from operations	經營溢利／(虧損)	(444.00)	(335.00)	(132.30)	18.30	**54.90**
Finance income	財務收入	130.20	123.70	113.60	94.50	**88.50**
Finance costs	財務成本	(18.80)	(18.10)	(16.10)	(9.80)	**(13.70)**
Net finance income/ (expense)	淨財務收入／(開支)	111.40	105.60	97.50	84.70	**74.80**
Profit/(loss) before income tax	除所得税前溢利／(虧損)	(332.60)	(229.40)	(34.80)	102.90	**129.70**
Income tax expense	所得税開支	12.40	49.60	87.10	9.40	**(28.60)**
Profit/(loss) from continuing operations	持續經營業務溢利／(虧損)	(320.20)	(179.80)	52.30	112.40	**101.10**
Discontinued operation	終止經營業務					
Loss from discontinued operation (net of income tax)	終止經營業務虧損（扣除所得税）					
Profit/(loss) for the year	年度溢利／(虧損)	(320.20)	(179.80)	52.30	112.40	**101.10**
Profit/(loss) attributable to	以下人士分佔溢利／(虧損)	(320.20)	(179.80)	52.30	112.40	**101.10**
Non-controlling interests	非控股權益	–	–	–	–	**–**
Profit/ (loss) for the year	年度溢利／(虧損)	(320.20)	(179.80)	52.30	112.40	**101.10**

The table sets forth our summary balance sheet information as of 31 December 2015, 2016, 2017, 2018 and 2019:

下表載列本集團於2015年、2016年、2017年、2018年及2019年12月31日的資產負債表概要資料:

RMB million	人民幣百萬元	2016	2017	2018	2019	2020
Non-current assets	非流動資產	3,866.10	3,404.70	3,555.60	4,072.80	**4,189.20**
Current assets	流動資產	4,099.90	4,025.90	4,166.60	3,439.70	**3,602.80**
Current liabilities	流動負債	2,253.50	1,918.00	2,150.00	1,799.30	**2,028.90**
Net current assets/ (liabilities)	流動資產/(負債)淨額	1,846.40	2,107.90	2,016.60	1,640.40	**1,573.90**
Total assets less current liabilities	總資產減流動負債	5,712.50	5,512.60	5,572.20	5,713.20	**5,763.10**

雅士利®

Yashili International Holdings Ltd
雅 士 利 國 際 控 股 有 限 公 司

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

香港銅鑼灣告士打道 262 號
中糧大廈 32 樓 A 室

www.yashili.hk