



# China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司

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

Stock Code 股份代號: 1117

## INTERIM REPORT 中期報告 2021



连续八年荣获世界食品品质评鉴大会

— 金奖 —



*"Farming diligently only for purity,  
genuineness, freshness and vitality"*

**「默默耕耘，只為純、真、鮮、活」**

## **CORPORATE PROFILE** **公司簡介**

China Modern Dairy Holdings Limited (the "Company" or "Modern Dairy" together with its subsidiaries, the "Group") is the leading dairy farming operator and fresh raw milk producer in the People's Republic of China (the "PRC"). Modern Dairy operates 26 dairy farms in the PRC with dairy cows over 250 thousand heads and annual milk yield approximately 1.5 million tons. The Company initiated the production model of "Zero distance Integration of Forage Grass Planting, Cows Breeding and Milk Processing within Two Hours", which is the first and the only enterprise at present in the PRC that applies integrated production model with SGS certification. Modern Dairy's products have been awarded the Gold Prize of Monde Selection which is generally regarded as the "Nobel Prize" in the food industry, for the past eight consecutive years.

中國現代牧業控股有限公司(「本公司」或「現代牧業」連同其附屬公司「本集團」)，為中華人民共和國(「中國」)乳牛畜牧營運商及原料奶生產商的翹楚。現代牧業於中國經營26個乳牛牧場，擁有超過25萬頭乳牛及年產奶量約1.5百萬噸。本公司首創「種養加一體化、零距離2小時」的生產模式，是中國首家、也是目前唯一一家一體化生產模式並通過SGS認證的企業。現代牧業的產品於過去八年連續在素有食品業「諾貝爾獎」之稱的世界食品品質評鑒大會中獲得金獎。



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# HIGHLIGHTS

## 摘要

### FOR THE SIX MONTHS ENDED 30 JUNE

截至6月30日止六個月

(All amounts in Renminbi (“RMB”) million unless otherwise stated)

(除特別列明外，所有金額以人民幣(「人民幣」)百萬元列示)

		2021 2021年 (unaudited) (未經審核)	2020 2020年 (unaudited) (未經審核)	Change 變動
Revenue	收入	3,179.7	2,827.8	+12.4%
Gross profit	毛利	1,181.6	1,052.0	+12.3%
Cash EBITDA <sup>(Note 1)</sup>	現金EBITDA <sup>(附註1)</sup>	1,152.7	986.9	+16.8%
Profit attributable to owners of the Company	本公司擁有人應佔溢利	496.7	220.7	+125.0%
Net operating cash inflow	經營現金淨流入	1,464.9	1,055.2	+38.8%
Free cash flow <sup>(Note 2)</sup>	自由現金流 <sup>(附註2)</sup>	639.3	631.8	+1.2%
Net gearing ratio <sup>(Note 3)</sup>	淨槓桿比率 <sup>(附註3)</sup>	24.2%	66.4%	-42.2ppt
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	7.13	3.47	+105.5%
Net asset value per share (RMB) <sup>(Note 4)</sup>	每股資產淨值(人民幣元) <sup>(附註4)</sup>	1.34	1.14	+17.5%
Herd scale (heads)	畜群規模(頭)	251,876	235,877	+6.8%

- Robust Results:** For the six months ended 30 June 2021, the total revenue of the Group reached RMB3,180 million, representing a year-on-year (“yoy”) increase of 12.4%. Cash EBITDA recorded RMB1,153 million, representing a yoy increase of 16.8%. The profit attributable to owners of the Company reached RMB497 million, representing a yoy increase of 125.0%.
- Acquisition of Zhongyuan:** The acquisition of Zhongyuan was completed in July 2021 which could create substantive synergies in terms of farm operation, management and financial strength, etc. of the Group. The Group’s herd size will be increased, which could further enhance the Group’s competitiveness in terms of quality and pricing of raw milk.
- 業績強勁:** 截至2021年6月30日止六個月，本集團的總收入達人民幣31.80億元，同比增長12.4%。現金EBITDA錄得人民幣11.53億元，同比增長16.8%。本公司擁有人應佔溢利錄得人民幣4.97億元，同比提升125.0%。
- 收購中元:** 中元收購事項已於2021年7月完成。此項收購將可使本集團在牧場運營，管理和財務實力等方面產生實質協同效益，本集團的牛群規模亦將擴大，並進一步提高本集團在原奶質量及定價方面的競爭力。



- Acquisition of Fuyuan:** The acquisition of Fuyuan was approved by shareholders in June 2021 and is expected to be completed in the third quarter of 2021. Following the acquisition, the Group's herd size will significantly increase to approximately 340,000 heads, which could further strengthen the Group's position in the dairy farming industry in China and enhance its competitiveness in terms of quality and pricing of raw milk.
- Issuance of Bonds:** The Company has successfully issued US\$500,000,000 2.125% bonds due 2026 in July 2021 with a credit rating of "BBB", being an investment grade assigned by Standard & Poor's. The Company intends to use the proceeds for refinancing and general corporate purposes, which will lower overall financing cost.
- Significant Reduction in Indebtedness:** As a result of sound and remarkable debts-reducing strategies, the Group's net gearing ratio was significantly reduced to 24.2% as of 30 June 2021.
- Branded Milk Won Gold Awards for Eight Consecutive Years:** The Group's pure milk was awarded the Gold Prize of Monde Selection for the eighth consecutive year, symbolizing that our premium quality branded milk was widely recognized by all sectors of the society.
- 收購富源：**富源收購事項已於2021年6月獲股東批准並預計於2021年第三季度完成。在完成收購事項後，本集團的牛群規模將大幅提升至約34萬頭，可進一步鞏固本集團在中國奶牛養殖行業的地位，並提高本集團在原奶質量及定價方面的競爭力。
- 發行債券：**本公司2021年7月成功發行金額為5億美元、票息為2.125%、於2026年到期、獲標準普爾給予信用評級為「BBB」投資級別的債券。本公司擬將所得款項用於再融資及一般企業用途，融資成本將可降低。
- 債務規模大幅下降：**得益於穩健而顯著的減債策略，本集團截至2021年6月30日的淨槓桿比率大幅縮窄至24.2%。
- 品牌奶八度蟬聯金獎：**本集團純牛奶連續八年獲世界食品質量評鑒大會金獎，標誌著我們高質量的品牌奶廣泛獲得社會各界的肯定。

## Notes:

- Cash EBITDA is defined as earnings before finance costs and tax having added back: i) depreciation for property, plant and equipment and right-of-use assets charged to profit or loss; ii) other gains and losses, net; iii) impairment losses under expected credit loss model, net of reversal; and iv) loss arising from changes in fair value less costs to sell of dairy cows.
- Free cash flow is defined as net cash from operating activities less net cash used in investing activities.
- The net gearing ratio was calculated on the basis of the amount of total borrowings less cash and deposit assets as a percentage of the total equity.
- Equity attributable to owners of the Company at the period end divided by the number of ordinary shares in issue at the end of the reporting periods, defined as of 30 June 2021 and 30 June 2020.

## 附註：

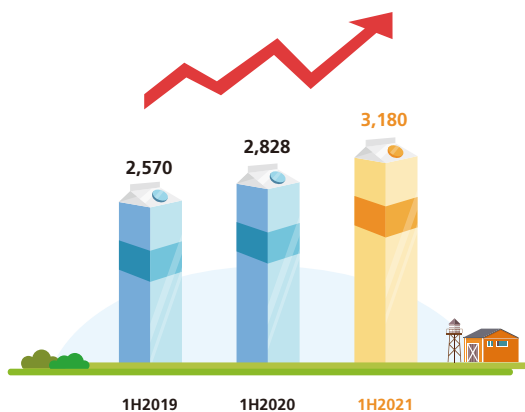
- 現金EBITDA定義為在加回以下項目後的除融資成本及稅項前盈利：i)物業、廠房及設備以及使用權資產折舊致使的損益；ii)其他收益及虧損淨額；iii)預期信貸虧損模型下減值虧損，扣除撥回；及iv)乳牛公平值變動減乳牛銷售成本產生的虧損。
- 自由現金流定義為經營活動所得現金淨額減投資活動所用現金淨額。
- 淨槓桿比率乃按總借款減現金及存款類資產佔總權益百分比基準計算。
- 期末本公司擁有人應佔權益除以匯報期末(定義為截至2021年6月30日及截至2020年6月30日)已發行普通股股數。



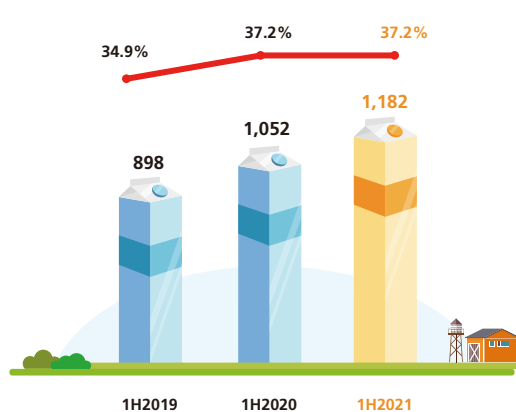
# HIGHLIGHTS

## 摘要

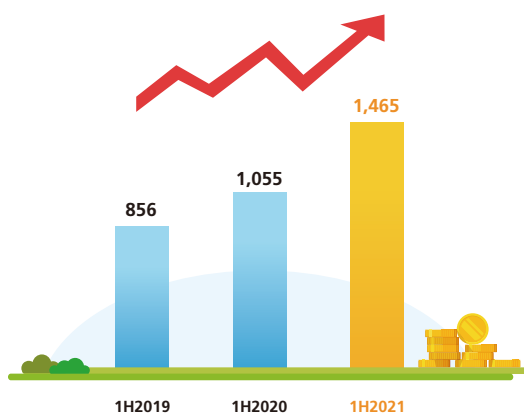
Raw Milk Sales (million)  
原奶銷售額 (百萬元)



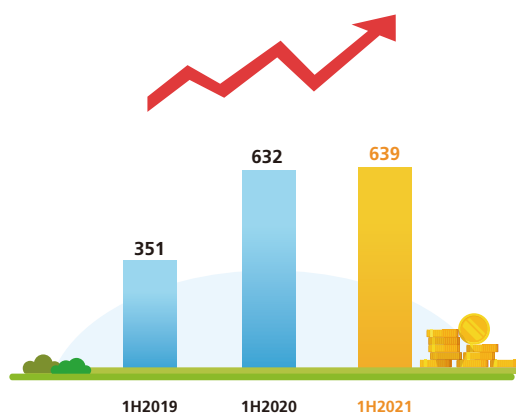
Gross Profits (million) and Margin (%) of Raw Milk  
原奶銷售毛利潤 (百萬元) 及毛利率 (%)



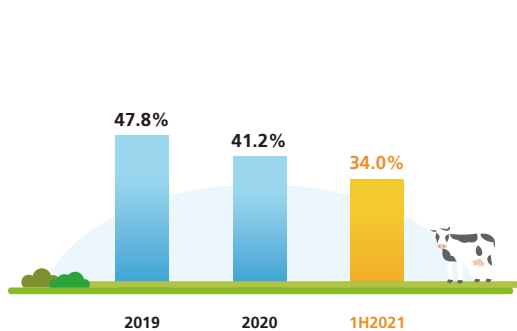
Net Operating Cash Inflow (million)  
經營所得現金淨額 (百萬元)



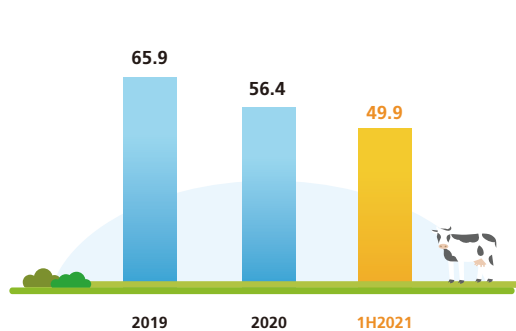
Free Cash Flow (million)  
自由現金流 (百萬元)



Interest-bearing Debt Ratio (%)  
有息負債比率 (%)

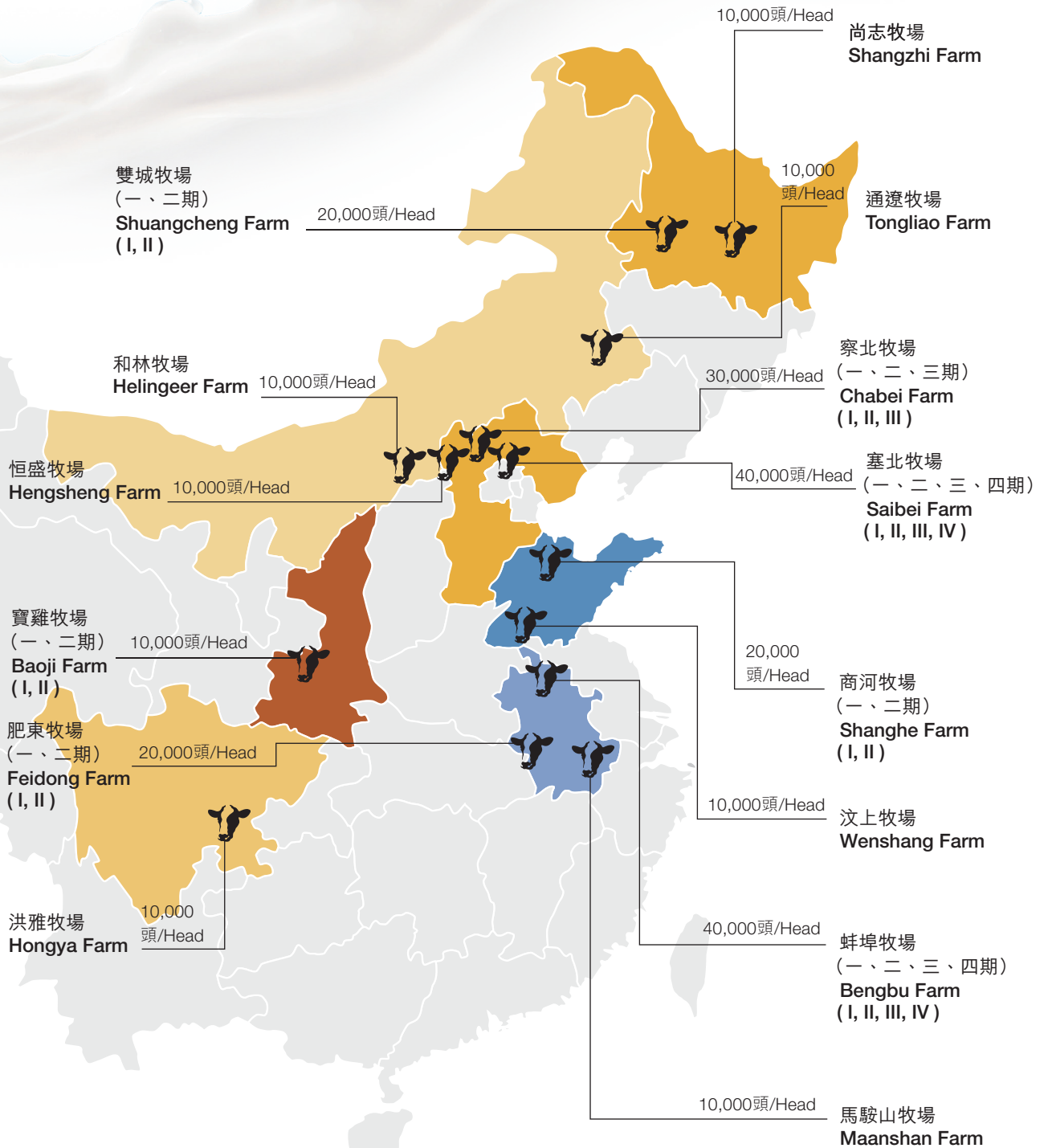


Interest-bearing Debts (hundred million)  
有息負債規模 (億元)



# FARM MAP

## 牧場位置圖



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



# PRODUCTS OF THE GROUP AND ASSOCIATES

## 集團及聯營公司產品

### WELL-PACKAGED PURE MILK

#### 精裝純牛奶

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

自家牧場，優質奶源，連續八年榮獲世界食品品質評鑒大會金獎的純牛奶。



### HOLSTEIN PURE MILK

#### 荷斯坦系列純牛奶

Selecting good quality Holstein cows and containing 3.2g of high-quality milk protein per 100ml for everyday nutrition with a rich and favorable taste.

甄選優質荷斯坦奶源，每100毫升含3.2克優質乳蛋白，補充營養每一天，味道香醇，口感濃厚。



### HIGH CALCIUM MILK

#### 高鈣牛奶

High in calcium from good dairy farms. Modern Dairy High Calcium Milk contains 125mg of calcium per 100ml. Vitamin D is added to facilitate calcium absorption. The milk is nutritious, pure and rich in taste. It has won the Gold Award of Monde Selection for two consecutive years.

高鈣源自好牧場，現代牧業高鈣奶每100毫升含鈣125毫克，特別加入維生素D，促進鈣的吸收，營養豐富，純正香濃，連續兩年榮獲世界食品品質評鑒大會金獎。





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



### HOLSTEIN HIGH CALCIUM MILK

#### 荷斯坦系列高钙牛奶

Selecting good quality Holstein cows and containing 125mg of calcium per 100ml. Vitamin D is added to facilitate calcium absorption. The milk is nutritious, pure and rich in taste.

甄選優質荷斯坦奶源，每100毫升含125毫克高鈣，含維生素D促進鈣吸收，營養豐富，純正香濃。

### HOLSTEIN THREE ZERO SKIMMED MILK

#### 荷斯坦系列三零脱脂牛奶

Zero fat, light with nutrimental value, zero lactose, easy to absorb. Getting nutrition, being healthy, feeling the sweetness, and stay fresh.

零脂肪，輕享好營養；零乳糖，營養好吸收。在獲取營養健康的同時，感受清甜美味，輕盈體驗。



### REFRIGERATED PURE MILK

#### 冰箱裝純牛奶

It takes merely 2 hours from the teats to the processing line to maintain the fresh taste and nutrition. Good cows make good milk with good taste.

擠奶完成後到開始加工2小時，保持新鮮口感與營養，好牛奶好口感。



### GOLD PURE MILK

#### 金奖純牛奶

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

自家牧場，優質奶源，連續三年榮獲世界食品品質評鑑大會金獎，中國航天事業合作夥伴，航天品質，金獎之選。

SINCE 1961

# World Quality Selections Results 2021



QUALITY  
AWARD



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### INDUSTRY OVERVIEW

In the first half of 2021, China's economy recovered continuously and steadily in the face of complicated and changing internal and external environments, with production demands rebounding continuously and the employment rate and the price level stabilizing. Markets generally expected that China's domestic economy is improving while maintaining stability. China's GDP reached approximately RMB53.2 trillion in the first half of 2021, with a yoy growth of 12.7%, of which, the first and second quarter recorded a yoy surge of 18.3% and 7.9%, respectively.

In the dairy sector, the prices of global bulk commodities have generally risen during the first half of 2021, and many unfavorable factors posed by the COVID-19 pandemic to the market and the tight supply of feed ingredients have in aggregate led to a general increase in feed costs. In recent years, China's dairy farming industry has been developing sustainably and healthily; the quality and safety standards have been improving consistently, and the dairy industry has developed to a greater scale. Currently, the proportion of domestic large-scaled dairy farming has reached 67%, representing a yoy improvement of 3%, and large-scaled dairy farms have all adopted mechanized milking. China's dairy industry maintains a momentum of rapid growth; the milk production grew by 7.6% yoy in the first half of 2021. The average market price of raw and fresh milk in the first half of 2021 was approximately RMB4.26/kg, representing a yoy growth of 15%.

### 行業概覽

2021年上半年，面對複雜多變的國內外環境，我國經濟持續穩定恢復，生產需求持續回升，就業率及物價水平總體穩定，市場普遍預期國內經濟穩中向好。2021年上半年國內生產總值約人民幣53.2萬億元，同比增長12.7%；其中第一季度及第二季度分別同比增長18.3%及7.9%。

在乳業方面，全球大宗商品在2021年上半年價格普遍上漲，全球新冠疫情為市場帶來了諸多不利因素，加上飼料原料供應端緊張，飼料成本普遍上漲。近年中國奶牛養殖業持續健康發展，質量安全水平仍不斷提升，奶業發展更具規模。國內奶牛規模養殖比例現時已達到67%，同比提高3%，規模牧場全都採用機械化擠奶。我國奶業保持較快增長態勢，2021年上半年牛奶產量同比增長7.6%。2021年上半年市場平均生鮮乳價格約為人民幣4.26元/公斤，同比增長15%。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The 2021 China Dairy 20 (D20) Summit released the 2021 China Dairy Quality Report (the “Report”) and the group standard for raw milk. Guided by the Report, D20 companies will promote the innovation-driven development of dairy enterprises and the improvement of industrial chain. The Report stressed that the construction of high-quality milk bases will be continuously strengthened, the genetic improvement for dairy cows will be promoted, the supply of high-quality forage will be increased and the milk supply capacity will be improved consistently.

The local Chinese government has introduced a series of policies to further promote the revitalization of dairy industry. In February 2021, the No.1 Central Document also stated that the construction of high-quality milk bases will be the main battlefield for the revitalization of the dairy industry. The introduction of three-child policy in May forged a new driving force for the future growth of dairy demands. In July, the Decision of the Central Committee of the Communist Party of China and the State Council on Improving Birth Policies to Promote Long-term and Balanced Population Development was officially released, which provided a basket of measures that support better childbearing and care, inclusive child care and reduction of costs in childbearing, care and education. Driven by favorable national policies, large-scaled dairy enterprises and dairy farming enterprises could embrace more development opportunities in the industry.

### BUSINESS REVIEW

For the six months ended 30 June 2021 (the “Reporting Period”), the Group was mainly engaged in dairy farming operations (producing and selling quality raw milk to customers who process it into dairy products) and developing its self-branded liquid milk products through associates jointly established with China Mengniu Dairy Company Limited (“Mengniu”). The Group is committed to pooling resources and focusing on the upstream dairy farming business, and in response to customers’ demand for high-quality raw milk, providing raw milk for diversified and high-end high-quality products.

With effective cost control and sound management, coupled with dynamic and appropriate herd expansion strategies, the Group achieved profit before tax of approximately RMB506.0 million during the Reporting Period (2020: RMB226.6 million), representing a yoy growth of 123.3%. Net free cash inflow amounted to RMB639.3 million (2020: RMB631.8 million), representing a sustained growth. The Group’s pure milk was awarded the Gold Prize of Monde Selection for the eighth consecutive year, symbolizing that our premium quality branded milk was widely recognized by all sectors of the society.

2021中國奶業20強(D20)峰會發佈了《2021中國奶業質量報告》(「報告」)和生牛乳團體標準，奶業20強企業以《報告》綱領，推動奶企創新發展、產業鏈提升。《報告》強調持續加強優質奶源基地建設，推進奶牛遺傳改良，增加優質飼草料供給，不斷提高奶源供給能力。

我國地方當局持續出台一系列政策持續推進奶業振興。2021年2月，中央一號文件表示優質奶源基地的建設將是奶業振興的主戰場。5月，三胎政策正式實施，為未來奶製品需求帶來新增長動力。7月《中共中央國務院關於優化生育政策促進人口長期均衡發展的決定》正式發佈，就優生優育、普惠托育、降低「三育」成本等推出一籃子措施。在國家的利好政策推動下，規模化乳製品企業和奶牛養殖企業將可在行業中獲得更大的發展機遇。

### 業務回顧

截至2021年6月30日止六個月(「匯報期間」)，本集團主要從事奶牛養殖業務(生產和銷售優質原料奶，客戶加工成乳製品)及通過與中國蒙牛乳業有限公司(「蒙牛」)組建的聯營公司發展自有品牌液態奶產品。本集團致力集中資源專注上游奶牛養殖業務，針對客戶對優質原奶的需求，向多元化及高端優質產品提供原奶。

本集團持續推進降本增效並適度適時擴群策略，於本匯報期間錄得稅前盈利約人民幣506.0百萬元(2020年：人民幣226.6百萬元)，同比增加123.3%。自由現金流淨流入人民幣639.3百萬元(2020年：人民幣631.8百萬元)，持續增長。本集團純牛奶連續八年獲世界食品質量評鑒大會金獎，標誌著我們高質量的品牌奶廣泛獲得社會各界的肯定。



### OPERATIONAL PERFORMANCE

For the Reporting Period, the performance of the Group's main operating indicators was better than expected. The average selling price ("ASP") of raw milk stood at RMB4.39/kg (2020: RMB3.87/kg), representing a yoy growth of 13.4%. The Group has achieved sales of raw milk of up to RMB3,179.7 million (2020: RMB2,827.8 million), representing a yoy growth of 12.4%. Benefiting from increase in sales of raw milk and effective cost control, the gross profit of the dairy farming business stood at RMB1,181.6 million (2020: RMB1,052.0 million), representing a yoy growth of 12.3% with a gross profit margin of 37.2% (2020: 37.2%), maintaining a strong profitability.

The Group continued to moderate the impact arising from the increase in feed costs through measures such as improving the health of dairy cows, optimizing the structure of feed formula, enhancing the absorbance and conversion rate of dairy cows, and leveraging on a consolidated procurement platform. During the Reporting Period, unit cost (excluding depreciation of property, plant and equipment) of milk of the Group was RMB2.60/kg (2020: RMB2.27/kg), representing a yoy increase of RMB0.33/kg, mainly due to the increase of feed costs. The direct feed cost per kilogram of milk was RMB2.09/kg (2020: RMB1.75/kg), representing a yoy increase of RMB0.34/kg.

### 經營表現

於本匯報期間，本集團的主要營運指標表現均優於預期。原料奶平均銷售單價（「平均售價」）為人民幣4.39元／公斤（2020年：人民幣3.87元／公斤），同比增長13.4%。原料奶銷售額高達人民幣3,179.7百萬元（2020年：人民幣2,827.8百萬元），同比上升12.4%。得益於原料奶銷售額的增長及有效的成本控制，乳牛養殖業務的毛利達人民幣1,181.6百萬元（2020年：人民幣1,052.0百萬元），同比增長12.3%，毛利率為37.2%（2020年：37.2%），保持著強勁的盈利能力。

本集團持續通過提升牛隻健康、優化飼料配方結構、提高奶牛吸收轉化率及借助統一採購平台等措施適度平抑了因部分飼料成本上漲所帶的影響。於本匯報期間，本集團公斤奶成本（不包括物業、廠房及設備折舊）為人民幣2.60元／公斤（2020年：人民幣2.27元／公斤），同比增加人民幣0.33元／公斤，主要是飼料成本上漲所致。公斤奶直接飼料成本為人民幣2.09元／公斤（2020年：人民幣1.75元／公斤），同比增加人民幣0.34元／公斤。



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

### DAIRY FARMS

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

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

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

### 牧場概況

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

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

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

蚌埠牧場  
Bengbu Farm



牛舍內部  
Barn



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Herd Scale

### 畜群規模

		As at 於	
		30 June 2021 2021年 6月30日 Heads 頭	30 June 2020 2020年 6月30日 Heads 頭
Dairy cows	乳牛		
Milkable cows	奶牛	<b>134,843</b>	134,533
Heifers and calves	小乳牛及小牛	<b>117,033</b>	101,344
Total	總計	<b>251,876</b>	235,877

The Group currently operates a total of 26 dairy farms (each with a herd size close to or over 10,000 dairy cows) across seven provinces in the PRC. All milkable cows are high-end Holstein dairy cows or their offsprings, with good physical health and high milk yield. We continue to improve the genetics of dairy cows so as to increase the proportion of the core herd and achieve a steady growth in production. Modern Dairy strives to double its herd size and milk production in the coming five years through organic growth and external acquisitions, that by 2025, the number of dairy cows will increase to more than 500,000 heads and the annual production of fresh milk will increase to 3.6 million tons.

本集團現時在中國內地七個省區營運26個萬頭級牧場，所有奶牛均為荷斯坦牛或其後代，其體質強健，產奶量高，品種優良。我們不斷通過改良乳牛的基因以提高核心牛群佔比，實現產量的穩步增長。現代牧業爭取用5年時間，通過內生增長及外部收購，以實現牛、奶雙翻番，即至2025年奶牛存欄增長至50萬頭以上，年產鮮奶達360萬噸。

During the Reporting Period, the herd size of the Group grew orderly by approximately 6.8% yoy to 251,876 heads of dairy cows (as at 30 June 2020: 235,877 heads), in line with the Group's overall herd expansion strategies.

於匯報期間內，本集團畜群規模適度有序增長達至251,876頭(2020年6月30日：235,877頭)，同比增長約6.8%，符合本集團的整體擴群策略。



小牛  
Calves



犏牛島  
Heifer island

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Milk Yield

Milk yield of milkable cow is affected by a number of factors, such as the number of the cow's lactation, breed, comfort level, health condition, genetics and feed mix. Under effective herd management, the annualized milk yield per head of milkable cow was 11.1 tons and the total milk yield was 734 thousand tons during the Reporting Period.

### Quality of Raw Milk

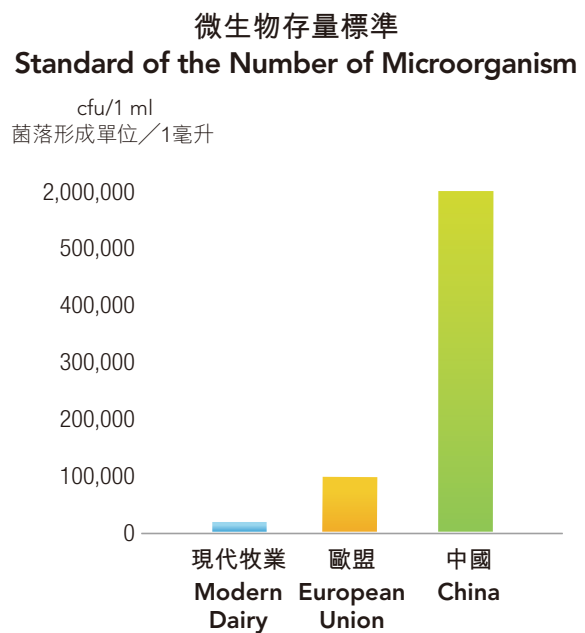
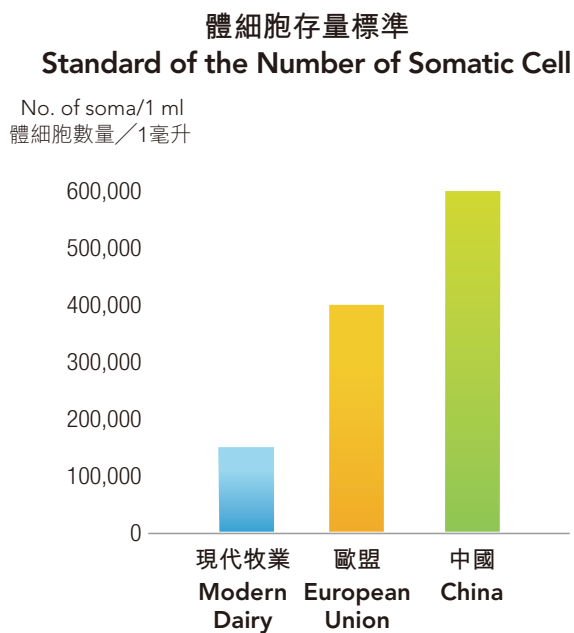
Modern Dairy ensured the quality management and control were scientifically controllable and adhered to the principle of high starting point, high positioning and high standard, keeping consumers informed with quantitative data of milk. We produced our own dairy products using our own raw milk. Every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

### 產奶量

奶牛的產奶量受多項因素所影響，其中包括奶牛的泌乳胎次、品種、生活舒適程度、健康情況、基因及飼料結構等。在有效的畜群管理下，匯報期間內我們錄得每頭成乳牛的年化單產11.1噸，產奶量達73.4萬噸。

### 原奶質量

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



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

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

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

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





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Environmental Protection and Epidemic Prevention

With the mission to “create the world’s most advanced farms, produce the highest quality milk, and achieve harmonious development of people and nature”, the Group actively fulfills its social responsibilities. The Group continuously improves on various aspects such as product quality, dairy cow disease control and environmentally friendly production to maximize social benefits. The Company’s various milk quality indicators are better than the EU standards. Food safety indicators are set in the raw milk production process, and the whole process is strictly monitored to ensure that the raw milk quality meets the standards. Since Mengniu increased its stake in the Company, the Group and Mengniu have enhanced cooperation in product testing, unified inspection standards and processes, and improved testing efficiency and product quality. The Group strictly complies with relevant laws and regulations for epidemic prevention management, conducts health rating management for dairy cows, cautiously controls the environment of farms, refines the management of entry and exit of farms, provides epidemic prevention and protection in production areas, and establishes quarantine and health check plans for dairy cows, so as to ensure the health of dairy cows.

Based on resource recycling, the Group has built a green recycling industrial chain of “forage planting – cow breeding – fertilizer treatment – biogas power generation – fertilizer back to the field”. Each farm is equipped with large-scale biogas power generation facilities and comprehensive utilization facilities for biogas fertilizer, which absorbs, digests and environmentally treats the manure. For sustainable development, the Group will continue to implement high-standard environmental protection policies and implements rigorous epidemic prevention measures in our farms.

### 環境保護與疫控

本集團素以「創建世界最先進的牧場，生產世界最優質的牛奶，實現人與自然的和諧發展」為使命，積極履行社會責任。本集團在產品質量、乳牛疾病管控、環保生產等方面不斷改善以達致最大社會效益。本公司的各項牛奶品質指標均優於歐盟標準，在原奶生產過程中設置食品安全指標，全程進行監控，確保原奶優質達標。自蒙牛增持本公司後，本集團與蒙牛加強在產品檢測的協同，統一檢驗標準和流程，提高檢測效率，繼續提高產品質量。本集團嚴格遵守相關法律法規的要求進行防疫管理，對奶牛進行健康評級管理，嚴控牧場環境，細化牧場出入管理、生產區防疫防護管理，為奶牛制定檢疫和健康檢查計劃，保障奶牛的健康。

本集團立足資源循環利用，構建一條「飼草種植 – 奶牛養殖 – 糞污處理 – 沼氣發電 – 糞肥還田」的綠色循環產業鏈。每期牧場都配建了大型沼氣發電設施和沼肥綜合利用設施，將糞污吸收、消化並進行無害化處理。為實現可持續發展，本集團將繼續奉行高標準的環保政策，並對我們的牧場實施嚴格的防疫措施。



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

### ASSOCIATE FACTORIES

Benefiting from the reform in marketing models, the branded milk business through the operation of downstream associate factories with Mengniu continued to record profits. Leveraging on Mengniu's mature market strategy and channel advantages, the "Modern Farming" branded milk developed the full line of products with the positioning that "healthy cows produce quality milk". The Pandemic Outbreak has prompted consumers' willingness in choosing more secured and better-quality milk for daily consumption. Relying on Mengniu's successful marketing strategy, rebranding of "Modern Farming" and adoption of differentiated marketing strategies, it focuses on the blue ocean market in domestic third- and fourth-tier cities. The associate factories are expected to keep contributing to the Group's financial performance.

### AWARDS AND RECOGNITIONS

- The Company is the first and only company in China that passed the "Quality Milk Project" for both its pasteurized milk and UHT milk. During the Reporting Period, the pure milk of the Group was awarded the Gold Prize for the eighth time in consecutive years in the Monde Selection 2021.

### 聯營工廠

受惠於營銷模式的革新，本集團與蒙牛合資的下游品牌奶聯營工廠持續錄得盈利。借力蒙牛成熟的市場策略及渠道優勢，「現代牧業」品牌奶以「好牛自然產好奶」的定位進行全產品線佈局。疫情爆發促使消費者更願意選取更加有保障的、品質更好的牛奶進行日常的消費。依託蒙牛成功的營銷策略、重塑「現代牧業」品牌，採用差異化市場策略，主攻國內三、四線城市的藍海市場。預期聯營工廠會持續為本集團帶來財務貢獻。

### 獎項和認可

- 本公司是國內首家也是唯一一家巴氏殺菌奶和UHT滅菌奶同時通過國家「優質乳工程」驗收的企業，於本匯報期間，本集團的純牛奶獲2021年世界食品品質評鑒大會(Monde Selection)金獎，連續八次蟬聯該獎項。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 20 January 2021, the Company and the placing managers (as agent of the Company) entered into the placing agreement, in relation to the placing of 650,000,000 new ordinary shares to be issued by the Company.

The placing was completed on 27 January 2021, that the Company issued an aggregate of 650,000,000 new shares under general mandate to certain independent third parties at the placing price of HK\$2.40 per share and the net proceeds from the placing amounted to approximately HK\$1,552 million (equivalent to approximately RMB1,295 million). The Company intends to apply the net proceeds from the placing on infrastructure development and herd expansion, potential mergers and acquisitions and general working capital. As of 30 June 2021, approximately RMB300 million has been used for infrastructure and herd expansion, approximately RMB195 million has been used for general working capital, and the remaining approximately RMB800 million has yet to be utilized and are intended to be used for the expansion of herd size and general working capital over the next twelve months.

For details for the placing, please refer to the Company's announcements dated 20 January 2021 and 27 January 2021.

### ISSUANCE OF BONDS DUE 2026

The Company has successfully issued US\$500,000,000 2.125% bonds due 2026 (the "Bonds") with a credit rating of "BBB", being an investment grade assigned by Standard & Poor's, by way of debt issues to professional investors. The listing of, and dealing in, the Bonds were effective from 15 July 2021.

The offer price of the Bonds was 99.717% of the principal amount. The Bonds will bear interest with effect from 14 July 2021 (inclusive), payable semi-annually in arrears. The Company intends to use the proceeds from the issue of the Bonds for refinancing and general corporate purposes.

### 根據一般授權配售新股份

於2021年1月20日，本公司與配售管理人(作為本公司的代理人)就配售本公司擬發行的650,000,000股新普通股訂立配售協議。

有關配售於2021年1月27日完成，為此本公司根據一般授權以每股2.40港元的配售價向若干獨立第三方發行合共650,000,000股新股份，配售所得款項淨額約為15.52億港元(約合人民幣12.95億元)。本公司擬將配售所得款項淨額用於基礎設施發展及畜群擴張、潛在併購及一般營運資金。截至2021年6月30日，約人民幣3.00億元已用於基礎設施和畜群擴張，約人民幣1.95億元用於一般營運資金。餘下人民幣8.00億元尚未使用，擬用於未來12個月畜群規模擴展和一般營運資金。

有關配售詳情，請參閱本公司於2021年1月20日及2021年1月27日的公告。

### 發行2026年到期債券

本公司已通過向專業投資者發行債券的方式成功發行了5億美元、票息為2.125%、於2026年到期的債券(「債券」)。本期債券的上市和交易已於2021年7月15日起生效。本期債券獲標準普爾信用評級為「BBB」投資級別。

債券的發售價為本金額的99.717%。債券將從2021年7月14日(含)起計息，每半年支付一次。本公司擬將債券發行所得款項用於再融資及一般企業用途。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL OVERVIEW

#### Revenue

The Company focuses on upstream business, and through the operation of 26 dairy farms in the PRC, the Company produces and sells raw milk to customers for processing into dairy products.

During the Reporting Period, the Group recorded total revenue of RMB3,179.7 million (2020: RMB2,827.8 million), representing a yoy increase of approximately 12.4%. The increase in revenue was primarily due to the increase in ASP of raw milk. ASP of raw milk grew by 13.4% yoy to RMB4.39/kg during the Reporting Period (2020: RMB3.87/kg).

### 財務概況

#### 收入

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

於本匯報期間本集團錄得總收入人民幣3,179.7百萬元(2020年：人民幣2,827.8百萬元)，同比上升約12.4%。收入增加主要是由於原奶平均售價的增加，於本匯報期間，本集團錄得原料奶平均售價人民幣4.39元/公斤(2020年：人民幣3.87元/公斤)，同比增長13.4%。

#### Six months ended 30 June

截至6月30日止六個月

2021 2021年			2020 2020年		
Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/kg 人民幣元/ 公斤	Sales revenue 銷售收入 RMB'000 人民幣千元	Sales volume 銷售量 tons 噸	ASP 平均售價 RMB/kg 人民幣元/ 公斤
3,179,719	724,564	4.39	2,827,752	730,026	3.87

Sales of raw milk

原奶銷售



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

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

### 原料奶公平值調整前的銷售成本

During the Reporting Period, the Group's cost of sales before raw milk fair value adjustment primarily consisted of dairy farming cost, the breakdown of which is shown as below:

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

		Six months ended 30 June 截至6月30日止六個月			
		2021 2021年		2020 2020年	
		RMB'000 人民幣千元	% 百分比	RMB'000 人民幣千元	% 百分比
Direct materials	直接材料	1,554,745	77.8	1,320,256	74.3
Labor cost	勞工成本	135,970	6.8	148,094	8.3
Utilities	公用事業費用	59,510	3.0	51,169	2.9
Depreciation of property, plant and equipment	物業、廠房及設備折舊	111,238	5.6	118,552	6.7
Other costs of farms	畜牧場其他開支	136,659	6.8	137,664	7.8
Cost of sales before raw milk fair value adjustments of dairy farming business	原料奶公平值調整前的 奶牛養殖業務銷售成本	1,998,122	100	1,775,735	100

Direct materials (mainly forage) cost for the Reporting Period amounted to RMB1,555 million (2020: RMB1,320 million), representing a yoy increase of 17.8%, mainly due to increase in feed costs.

於本匯報期間，直接材料(主要為飼草料)成本為人民幣15.55億元(2020年：人民幣13.20億元)，同比增長17.8%，主要是由於飼草料成本上漲。

### Gross Profit and Profitability

### 毛利及盈利能力

Gross profit of dairy farming business amounted to RMB1,181.6 million during the Reporting Period (2020: RMB1,052.0 million), representing a significant yoy increase of 12.3%, mainly due to the increase in ASP of raw milk and effective cost control.

於本匯報期間，乳牛養殖業務的毛利為人民幣1,181.6百萬元(2020年：人民幣1,052.0百萬元)，同比顯著增加12.3%，主要得益於原料奶平均售價的增長及成本有效控制。

Gross profit margin of dairy farming business stood at 37.2% during the Reporting Period (2020: 37.2%), maintaining a strong profitability.

於本匯報期間，乳牛養殖業務的毛利率為37.2%(2020年：37.2%)，保持著強勁的盈利能力。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

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

As at 30 June 2021, the biological assets of the Group were valued at RMB7,083.9 million (as at 31 December 2020: RMB7,101.2 million) by an independent qualified professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited. Losses arising from changes in the dairy cow fair value less cost of sales of dairy cows were RMB405.8 million (2020: RMB448.7 million) for the Reporting Period, representing a yoy decrease of 9.6%.

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

During the Reporting Period, gains arising from initial recognition at fair value less cost of sales at the point of raw milk harvest increased by 15.4% yoy to RMB1,108.0 million (2020: RMB960.4 million), mainly due to the increase in ASP of raw milk.

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

## OTHER INCOME

During the Reporting Period, other income amounted to RMB53.4 million (2020: RMB41.2 million), mainly consisted of government subsidies and interest income. Government subsidies mainly consisted of subsidies for agricultural projects and subsidies for the operations of the Group.

## OPERATING EXPENSES

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

### 乳牛公平值變動減乳牛出售成本產生的虧損

於2021年6月30日，本集團的生物資產獲獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司評估為人民幣7,083.9百萬元(於2020年12月31日：人民幣7,101.2百萬元)。於本匯報期間，乳牛公平值變動減乳牛出售成本產生的虧損為人民幣405.8百萬元(2020年：人民幣448.7百萬元)，同比減少9.6%。

### 於原料奶收穫時按公平值減銷售成本初始確認產生的收益

於本匯報期間，於原料奶收穫時按公平值減銷售成本初始確認產生的收益為人民幣1,108.0百萬元(2020年：人民幣960.4百萬元)，同比增幅為15.4%，主要由於原奶平均售價上漲所致。

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

## 其他收入

於本匯報期間，其他收入人民幣53.4百萬元(2020年：人民幣41.2百萬元)，其他收入主要包括政府補貼及利息收入，政府補助主要包括對農業項目的補貼及對本集團營運提供補助。

## 經營開支

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

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
80,630	98,175
154,622	144,885
235,252	243,060



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

During the Reporting Period, the overall operating expenses of the Group amounted to approximately RMB235.3 million (2020: RMB243.1 million). The analysis is as follows:

#### • Selling and Distribution Costs

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

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

Selling and distribution costs mainly consisted of transportation costs for sales of raw milk. During the Reporting Period, the Group recorded selling and distribution costs of RMB80.6 million (2020: RMB98.2 million), representing a significant yoy decrease of 17.9%. This was mainly due to the effective control of costs and expenses of the Group.

#### • Administrative Expenses

Administrative expenses mainly consisted of remuneration of management staff (including equity-based restricted share award expenses) and depreciation of office buildings, staff quarters and facilities. During the Reporting Period, the administrative expenses of the Group were RMB154.6 million (2020: RMB144.9 million), which increased by RMB9.7 million (6.7%). The increase was mainly due to the Group's provision of rewards and continuous incentives for employees to boost good performance for the Company and the increase in the management's remuneration.

於本匯報期間，本集團的整體經營開支約為人民幣235.3百萬元(2020年：人民幣243.1百萬元)。分析如下：

#### • 銷售及分銷開支

銷售及分銷開支分析如下：

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

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
78,832	96,580
1,798	1,595
80,630	98,175

銷售及分銷開支主要包括原奶銷售的運輸費用。於本匯報期間，本集團錄得銷售及分銷開支為人民幣80.6百萬元(2020年：人民幣98.2百萬元)，同比大幅減少17.9%，主要受益於本集團成本費用的有效控制。

#### • 行政開支

行政開支主要包括管理人員薪酬(含以股權結算的限制性股票獎勵開支)及辦公樓、職工宿舍與設施折舊等。於本匯報期間，本集團錄得行政開支為人民幣154.6百萬元(2020年：人民幣144.9百萬元)，增加人民幣9.7百萬元，增幅達6.7%。有關增幅主要由於本集團為獎勵並持續激勵員工為公司創造良好業績，提升管理人員薪酬所致。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### IMPAIRMENT LOSSES, NET OF REVERSAL

### 減值虧損扣除撥回

Six months ended 30 June

截至6月30日止六個月

Impairment losses recognised/(reversed) on the following items: 就下列各項確認/(撥回)的減值虧損：

Trade receivables 貿易應收款項  
Other receivables 其他應收款項

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
-	(100)
64	90
64	(10)

### OTHER GAINS AND LOSSES, NET

### 其他收益及虧損淨額

During the Reporting Period, the Group recorded a net loss arising from other gains and losses of RMB9.9 million (2020: net gain of RMB40.4 million). Other gains and losses mainly consisted of net foreign exchange gain or loss, fair value gain/loss on derivative financial instruments, impairment loss on goodwill and gains arising on disposal of subsidiaries.

於本匯報期間，本集團錄得其他收益及虧損所產生的淨虧損為人民幣9.9百萬元(2020年：淨收益人民幣40.4百萬元)，其他收益及虧損主要包括外匯收益虧損淨額、衍生金融工具的公平值收益/虧損、商譽減值虧損及出售附屬公司的收益。

The breakdown of other gains and losses is as follow:

其他收益及虧損明細如下：

Six months ended 30 June

截至6月30日止六個月

Other gains and losses, net: 其他收益及虧損淨額：  
Net foreign exchange (gains)/losses 外匯(收益)/虧損淨額  
Loss on disposal of property, plant and equipment, net 出售物業、廠房及設備虧損淨額  
Impairment loss on goodwill 商譽減值虧損  
Gain on disposal of subsidiaries 出售附屬公司的收益  
Fair value loss/(gain) on derivative financial instruments: 衍生金融工具的公平值虧損/(收益)：  
Foreign currency forward contracts 外匯遠期合約  
Foreign currency option contracts 外匯期權合約  
Fair value gain on structured deposits 結構性存款的公平值收益

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
(23,754)	51,078
4,611	3,953
-	22,750
-	(72,280)
1,956	(18,414)
27,812	(27,364)
(754)	(74)
9,871	(40,351)





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCE COSTS

During the Reporting Period, finance costs amounted to RMB91.4 million (2020: RMB214.8 million), representing a significant yoy decrease of 57.4%, mainly due to the decrease of the financing scale and the financing interest rate, as well as the changes of fair value on interest rate swaps.

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

During the Reporting Period, the profit attributable to owners of the Company amounted to RMB496.7 million (2020: RMB220.7 million), representing a significant yoy increase of 125.0%. Adhering to the Group's strategies of cost reduction and efficiency enhancement, the Group has implemented the cost control principles of "increasing, reducing, replacing and stopping" in terms of technology, equipment, procurement and formula of feed mix, which resulted in significant improvement in the overall operating indicators of the Group.

During the Reporting Period, basic earnings per share was approximately RMB7.13 cents (2020: RMB3.47 cents). Diluted earnings per share was RMB7.12 cents (2020: RMB3.46 cents).

### LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group's total equity as at 30 June 2021 was RMB9,696.7 million (as at 31 December 2020: RMB8,038.4 million). As at 30 June 2021, the Group's net gearing ratio (calculated on the basis of the amount of total borrowings less cash and deposit assets as a percentage of the total equity) was 24.2% (as at 31 December 2020: 53.4%), representing a drop of 29.2 ppt as compared with that as at 31 December 2020.

As at 30 June 2021, the Group's available and unutilized credit facilities amounted to approximately RMB4,823.4 million (as at 31 December 2020: RMB4,597.9 million). In the opinion of the Group's management, the Group is able to repay the relevant amount in full as the financial obligations fall due for the next twelve months.

### 財務開支

於本匯報期間，財務開支為人民幣91.4百萬元(2020年：人民幣214.8百萬元)，同比大幅減少57.4%，主要是由於融資規模和融資利率水平下降，以及利率掉期公平值變動。

### 本公司擁有人應佔期內溢利

於本匯報期間，本公司擁有人應佔溢利為人民幣496.7百萬元(2020年：人民幣220.7百萬元)，同比大幅增加125.0%。本集團採取降本增效戰略部署，從技術、設備、採購、飼餵配方結構等各個方面，深入貫徹「增、減、替、停」的成本控制原則，成功使本集團在整體營運指標上取得明顯提升。

於本匯報期間，每股基本盈利約人民幣7.13分(2020年：人民幣3.47分)。每股攤薄盈利約人民幣7.12分(2020年：人民幣3.46分)。

### 流動資金及財務資源及槓桿比率

本集團於2021年6月30日的總權益為人民幣9,696.7百萬元(於2020年12月31日：人民幣8,038.4百萬元)。於2021年6月30日，本集團的淨槓桿比率(按總借款減現金及存款類資產佔總權益百分比)為24.2%(於2020年12月31日：53.4%)，對比2020年12月31日減少29.2個百分點。

於2021年6月30日，本集團的可動用而未動用信貸融資額度約人民幣4,823.4百萬元(2020年12月31日：人民幣4,597.9百萬元)。本集團的管理層認為，於未來十二個月本集團將能夠於財務責任到期應付時悉數償還有關款項。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Operating Activities

During the Reporting Period, the Group's net cash inflow generated from operating activities amounted to RMB1,464.9 million (2020: RMB1,055.2 million), representing an increase of 38.8% yoy.

### Investing Activities

During the Reporting Period, the Group's net cash outflow from investing activities amounted to RMB825.6 million (2020: RMB423.4 million), representing an increase of 95.0% yoy.

### Financing Activities

During the Reporting Period, the Group's net cash inflow generated from financing activities amounted to RMB399.9 million (2020: net cash outflow of RMB535.5 million).

### Interest-bearing Borrowings

As at 30 June 2021, the total interest-bearing borrowings amounted to RMB4,992.1 million, all of which were bank borrowings.

### 經營活動

於本匯報期間，本集團的經營活動所產生的現金流量淨流入為人民幣1,464.9百萬元(2020年：人民幣1,055.2百萬元)，同比增加38.8%。

### 投資活動

於本匯報期間，本集團的投資活動所產生的現金流量淨流出為人民幣825.6百萬元(2020年：人民幣423.4百萬元)，同比增加95.0%。

### 融資活動

於本匯報期間，本集團的融資活動所產生的現金流量淨流入為人民幣399.9百萬元(2020年：現金淨流出人民幣535.5百萬元)。

### 有息借款

於2021年6月30日，有息借款總額為人民幣4,992.1百萬元，均為銀行借款。

		As at 於	
		30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Borrowings</b>	<b>借款</b>		
Bank borrowings	銀行借款	<b>4,992,098</b>	5,642,326
		<b>4,992,098</b>	5,642,326
<b>Carrying value repayable:</b>	<b>應償還賬面值：</b>		
Within one year	一年以內	<b>2,305,341</b>	3,471,314
Between one and two years	一至兩年內	<b>1,823,757</b>	703,519
Between two and five years	兩至五年內	<b>863,000</b>	1,467,493
		<b>4,992,098</b>	5,642,326



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Bank Borrowings

The annual interest rate of the bank borrowings for the six months ended 30 June 2021 varied from 1.50% to 4.57% (for the six months ended 30 June 2020: 0.66% to 5.00%).

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

#### Type of borrowings

Unsecured borrowings  
Secured borrowings

#### 借款類別

無抵押借款  
有抵押借款

#### Carrying amount repayable:

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

#### 應償還賬面值：

一年以內  
一至兩年內  
兩至五年內

Bank borrowings are denominated in the following currencies:

US\$  
HK\$  
RMB

美元  
港元  
人民幣

### 銀行借款

截至2021年6月30日止六個月內，銀行借款的年利率變幅為1.50%至4.57%（截至2020年6月30日止六個月：0.66%至5.00%）。

下表列載我們於下列所示日期的短期及長期銀行借款：

	As at 於	
	30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
	<b>4,633,447</b>	5,281,002
	<b>358,651</b>	361,324
	<b>4,992,098</b>	5,642,326
	<b>2,305,341</b>	3,471,314
	<b>1,823,757</b>	703,519
	<b>863,000</b>	1,467,493
	<b>4,992,098</b>	5,642,326

銀行借款以下列貨幣計值：

	30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
	<b>1,551,361</b>	1,570,957
	<b>526,850</b>	1,031,784
	<b>2,913,887</b>	3,039,585
	<b>4,992,098</b>	5,642,326



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The bank borrowings comprise:

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

銀行借款包括：

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
2,282,595	2,230,939
2,709,503	3,411,387
4,992,098	5,642,326

## GROUP STRUCTURE

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

## CAPITAL STRUCTURE

On 27 January 2021, the Company issued an aggregate of 650,000,000 new shares under general mandate to certain independent third parties. As at 30 June 2021, the number of issued ordinary shares of the Company was 7,108,565,947 shares.

## CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 30 June 2021, no buildings or equipment of the Company (as at 31 December 2020: nil) were pledged as security for the Group's borrowings.

As at 30 June 2021, biological assets with carrying value of RMB738.7 million (as at 31 December 2020: RMB754.0 million) and time deposits of RMB124.9 million (31 December 2020: RMB122.7 million) were pledged to secure the Group's borrowings.

The Group did not have any significant contingent liabilities as at 30 June 2021.

## CAPITAL COMMITMENTS

As at 30 June 2021, the Group had capital commitments of RMB101.3 million relating to acquisition of property, plant and equipment (as at 31 December 2020: RMB20.2 million).

## 本集團架構

除本報告披露外，於本匯報期間，本集團架構並無發生任何重大變動。

## 資本架構

於2021年1月27日，本公司根據一般授權向若干獨立第三方發行合共650,000,000股新股份，於2021年6月30日，本公司已發行普通股為7,108,565,947股股份。

## 或然負債及資產抵押

於2021年6月30日，本公司無樓宇及設備(於2020年12月31日：無)被抵押作本集團借款的擔保。

於2021年6月30日，生物資產的賬面值人民幣738.7百萬元(於2020年12月31日：人民幣754.0百萬元)，以及定期存款人民幣124.9百萬元(於2020年12月31日：人民幣122.7百萬元)已抵押作本集團借款的擔保。

於2021年6月30日，本集團並無任何重大或然負債。

## 資本承諾

於2021年6月30日，本集團有關購置物業、廠房及設備的資本承諾為人民幣101.3百萬元(於2020年12月31日：人民幣20.2百萬元)。



### MATERIAL ACQUISITIONS AND DISPOSALS

#### Acquisition of Zhongyuan

As disclosed in the announcement of the Company dated 8 April 2021, on 8 April 2021, Modern Farming (Group), a non-wholly owned subsidiary of the Company (as purchaser) entered into a sale and purchase agreement (“Zhongyuan Acquisition Agreement”) with Asia Dairy Fab Ltd. (中博農畜牧科技股份有限公司) (as seller) to acquire the entire equity interests in Zhongyuan. Pursuant to the Zhongyuan Acquisition Agreement, the seller has conditionally agreed to sell and the purchaser has conditionally agreed to acquire 100% equity interests in Zhongyuan at a consideration of no more than RMB815.2 million. Pursuant to a supplemental agreement entered into between the parties on 20 July 2021, the consideration was adjusted downwards to no more than RMB723.0 million after taking into account the amount of certain unsettled liabilities of Zhongyuan incurred prior to 31 December 2020. The acquisition of Zhongyuan was completed in July 2021, and Zhongyuan has become a non-wholly owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

The business activities of Zhongyuan, being cow breeding, farms operation and milk production, are in line with the Group’s overall strategy. The acquisition will create substantive synergies for the Group in terms of farm operation, management and financial strength. Following the acquisition of Zhongyuan, the Group’s herd size will be increased, which could further enhance the Group’s competitiveness in terms of quality and pricing of raw milk. In the long run, the Group is committed to building a smart, eco-friendly, finely-branded and all-rounded ecological farm.

#### Acquisition of Fuyuan

As disclosed in the announcement of the Company dated 22 March 2021 and the circular of the Company dated 14 May 2021 (the “Fuyuan Acquisition Circular”), on 22 March 2021, the Company (as purchaser) entered into a sale and purchase agreement (the “Fuyuan Acquisition Agreement”) with, among others, certain sellers (the “Sellers”) and Inner Mongolia Fuyuan International Industrial (Group) Co. Ltd. (“Fuyuan”) to acquire the entire equity interests in Fuyuan at a consideration of RMB3.48 billion. Approximately 56.65% of the consideration will be satisfied in cash, and the remaining 43.35% will be satisfied by the allotment and issue of 807,096,101 shares of the Company at the issue price of HK\$2.24 per share to a holding company controlled by Mengniu immediately after completion of the allotment. As at 30 June 2021, Mengniu was the largest single shareholder holding approximately 43.35% of equity interests in Fuyuan through Inner Mongolia Mengniu Dairy (Group) Co., Ltd., a 99.99%-owned subsidiary of Mengniu.

### 重大收購及出售

#### 收購中元

誠如本公司日期為2021年4月8日的公告所披露，2021年4月8日，本公司的非全資附屬公司現代牧業(集團)(買方)與中博農畜牧科技股份有限公司(賣方)訂立買賣協定(「中元收購協定」)收購中元的全部股權。根據中元收購協定，賣方有條件同意出售，買方有條件同意以不超過人民幣815.2百萬元的代價收購中元100%股權。根據訂約方於2021年7月20日訂立的補充協議，經計及中元於2020年12月31日前產生的若干未清償負債金額後，代價已下調至不超過人民幣723.0百萬元。中元收購已於2021年7月完成，中元正式成為本公司的非全資附屬公司，其財務業績將相應併入本集團的財務報表。

中元所從事的奶牛養殖、牧場營運及乳製品業務符合本集團整體業務策略，收購事項將在牧場運營、管理和財務實力等方面於本集團產生實質協同效益。於收購事項完成後，本集團的牛群規模將擴大，這將進一步提高本集團在原料奶質量及定價方面的競爭力。從長遠來看，本集團致力於建構一個智慧、綠色、品牌佳的綜合型生態農場。

#### 收購富源

誠如本公司日期為2021年3月22日的公告及日期為2021年5月14日的通函(「富源收購通函」)所披露，2021年3月22日，本公司作為買方與(其中包括)若干賣方(「賣方」)及內蒙古富源國際實業(集團)有限公司(「富源」)訂立買賣協議(「富源收購協議」)，以代價人民幣34.8億元收購富源的全部股權，其中約56.65%的代價將以現金支付，另外43.35%的代價本公司將以每股2.24港元的發行價配發和發行本公司807,096,101股股份，並緊隨完成配發後轉讓給蒙牛控股的控股公司。於2021年6月30日，蒙牛通過內蒙古蒙牛乳業(集團)股份有限公司(蒙牛持有99.99%權益的附屬公司)持有富源約43.35%的股權，作為其單一最大股東。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The acquisition of Fuyuan was approved by shareholders at the extraordinary general meeting of the Company held on 2 June 2021. In mid-June 2021, the Company obtained unconditional antitrust clearances and approvals from the State Administration for Market Regulation of the PRC in respect of the acquisition of Fuyuan; and in early August 2021, regulatory approvals in relation to the Burra Disposal (as defined in the Fuyuan Acquisition Circular) were also obtained. It is expected that the acquisition of Fuyuan will be completed in the third quarter of 2021. Upon completion of the acquisition of Fuyuan, Fuyuan will be a non-wholly owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

Following the acquisition of Fuyuan, the Group's herd size will increase significantly to approximately 340,000 heads, which could further strengthen the Group's position in the dairy farming industry in China and enhance the Group's competitiveness in terms of quality and pricing of the raw milk.

### SIGNIFICANT INVESTMENTS

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

### PLANS FOR MATERIAL INVESTMENTS OR CAPITAL

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

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as otherwise disclosed in this report, our Directors have confirmed that, as of 30 June 2021, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

### EVENTS AFTER THE REPORTING PERIOD

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

富源收購事項已於本公司於2021年6月2日舉行的臨時股東大會上獲得股東批准。於2021年6月中旬，本公司就收購富源取得中國國家市場監督管理局的無條件反壟斷許可及批文，並於2021年8月初亦取得Burra出售事項(誠如富源收購通函所定義)的規管批文。預計富源收購將於2021年第三季度完成。富源收購完成後，富源將為本公司的非全資附屬公司，其財務業績將併入本集團財務報表。

於富源收購事項完成後，本集團的牛群規模將大幅提升至約34萬頭，將進一步鞏固本集團其在中國奶牛養殖行業的地位，並提高本集團在原奶質量及定價方面的競爭力。

### 重大投資

除本報告其他部分所披露外，於本匯報期間，本集團並無重大投資。

### 重大投資或資本計劃

除本報告其他部分所披露者外，本集團並無任何重大投資及資本資產的具體計劃。

### 基於上市規則的持續披露責任

除本報告另有披露外，董事確認截至2021年6月30日，本公司未有基於香港聯合交易所有限公司證券上市規則(「上市規則」)第13.13至第13.19條需要披露的事項。

### 匯報期後事項

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



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL MANAGEMENT POLICIES

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

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

### HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

The Group had 4,421 employees (as at 31 December 2020: 4,455 employees) in mainland China and Hong Kong as at 30 June 2021. Total staff costs (excluding equity-settled share award expenses) for the Reporting Period were approximately RMB267.6 million (2020: RMB274.0 million).

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

### 財務管理政策

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

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

### 人力資源及僱員薪酬

於2021年6月30日，本集團於中國內地及香港擁有4,421名僱員(於2020年12月31日：4,455名僱員)。於本匯報期間，總員工成本(不含以股權結算的股份獎勵開支)約為人民幣267.6百萬元(2020年：人民幣274.0百萬元)。

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



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### SOCIAL RESPONSIBILITY

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

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

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

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

#### 社會責任

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

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

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

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





#### PROSPECTS

Currently, the raw milk market is in high demand and short of supply; it is expected that the shortage of raw milk will continue and the price will increase steadily. As small- and medium-sized dairy farms withdraw from the market and the cyclicity of the dairy farming industry weakens, raw milk will be mainly provided by large-scale dairy farms in the future. With high industry barriers for large-scale farming, the Company could benefit from the industry's upward cyclical benefits and take advantage of being an industry leader.

In addition to adhering to the development, improvement and expansion of the core raw milk business, Modern Dairy will also explore the possibility of developing new businesses to explore new engines for profit growth. The scope of new exploration includes: i) developing the feed business to build a complete upstream dairy farming industrial chain; ii) developing the beef cattle business and leveraging on our resource advantages; iii) developing the featured milk business to increase the overall gross profit margin; iv) fostering the breeding business through the development of genetic enhancement and sex-control breeding techniques for dairy cows, and supplying high-quality dairy cow and frozen sperm of beef cattle to the Group; and v) opening up trading platform business and achieving full digital dairy farming by means of modern technologies and strengthening facial recognition for cows.

During the year, the Group has embarked on the "Five-Year Leading Program" with an aim to achieve on-demand supply and rational expansion by leveraging the synergies of upstream and downstream coordination and aligning production plans with demands from downstream dairy enterprises. In the meantime, the Group has adopted countermeasures to mitigate the asymmetric impact brought by the cyclicity of dairy industry. The Company strives to double its herd size and milk production in the coming five years through organic growth and external acquisitions, that by 2025, the number of dairy cows will increase to more than 500,000 heads and the annual production of fresh milk will increase to 3.6 million tons.

#### 展望

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

在堅持做大做優做強原料奶主業外，現代牧業還將探索發展新業務的可能性，以增加新的利潤增長點。開拓範圍包括一.是開拓飼料業務，打造全方位的上游養殖產業鏈；二.是開拓肉牛業務，發揮自身資源優勢；三.是開發特色奶業務，提升公司整體毛利率；四.培養育種業務，發展奶牛遺傳改良和性控繁育技術，為集團提供優質奶牛、肉牛凍精及；五.打通交易平台業務，借助現代化技術，加強牛臉識別，實現數字化養殖。

本集團於年內已開始實施「五年領跑計劃」，銳意發揮上下游聯動效益，產量規劃與下游乳企需求相匹配，做到按需供應，理性擴張，同時採取應對措施降低奶業週期性所帶來的不對稱影響。本公司爭取用5年時間，通過內生增長及外部收購，以實現牛、奶雙翻番，即至2025年奶牛存欄增長至50萬頭以上，年產鮮奶達360萬噸。



# REPORT OF THE DIRECTORS

## 董事會報告

The board of directors (the “Directors” or the “Board”) of China Modern Dairy Holdings Ltd. (the “Company”) would like to present their interim report together with the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021 (the “Reporting Period”).

### INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (2020: nil).

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

As at 30 June 2021, the interests and short positions of the Directors and the chief executives of the Company and their respective associates in the ordinary share of HK\$0.1 each in the share capital of the Company (“Shares”), underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

中國現代牧業控股有限公司(「本公司」)董事會(「董事」或「董事會」)謹此提呈其中期報告，連同本公司及其附屬公司(「本集團」)截至2021年6月30日止六個月(「匯報期間」)的未經審核簡明綜合財務報表。

### 中期股息

董事會已議決不就本匯報期間宣派任何中期股息(2020年：無)。

### 董事及主要行政人員於股份、相關股份及債券的權益及淡倉

於2021年6月30日，董事及本公司主要行政人員及彼等各自的聯繫人於本公司股本中每股面值0.1港元的普通股股份(「股份」)、本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部的相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉如下：

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares or underlying Shares 股份或相關股份數目	Approximate percentage of shareholding interest <sup>(2)</sup> 股權概約百分比 <sup>(2)</sup>
Ms. GAO Lina <sup>(1)</sup> 高麗娜女士 <sup>(1)</sup>	Interest in controlled corporation 受控制法團權益	221,581,733	3.12%
	Beneficial owner 實益持有人	11,975,173	0.17%
Mr. SUN Yugang 孫玉剛先生	Beneficial owner 實益持有人	1,665,694	0.02%

Notes:

- (1) Ms. GAO holds approximately 49.12% of the interests in Jinmu Holdings Co Ltd. (“Jinmu”). Ms. GAO is deemed to be interested in the 221,581,733 Shares held by Jinmu under the SFO. Ms. GAO resigned as a director of the Company on 1 July 2021.
- (2) Based on 7,108,565,947 Shares in issue as at 30 June 2021.

附註：

- (1) 高女士擁有Jinmu Holdings Co Ltd. (「Jinmu」)約49.12%權益。根據證券及期貨條例，高女士被視為於Jinmu所持221,581,733股股份中擁有權益。高女士於2021年7月1日辭任本公司董事。
- (2) 基於2021年6月30日已發行的7,108,565,947股股份。



INTEREST IN ASSOCIATED CORPORATION

於相聯法團的權益

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Number of shares in associated corporation 於相聯法團的股份數目	Approximate percentage of shareholdings interest <sup>(2)</sup> 股權概約百分比 <sup>(2)</sup>
Mr. LU Minfang <sup>(1)</sup> 盧敏放先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	11,651,240	0.30%
Mr. ZHANG Ping <sup>(1)</sup> 張平先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	1,992,613	0.05%
Mr. ZHAO Jiejun <sup>(1)</sup> 趙傑軍先生 <sup>(1)</sup>	China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	2,551,416	0.06%

Notes:

(1) Mr. LU Minfang, Mr. ZHANG Ping and Mr. ZHAO Jiejun are non-executive Directors of the Company. Mr. LU Minfang is an executive director and chief executive officer of China Mengniu Dairy Company Limited ("Mengniu"). Mr. ZHANG Ping is a chief financial officer of Mengniu. Mr. ZHAO Jiejun is the assistant vice president and the head of milk sourcing and supply chain business unit of Mengniu. As at the date of this report, Mengniu holds 51.40% of the issued share capital of the Company.

(2) Based on 3,948,416,082 shares of Mengniu in issue as at 30 June 2021.

附註：

(1) 盧敏放先生、張平先生及趙傑軍先生均為本公司的非執行董事。盧敏放先生為中國蒙牛乳業有限公司(「蒙牛」)的執行董事兼總裁。張平先生為蒙牛的首席財務官。趙傑軍先生為蒙牛的助理副總裁兼奶源及供應鏈負責人。於本報告日期，蒙牛持有本公司已發行股本51.40%。

(2) 基於2021年6月30日蒙牛已發行的3,948,416,082股股份。

Saved as disclosed above, as at 30 June 2021, none of the Directors and the chief executives of the Company and their respective associates had any interests and short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2021年6月30日，董事及本公司主要行政人員及彼等各自的聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須登記於本公司存置的登記冊的任何權益及淡倉，或根據標準守則須知會本公司及聯交所的任何權益及淡倉。



## REPORT OF THE DIRECTORS

### 董事會報告

#### SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2021, the interests or short positions of substantial shareholders, other than the Directors or the chief executives of the Company and their respective associates, in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be maintained under Section 336 of the SFO were as follows:

#### 主要股東權益

於2021年6月30日，主要股東(董事或本公司主要行政人員及彼等各自的聯繫人除外)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第336條須登記於登記冊的權益或淡倉如下：

Name of substantial shareholders 主要股東名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Percentage of the Company's issued Share Capital <sup>(3)</sup> 佔本公司已發行股本百分比 <sup>(3)</sup>
China Mengniu Dairy Company Limited 中國蒙牛乳業有限公司	Beneficial interest 實益權益	1,246,079,369 (L) <sup>(1)</sup>	17.53%
	Interest in controlled corporation (through Future Discovery Limited) 受控制法團權益(透過Future Discovery Limited)	2,407,866,412 (L) <sup>(2)</sup>	33.87%
Central Huijin Investment Ltd. 中央匯金投資有限責任公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	543,553,596 (L) 542,053,596 (S)	7.65% 7.63%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益(透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%
	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	543,553,596 (L) 542,053,596 (S)	7.65% 7.63%
Bank of China Limited 中國銀行股份有限公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	543,553,596 (L) 542,053,596 (S)	7.65% 7.63%
	Interest in controlled corporation (through Nam Tung (Macao) Investment Limited) 受控制法團權益(透過澳門南通信託投資有限公司)	1,500,000 (L)	0.02%
BOC International Holdings Limited 中銀國際控股有限公司	Interest in controlled corporation (through BOCI Financial Products Limited) 受控制法團權益(透過中銀國際金融產品有限公司)	542,053,596 (L) 542,053,596 (S)	7.63% 7.63%



Name of substantial shareholders 主要股東名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Percentage of the Company's issued Share Capital <sup>(2)</sup> 佔本公司已發行股本百分比 <sup>(2)</sup>
BOCI Financial Products Limited 中銀國際金融產品有限公司	Beneficial interest 實益權益	542,053,596 (L)	7.63%
		542,053,596 (S)	7.63%
New Hope Dairy Co., Ltd. 新希望乳業股份有限公司	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.94%
New Century Ltd.	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.94%
Liu Chang	Interest in controlled corporation (through GGG Holdings Limited) 受控制法團權益(透過GGG Holdings Limited)	635,345,763 (L)	8.94%

Notes:

- (1) Among which up to 613,877,227 shares of the Company have been lent to BOCI Financial Products Limited pursuant to a securities lending agreement dated 17 June 2020 entered into between Mengniu as lender and BOCI Financial Products Limited as borrower. As at 30 June 2021, the number of Shares that had been lent to BOCI Financial Products has decreased to 542,053,596.
- (2) Future Discovery Limited is a subsidiary of Mengniu.
- (3) Based on 7,108,565,947 Shares in issue as at 30 June 2021.
- (4) (S) Indicates a short position.
- (5) (L) Indicates a long position.

Save as disclosed above, the Company had not been notified of any other interests or short positions in the shares or underlying shares representing 5% or more of the issued share capital of the Company or as recorded in the register required to be maintained under Section 336 of the SFO as at 30 June 2021.

附註：

- (1) 其中最多613,877,227股本公司股份已根據由蒙牛(作為貸款人)與中銀國際金融產品有限公司(作為借款人)所訂立日期為2020年6月17日的借股協議借予中銀國際金融產品有限公司。於2021年6月30日，借予中銀國際金融產品之股份數目已降至542,053,596股。
- (2) Future Discovery Limited為蒙牛的附屬公司。
- (3) 基於2021年6月30日已發行的7,108,565,947股股份。
- (4) (S)指淡倉。
- (5) (L)指好倉。

除上文所披露者外，於2021年6月30日，本公司並不知悉於佔本公司已發行股本5%或以上的股份或相關股份中擁有或根據證券及期貨條例第336條須登記於存置的登記冊內的任何其他權益或淡倉。



# REPORT OF THE DIRECTORS

## 董事會報告

### SHARE AWARD SCHEMES

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

During the Reporting Period the number of shares of the Company granted to selected participants was 23,200,000, of which 2,400,000 shares were granted to the Directors, details of which are as follows:

Name of Director	董事姓名	Unvested as	Granted	Vested	Forfeited	Unvested as
		at 1 January				during
		2021	the period	the period	the period	2021
		於2021年	期內授出	期內歸屬	期內沒收	於2021年
		1月1日				6月30日
		尚未歸屬				尚未歸屬
Ms. GAO Lina	高麗娜女士	1,700,000	1,500,000	1,700,000	-	1,500,000
Mr. SUN Yugang	孫玉剛先生	920,000	900,000	920,000	-	900,000
		2,620,000	2,400,000	2,620,000	-	2,400,000

Ms. GAO Lina resigned as an executive Director of the Company on 1 July 2021.

Further details of the Share Award Scheme are also set out in Note 19 to the financial statements.

### FOREIGN CURRENCY RISK

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

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

### 股份獎勵計劃

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

於匯報期間，已授予獲選參與者的本公司股份數目為23,200,000股，其中2,400,000股股份授予董事，詳情載列如下：

高麗娜女士於2021年7月1日辭任本公司執行董事。

股份獎勵計劃之進一步詳情亦載於財務報表附註19。

### 外幣風險

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

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



### CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report (“CG Code”) as set out in Appendix 14 to the Listing Rules. The Company has, throughout the Reporting Period complied with the code provisions set out in the CG Code, except for the deviations from code provision A.6.7 which is explained below.

Code provision A.6.7 of the CG Code provides, among other things, that non-executive Directors should attend general meetings and develop a balanced understanding of the views of the shareholders of the Company. One non-executive Director was not able to attend the annual general meeting of the Company held on 2 June 2021 due to other business engagements.

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

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

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

Save for those disclosed above, during the six months ended 30 June, 2021, none of the Directors (including their spouses and children under the age of 18) held any interests in or was granted any right to subscribe for the securities of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

### BOARD OF DIRECTORS

As at the date of this interim report, the Board comprises one executive Director, Mr. SUN Yugang (Acting Chief Executive Officer), five non-executive Directors, namely, Mr. LU Minfang (Chairman of the Board), Mr. ZHAO Jiejun, Mr. ZHANG Ping, Mr. ZHU Xiaohui and Ms. GAN Lu, and three independent non-executive Directors, namely Mr. LI Shengli, Mr. LEE Kong Wai Conway and Mr. CHOW Ming Sang.

### 企業管治

本公司已採納載於上市規則附錄14所載的企業管治守則及企業管治報告(「企業管治守則」)的守則條文。於匯報期間內，本公司一直遵守載於企業管治守則的守則條文，惟偏離守則條文第A.6.7條(於下文解釋)除外。

企業管治守則的守則條文第A.6.7條規定(其中包括)，非執行董事應出席股東大會，對本公司股東的意見有公正的瞭解。一名非執行董事由於其他公務而無法出席本公司於2021年6月2日舉行的股東週年大會。

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

### 董事收購股份或債券的權利

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

除上述所披露者外，於截至2021年6月30日止六個月內，概無任何董事(包括其配偶及未滿18歲的子女)於本公司或其相聯法團(定義見證券及期貨條例第XV部)的證券中擁有任何權益或獲授任何可認購該等證券的權利，或曾行使任何有關權利。

### 董事會

於本中期報告日期，董事會由一名執行董事孫玉剛先生(執行總裁)、五名非執行董事盧敏放先生(董事會主席)、趙傑軍先生、張平先生、朱曉輝先生及甘璐女士以及三名獨立非執行董事李勝利先生、李港衛先生及周明笙先生組成。



## REPORT OF THE DIRECTORS

### 董事會報告

#### SECURITIES TRANSACTIONS BY DIRECTORS

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

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities for the six months ended 30 June 2021.

The Group retained a total of 4,420,482 vesting Shares as a consideration of approximately HK\$8,974,000 (equivalent to RMB7,584,000) for paying the individual income tax in mainland China on behalf of those selected participants under the share award schemes of the Company.

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

Mr. LU Minfang, a non-executive Director and chairman of the Board, was appointed as a non-executive director and the chairman of the board of directors of China Shengmu Organic Milk Limited, a company listed in Hong Kong, with effect from 30 July 2021.

Save for disclosed above, there were no changes in the information of Directors since the date of the 2020 annual report of the Company and the announcement of the Company dated 28 June 2021 in relation to, among others, the resignation, appointment and re-designation of Directors, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

#### 董事進行的證券交易

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

#### 購買、出售或贖回本公司之上市證券

截至2021年6月30日止六個月，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

本集團保留合共4,420,482股歸屬股份，代價為約8,974,000港元(相當於人民幣7,584,000元)，乃根據代表本公司股份獎勵計劃項下該等選定參與者支付內地個人所得稅的。

#### 根據上市規則第13.51B(1)條作出的董事資料更新

盧敏放先生為非執行董事及董事會主席，自2021年7月30日起獲委任為中國聖牧有機奶業有限公司(一間於香港上市的公司)的非執行董事及董事會主席。

除上述所披露者外，自本公司2020年年報日期以及本公司於2021年6月28日就(其中包括)董事辭任、委任及調任等事宜發佈的公告後，董事的資料概無任何變更，所以根據上市規則第13.51B(1)條並無須予披露事項。

概無其他資料須根據上市規則第13.51B(1)條予以披露。





### REVIEW OF INTERIM RESULTS

The condensed consolidated interim financial statements have been reviewed by the Group's auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, and the Audit Committee.

### AUDIT COMMITTEE

The Audit Committee currently comprises two independent non-executive Directors, namely Mr. LEE Kong Wai, Conway, Mr. CHOW Ming Seng and one non-executive Director Mr. ZHANG Ping. The Audit Committee has reviewed, with the Company's management and the external auditors the accounting principles and practices adopted by the Company and discussed auditing, risk management, internal control and system and financial reporting matters, including the review of the Group's unaudited interim financial statements for the six months ended 30 June 2021.

### INVESTOR RELATIONS

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

On behalf of the Board  
**China Modern Dairy Holdings Ltd.**  
**Mr. SUN Yugang**  
*Acting Chief Executive Officer and  
Executive Director*

Hong Kong, 23 August 2021

### 審閱中期業績

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

### 審核委員會

審核委員會現時由兩名獨立非執行董事，分別為李港衛先生和周明笙先生以及一名非執行董事張平先生組成。審核委員會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、內部監控及系統以及財務報告事宜，其中包括審閱本集團截至二零二一年六月三十日止六個月的未經審核中期財務報表。

### 投資者關係

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

代表董事會  
中國現代牧業控股有限公司  
執行總裁兼執行董事  
孫玉剛先生

香港，2021年8月23日



# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Ms. GAO Lina (*Vice Chairman and Chief Executive Officer*)  
(resigned on 1 July 2021)  
Mr. SUN Yugang (*Acting Chief Executive Officer*)

#### Non-Executive Directors

Mr. LU Minfang (*Chairman of the Board*)  
Mr. ZHAO Jiejun (redesignated as Vice Chairman on 1 July 2021)  
Mr. ZHANG Ping  
Mr. ZHU Xiaohui (appointed on 1 July 2021)  
Ms. GAN Lu

#### Independent Non-Executive Directors

Mr. LI Shengli  
Mr. LEE Kong Wai, Conway  
Mr. WOLHARDT Julian Juul (resigned on 1 July 2021)  
Mr. CHOW Ming Sang (appointed on 1 July 2021)

#### AUDIT COMMITTEE

Mr. LEE Kong Wai, Conway (*Chairman*)  
Mr. ZHANG Ping  
Mr. WOLHARDT Julian Juul (resigned on 1 July 2021)  
Mr. CHOW Ming Sang (appointed on 1 July 2021)

#### REMUNERATION COMMITTEE

Mr. LI Shengli (*Chairman*)  
Mr. ZHANG Ping  
Mr. CHOW Ming Sang (appointed on 1 July 2021)  
Mr. WOLHARDT Julian Juul (resigned on 1 July 2021)

#### NOMINATION COMMITTEE

Mr. LU Minfang (*Chairman*)  
Mr. LEE Kong Wai, Conway  
Mr. WOLHARDT Julian Juul (resigned on 1 July 2021)  
Mr. CHOW Ming Sang (appointed on 1 July 2021)

#### STRATEGY AND DEVELOPMENT COMMITTEE

Ms. GAO Lina (*Chairman*, resigned on 1 July 2021)  
Mr. ZHAO Jiejun (*Chairman*, appointed on 1 July 2021)  
Mr. SUN Yugang (appointed on 1 July 2021)  
Mr. LI Shengli  
Ms. GAN Lu

#### COMPANY SECRETARY

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

### 董事會

#### 執行董事

高麗娜女士 (*副主席兼總裁*)  
(於2021年7月1日辭任)  
孫玉剛先生 (*執行總裁*)

#### 非執行董事

盧敏放先生 (*董事會主席*)  
趙傑軍先生 (於2021年7月1日獲調任為副主席)  
張平先生  
朱曉輝先生 (於2021年7月1日獲委任)  
甘璐女士

#### 獨立非執行董事

李勝利先生  
李港衛先生  
WOLHARDT Julian Juul先生 (於2021年7月1日辭任)  
周明笙先生 (於2021年7月1日獲委任)

#### 審核委員會

李港衛先生 (*主席*)  
張平先生  
WOLHARDT Julian Juul先生 (於2021年7月1日辭任)  
周明笙先生 (於2021年7月1日獲委任)

#### 薪酬委員會

李勝利先生 (*主席*)  
張平先生  
周明笙先生 (於2021年7月1日獲委任)  
WOLHARDT Julian Juul先生 (於2021年7月1日辭任)

#### 提名委員會

盧敏放先生 (*主席*)  
李港衛先生  
WOLHARDT Julian Juul先生 (於2021年7月1日辭任)  
周明笙先生 (於2021年7月1日獲委任)

#### 戰略及發展委員會

高麗娜女士 (*主席*，於2021年7月1日辭任)  
趙傑軍先生 (*主席*，於2021年7月1日獲委任)  
孫玉剛先生 (於2021年7月1日獲委任)  
李勝利先生  
甘璐女士

#### 公司秘書

李國發先生 (*CPA, ACIS, ACS*)



### **HEADQUARTERS**

Economic and Technological Development Zone  
Maanshan City, Anhui Province  
PRC

### **REGISTERED OFFICE**

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

### **HONG KONG OFFICE**

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

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

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

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

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

### **LEGAL ADVISORS**

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

Cleary Gottlieb Steen & Hamilton (Hong Kong)

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

Commerce & Finance Law Offices

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

Maples and Calder

### **AUDITOR**

Deloitte Touche Tohmatsu  
Registered Public Interest Entity Auditors

### **PRINCIPAL BANKERS**

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

### **STOCK CODE**

The Stock Exchange of Hong Kong Limited: 1117

### **WEBSITE AND CONTACT**

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

### **總辦事處**

中國  
安徽省馬鞍山市  
經濟技術開發區

### **註冊辦事處**

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

### **香港辦事處**

香港銅鑼灣告士打道262號  
中糧大廈32樓A室

### **股份過戶登記總處**

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

### **香港股份過戶登記分處**

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

### **法律顧問**

#### **香港法律**

佳利(香港)律師事務所

#### **中國法律**

通商律師事務所

#### **開曼群島法律**

Maples and Calder

### **核數師**

德勤•關黃陳方會計師行  
註冊公眾利益實體核數師

### **主要銀行**

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

### **股份代號**

香港聯合交易所有限公司：1117

### **網址及聯絡**

<http://www.moderndairyir.com>  
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# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表審閱報告

# Deloitte.

# 德勤

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

致中國現代牧業控股有限公司董事會  
(於開曼群島註冊成立的有限公司)

## INTRODUCTION

We have reviewed the condensed consolidated financial statements of China Modern Dairy Holdings Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 44 to 88, which comprise the condensed consolidated statement of financial position as of 30 June 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

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

## 緒言

我們已審閱第44頁至第88頁所載中國現代牧業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的簡明綜合財務報表，當中包括截至2021年6月30日的簡明綜合財務狀況表，以及截至該日止六個月的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表及若干附註解釋。香港聯合交易所有限公司證券上市規則規定編製中期財務資料報告須符合當中的相關條文及國際會計準則理事會頒佈的國際會計準則第34號「中期財務報告」(「國際會計準則第34號」)。貴公司董事須負責根據國際會計準則第34號編製及呈列此等簡明綜合財務報表。我們的責任是根據審閱結果對此等簡明綜合財務報表作出結論，並根據我們的協定委聘條款僅向作為法人的閣下匯報結論，而不作其他用途。我們不會就本報告內容向任何其他人士負上或承擔任何責任。

## 審閱範圍

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



# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告

### CONCLUSION

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

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
23 August 2021

### 結論

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

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
2021年8月23日



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

## 簡明綜合損益及其他全面收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月		
		2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	
	Notes 附註			
Revenue	收入	4	3,179,719	2,827,752
Cost of sales	銷售成本	6	<b>(3,106,084)</b>	(2,736,128)
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	於原料奶收獲時按公平值減銷售成本初始確認產生的收益		<b>1,107,962</b>	960,393
Gross profit	毛利		<b>1,181,597</b>	1,052,017
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減乳牛銷售成本產生的虧損		<b>(405,792)</b>	(448,749)
Other income	其他收入	5	<b>53,384</b>	41,182
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下減值虧損，扣除撥回	14	<b>(64)</b>	10
Selling and distribution costs	銷售及分銷開支		<b>(80,630)</b>	(98,175)
Administrative expenses	行政開支		<b>(154,622)</b>	(144,885)
Share of profits of associates	應佔聯營公司溢利		<b>15,674</b>	12,727
Other gains and losses	其他收益及虧損	6	<b>(9,871)</b>	40,351
Other expenses	其他開支		<b>(2,245)</b>	(13,089)
Profit before finance costs and tax	除融資成本及稅項前溢利	6	<b>597,431</b>	441,389
Finance costs	融資成本	7	<b>(91,389)</b>	(214,798)
Profit before tax	除稅前溢利		<b>506,042</b>	226,591
Income tax expense	所得稅開支	8	<b>(420)</b>	(276)
Profit for the period	期內溢利		<b>505,622</b>	226,315
<b>Other comprehensive (expense)/income:</b>	<b>其他全面(開支)/收入：</b>			
<b>Item that will not be reclassified to profit or loss:</b>	<b>不會重新分類為損益的項目：</b>			
Fair value (loss)/gain on investments in equity instruments at fair value through other comprehensive income	按公平值計入其他全面收入的權益工具投資公平值(虧損)/收益		<b>(1,100)</b>	3,935
Other comprehensive (expense)/income for the period, net of income tax	期內其他全面(開支)/收入，扣除所得稅		<b>(1,100)</b>	3,935
Total comprehensive income for the period	期內全面收入總額		<b>504,522</b>	230,250
Profit for the period attributable to:	以下各方應佔期內溢利：			
Owners of the Company	本公司擁有人		<b>496,698</b>	220,736
Non-controlling interests	非控股權益		<b>8,924</b>	5,579
			<b>505,622</b>	226,315
Total comprehensive income for the period attributable to:	以下各方應佔期內全面收入總額：			
Owners of the Company	本公司擁有人		<b>495,618</b>	224,599
Non-controlling interests	非控股權益		<b>8,904</b>	5,651
			<b>504,522</b>	230,250
Earnings per share (RMB)	每股盈利(人民幣)	10		
Basic	基本		<b>7.13 cents 分</b>	3.47 cents 分
Diluted	攤薄		<b>7.12 cents 分</b>	3.46 cents 分



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

AT 30 JUNE 2021  
於2021年6月30日

			30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備		3,223,509	3,317,719
Right-of-use assets	使用權資產		295,936	303,849
Goodwill	商譽		1,322,457	1,322,457
Interests in associates	於聯營公司的權益		307,756	289,860
Biological assets	生物資產	11	7,083,939	7,101,243
Equity instruments at fair value through other comprehensive income	按公平值計入其他全面收入的權益工具		3,980	5,080
Advanced payments	預付款項	12	169,500	-
Pledged bank deposits	已質押銀行存款		125,128	122,706
Bank balances	銀行結餘		211,009	20,637
			<b>12,743,214</b>	<b>12,483,551</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨		733,943	1,158,643
Trade and other receivables and advanced payments	應收貿易賬款及其他應收款項以及預付款項	12	665,780	706,659
Other financial assets	其他金融資產	13	50,359	50,000
Derivative financial instruments	衍生金融工具	15	7,313	11,145
Pledged bank deposits	已質押銀行存款		33,953	34,503
Bank balances and cash	銀行結餘及現金		2,222,933	1,123,710
			<b>3,714,281</b>	<b>3,084,660</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付貿易賬款及其他應付款項	16	1,268,448	1,410,786
Tax payable	應課稅項		256	364
Bank borrowings	銀行借款	17	2,305,341	3,471,314
Lease liabilities	租賃負債		12,350	23,851
Derivative financial instruments	衍生金融工具	15	58,605	59,338
Contract liabilities	合約負債		218	198
			<b>3,645,218</b>	<b>4,965,851</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>流動資產/(負債)淨額</b>		<b>69,063</b>	<b>(1,881,191)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>12,812,277</b>	<b>10,602,360</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

AT 30 JUNE 2021

於2021年6月30日

			<b>30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)</b>	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	18	<b>609,758</b>	555,535
Share premium and reserves	股份溢價及儲備		<b>8,934,535</b>	7,341,388
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>9,544,293</b>	7,896,923
Non-controlling interests	非控股權益		<b>152,417</b>	141,521
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>9,696,710</b>	8,038,444
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Bank borrowings	銀行借款	17	<b>2,686,757</b>	2,171,012
Lease liabilities	租賃負債		<b>198,389</b>	196,042
Derivative financial instruments	衍生金融工具	15	<b>30,981</b>	24,000
Deferred income	遞延收入		<b>199,440</b>	172,862
			<b>3,115,567</b>	2,563,916
			<b>12,812,277</b>	10,602,360

The consolidated financial statements on pages 44 to 88 were approved and authorised for issue by the board of directors on 23 August 2021 and are signed on its behalf by:

載於第44至88頁的綜合財務報表於2021年8月23日經董事會批准及授權刊發並代表簽署：

**LU Minfang**

盧敏放

Director

董事

**SUN Yugang**

孫玉剛

Director

董事





# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

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

		Share capital	Share premium	Other reserve	Share options reserve	Share award reserve	Shares held under the Share Award Schemes 股份獎勵計劃項下 所持有的股份 (Note 19) (附註19)	Fair value through other comprehensive income reserve 按公平值計入其他 全面收入儲備 (Note 19) (附註19)	Retained earnings	Sub-total	Non-controlling interests	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020 (audited)	於2020年1月1日(經審核)	551,007	4,945,381	970,829	5,286	4,910	(57,012)	(21,693)	682,809	7,081,517	126,184	7,207,701
Profit for the period	期內溢利	-	-	-	-	-	-	-	220,736	220,736	5,579	226,315
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	-	-	3,863	-	3,863	72	3,935
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	-	3,863	220,736	224,599	5,651	230,250
Share purchase for the Share Award Schemes (Note 19)	就股份獎勵計劃的股份購買(附註19)	-	-	-	-	-	(19,892)	-	-	(19,892)	-	(19,892)
Recognition of equity-settled share-based payment (Note 19)	確認按股權結算以股份支付的付款(附註19)	-	-	-	-	21,977	-	-	-	21,977	-	21,977
Reversal due to vesting of award shares (Note 19)	因獎勵股份歸屬而撥回(附註19)	-	-	-	-	(24,227)	29,560	-	(5,333)	-	-	-
Equity transactions related to interest free loans	有關免息貸款的股權交易	-	-	149	-	-	-	-	-	149	(149)	-
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	551,007	4,945,381	970,978	5,286	2,660	(47,344)	(17,830)	898,212	7,308,350	131,686	7,440,036
At 1 January 2021 (audited)	於2021年1月1日(經審核)	555,535	4,985,082	969,268	-	7,489	(47,344)	(20,593)	1,447,486	7,896,923	141,521	8,038,444
Profit for the period	期內溢利	-	-	-	-	-	-	-	496,698	496,698	8,924	505,622
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	-	-	(1,080)	-	(1,080)	(20)	(1,100)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	-	(1,080)	496,698	495,618	8,904	504,522
Share purchase for the Share Award Schemes (Note 19)	就股份獎勵計劃的股份購買(附註19)	-	-	-	-	-	(7,584)	-	-	(7,584)	-	(7,584)
Recognition of equity-settled share-based payment (Note 19)	確認按股權結算以股份支付的付款(附註19)	-	-	-	-	9,015	-	-	-	9,015	-	9,015
Reversal due to vesting of award shares (Note 19)	因獎勵股份歸屬而撥回(附註19)	-	-	-	-	(9,447)	13,865	-	(4,418)	-	-	-
Equity transactions related to interest free loans	有關免息貸款的股權交易	-	-	(1,992)	-	-	-	-	-	(1,992)	1,992	-
Issue of shares (Note 18)	發行股份(附註18)	54,223	1,240,622	-	-	-	-	-	-	1,294,845	-	1,294,845
Dividends recognised as distribution (Note 9)	確認為分派的股息(附註9)	-	(142,532)	-	-	-	-	-	-	(142,532)	-	(142,532)
At 30 June 2021 (unaudited)	於2021年6月30日(未經審核)	609,758	6,083,172	967,276	-	7,057	(41,063)	(21,673)	1,939,766	9,544,293	152,417	9,696,710



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
	Note 附註		
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金淨額</b>	<b>1,464,877</b>	1,055,209
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用現金淨額</b>		
Purchases of property, plant and equipment	購入物業、廠房及設備	<b>(215,373)</b>	(78,015)
Investment in an associate	聯營公司投資	<b>(2,222)</b>	(42,898)
Additions in biological assets	生物資產增置	<b>(590,972)</b>	(560,860)
Advanced payments for acquisition of a subsidiary	收購一間附屬公司的預付款項	<b>(169,500)</b>	-
Placement of other financial assets	存入其他金融資產	<b>(50,000)</b>	(50,000)
Withdrawal of other financial assets	提取其他金融資產	<b>50,395</b>	-
Placement of pledged bank deposits	存入已質押銀行存款	<b>(11,728)</b>	(23,747)
Withdrawal of pledged bank deposits	提取已質押銀行存款	<b>12,000</b>	29,695
Placement of time deposits with original maturity over three months	存入原到期日超過三個月的定期存款	<b>(250,000)</b>	(162,060)
Withdrawal of time deposits with original maturity over three months	提取原到期日超過三個月的定期存款	-	67,653
Proceeds from disposal of dairy cows	出售乳牛所得款項	<b>342,169</b>	298,940
Interest received	已收利息	<b>13,260</b>	7,214
Government grants received	已收政府補貼	<b>34,080</b>	596
Loan repayment from a third party	第三方償還貸款	<b>4,000</b>	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	<b>910</b>	4,342
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	<b>7,406</b>	85,716
		<b>(825,575)</b>	(423,424)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>融資活動所得/(所用)現金淨額</b>		
Interest paid	已付利息	<b>(101,623)</b>	(138,088)
Dividends paid	已付股息	<b>(142,532)</b>	-
New bank borrowings raised	新籌得銀行借款	<b>1,785,527</b>	2,459,100
Repayment of bank borrowings	償還銀行借款	<b>(2,420,537)</b>	(1,772,996)
Repayment of other borrowings	償還其他借款	-	(1,050,000)
Repayment of leases liabilities	償還租賃負債	<b>(10,482)</b>	(13,618)
Payment for repurchase of ordinary shares	購回普通股的付款	<b>(7,584)</b>	(19,892)
Proceeds from disposal of derivative financial instruments	出售衍生金融工具所得款項	<b>2,284</b>	-
Proceeds from issue of shares	發行股份所得款項	<b>1,294,845</b>	-
		<b>399,898</b>	(535,494)



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

### Six months ended 30 June

截至6月30日止六個月

		2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	現金及現金等價物增加淨額	<b>1,039,200</b>	96,291
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	於1月1日的現金及現金等價物	<b>1,103,132</b>	894,204
Represented by	以以下各項呈列		
Bank balances and cash as stated in the consolidated statement of financial position	綜合財務狀況表所示銀行結餘及現金	<b>1,144,347</b>	961,094
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	<b>(41,215)</b>	(67,653)
Cash and cash equivalents attributable to the disposal group classified as held for sale	分類為持作出售的出售組別應佔現金及現金等價物	-	763
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	於6月30日的現金及現金等價物	<b>2,142,332</b>	990,495
Represented by	以以下各項呈列		
Bank balances and cash as stated in the consolidated statement of financial position	綜合財務狀況表所示銀行結餘及現金	<b>2,433,942</b>	1,032,555
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	<b>(291,610)</b>	(42,060)



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

### 1. GENERAL

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

As at 30 June 2021, China Mengniu Dairy Co., Ltd. (“Mengniu”) and its wholly-owned subsidiary together owned 51.40% of the issued share capital of the Company. Mengniu and its subsidiaries are hereinafter collectively referred to as the “Mengniu Group”.

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

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

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

On 22 March 2021, the Company entered into a sale and purchase agreement with certain sellers (the “Sellers”) and Inner Mongolia Fuyuan International Industrial (Group) Co. Ltd. (the “Fuyuan”), pursuant to which the Sellers agreed to sell, and the Company agreed to purchase, the entire equity interests in Fuyuan at a total consideration of RMB3,480,000,000, which shall be satisfied by a combination of cash and allotment and issue of shares of the Company under two settlement scenarios (the “Transaction”). The above transaction constituted a major and connected transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and has been published in the Company’s announcement dated 22 March 2021, and further details in relation thereto has been set out in a circular dated 14 May 2021. All relevant resolutions have been duly passed at the extraordinary general meeting of the Company held on 2 June 2021. The Transaction has not been completed up to the date of these financial statements.

### 1. 一般資料

中國現代牧業控股有限公司(「本公司」)為一間根據開曼群島公司法在開曼群島註冊成立及登記的獲豁免有限公司，其股份已自2010年11月26日起在香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處位於Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KYI-1104, Cayman Islands。本公司主要營業地點則位於中華人民共和國(「中國」)安徽省馬鞍山市經濟技術開發區。

於2021年6月30日，中國蒙牛乳業有限公司(「蒙牛」)及其全資附屬公司共同擁有本公司已發行股本的51.40%。蒙牛及其附屬公司於下文統稱「蒙牛集團」。

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

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

### 1A. 本中期期間重大事件及交易

於2021年3月22日，本公司與若干賣方(「賣方」)及內蒙古富源國際實業(集團)有限公司(「富源」)訂立買賣協議，據此，賣方同意出售，而本公司同意購買富源全部股權，總代價為人民幣3,480,000,000元，將根據兩種結算情況以現金及配發及發行本公司股份之方式共同支付(「交易事項」)。上述交易構成香港聯合交易所有限公司證券上市規則(「上市規則」)項下本公司之主要及關連交易，並已於本公司日期為2021年3月22日之公告內刊發，有關進一步詳情已載於日期為2021年5月14日之通函。所有有關決議案已於本公司於2021年6月2日舉行之股東特別大會上正式通過。截至該等財務報表日期，交易事項並未完成。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止六個月

### 2. BASIS OF PREPARATION

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

The directors of the Company (the “Directors”) have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

### 2. 編製基準

本集團的簡明綜合財務報表乃根據國際會計準則理事會（「國際會計準則理事會」）頒佈的國際會計準則第34號中期財務報告，以及上市規則附錄十六的適用披露規定編製。

於批准簡明綜合財務報表時，本公司董事（「董事」）已合理預期本集團擁有足夠資源於可見將來繼續營運。因此，於編製簡明綜合財務報表時，彼等繼續採用持續經營會計基準。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2020.

#### Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IFRS 16	<i>Covid-19-Related Rent Concessions</i>
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i>

Except as described below, the application of the amendments to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### 3. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟：(i)按公平值減銷售成本計量的生物資產；(ii)按公平值計量的衍生金融工具；(iii)按公平值計量的其他金融資產；及(iv)按公平值計入其他全面收入(「按公平值計入其他全面收入」)的權益工具按各匯報期間末的公平值計量除外。

除因應用國際財務報告準則(「國際財務報告準則」)的修訂而導致的額外會計政策外，截至2021年6月30日止六個月簡明綜合財務報表所應用的會計政策及計算方法與本集團截至2020年12月31日止年度的年度財務報表所列示者一致。

#### 應用國際財務報告準則的修訂

於本中期期間，本集團已首次應用以下由國際會計準則理事會頒佈並於2021年1月1日或之後開始的年度期間強制生效的國際財務報告準則的修訂，以編製本集團的簡明綜合財務報表：

國際會計準則第16號的修訂	<i>新冠疫情相關租金優惠</i>
國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂	<i>利率基準改革 – 第二階段</i>

除下文所述者外，於本中期期間應用該等修訂並無對本集團於當前及過往期間的財務狀況及表現及／或於此等簡明綜合財務報表內所載的披露構成重大影響。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.1 Impacts and accounting policies on application of Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform – Phase 2”

##### 3.1.1 Accounting policies

###### *Financial instruments*

*Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform*

For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change).

### 3. 主要會計政策(續)

#### 3.1 應用國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂「利率基準改革 – 第二階段」之影響及會計政策

##### 3.1.1 會計政策

###### *金融工具*

*利率基準改革而導致釐定合約現金流基準之變動*

就因利率基準改革而導致釐定金融資產或金融負債(採用攤銷成本計量)之合約現金流基準之變動而言，本集團採用可行權宜方法，以更新實際利率計及該等變動。此實際利率之變動正常而言對相關金融資產或金融負債之賬面值並無顯著影響。

僅當符合下述兩個條件時，釐定合約現金流之基準須因應利率基準改革而變動：

- 該變動是利率基準改革之直接後果；及
- 釐定合約現金流量之新基準在經濟上等同於先前基準(即緊接變動前之基準)。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.1 Impacts and accounting policies on application of Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform – Phase 2" (Continued)

##### 3.1.2 Transition and summary of effects

As at 1 January 2021, the Group has several financial liabilities and derivatives, the interest of which are indexed to benchmark rates that will or may be subject to interest rate benchmark reform. The following table shows the total amounts of outstanding contracts. The amounts of financial liabilities are shown at their carrying amounts and derivatives are shown at their notional amounts. Hereinafter United States Dollars is referred to as "US\$" or "USD" and Hong Kong Dollars is referred to as "HK\$" or "HKD".

Financial liabilities	金融負債
Bank borrowing	銀行借款
Derivatives	衍生工具
Interest rate swaps	利率掉期

The Group intends to apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank borrowing measured at amortised cost. The amendments have had no impact on the condensed consolidated financial statements as none of the above contracts has been transitioned to the relevant replacement rates during the interim period. The impacts on application of the amendments, if any, including additional disclosures, will be reflected in the Group's consolidated financial statements for the year ending 31 December 2021.

### 3. 主要會計政策(續)

#### 3.1 應用國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂「利率基準改革 – 第二階段」之影響及會計政策(續)

##### 3.1.2 過渡及影響摘要

於2021年1月1日，本集團擁有若干金融負債及衍生工具，其利息與或將進行利率基準改革之基準利率掛鉤。下表列示未履行合約總額。金融負債的金額以其賬面金額列示，而衍生工具則以其名義金額列示。於下文，美元稱作「美元」，而港元稱作「港元」。

HKD Hong Kong Interbank Offered Rate ("HIBOR") 港元香港銀行 同業拆息 (「HIBOR」) RMB'000 人民幣千元	USD London Interbank Offered Rate ("LIBOR") 美元倫敦銀行 同業拆息 (「LIBOR」) RMB'000 人民幣千元
1,031,784	1,561,031
1,262,400	1,580,983

本集團擬就按攤銷成本計量的銀行借款因利率基準改革而導致的合約現金流量變動應用可行權宜方法。由於上述合約概無於中期期間過渡至相關替代利率，故此有關修訂對簡明綜合財務報表並無影響。應用有關修訂的影響(如有)，包括作出額外披露，將於本集團截至2021年12月31日止年度的綜合財務報表中反映。





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 4. REVENUE

#### Disaggregation of revenue

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

#### Geographic information

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

### 5. OTHER INCOME

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

### 4. 收入

#### 收入細分

#### Six months ended 30 June

截至6月30日止六個月

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
3,179,719	2,827,752
3,179,719	2,827,752

#### 地域資料

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

### 5. 其他收入

#### Six months ended 30 June

截至6月30日止六個月

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
15,944	7,747
12,267	10,727
19,515	18,897
31,782	29,624
5,658	3,811
53,384	41,182



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 5. OTHER INCOME (Continued)

Notes:

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

### 6. PROFIT BEFORE FINANCE COSTS AND TAX

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

### 5. 其他收入(續)

附註：

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

### 6. 除融資成本及稅項前溢利

除融資成本及稅項前溢利乃扣除(計入)下列各項後計算得出：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cost of sales:	銷售成本：		
Breeding costs to produce raw milk	生產原料奶的養殖成本	1,998,122	1,775,735
Raw milk fair value adjustments included in cost of sales	計入銷售成本的原料奶公平值調整	1,107,962	960,393
		<b>3,106,084</b>	2,736,128
Other gains and losses, net:	其他收益及虧損淨額：		
Net foreign exchange (gains) losses	外匯(收益)虧損淨額	<b>(23,754)</b>	51,078
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額	4,611	3,953
Impairment loss on goodwill	商譽減值虧損	-	22,750
Gain on disposal of subsidiaries	出售附屬公司的收益	-	(72,280)
Fair value loss (gain) on derivative financial instruments:	衍生金融工具的公平值虧損(收益)：		
Foreign currency forward contracts	外匯遠期合約	1,956	(18,414)
Foreign currency option contracts	外匯期權合約	27,812	(27,364)
Fair value gain on other financial assets	其他金融資產的公平值收益	<b>(754)</b>	(74)
		<b>9,871</b>	(40,351)



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 6. PROFIT BEFORE FINANCE COSTS AND TAX

(Continued)

Depreciation of property, plant and equipment	物業、廠房及設備折舊
Depreciation of right-of-use assets	使用權資產折舊
Less: capitalised in biological assets	減：生物資產資本化金額
Depreciation charged to profit or loss	扣除自損益的折舊
Equity-settled share award expense (Note 19)	以股權結算的股份獎勵開支(附註19)
Other employee benefits costs	其他僱員福利開支
Less: capitalised in biological assets	減：生物資產資本化金額
Employee benefits charged to profit or loss	扣除自損益的僱員福利

### 6. 除融資成本及稅項前溢利(續)

#### Six months ended 30 June

截至6月30日止六個月

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
232,518	228,498
8,390	8,434
(101,341)	(99,800)
139,567	137,132
9,015	21,977
267,616	274,024
(60,555)	(65,416)
216,076	230,585

### 7. FINANCE COSTS

### 7. 融資成本

#### Six months ended 30 June

截至6月30日止六個月

Interest expenses on:	利息開支：
Bank borrowings	銀行借款
Other borrowings from Mengniu Group	來自蒙牛集團的其他借款
Other borrowings from financial institutions	來自金融機構的其他借款
Lease liabilities	租賃負債
Total borrowing cost	借款成本總額
Fair value (gain) loss on interest rate swaps	利率掉期公平值(收益)虧損

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
108,138	137,539
–	6,818
–	403
5,223	5,475
113,361	150,235
(21,972)	64,563
91,389	214,798



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 8. INCOME TAX EXPENSE

Current tax:	即期稅項：
PRC enterprise income tax	中國企業所得稅

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

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

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

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of the accumulated profits of the PRC subsidiaries amounting to RMB3,126,474,000 (31 December 2020: RMB2,836,473,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 8. 所得稅開支

#### Six months ended 30 June

截至6月30日止六個月

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)
420	276

稅項開支指按於中國成立的附屬公司的應課稅收入的現行稅率計算的中國所得稅。

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

並無就香港稅項作出撥備，原因為本集團於香港並無產生收入亦無源自香港之收入。

根據中國企業所得稅法，於中國內地成立的外資企業向外商投資者宣派股息須繳納10%的預扣稅。該規定自2008年1月1日起生效，並適用於2007年12月31日後的盈利。倘中國與外商投資者所在司法權區訂立了稅項條約，則可調低預扣稅稅率。本集團的適用比率為5%或10%。並未就中國附屬公司累計溢利人民幣3,126,474,000元(2020年12月31日：人民幣2,836,473,000元)於綜合財務報表就遞延稅項作出撥備，乃由於本集團能夠控制撥回暫時差額的時間及該等暫時差額於可見將來可能不會獲撥回。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 9. DIVIDENDS

During the current interim period, a final dividend of HK2.43 cents per share in respect of the year ended 31 December 2020 (2020: nil) was declared and paid to owners of the Company. The aggregate amount of the final dividend declared and paid in the interim period amounted to HK\$171,945,000 (equivalent to RMB142,532,000) (2020: nil) and was appropriated from the Company's distributable share premium.

### 10. EARNINGS PER SHARE

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

### 9. 股息

於本中期期間，就截至2020年12月31日止年度向本公司擁有人宣派及派付每股2.43港仙之末期股息(2020年：無)。中期期間宣派及派付的末期股息總額為171,945,000港元(相當於人民幣142,532,000元)(2020年：無)，並自本公司可分派的股份溢價中撥付。

### 10. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
Profit	溢利		
Profit for the purposes of basic and diluted earnings per share	用於計算每股基本及攤薄盈利的溢利	496,698	220,736
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 (unaudited) (未經審核)	2020 2020年 (unaudited) (未經審核)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數	6,970,881,004	6,363,900,590
Effect of dilutive potential ordinary shares:	攤薄潛在普通股的影响：		
Share options	購股權	-	3,568,516
Share awards	股份獎勵	5,398,716	8,778,377
		6,976,279,720	6,376,247,483

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

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



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 11. BIOLOGICAL ASSETS

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

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

The Group has engaged Jones Lang LaSalle Corporate Appraisal And Advisory Limited, an independent firm of professional valuer, to assist it in assessing the fair values of the Group's dairy cows. The valuation techniques used in the determination of fair values as well as the key inputs used in the valuation models are disclosed in Note 22.

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

Trade receivables	應收貿易賬款
Less: allowance for credit losses	減：信貸虧損撥備
Advanced payments for feeds, materials and insurance	飼料、材料及保險墊款
Input value added tax recoverable	可收回進項增值稅
Receivables from disposal of subsidiaries	出售附屬公司的應收款項
Advanced payments for acquisition of a subsidiary (Note i)	收購附屬公司的預付款項(附註i)
Short term loan receivables (Note ii)	短期應收貸款(附註ii)
Others	其他
Analysed as:	按下列分析：
Current	即期
Non-current	非即期

### 11. 生物資產

匯報期間末的乳牛公平值減銷售成本載列如下：

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
4,854,439	5,084,343
2,229,500	2,016,900
<b>7,083,939</b>	<b>7,101,243</b>

本集團已委聘仲量聯行企業評估及諮詢有限公司(獨立專業估值公司)協助其評估本集團乳牛的公平值。釐定公平值所用估值技術及估值模型所用主要輸入數據披露於附註22。

### 12. 應收貿易賬款及其他應收款項以及預付款項

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
587,883	639,768
(8,483)	(8,483)
<b>579,400</b>	<b>631,285</b>
66,425	47,736
2,946	2,938
–	7,406
169,500	–
4,004	8,092
13,005	9,202
<b>835,280</b>	<b>706,659</b>
665,780	706,659
169,500	–
<b>835,280</b>	<b>706,659</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 12. TRADE AND OTHER RECEIVABLES AND ADVANCED PAYMENTS (Continued)

Notes:

- i. On 8 April 2021, Modern Farming (Group) Co., Ltd. (“Modern Farming”), a non-wholly owned subsidiary of the Company, entered into a sale and purchase agreement (the “SPA”) with Asia Dairy Fab Ltd. (the “Seller”) and Zhongyuan Muye Company Limited (“Zhongyuan”) to acquire 100% equity interests in Zhongyuan (the “Acquisition”). In April 2021, the first tranche payment of RMB169,500,000 was paid to the Seller according to the SPA. The Acquisition was subsequently completed in July 2021. Details of the Acquisition are set out in the Company’s announcement dated 23 July 2021.
- ii. On 18 September 2020, Modern Farming (Chabei) Co., Ltd. (“Chabei”), a wholly-owned subsidiary of Modern Farming, entered into a loan agreement with a third party under the direction of local government, pursuant to which, Chabei provided a loan of RMB8,000,000 to the third party. The loan is unsecured and bears interest at 5.225% per annum and would mature in 8 months. In June 2021, RMB4,000,000 was repaid and the remaining amount was extended to December 2021 pursuant to a supplemental agreement.

Trade receivables at the end of the reporting period principally represent receivables from sales of raw milk. The Group normally allows a credit period of 30 days to its customers.

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

Trade receivables  
– within 30 days

應收貿易賬款  
– 30天以內

### 12. 應收貿易賬款及其他應收款項以及 預付款項(續)

附註：

- i. 於2021年4月8日，本公司非全資附屬公司現代牧業(集團)有限公司(「現代牧業」)與中博農畜牧科技股份有限公司(「賣方」)及中元牧業有限公司(「中元」)訂立買賣協議(「買賣協議」)，以收購中元100%股權(「收購事項」)。於2021年4月，第一批付款人民幣169,500,000元已根據買賣協議支付予賣方。收購事項隨後於2021年7月完成。收購事項之詳情載於本公司日期為2021年7月23日之公告。
- ii. 於2020年9月18日，現代牧業(集團)的全資附屬公司現代牧業(察北)有限公司(「察北」)在地方政府牽頭下與第三方訂立貸款協議，據此，察北向第三方提供人民幣8,000,000元的貸款。該筆貸款為無抵押並按年利率5.225%計息，且將於八個月內到期。於2021年6月償還人民幣4,000,000元及餘下金額根據補充協議延期至2021年12月。

匯報期間末的應收貿易賬款主要指銷售原料奶的應收款項。本集團通常給予其客戶30天的信貸期。

於匯報期間末按發票日期(與匯報期間末有關收入確認日期相若)呈列的應收貿易賬款(扣除信貸虧損撥備)的賬齡分析如下：

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
579,400	631,285



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## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 13. OTHER FINANCIAL ASSETS

Structured bank deposits 結構性銀行存款

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

### 13. 其他金融資產

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
50,359	50,000

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

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

Impairment loss recognised (reversed) in respect of  
Trade receivables 應收貿易賬款  
Other receivables 其他應收款項

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2020.

### 14. 根據預期信貸虧損模式的金融資產減值評估

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

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
-	(100)
64	90
64	(10)

截至2021年6月30日止六個月的簡明綜合財務報表中所用的釐定輸入數據以及假設及估計方法的基準與本集團截至2020年12月31日止年度的年度財務報表所列示者相同。





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 15. DERIVATIVE FINANCIAL INSTRUMENTS

### 15. 衍生金融工具

		Assets 資產		Liabilities 負債	
		30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)	30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Interest rate swaps (Note i)	利率掉期(附註i)	-	-	(30,292)	(52,264)
Foreign currency forward contracts (Note ii)	外匯遠期合約 (附註ii)	7,313	11,145	(408)	-
Foreign currency option contracts (Note ii)	外匯期權合約 (附註ii)	-	-	(58,886)	(31,074)
		<b>7,313</b>	<b>11,145</b>	<b>(89,586)</b>	<b>(83,338)</b>
Analysed as:	分析為：				
Current	流動	7,313	11,145	(58,605)	(59,338)
Non-current	非流動	-	-	(30,981)	(24,000)
		<b>7,313</b>	<b>11,145</b>	<b>(89,586)</b>	<b>(83,338)</b>

Notes:

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

**Nominal amount**  
名義金額

At 31 December 2020 and 30 June 2021

於2020年12月31日及2021年6月30日

US\$200,000,000  
200,000,000美元  
US\$42,300,000  
42,300,000美元  
HK\$1,500,000,000  
1,500,000,000港元

**Swaps**  
掉期

From LIBOR to 0.66%-0.945%  
自倫敦銀行同業拆息至0.66%至0.945%  
From LIBOR+1% to 1.50%-1.90%  
自倫敦銀行同業拆息+1%至1.50%至1.90%  
From HIBOR to 2.59%-2.62%  
自香港銀行同業拆息至2.59%至2.62%

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

附註：

i. 利率掉期主要條款如下：

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



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截至2021年6月30日止六個月

### 15. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

### 15. 衍生金融工具(續)

Notes: (Continued)

附註：(續)

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

- ii. 外匯遠期合約及外匯期權合約主要項目如下：

Nominal amount 名義金額	Forward exchange rates 遠期匯率
At 30 June 2021 於2021年6月30日 HK\$917,250,000 917,250,000港元 US\$117,000,000 117,000,000美元	US\$0.1274 to US\$0.1279: HK\$1 0.1274美元至0.1279美元兌1港元 HK\$7.7680: US\$1 7.7680港元兌1美元
At 31 December 2020 於2020年12月31日 HK\$1,230,390,000 1,230,390,000港元	US\$0.1274 to US\$0.1280: HK\$1 0.1274美元至0.1280美元兌1港元

Nominal amount 名義金額	Type 類型	Position 好倉/淡倉	Prices 價格
At 30 June 2021 於2021年6月30日 US\$334,300,000* 334,300,000美元*	Call 認購	Long 好倉	RMB6.7000 to RMB6.9550: US\$1 人民幣6.7000元至人民幣6.9550元兌1美元
	Put 認沽	Short 淡倉	RMB6.7000 to RMB6.9550: US\$1 人民幣6.7000元至人民幣6.9550元兌1美元
	Call 認購	Short 淡倉	RMB7.1000 to RMB7.3000: US\$1 人民幣7.1000元至人民幣7.3000元兌1美元
At 31 December 2020 於2020年12月31日 US\$257,000,000* 257,000,000美元*	Call 認購	Long 好倉	RMB6.7000 to RMB6.8790: US\$1 人民幣6.7000元至人民幣6.8790元兌1美元
	Put 認沽	Short 淡倉	RMB6.7000 to RMB6.8790: US\$1 人民幣6.7000元至人民幣6.8790元兌1美元
	Call 認購	Short 淡倉	RMB7.1000 to RMB7.3000: US\$1 人民幣7.1000元至人民幣7.3000元兌1美元

\* These are currency call/put option portfolios.

\* 該等為貨幣認購/認沽期權組合。

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

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

- iii. The valuation techniques used in determination of fair values of the interest rate swaps, foreign currency forwards and foreign currency options are disclosed in Note 22.

- iii. 釐定利率掉期、外匯遠期及外匯期權公平值所使用的估值技術均披露於附註22。



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### 16. TRADE AND OTHER PAYABLES

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

Trade payables	應付貿易賬款
– within 60 days	– 60天以內
– beyond 60 days but within 120 days	– 超過60天但於120天以內
– beyond 120 days but within 360 days	– 超過120天但於360天以內
– beyond 360 days	– 超過360天
Bills payable (Note i)	應付票據(附註i)
Payables for acquisition of property, plant and equipment	購買物業、廠房及設備應付款項
Accrued staff costs	應計員工成本
Advanced payments from disposal of dairy cows	就出售乳牛的預收款項
Others (Note ii)	其他(附註ii)

Notes:

- Bills payable are mature within twelve months from the respective issuance dates.
- Included in the balance is an amount of RMB228,886,000, being payments received on behalf of certain individuals during the period, that are not related to investing nor financing activities of the Group and the related cash flows are accordingly classified under operating activities in the condensed consolidated statement of cash flows.

### 17. BANK BORROWINGS

During the current period, the Group obtained new bank borrowings amounting to RMB1,785,527,000 (six months ended 30 June 2020: RMB2,459,100,000) and repaid RMB2,420,537,000 (six months ended 30 June 2020: RMB1,772,996,000).

### 16. 應付貿易賬款及其他應付款項

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

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
446,200	610,589
154,806	146,753
33,102	44,539
14,570	15,015
963	15,659
649,641	832,555
145,977	217,521
129,898	212,269
11,458	27,093
331,474	121,348
1,268,448	1,410,786

附註：

- 應付票據於各自發行日期起計十二個月內到期。
- 餘額中包括代表若干個人於期內已收的款項人民幣228,886,000元，惟並非與本集團的投資或融資活動有關，有關現金流因而於簡明綜合現金流量表中分類於經營活動項下。

### 17. 銀行借款

於本期間，本集團獲得新增銀行借款人民幣1,785,527,000元(截至2020年6月30日止六個月：人民幣2,459,100,000元)，並已償還人民幣2,420,537,000元(截至2020年6月30日止六個月：人民幣1,772,996,000元)。

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### 17. BANK BORROWINGS (Continued)

As at 30 June 2021, bank borrowings are denominated in the following currencies:

US\$	美元
HK\$	港元
RMB	人民幣

The bank borrowings comprised:

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

The annual interest rate of the bank borrowings during the current period ranged from 1.50% to 4.57% (six months ended 30 June 2020: 0.66% to 5.00%).

### 17. 銀行借款(續)

於2021年6月30日，銀行借款以下列貨幣計值：

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
1,551,361	1,570,957
526,850	1,031,784
2,913,887	3,039,585
<b>4,992,098</b>	<b>5,642,326</b>

銀行借款包括：

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
2,282,595	2,230,939
2,709,503	3,411,387
<b>4,992,098</b>	<b>5,642,326</b>

於本期間，銀行借款的年利率介乎1.50%至4.57% (截至2020年6月30日止六個月：0.66%至5.00%)。



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### 18. SHARE CAPITAL

### 18. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.1 each Authorised At 1 January 2020 and 30 June 2020, 1 January 2021 and 30 June 2021	每股0.1港元的普通股 法定 於2020年1月1日及2020年 6月30日、2021年1月1日及 2021年6月30日	10,000,000	1,000,000
Issued and fully paid At 1 January 2020 and 30 June 2020	已發行及繳足 於2020年1月1日及2020年6月30日	6,407,635	640,764
At 1 January 2021	於2021年1月1日	6,458,566	645,857
Issue of ordinary shares (Note)	發行普通股(附註)	650,000	65,000
At 30 June 2021	於2021年6月30日	7,108,566	710,857

Presented as	呈列為	30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
		<b>609,758</b>	555,535

Note: On 27 January 2021, an aggregate of 650,000,000 new shares with par value of HK\$0.10 each of the Company have been placed to certain independent third parties at the placing price of HK\$2.40 per share, resulting in an increase of the share capital of HK\$65,000,000 (equivalent to approximately RMB54,223,000). An amount of HK\$1,487,200,000 (equivalent to approximately RMB1,240,622,000), being the excess of the net proceeds from the placing of HK\$1,552,200,000 (equivalent to approximately RMB1,294,845,000) over the par value of the new shares, was credited to share premium. These new shares rank pari passu with other shares in issue in all respects. The Company intends to apply the net proceeds from the placing on infrastructure development and herd expansion, potential mergers and acquisitions and general working capital.

附註：於2021年1月27日，本公司合共650,000,000股每股面值0.10港元的新股份已按每股2.40港元的配售價向若干獨立第三方配售，導致股本增加65,000,000港元（相當於約人民幣54,223,000元）。1,487,200,000港元（相當於約人民幣1,240,622,000元），即配售事項所得款項淨額1,552,200,000港元（相當於約人民幣1,294,845,000元）超出新股份面值的部分已計入股份溢價。該等新股份於所有方面與其他股份享有同等地位。本公司計劃將配售事項所得款項淨額用於基礎建設開發及擴展畜群規模、潛在併購及一般營運資金。



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### 19. SHARE-BASED PAYMENTS

#### (a) Modern Farming Option Scheme

On 31 October 2010, the Company granted to two directors and one senior management member of Modern Farming a total of 87,412,507 share options of the Company for nil consideration and with an exercise price of HK\$0.86 per share (the "Management Options") which would expire on 29 October 2020. All of the outstanding 50,930,832 Management Options as at 1 January 2020 was exercised on 27 August 2020.

#### (b) Share Award Scheme

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

On 9 September 2016 (the "Adoption Date I"), the Company adopted a share award scheme (the "Share Award Scheme I") to motivate and award the contribution of certain members of management and eligible employees of the Group. Subject to any early termination as may be determined by the Board, the Share Award Scheme I is valid and effective for a period of 5 years commencing on the Adoption Date I. The shares to be awarded under the Share Award Scheme I will be acquired by the Company through Dairy Fortune Limited ("Dairy Fortune") which is 100% owned by Dairy Fortune (PTC) Limited (the "Trustee") from the open market by cash contributed by the Group under the directions of the Company and will be held in trust for the relevant selected participants until such shares are vested.

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

### 19. 以股份支付的付款

#### (a) 現代牧業(集團)購股權計劃

於2010年10月31日，本公司以零代價向現代牧業(集團)兩名董事及一名高級管理層成員授出合共87,412,507份本公司購股權，行使價為每股0.86港元(「管理層購股權」)，將於2020年10月29日到期。下表披露管理層購股權於本年度的變動。所有於2020年1月1日未行使的50,930,832份管理層期權於2020年8月27日獲行使。

#### (b) 股份獎勵計劃

##### (i) 股份獎勵計劃I

於2016年9月9日(「採納日期I」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃I」)以激勵及獎勵本集團若干管理層成員及合資格僱員的貢獻。除董事會可能釐定的任何提早終止外，股份獎勵計劃I有效期五年，自採納日期I起生效。根據股份獎勵計劃I將獎勵的股份由本公司透過Dairy Fortune (PTC) Limited(「受託人」) 100%擁有的Dairy Fortune Limited(「Dairy Fortune」)按照本公司指示以本集團注資的現金從公開市場上收購，並將以信託方式為相關選定參與者持有，直至將有關股份歸屬。

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



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

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

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

On 21 April 2017 (the “Grant Date I”), a total number of 35,969,000 shares (“Share Award I”) were granted to the selected participants. Out of the total shares granted, 6,637,000 Award Shares I were granted to certain members of management (the “Award Shares A”), which would vest in the third anniversary of the Grant Date I provided that certain performance and service conditions are met.

A total number of 5,325,000 shares of Award Shares A were vested to certain members of management during the six months ended 30 June 2020, and the difference of RMB3,731,000 between the RMB5,468,000 share award reserve and RMB9,199,000 shares held under the Share Award scheme I for the shares vested was recognised to retained earnings.

The remaining 29,332,000 Award Shares I were granted to the certain members of management and the eligible employees (the “Award Shares B”), of which 21,011,000 shares were vested during 2019.

The Group recognised a share award expense of RMB559,000 in respect of the Share Award I during the six months ended 30 June 2020.

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (i) 股份獎勵計劃I(續)

於2017年4月21日(「授出日期I」)，合共35,969,000股股份(「股份獎勵I」)授予選定參與者。於所有授出股份中，6,637,000股獎勵股份(「獎勵股份A」)授予若干管理層成員，於授出日期I的第三個週年歸屬，惟須符合若干表現及服務條件。

截至2020年6月30日止六個月，合共5,325,000股獎勵股份A歸屬於若干管理層成員，股份獎勵儲備人民幣5,468,000元與就所歸屬股份根據股份獎勵計劃I持有的人民幣9,199,000元股份之間的差額金額人民幣3,731,000元於保留盈利確認。

餘下29,332,000股獎勵股份授予若干管理層成員及合資格僱員(「獎勵股份B」)，其中21,011,000股股份於2019年獲歸屬。

本集團就截至2020年6月30日止六個月的股份獎勵I確認股份獎勵開支人民幣559,000元。



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

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

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

On 26 March 2018 (the “Adoption Date II”), the Company adopted a share award scheme (the “Share Award Scheme II”) to motivate and award the contribution of certain members of management and eligible employees of the Group. Subject to any early termination as may be determined by the Board, the Share Award Scheme II is valid and effective for a period of 10 years commencing on the Adoption Date II. The shares to be awarded under the Share Award Scheme II will be acquired by the Company through Dairy Fortune from the open market by cash contributed by the Group under the directions of the Company and will be held in trust for the relevant selected participants until such shares are vested. The maximum number of shares which may be purchased by the Trustee is set at no more than 1% of the number of issued ordinary shares of the Company at the preceding annual general meeting. As at 31 December 2019, based on the Company’s instructions, the Dairy Fortune had purchased a total of 39,962,000 ordinary shares of the Company on open market at a total consideration of approximately HK\$51,759,000 (equivalent to RMB43,988,000). During the six months ended 30 June 2020, the Dairy Fortune purchased another 20,000,000 ordinary shares from the open market at a total consideration of approximately HK\$17,255,000 (equivalent to RMB15,763,000) and the number of ordinary shares purchased by Dairy Fortune under Share Award Scheme II increased to 59,962,000 shares (the “Award Shares II”).

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

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

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II

於2018年3月26日(「採納日期II」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃II」)，以激勵及獎勵本集團若干管理層成員及合資格僱員的貢獻。除董事會可能釐定的任何提早終止外，股份獎勵計劃II有效期十年，自採納日期II起生效。根據股份獎勵計劃II將獎勵的股份將由本公司透過Dairy Fortune按照本公司指示以本集團注資的現金從公開市場上收購，並將以信託方式為相關選定參與者持有，直至將有關股份歸屬。受託人可購入的股份數目上限設定為不得超過本公司於上一屆股東週年大會上已發行普通股數目的1%。於2019年12月31日，按照本公司指示，Dairy Fortune已從公開市場上收購合計39,962,000股本公司普通股，總代價約為51,759,000港元(相當於人民幣43,988,000元)。截至2020年6月30日止六個月，Dairy Fortune從公開市場上收購額外20,000,000股普通股，總代價約為17,255,000港元(相當於人民幣15,763,000元)，Dairy Fortune根據股份獎勵計劃II購買的普通股數目增加至59,962,000股(「獎勵股份II」)。

##### (II-i) 股份獎勵II-i

於2020年1月8日，合共20,000,000股獎勵股份II(「股份獎勵II-i」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，10,000,000股獎勵股份II將於2020年4月21日無條件歸屬(「獎勵股份C」)。餘下獎勵股份10,000,000股將於2020年4月21日歸屬，禁售期為自歸屬日期起計一年(「獎勵股份D」)。





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

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

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

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

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

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

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

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

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II(續)

##### (II-i) 股份獎勵II-i(續)

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

採用以下假設計算獎勵股份C及獎勵股份D的公平值：

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

預期波幅乃使用本公司股價的歷史波幅釐定。



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

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

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

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

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

The Group recognised a share award expense of RMB18,759,000 in respect of the Share Award II-i during the six months ended 30 June 2020. A total number of 19,918,802 shares of Award Shares C and Award Shares D was vested to selected participants during the six months ended 30 June 2020, and the difference amount of RMB1,602,000 between the RMB18,759,000 share award reserve and RMB20,361,000 shares held under the Share Award scheme II for the shares vested was recognised in retained earnings.

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

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

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II(續)

###### (II-i) 股份獎勵II-i(續)

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

截至2020年6月30日止六個月，本集團確認就股份獎勵II-i的股份獎勵開支為人民幣18,759,000元。截至2020年6月30日止六個月，合共19,918,802股獎勵股份C及獎勵股份D歸屬於選定參與者，股份獎勵儲備人民幣18,759,000元與就所歸屬股份根據股份獎勵計劃II持有的人民幣20,361,000元股份之間的差額金額人民幣1,602,000元於保留盈利確認。

###### (II-ii) 股份獎勵II-ii

於2020年3月27日，合共20,000,000股獎勵股份II(「股份獎勵II-ii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，10,000,000股獎勵股份II將於2021年4月21日歸屬(「獎勵股份E」)。餘下10,000,000股獎勵股份II將於2021年4月21日歸屬，禁售期為自歸屬日期起計一年(「獎勵股份F」)。



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## 簡明綜合財務報表附註

For the six months ended 30 June 2021

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

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

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

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

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

Category	類別	Outstanding as at 1 January 2021 於2021年 1月1日 尚未行使	Forfeited during the period 期內沒收	Vested during the period 期內歸屬	Outstanding as at 30 June 2021 於2021年 6月30日 尚未行使
Award Shares E	獎勵股份E	9,320,000	(524,100)	(8,795,900)	–
Award Shares F	獎勵股份F	9,320,000	(524,100)	(8,795,900)	–
		<b>18,640,000</b>	<b>(1,048,200)</b>	<b>(17,591,800)</b>	<b>–</b>

Category	類別	Outstanding as at 1 January 2020 於2020年 1月1日 尚未行使	Granted during the period 期內授出	Forfeited during the period 期內沒收	Outstanding as at 30 June 2020 於2020年 6月30日 尚未行使
Award Shares E	獎勵股份F	–	10,000,000	(280,000)	9,720,000
Award Shares F	獎勵股份E	–	10,000,000	(280,000)	9,720,000
		–	<b>20,000,000</b>	<b>(560,000)</b>	<b>19,440,000</b>

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

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

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II(續)

##### (II-ii) 股份獎勵II-ii(續)

下表披露獎勵股份E及獎勵股份F於匯報期間間的變動：

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

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

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

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

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

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

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

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

The Group recognised a share award expense of RMB1,958,000 in respect of the Share Award II-ii during the current period (for the six months ended 30 June 2020: RMB2,659,000). A total number of 17,591,800 shares of Award Shares E and Award Shares F was vested to selected participants during the current period, and the difference amount of RMB4,418,000 between the RMB9,447,000 share award reserve and RMB13,865,000 shares held under the Share Award scheme II for the shares vested was recognised in retained earnings.

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II(續)

##### (II-ii) 股份獎勵II-ii(續)

採用以下假設計算獎勵股份E及獎勵股份F的公平值：

Award Shares E 獎勵股份E	Award Shares F 獎勵股份F
HK\$0.68 0.68港元	HK\$0.68 0.68港元
HK\$0.68 0.68港元	HK\$0.68 0.68港元
0.62% 0.62%	0.63% 0.63%
1.07 1.07	2.07 2.07
49.34% 49.34%	44.66% 44.66%
0.00% 0.00%	0.00% 0.00%
HK\$0.08 0.08港元	HK\$0.10 0.10港元

預期波幅乃使用本公司股價的歷史波幅釐定。

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

於本期間，本集團就股份獎勵II-ii確認股份獎勵開支人民幣1,958,000元(截至2020年6月30日止六個月：人民幣2,659,000元)。於本期間，合共17,591,800股獎勵股份E及獎勵股份F歸屬於選定參與者，股份獎勵儲備人民幣9,447,000元與就所歸屬股份根據股份獎勵計劃II持有的人民幣13,865,000元股份之間的差額金額人民幣4,418,000元於保留盈利確認。



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

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

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

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

On 25 March 2021, a total number of 23,200,000 Award Shares II (“Share Award II-iii”) were granted to the selected participants. If certain performance and service conditions are met, out of the total shares granted, 11,600,000 Award Shares II will be vested on 31 March 2022 (the “Award Shares G”). The remaining Award Shares II of 11,600,000 will be vested on 31 March 2022 with one year lock-up period beginning from the vesting date (the “Award Shares H”).

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

Category	類別	Outstanding as at 1 January 2021 於2021年 1月1日 尚未行使	Granted during the period 期內授出	Forfeited during the period 期內沒收	Outstanding as at 30 June 2021 於2021年 6月30日 尚未行使
Award Shares G	獎勵股份G	-	11,600,000	(130,000)	11,470,000
Award Shares H	獎勵股份H	-	11,600,000	(130,000)	11,470,000
		-	23,200,000	(260,000)	22,940,000

The fair values of Award Shares G and Award Shares H determined at the date of grant using Asian Option Model were HK\$18,394,000 (equivalent to RMB15,456,000) and HK\$17,529,000 (equivalent to RMB14,730,000), respectively.

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (II) 股份獎勵II(續)

##### (II-iii) 股份獎勵II-iii

於2021年3月25日，合共23,200,000股獎勵股份II(「股份獎勵II-iii」)授予選定參與者。倘符合若干表現及服務條件，則於所有授出股份中，11,600,000股獎勵股份II將於2022年3月31日歸屬(「獎勵股份G」)。餘下獎勵股份II 11,600,000股將於2022年3月31日歸屬，禁售期為自歸屬日期起計一年(「獎勵股份H」)。

下表披露獎勵股份G及獎勵股份H於匯報期間的變動：

獎勵股份G及獎勵股份H於授出日期使用亞洲式期權模式釐定的公平值分別為18,394,000港元(相當於人民幣15,456,000元)及17,529,000港元(相當於人民幣14,730,000元)。



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

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

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

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

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

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

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

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

The Group recognised a share award expense of RMB7,057,000 in respect of the Share Award II-iii during the current period.

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (ii) 股份獎勵II(續)

##### (ii-iii) 股份獎勵II-iii(續)

採用以下假設計算獎勵股份G及獎勵股份H的公平值：

Award Shares G	Award Shares H
獎勵股份G	獎勵股份H
HK\$1.86	HK\$1.86
1.86港元	1.86港元
HK\$1.86	HK\$1.86
1.86港元	1.86港元
0.09%	0.15%
0.09%	0.15%
1.02	2.02
1.02	2.02
61.88%	55.29%
61.88%	55.29%
1.30%	1.30%
1.30%	1.30%
HK\$0.27	HK\$0.35
0.27港元	0.35港元

預期波幅乃使用本公司股價的歷史波幅釐定。

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

於本期間，本集團就股份獎勵II-iii確認股份獎勵開支人民幣7,057,000元。



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

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

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

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

The Group retained a total number of 4,420,482 vesting shares (for the six months ended 30 June 2020: 5,510,525) as a consideration of approximately HK\$8,974,000 (equivalent to RMB7,584,000) (for the six months ended 30 June 2020: HK\$4,519,000 (equivalent to RMB4,129,000)) for paying the individual income tax on behalf of those selected participants under Share Award Scheme II.

### 19. 以股份支付的付款(續)

#### (b) 股份獎勵計劃(續)

##### (ii) 股份獎勵II(續)

##### (ii-iii) 股份獎勵II-iii(續)

本集團根據股份獎勵計劃II代該等選定參與者支付個人所得稅時，保留合共4,420,482股歸屬股份(截至2020年6月30日止六個月：5,510,525股)作為代價約8,974,000港元(相當於人民幣7,584,000元)(截至2020年6月30日止六個月：4,519,000港元(相當於人民幣4,129,000))。

### 20. CAPITAL COMMITMENTS

### 20. 資本承擔

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

就收購物業、廠房及設備已訂約但未計提撥備的資本開支

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
101,294	20,238

### 21. RELATED PARTY TRANSACTIONS

### 21. 關聯方交易

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

(a) 以下為關聯方名稱及與關聯方的關係：

Mengniu

A shareholder who directly and indirectly held 51.40% of the Company's issued share capital

蒙牛

直接及間接持有本公司已發行股本51.40%的股東

Jiangyin Dairy Energy

An associate of the Group

江陰牧能

本集團之聯營公司



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### 21. RELATED PARTY TRANSACTIONS (Continued)

- (b) At the end of the reporting period, the Group had the following balances with related parties:

#### Amounts due from

#### Mengniu Group

Trade receivables – raw milk  
Within 30 days based on invoice date

#### 蒙牛集團

應收貿易賬款 – 原料奶  
按發票日計30天以內

#### Amounts due to

#### Jiangyin Dairy Energy

Trade payables

#### 江陰牧能

應付貿易賬款

### 21. 關聯方交易(續)

- (b) 於匯報期間末，本集團與關聯方有下列結餘：

#### 應收款項

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
493,430	533,750

#### 應付款項

30 June 2021 2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
1,749	1,354





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### 21. RELATED PARTY TRANSACTIONS (Continued)

- (c) During the current period, the Group entered into the following transactions with related parties:

Mengniu Group	蒙牛集團
Sales of raw milk	銷售原料奶
Purchases of liquid milk (Note)	採購液態奶(附註)
Jiangyin Dairy Energy	江陰牧能
Purchases of power and utilities	採購能源及公用設施

The sales prices were based on mutually agreed terms.

Note: During the six months ended 30 June 2020, the Group purchased liquid milk of RMB10,000,000 from Mengniu Group for donation purpose.

### 21. 關聯方交易(續)

- (c) 於本期間，本集團與關聯方訂立以下交易：

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

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
2,661,497	2,295,850
-	10,000
8,898	5,866

銷售價格是基於共同協定條款。

附註：截至2020年6月30日止六個月，本集團向蒙牛集團採購液態奶人民幣10,000,000元以用於捐贈。

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For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 21. RELATED PARTY TRANSACTIONS (Continued)

#### (d) Other borrowings

During the six months ended 30 June 2020, the Group entered into the following transactions with related parties:

Category	類別	As at 1 January 2020 於2020年 1月1日 RMB'000 人民幣千元	Raised during the period 期內籌集 RMB'000 人民幣千元	Repayment during the period 期內償還 RMB'000 人民幣千元	As at 30 June 2020 於2020年 6月30日 RMB'000 人民幣千元
Mengniu Entrusted Loan (Note)	蒙牛委託貸款 (附註)	1,001,330	6,818	(1,008,148)	-

Note: The Group entered into several entrusted loan agreements with Mengniu Group and Agricultural Bank of China ("ABC") since 2017, pursuant to which, Mengniu Group provided loans to the Group through ABC. All the borrowings had been fully repaid during the six months ended 30 June 2020. The Group recognised interest expense of RMB6,818,000 for the six months ended 30 June 2020.

截至2020年6月30日止六個月，本集團與關聯方訂立以下交易：

附註：本集團自2017年起與蒙牛集團及中國農業銀行(「中國農業銀行」)訂立多份信託貸款協議。據此，蒙牛集團透過中國農業銀行向本集團提供貸款。截至2020年6月30日止六個月，所有借款已悉數償還。本集團確認截至2020年6月30日止六個月的利息開支人民幣6,818,000元。

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

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

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

### 21. 關聯方交易(續)

#### (d) 其他借款

#### (e) 主要管理人員的薪酬

以下是主要管理人員於匯報期間間的酬金：

#### Six months ended 30 June

截至6月30日止六個月

2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核)	2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)
4,215	4,726
3,209	9,707
233	296
<b>7,657</b>	<b>14,729</b>



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## 簡明綜合財務報表附註

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### 22. FAIR VALUE MEASUREMENTS

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

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

#### Fair value hierarchy

Assets/(liabilities)	資產/(負債)	Fair value as at 30 June 2021 於2021年 6月30日 的公平值 RMB'000 人民幣千元 (unaudited) (未經審核)	Fair value as at 31 December 2020 於2020年 12月31日 的公平值 RMB'000 人民幣千元 (audited) (經審核)	Fair value hierarchy 公平值級別
Biological assets	生物資產	7,083,939	7,101,243	level 3 第三級
Derivative financial instruments	衍生金融工具			
– Foreign currency forward contracts	– 外幣遠期合約	7,313	11,145	level 2 第二級
Other financial assets	其他金融資產			
– Structured bank deposits	– 結構性銀行存款	50,359	50,000	level 2 第二級
Equity instruments at FVTOCI	按公平值計入其他全面 收入的權益工具			
– Unquoted equity investments	– 未報價權益投資	3,980	5,080	level 3 第三級
Derivative financial instruments	衍生金融工具			
– Interest rate swaps	– 利率掉期	(30,292)	(52,264)	level 2 第二級
– Foreign currency forward contracts	– 外幣遠期合約	(408)	–	level 2 第二級
– Foreign currency option contracts	– 外幣期權合約	(58,886)	(31,074)	level 2 第二級

### 22. 公平值計量

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

本集團的生物資產按公平值減銷售成本計量，其他金融資產、按公平值計入其他全面收入的權益投資及衍生金融工具於各匯報期間末按公平值計量。下表提供有關根據公平值計量的輸入數據的可觀察程度如何釐定該等資產及負債的公平值(特別是所使用的估值方法及輸入數據)，及劃分公平值計量的公平值級別水平(第一至三級)的資料。

#### 公平值級別



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

#### Valuation techniques used in fair value measurements

The following table shows the valuation techniques used in measuring Level 2 and 3 fair values, as well as the significant unobservable inputs used in the valuation models as at 30 June 2021:

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

### 22. 公平值計量(續)

#### 公平值計量使用的估值方法

下表列示計量第二級及第三級公平值時所用的估值方法，以及於2021年6月30日估值模型所用的重大不可觀察輸入數據：



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

### 22. 公平值計量(續)

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

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Structured bank deposits	Discounted cash flow Future cash flows are estimated based on forward exchange rates or gold price, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
結構性銀行存款	貼現現金流量 未來現金流量乃根據遠期匯率或金價估計，按反映多名對手方的信貸風險的利率貼現。	不適用	不適用
Unquoted equity investments	Market approach	Fair value is estimated based on value of comparable listed companies and discounted for lack of liquidity.	An increase in the discounted for lack of liquidity would result in a smaller percentage decrease in the fair value measurement of the unquoted equity investments.
未報價權益投資	市場法	公平值乃按可資比較上市公司的價值作出估計及就流動性不足貼現。	流動性不足貼現增加可導致未報價權益投資公平值計量的比例減少。
Heifers and calves	The fair value of 14 months old heifers is determined by reference to the local market selling price.	Average local market selling prices of the heifers of 14 months old were estimated at RMB20,500 per head at 30 June 2021 (31 December 2020: RMB20,500).	An increase in the estimated local market selling price used would result in a smaller percentage increase in the fair value measurement of the heifers and calves, and vice versa.
小母牛及小牛	14個月的小母牛公平值乃參考當地市場售價釐定。	於2021年6月30日，14個月的小母牛的平均當地市場售價估計為每頭人民幣20,500元(2020年12月31日：人民幣20,500元)。	所用的估計當地市場售價增加將導致小母牛及小牛公平值計量的較小比例增加，反之亦然。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

### 22. 公平值計量(續)

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

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Heifers and calves (Continued)	The fair values of heifers and calves at age-group less than 14 months are determined by subtracting the estimated feeding costs required to raise the cows from their respective age at the end of each reporting period to 14 months plus the margins that would normally be required by a raiser. Conversely, the fair values of heifers at age group older than 14 months are determined by adding the estimated feeding costs required to raise the heifers from 14 months old to their respective age at the end of each reporting period plus the margins that would normally be required by a raiser.	Estimated average feeding costs per head plus margin that would normally be required by a raiser for heifers and calves younger than 14 months old are RMB18,556 at 30 June 2021 (31 December 2020: RMB17,463); average estimated feeding costs per head plus margin that would normally be required by a raiser for heifers older than 14 months old are RMB18,725 at 30 June 2021 (31 December 2020: RMB17,694).	An increase in the estimated feeding costs plus the margin that would normally be required by a raiser used would result in a much smaller percentage increase/decrease in the fair value measurement of the heifers and calves older/younger than 14 months old, and vice versa.
小母牛及小牛(續)	在小於14個月的年歲組別的小母牛及小牛的公平值乃經減去將牛隻由其各自於各匯報期間末的歲數培育至14個月所須的估計飼養成本，加培育商一般所須利潤而釐定。相反地，在大於14個月的年歲組別的小母牛的公平值乃經加上將小母牛由14個月培育至其各自於各匯報期間末的歲數所須的估計飼養成本，加培育商一般所須利潤而釐定。	於2021年6月30日，就小於14個月的小母牛及小牛而言，每頭牛估計平均飼養成本加培育商一般所須利潤為人民幣18,556元(2020年12月31日：人民幣17,463元)；於2021年6月30日，就大於14個月的小母牛而言，每頭牛平均估計飼養成本加培育商一般所須利潤為人民幣18,725元(2020年12月31日：人民幣17,694元)。	所用的估計飼養成本加培育商一般所須利潤增加將導致大於／小於14個月的小母牛及小牛公平值計量的極小比例增加／減少，反之亦然。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

### 22. 公平值計量(續)

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

#### 公平值計量使用的估值方法(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Milkable cows	The fair values of milkable cows are determined by using the multi-period excess earnings method, which is based on the discounted future cash flows to be generated by such milkable cows.	The estimated feed costs per kg of raw milk used in the valuation process are ranged from RMB2.13 to RMB2.27 for the six months ended 30 June 2021 (for the year ended 2020: RMB1.91 to RMB2.05), based on the historical average feed costs per kg of raw milk after taking into consideration of inflation.	An increase in the estimated feed costs per kg of raw milk used would result in a smaller percentage decrease in the fair value measurement of the milkable cows, and vice versa.
奶牛	奶牛公平值透過使用多期超額收益法(基於將由有關奶牛產生的貼現未來現金流量)釐定。	截至2021年6月30日止六個月，估值過程中使用的每公斤原料奶估計飼養成本介乎人民幣2.13元至人民幣2.27元(截至2020年：人民幣1.91元至人民幣2.05元)，乃基於每公斤原料奶的歷史平均飼養成本並計及通貨膨脹釐定。 A milkable cow could have as many as six lactation cycles. Estimated average daily milk yield at each lactation cycle is ranged from 29.1 kg to 31.3 kg for the six months ended 30 June 2021 (for the year ended 2020: 29.1kg to 31.3 kg), depending on the number of the lactation cycles and the individual physical condition. 奶牛有六個哺乳期。截至2021年6月30日止六個月，各哺乳期的估計平均每日產奶量介乎29.1公斤至31.3公斤(截至2020年：29.1公斤至31.3公斤)，視哺乳期數目以及個別身體狀況而定。	所用的每公斤原料奶估計飼養成本增加可導致奶牛公平值計量的較小比例下降，反之亦然。 An increase in the estimated daily milk yield per head used would result in a smaller percentage increase in the fair value measurement of the milkable cows, and vice versa. 所用的估計每頭牛每日產奶量增加可導致奶牛公平值計量的較小比例提高，反之亦然。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

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

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值方法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值計量之間的相互關係
Milkable cows (Continued)		Estimated local future market price for raw milk is ranged from RMB4.48 per kg to RMB4.73 per kg at 30 June 2021 (31 December 2020: RMB4.21 per kg to RMB4.52 per kg).	An increase in the estimated average selling price of raw milk used would result in a much higher percentage increase in the fair value measurement of the milkable cows, and vice versa.
奶牛(續)		於2021年6月30日，估計當地未來原料奶市價介乎每公斤人民幣4.48元至人民幣4.73元(2020年12月31日：每公斤人民幣4.21元至人民幣4.52元)。	所用的原料奶估計平均售價增加可導致奶牛公平值計量的極大比例增加，反之亦然。
		Discount rate for estimated future cash flow used is 12.7% at 30 June 2021 (31 December 2020: 12.5%).	An increase in the estimated discount rate used would result in a slightly smaller percentage decrease in the fair value measurement of the milkable cows, and vice versa.
		於2021年6月30日，所用估計未來現金流量的貼現率為12.7%(2020年12月31日：12.5%)。	所用的估計貼現率增加可導致奶牛公平值計量的較小比例下降，反之亦然。

### 22. 公平值計量(續)

#### 公平值計量使用的估值方法(續)





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 22. FAIR VALUE MEASUREMENTS (Continued)

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

Balance at 1 January 2020 (audited)	於2020年1月1日的結餘(經審核)
Total gains in OCI	於其他全面收入的收益總額
Feeding cost	飼養成本
Decrease due to disposal	因出售引致的減少
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減銷售成本產生的虧損
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)
Balance at 1 January 2021 (audited)	於2021年1月1日的結餘(經審核)
Total loss in OCI	於其他全面收入的虧損總額
Feeding cost	飼養成本
Decrease due to disposal	因出售引致的減少
Loss arising from changes in fair value less costs to sell of dairy cows	乳牛公平值變動減銷售成本產生的虧損
At 30 June 2021 (unaudited)	於2021年6月30日(未經審核)

### 22. 公平值計量(續)

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

Equity instruments at FVTOCI	Heifers, calves and milkable cows
按公平值計入其他全面收入的權益工具	小母牛、小牛及奶牛
RMB'000	RMB'000
人民幣千元	人民幣千元
3,959	7,459,359
3,935	-
-	652,708
-	(306,632)
-	(448,749)
7,894	7,356,686
<b>5,080</b>	<b>7,101,243</b>
<b>(1,100)</b>	<b>-</b>
-	<b>746,292</b>
-	<b>(357,804)</b>
-	<b>(405,792)</b>
<b>3,980</b>	<b>7,083,939</b>

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

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

#### 並非按經常基準以公平值計量的金融資產及金融負債的公平值

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



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2021

截至2021年6月30日止六個月

### 23. COMPARATIVE AMOUNTS

Certain comparative figures have been combined and presented to conform with current period's presentation.

### 24. EVENTS AFTER THE REPORTING PERIOD

The Group had the following significant events after the reporting period:

- (a) On 7 July 2021, the Company entered into a subscription agreement in connection with the issue of US\$500,000,000 bonds at a fixed interest rate of 2.125% due in 2026 (the "Bonds"). The Company intends to use the net proceeds of the Bonds issue for refinancing and general corporate purposes. The listing of, and dealing in, the Bonds became effective on 15 July 2021.
- (b) The Acquisition as disclosed in Note 12 was completed in July 2021.

### 23. 比較金額

若干比較數字已合併呈列以符合本期間呈列方式。

### 24. 匯報期間後事項

本集團於匯報期間後發生以下重大事項：

- (a) 於2021年7月7日，本公司就發行2026年到期之500,000,000美元固定利率2.125%債券(「債券」)訂立認購協議。本公司計劃將發行債券的所得款項淨額用於再融資及一般公司用途。債券的上市及買賣已於2021年7月15日生效。
- (b) 附註12所披露的收購事項已於2021年7月完成。





Genuineness  
真



Freshness  
鮮



Purity  
純



MODERN FARMING  
现代牧业



Vitality  
活

China Modern Dairy Holdings Ltd.

中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1117



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