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中期報告
Interim Report
2022

中糧家佳康食品有限公司
COFCO Joycome Foods Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 01610

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CORPORATE INFORMATION

公司資料

DIRECTORS

Chairman of the Board and Executive Director

Mr. Jiang Guojin

Non-executive Directors

Mr. Ma Dewei

Dr. Zhao Wei

Independent Non-executive Directors

Mr. Fu Tingmei

Mr. Li Michael Hankin

Dr. Ju Jiandong

AUDIT COMMITTEE

Mr. Li Michael Hankin (Chairman)

Mr. Fu Tingmei

Dr. Zhao Wei

NOMINATION COMMITTEE

Mr. Jiang Guojin (Chairman)

Mr. Fu Tingmei

Dr. Ju Jiandong

REMUNERATION COMMITTEE

Mr. Li Michael Hankin (Chairman)

Mr. Jiang Guojin

Dr. Ju Jiandong

FOOD SAFETY COMMITTEE

Mr. Jiang Guojin (Chairman)

Dr. Zhao Wei

JOINT COMPANY SECRETARIES

Dr. Zhang Nan

Ms. Chau Hing Ling

AUDITOR

Baker Tilly Hong Kong Limited

董事

董事會主席兼執行董事

江國金先生

非執行董事

馬德偉先生

趙瑋博士

獨立非執行董事

傅廷美先生

李恆健先生

鞠建東博士

審核委員會

李恆健先生(主席)

傅廷美先生

趙瑋博士

提名委員會

江國金先生(主席)

傅廷美先生

鞠建東博士

薪酬委員會

李恆健先生(主席)

江國金先生

鞠建東博士

食品安全委員會

江國金先生(主席)

趙瑋博士

聯席公司秘書

張楠博士

周慶齡女士

核數師

天職香港會計師事務所有限公司

CORPORATE INFORMATION

公司資料

LEGAL ADVISER

Clifford Chance (*as to Hong Kong law*)

PRINCIPAL BANKS

Agricultural Bank of China Limited
Beijing Branch of Bank of Communications Co., Ltd.
Industrial and Commercial Bank of China Limited

AUTHORISED REPRESENTATIVES

Mr. Jiang Guojin
Ms. Chau Hing Ling

SHARE REGISTRAR AND TRANSFER OFFICE

Principal

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard, Cricket Square,
P.O. Box 902, Grand Cayman, KY1-1103,
Cayman Islands

Hong Kong Branch

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road, Hong Kong

REGISTERED OFFICE

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard, Cricket Square,
P.O. Box 902, Grand Cayman, KY1-1103,
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

33/F, COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

HEAD OFFICE IN THE PRC

COFCO Fortune Plaza
No. 8, Chao Yang Men South St.
Chao Yang District, Beijing
China

COMPANY WEBSITE

www.cofcojoycome.com

法律顧問

高偉紳律師行 (有關香港法律)

主要往來銀行

中國農業銀行股份有限公司
交通銀行股份有限公司北京分行
中國工商銀行股份有限公司

授權代表

江國金先生
周慶齡女士

股份過戶登記處

總處

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard, Cricket Square,
P.O. Box 902, Grand Cayman, KY1-1103,
Cayman Islands

香港分處

卓佳證券登記有限公司
香港夏愨道16號
遠東金融中心17樓

註冊辦事處

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard, Cricket Square,
P.O. Box 902, Grand Cayman, KY1-1103,
Cayman Islands

香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈33樓

中國總部

中國
北京市朝陽區
朝陽門南大街8號
中糧福臨門大廈

公司網站

www.cofcojoycome.com

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

I. COMPANY PROFILE

Company Introduction

The Company is a meat business platform under COFCO and was listed on the main board of the Stock Exchange on November 1, 2016 (stock code: 1610).

The main businesses of the Company include feed production, hog production, slaughtering and cutting, production, distribution and sale of fresh pork and processed meat products, import and distribution of meat products (including pork, beef, poultry and mutton). As a leading meat enterprise with operations covering the integrated industry chain in China, the Company seized the opportunity of industrial transformation and upgrading and formed a strategic layout throughout the country, so that the scale of hog production and fresh pork business has been growing rapidly. We adhere to the operation principle of "leading the safety standards in the industry and assuring meat safety for citizens", and provide consumers with high-quality meat products. "Joycome" chilled pork and "Maverick" low-temperature meat products continue to rise in popularity in major first-tier cities.

Segments Introduction

Hog Production

The hog production segment includes businesses such as feed production, hog breeding and hog farming. The Company has established modern hog production bases and in-house feed mills in provinces and cities including Jilin, Inner Mongolia, Tianjin, Hebei, Henan, Jiangsu and Hubei and planned to further expand its hog production capacity.

Fresh Pork

The fresh pork segment includes hog slaughtering and cutting, distribution and sale of fresh pork, and the main products are chilled pork. The Company owns four modern slaughtering and processing bases in Jiangsu, Hubei, Jilin and Inner Mongolia (putting into operation in August 2022), and a cutting center in Guangdong (putting into operation in June 2022). The Company vigorously develops branded business through the "Joycome" brand, which covers the pork consumption market in major cities and areas such as Shanghai and the Yangtze River Delta, Beijing, Wuhan, Jilin, Guangdong and Inner Mongolia.

一、公司概況

公司簡介

本公司為中糧旗下的肉類業務平台，並於二零一六年十一月一日在聯交所主板上市（股票代號：1610）。

本公司主要業務包括：飼料生產、生豬養殖及屠宰分割、生鮮豬肉及肉製品生產、經銷與銷售，及肉類產品（包括豬肉、牛肉、禽肉及羊肉）進口分銷。作為中國領先的全產業鏈肉類企業，本公司把握行業轉型升級的機遇，在全國形成戰略性佈局，使生豬養殖和生鮮豬肉規模增長迅速；我們秉持「引領行業安全標準、保障國民肉食安全」的經營理念，向消費者提供高品質肉類產品，「家佳康」冷鮮豬肉、「萬威客」低溫肉製品在主要一線城市知名度不斷上升。

分部業務簡介

生豬養殖

生豬養殖分部包括飼料生產、種豬繁育及生豬飼養業務。本公司在吉林、內蒙、天津、河北、河南、江蘇、湖北等省市建有現代化生豬養殖基地及配套飼料廠，計劃進一步擴張生豬養殖產能。

生鮮豬肉

生鮮豬肉分部包括生豬屠宰分割、生鮮豬肉的經銷及銷售，產品主要為冷鮮豬肉。本公司在江蘇、湖北、吉林、內蒙古（二零二二年八月投產）擁有四座現代化屠宰加工基地，在廣東擁有一座分割中心（二零二二年六月投產）。本公司大力開展品牌化運作，通過「家佳康」品牌覆蓋上海及長三角、北京、武漢、吉林、廣東、內蒙古等主要省市及地區的豬肉消費市場。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Processed Meat Products

The processed meat products segment includes the production, distribution and sale of various types of processed meat products (mainly western-style low-temperature processed meat products). The Company owns three modern processed meat product processing bases in Jiangsu, Hubei and Guangdong. Our two brands, namely “Maverick” and “Joycome”, cover the processed meat products consumption market in major domestic first-tier cities.

Meat Import

The meat import segment includes import of meat products (including pork, beef, poultry and mutton) and by-products and distribution in the PRC. The Company combines imported raw materials with domestic processing capacity and key account service, and provides high value-added products to well-known domestic food processors, large chain catering enterprises, etc.

II. MARKET OVERVIEW

Hog Price Rebound after Bottoming Out

According to the data from the National Bureau of Statistics, hog production volume in China amounted to 366 million heads in the first half of 2022, representing a year-on-year increase of 8.4%; pork output was 29.39 million tons, increasing by 8.2% on a year-on-year basis.

Due to the gradual release of breeding sow capacity, hog price was on a downward trend at the beginning of the year. The average hog price in 22 provinces in China hit a stage low point of RMB12.12/kg at the end of March 2022.

With the effect of capacity reduction gradually manifested, coupled with the influence of short-term market sentiment, hog price continued to rise since the end of March 2022, and the average hog price in 22 provinces reached RMB20.20/kg at the end of June 2022, increasing by nearly 70% from the low level in March 2022. The rise in hog price drove the profit of hog farming to turn positive gradually, and the industry capacity began to rebound: the stock of breeding sow in China ended the decrease for 10 consecutive months since May 2022, and amounted to 42.77 million heads at the end of June 2022, increasing by 2.0% month on month.

肉製品

肉製品分部包括各類肉製品(主要為西式低溫肉製品)的生產、經銷及銷售。本公司在江蘇、湖北、廣東擁有三座現代化肉製品加工基地，通過「萬威客」、「家佳康」兩大品牌覆蓋國內主要一線城市的肉製品消費市場。

肉類進口

肉類進口分部包括進口肉類產品(包括豬肉、牛肉、禽肉及羊肉)及副產品，並於國內分銷。本公司將進口原料與國內加工產能、大客戶服務相結合，向國內知名食品加工商、大型連鎖餐飲企業等提供高附加值產品。

二、市場概覽

生豬價格探底後出現回升

根據國家統計局數據，二零二二年上半年全國生豬出欄量3.66億頭，同比增長8.4%；豬肉產量2,939萬噸，同比增長8.2%。

由於能繁母豬產能逐步釋放，年初生豬價格延續下跌態勢，二零二二年三月底全國22省市生豬均價降至人民幣12.12元/公斤的階段性低點。

隨著產能去化效果逐步體現，疊加市場短期情緒性因素影響，二零二二年三月底以來豬價持續回升，二零二二年六月底全國22省市生豬均價達人民幣20.20元/公斤，較二零二二年三月低點回升近70%。豬價上漲帶動生豬飼養利潤逐步轉正，行業產能開始回升：二零二二年五月起全國能繁母豬存欄量結束連續十個月的下降，二零二二年六月底能繁母豬存欄4,277萬頭，環比增長2.0%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Normalization of the African Swine Fever Accelerating the Large-scale Operation

Industry players have accumulated certain experience in response to the African swine fever since it spread into China in 2018 and has lasted for four years. Large-scale enterprises have advantages in terms of hardware and software completeness, further raising the threshold of the industry.

Household Consumption Promoting E-commerce and Branding of Fresh Products under COVID-19 Pandemic

In the first half of 2022, impacted by the COVID-19 pandemic in Jilin and Shanghai, the demand for household consumption increased, driving the rapid development of fresh food e-commerce and community group purchase channels, and food safety and convenience became more and more important. With its advantages of high quality, standardization, hygiene and convenience, branded small-packed fresh pork products responded to the channel development and met the market demand, gaining higher brand recognition and consumer loyalty.

Significant Reduction in Pork Imports and Strong Demand in Beef Imports

Under the sufficient supply of domestic hogs, the prices of imported and domestic pork were inverted. In the first half of 2022, the pork import (excluding by-products) was 0.8 million tons, representing a year-on-year decrease of 74.9%, accounting for 2.7% of domestic pork production. Beef import volume (excluding by-products) amounted to 1.15 million tons in the first half of 2022, representing a year-on-year increase of 1.7%, accounting for 38.1% of domestic beef production.

非瘟常態化下行業規模化進程提速

自二零一八年非瘟傳入中國，至今已持續近四年，行業在非瘟疫情應對方面積累了一定經驗，其中規模企業在硬件和軟件完備性方面具有優勢，進一步抬升行業門檻。

新冠疫情背景下，居家消費推動生鮮產品線上化、品牌化

二零二二年上半年，受吉林、上海等地新冠疫情影響，居家消費需求提升，帶動生鮮電商、社區團購渠道迅猛發展，食品安全和便利性愈發受到重視。品牌盒裝豬肉憑藉其高品質、標準化、衛生便捷等優勢，順應渠道發展，滿足市場需求，獲得更高的品牌認可度和消費者忠誠度。

豬肉進口縮量明顯，牛肉進口需求保持強勁

國內生豬供應充足形勢下，進口與國產豬肉價格倒掛，二零二二年上半年全國豬肉進口量（不含副產品）80萬噸，同比下降74.9%，佔全國豬肉產量的2.7%。二零二二年上半年牛肉進口量（不含副產品）115萬噸，同比增長1.7%，佔全國牛肉產量的38.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

III. RESULTS OF OPERATION

In the first half of 2022, the international situation was complex and volatile, while the domestic economy faced severe challenges. The Company's loss before fair value adjustment of biological assets for the first half of 2022 amounted to RMB1,399 million due to the persistently high feed raw material prices and the downturn in domestic hog price, among which a loss of RMB1,286 million recorded in the hog production segment was mainly due to a significant decrease in the average selling price of hogs compared with the same period of the previous year, and the unrealised loss on fair value changes in respect of commodity future contracts as a result of the surging futures prices in June 2022. However, the Company stayed committed to focus on production management, strictly implemented cost reduction and efficiency enhancement, and partially offset the adverse impact of market fluctuations by improving production efficiency and production capacity utilization. The results of the fresh pork segment amounted to RMB16.45 million, representing a turnaround from loss to profit as compared with the same period last year. The sales volume of fresh pork increased by 67.7%. Facing the challenge of unexpected pandemic in various regions, the Company took the initiative to assume its social responsibility as a state-owned enterprise, concentrated its efforts and endeavoured to ensure supply, and further improved the Company's brand recognition. The processed meat products business further expanded its business scale through carrying on catering business and vigorously developing retail clients, resulting in a significant year-on-year increase in segment results. The meat import business continued to strengthen risk control and improve its capability in "trading plus processing", which released the upstream and downstream synergies and maintained good profitability.

三、經營業績

二零二二年上半年，國際局勢複雜多變，國內經濟面臨嚴峻挑戰，受飼料原料價格持續高位，及國內生豬價格低迷影響，二零二二年上半年本公司生物資產公允價值調整前的期內虧損為人民幣13.99億元，其中：生豬養殖業務分部虧損人民幣12.86億元，主要由於生豬銷售均價較上年同期大幅降低，以及二零二二年六月期貨價格大幅上漲，導致未變現有關商品期貨合約的公允價值變動產生虧損，但本公司堅持聚焦生產管理，嚴格落實降本增效，通過提升養殖效率和養殖產能利用率，部份抵消行情波動的不利影響；生鮮豬肉分部業績為人民幣1,645萬元，同比扭虧為盈，生鮮豬肉銷量增長67.7%，面對多地突發疫情挑戰，本公司主動承擔國企社會責任，凝心聚力、全力保供，並進一步提升本公司的品牌認知度；肉製品業務通過經營餐飲業務及大力發展零售客戶，進一步擴大業務規模，分部業績同比顯著增長；肉類進口業務繼續強化風險管控，提升「工貿結合」能力，釋放上下游協同效應，維持了較好盈利。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Hog production business

Significant Year-on-year Growth in Hog Production Volume

In the first half of 2022, the Company's hog production volume reached 2,268 thousand heads representing an increase of 35.7% year-on-year, and the average weight of finishing hogs was 109.3 kg/head. Due to the notable decline in the average selling price of hogs in the first half of the year, the revenue and profit of the production segment both declined. During the period, the Company applied strategies to hedge price fluctuation by using futures contracts and recorded a realised gain on fair value changes in respect of commodity future contracts; however, as a result of the surging futures prices in June 2022, an unrealised loss on fair value changes in respect of commodity future contracts was incurred.

Actively Respond to Changes in Market Conditions, Strengthen Internal Benchmarking, and Improve Production Efficiency

In the face of multiple pressures such as rising global feed raw material prices and low domestic hog price, the Company focused on strengthening internal benchmarking, implementing refined management and improving overall production efficiency. In terms of feed, the Company has strengthened raw material procurement market research and optimization of feed formulation; in terms of production management, the Company has strengthened internal benchmarking and implemented resident management to narrow the gap between internal breeding results; in terms of assessment and incentive, the Company has optimized its management team and implemented precise incentive to fully mobilize the enthusiasm and responsibility of front-line employees.

Adequate Production Capacity Reserve and Comprehensive Upgrade of Breeding System

As at the end of June 2022, the stock of breeding and replacement hogs was 306 thousand heads, representing an increase of over 60 thousand heads as compared with the beginning of the year, safeguarding production capacity for the subsequent production; in terms of breeding, the preliminary establishment of the genome breeding process has further promoted the breeding system construction, which is conducive to the faster realization of breeding herd performance optimization.

生豬養殖業務

出欄量同比顯著增長

二零二二年上半年，本公司生豬出欄量 226.8萬頭，同比提高35.7%，商品大豬均重109.3公斤／頭。由於上半年生豬銷售均價同比下降明顯，養殖分部營收、利潤均下降；期內本公司運用套期保值策略，已變現有相關商品期貨合約的公允價值變動產生收益，但由於二零二二年六月期貨價格大幅上漲，導致未變現有相關商品期貨合約的公允價值變動產生虧損。

積極應對行情變化，加強內部對標，提升養殖效率

面對全球飼料原料價格上漲、國內豬價低迷等多重壓力，本公司重點加強內部對標，落實精細化管理，提升整體養殖效率。飼料方面，加強原料採購行情研判，優化飼料配方；生產管理方面，強化內部對標，落實駐場管理，縮小內部養殖成績差距；考核激勵方面，優化管理團隊，落實精準激勵，充分調動一線員工的積極性和責任心。

養殖產能儲備充足，育種體系全面升級

二零二二年六月底，能繁及後備種豬存欄30.6萬頭，較年初增加6萬頭以上，為後續出欄提供產能保障；育種方面，初步建立基因組育種流程，進一步推進種豬繁育體系建設，有利於更快實現種群性能優化。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Fresh pork business

Significant Growth in Sales Volume of Fresh Pork with a Turnaround from Loss to Profit in Segment Results Achieved and Significant Improvement in Upstream and Downstream Matching

In the first half of 2022, the Company seized the opportunity to enhance its slaughtering capacity utilization rate, leading to a significant year-on-year increase in the sales volume of fresh pork of 67.7% to 109 thousand tons. The segment realized profits of RMB16.45 million.

The commissioning of Jilin Changling Plant and the slaughtering and processing capacity of 1 million heads in Chifeng, Inner Mongolia in August 2022 has accelerated the upstream and downstream matching of the Company. The proportion of internal procurement of hogs of the fresh pork segment recorded a significant increase year-on-year.

Brand Terminal Construction Accelerated, and Sales of Small-Packed Fresh Pork Increased Significantly

During the period, the Company further promoted terminal construction and increased the number of brand outlets. In June 2022, the Company completed the commissioning of Guangdong cutting center, which will support the expansion of the Company's brand business in South China market. During the reporting period, the sales volume of small-packed pork increased by 26.8% year-on-year to 27.23 million boxes, with an average daily sales volume of 149 thousand boxes, of which the sales volume of linseed-fed pork products increased by 202.7% year-on-year.

生鮮豬肉業務

生鮮豬肉銷量顯著增加，分部業績扭虧為盈，上下游匹配度大幅提升

二零二二年上半年，本公司抓住機遇加大屠宰產能利用率，生鮮豬肉銷量10.9萬噸，同比大幅提升67.7%。分部實現盈利人民幣1,645萬元。

吉林長嶺工廠和二零二二年八月內蒙古赤峰100萬頭屠宰加工產能的投產帶動本公司上下游匹配度加速提升，生鮮豬肉分部生豬內採比例同比大幅提升。

品牌終端建設加速，小包裝生鮮豬肉銷量大增

期內，本公司進一步推進終端建設，擴大品牌網點數量；二零二二年六月，本公司廣東分割中心建成投產，將支持本公司華南市場品牌業務的擴張。報告期內，小包裝豬肉銷量同比增長26.8%達2,723萬盒，日均銷量14.9萬盒，其中亞麻籽豬肉產品銷量同比增長202.7%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Brand Influence of “Joycome” Continues to Expand as We Fulfill Our Responsibilities as a State-owned Enterprise and Strive to Fight against COVID-19 pandemic and Maintain Supply

In the first half of 2022, during the COVID-19 pandemic prevention and control in Jilin, Shanghai and Beijing, etc., the Company responded quickly and proactively, activated the emergency mechanism, and ensured “continuous supply, no drop in quality and stable price” during the pandemic while taking proper prevention and control measures, and truly secured the effective supply of products from the production and logistics ends. In order to meet the needs of consumers’ household consumption, the Company launched the community group purchase business. To ensure that our delivery vehicles were sent out on time, the front-line staff of the Shanghai Transfer Warehouse continued to sort products from the early morning of a day till the early hours of the next day. To ensure that the stores were not out of stock, the staff of the stores in the lockdown and controlled areas in Beijing stayed in the stores for more than ten consecutive days to arrange order taking and delivery for the surrounding community group purchase.

In addition, as an authorized “Sports-Training Bureau National Team Preparation Protection Product” by the General Administration of Sport of China Training Bureau, the Company supplies safe and high quality pork products to the Training Bureau, many national teams, provincial sports units and sports teams all year round. During the 2022 Beijing Winter Olympic Games, the Company further expanded its brand influence as a meat supplier and partner of the “Cross-line and Cross-item Snowboarding National Training Team”.

Meat import business

Accurate Market Research to Maintain Good Profitability

In the first half of 2022, the Company continued to strictly control the risk of import market fluctuations. For pork imports, in view of the abundant supply of domestic hogs and the price of frozen pork products continued to plummet more strongly in China’s domestic market than abroad, the Company took initiative to reduce the volume and implemented back-to-back order locking. For beef imports, as global beef price is in an upward cycle, the Company has strengthened its market research and judgment, implemented opportunistic procurement and actively explored end customers to strengthen the combination of downstream processing and trading.

踐行央企責任，全力抗疫保供，「家佳康」品牌影響力持續擴大

二零二二年上半年，吉林、上海和北京等地疫情防控期間，本公司快速響應、主動擔當，啟動應急機制，在做好疫情防控的同時，確保疫情期間「供應不斷、質量不降、價格平穩」，真正從生產端、物流端保障產品的有效供給。為滿足廣大消費者居家消費需求，本公司大力開展社區團購業務。為確保車輛按時發出，上海周轉倉一線員工產品分揀從當日清晨持續到次日凌晨。為保證門店不斷貨，北京封控區域門店員工連續十餘日堅守店鋪，為周邊社區團購安排接單、送貨。

此外，作為國家體育總局訓練局授權的「體育·訓練局國家隊運動員備戰保障產品」，本公司常年為訓練局及多支國家隊、省級體育單位和運動隊供應安全、高品質的豬肉產品。二零二二年北京冬奧會期間，本公司作為「跨界跨項單板滑雪國家集訓隊」肉類食品供應商及合作夥伴，品牌影響力進一步擴大。

肉類進口業務

準確研判行情，維持較好盈利

二零二二年上半年，本公司繼續嚴控進口行情波動風險；豬肉進口方面，鑑於國內生豬供應充足，國內外豬肉凍品價格依然倒掛，本公司主動縮量並實行背對背鎖單；牛肉進口方面，由於全球牛肉價格處於上行週期，本公司加強行情研判，實行擇機採購並積極開拓終端客戶，加強下游工貿結合。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

During the reporting period, the Company's meat import distribution volume was 29 thousand tons, representing a decrease of 61.3% year-on-year, with end customers (corporate customers, catering customers and retail customers) accounting for 66% of revenue. The segment realized profits of RMB92.20 million.

IV. FINANCIAL REVIEW

Overall Performance

In the first half of 2022, the revenue of the Group was RMB5,345 million, representing a decrease of RMB2,158 million as compared with RMB7,503 million for the same period in 2021. Prior to biological assets fair value adjustments, the net loss of the Group was RMB1,399 million, while the net profit for the same period in 2021 was RMB1,561 million.

Revenue

In the first half of 2022, the revenue of the Group was RMB5,345 million, representing a decrease of 28.8% as compared with RMB7,503 million for the same period in 2021, mainly attributable to, on one hand, a significant year-on-year decrease in the average selling price of hogs in the hog production business, and on the other hand, the strict risk control measures adopted by the import business against market volatility as part of its proactive initiative to reduce procurement of pork.

Gross Profit Margin

In the first half of 2022, the gross profit margin before biological assets fair value adjustments of the Group was -16.9%, representing a year-on-year decrease of 43.1 percentage points, mainly attributable to the year-on-year decrease in average selling price of finishing hogs of 42.2% to RMB13.55/kg, as well as the effect of the fluctuation of futures prices and feed raw material prices.

Selling and Distribution Expenses/Administrative Expenses

In the first half of 2022, the total selling and distribution expenses and administrative expenses of the Group amounted to RMB363 million, representing an increase of 12.7% as compared with RMB322 million for the same period last year, mainly due to the expansion of fresh pork business.

報告期內，本公司肉類進口分銷量2.9萬噸，同比減少61.3%，終端客戶（企業客戶、餐飲客戶和零售客戶）收入佔比66%，分部實現盈利人民幣9,220萬元。

四、財務回顧

整體業績

二零二二年上半年，本集團營業收入為人民幣53.45億元，較二零二一年同期人民幣75.03億元下降人民幣21.58億元。在生物資產公允價值調整前，本集團淨虧損為人民幣13.99億元，二零二一年同期淨利潤為人民幣15.61億元。

收入

二零二二年上半年，本集團營業收入為人民幣53.45億元，較二零二一年同期人民幣75.03億元下降28.8%，主要因為，一方面，養殖業務生豬銷售均價同比下降明顯，另一方面，進口業務嚴控行情波動風險，主動縮量。

毛利率

二零二二年上半年，本集團毛利率在生物資產公允價值調整前為-16.9%，同比下降43.1個百分點，主要為商品大豬銷售均價為人民幣13.55元/公斤，同比下降42.2%，同時受到期貨價格及飼料原料價格波動的影響。

銷售及分銷支出／行政支出

二零二二年上半年，本集團銷售及分銷支出、行政支出合計為人民幣3.63億元，較去年同期人民幣3.22億元上升12.7%，主要為生鮮豬肉業務擴張帶來。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Finance Costs

In the first half of 2022, the Group's finance costs amounted to RMB78 million, representing an increase of RMB26 million as compared with RMB52 million in the same period of 2021, mainly due to the fact that the size of financing increased in response to business expansion, hence resulting in an increase in finance costs.

Other Income, Other Gains and Losses

In the first half of 2022, the Group's other income, other gains and losses amounted to a total gain of RMB32 million, representing a decrease of RMB32 million as compared with that of the same period in 2021.

Loss/Profit for the Period

For the reasons above, the Group recorded a loss of RMB1,399 million before biological assets fair value adjustments during the first half of 2022, as compared with the profit of RMB1,561 million before biological assets fair value adjustments in the same period in 2021.

Significant Investments and Significant Acquisitions and Disposals of Subsidiaries

Save as disclosed in this interim report, the Group had neither any other significant investments nor significant acquisitions and disposals of the relevant subsidiaries during the first half of 2022.

Analysis on Capital Resources

Liquidity and Financial Policy

Adhering to the steady financial policy, externally, the Group was committed to expanding financing channels and strengthening financing capability construction, as well as strengthening the cooperation with banks to obtain adequate credit facilities and ensure the capital liquidity. Internally, the Group implemented intensive management for surplus capital to improve the turnover efficiency for inventories and accounts receivables as well as the capability of generating cash flow. The finance department of the Group regularly and closely examined the overall condition of cash and liabilities, and flexibly arranged financing plans based on finance costs and expiry conditions.

融資成本

二零二二年上半年，本集團融資成本為人民幣0.78億元，較二零二一年同期人民幣0.52億元上升人民幣0.26億元，主要為隨業務擴張，融資規模相應擴大，融資成本增加。

其他收入、其他收益及虧損

二零二二年上半年，本集團其他收入、其他收益及虧損合計為收益人民幣0.32億元，較二零二一年同期減少人民幣0.32億元。

期內虧損／溢利

基於上述各項原因，本集團於二零二二年上半年錄得生物資產公允價值調整前虧損人民幣13.99億元，二零二一年同期生物資產公允價值調整前溢利人民幣15.61億元。

持有的重大投資、附屬公司的重大收購及出售

除本中期報告所披露者外，本集團於二零二二年上半年概無持有其他重大投資或有關附屬公司的重大收購及出售。

資本資源分析

流動性及財務政策

本集團秉持穩健的財務政策，對外致力於拓展融資渠道，加強融資能力建設，同時加強與銀行的合作，獲得充足授信，保證了資金流動性；對內實施盈餘資金集約管理，提高存貨和應收賬款周轉效率和現金流產生能力。本集團財務部定期及密切檢查整體現金及債務情況，基於融資成本及到期情況靈活安排融資計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In order to allocate and utilise capitals more effectively, the Group entered into the financial services agreements and entrusted loans framework agreement through COFCO Finance. At the same time, the Group also used the capital pool in Mainland China, so as to be more effective in utilising cash, reducing average borrowing costs of the Group, and accelerating clearing services among the companies under the Group.

Certain subsidiaries of the Group that are engaged in meat import business or that own foreign currency borrowings may expose us to exchange rate risks mainly related to U.S. dollars and Hong Kong dollars. We paid close attention to exchange rate fluctuations and adopted currency forward contracts in due course to hedge the majority of exchange rate risks.

As at June 30, 2022, the cash and bank balances owned by the Group amounted to approximately RMB996 million (December 31, 2021: approximately RMB1,041 million). The cash and bank balances remained stable.

As at June 30, 2022, our current ratio was 0.79 (December 31, 2021: 0.89). As at June 30, 2022, our unused bank credit facilities were RMB15,438 million.

EBITDA and Cash Flow

Our operation capital mainly came from cash generated from operation activities, bank borrowings and Shareholders' capital contributions. Our cash demand was mainly borne on production and operation activities, capital expenditure, repayment of matured liabilities, interest payment and unexpected cash needs as well.

In the first half of 2022, the EBITDA of the Group (before biological assets fair value adjustments)¹ was RMB-843 million (same period in 2021: RMB2,043 million). The EBITDA of the Group (after biological assets fair value adjustments)² was RMB-21 million (same period in 2021: RMB-74 million).

為使本集團更具效率地調配及運用資金，本集團透過中糧財務訂立財務服務協議及委託貸款框架協議，同時在中國大陸使用資金池，以更有效的使用現金、降低本集團的平均借貸成本及加快本集團內公司間的結算服務。

本集團的若干附屬公司從事肉類進口業務或擁有外幣借款可能令我們承擔主要是與美元、港元相關的匯率風險。我們密切關注匯率波動，適時採用貨幣遠期合約以對沖大部分匯率風險。

於二零二二年六月三十日，本集團擁有現金及銀行結餘約為人民幣9.96億元（二零二一年十二月三十一日：約人民幣10.41億元），現金及銀行結餘保持穩定。

我們於二零二二年六月三十日的流動比率為0.79（二零二一年十二月三十一日：0.89）。於二零二二年六月三十日，我們未動用銀行融資額度為人民幣154.38億元。

EBITDA及現金流量

我們主要以經營活動所得現金、銀行借款以及股東出資等為營運提供資金。我們的現金需求主要與生產及經營活動、資本開支、償還到期負債、利息付款以及預料之外的現金需求有關。

二零二二年上半年，本集團EBITDA（生物資產公允價值調整前）¹為人民幣-8.43億元（二零二一年同期：人民幣20.43億元）。本集團EBITDA（生物資產公允價值調整後）²為人民幣-0.21億元（二零二一年同期：人民幣-0.74億元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Notes:

1. The EBITDA of the Group (before biological assets fair value adjustments) refers to the aggregate amount of profit/(loss) for the period (before biological assets fair value adjustments), income tax expenses, finance costs and depreciation and amortisation, among which depreciation and amortisation refer to the total amount of depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and depreciation provided for productive biological assets before biological assets fair value adjustments.
2. The EBITDA of the Group (after biological assets fair value adjustments) refers to the aggregate amount of profit/(loss) for the period (after biological assets fair value adjustments), income tax expenses, finance costs and depreciation and amortisation, among which depreciation and amortisation refer to the total amount of depreciation of property, plant and equipment, depreciation of right-of-use assets and amortisation of intangible assets.

In the first half of 2022, cash used in our operating activities was RMB1,145 million (generated during the same period in 2021: RMB1,584 million). Cash used in our investment activities was RMB403 million (used during the same period in 2021: RMB614 million), including RMB411 million for the purchase of property, plant and equipment (same period in 2021: RMB588 million). Cash generated from our financing activities was RMB1,503 million (used during the same period in 2021: RMB679 million). In summary, in the first half of 2022, our net decrease in cash and bank balances was RMB45 million.

Capital Structure

As at June 30, 2022, the total number of issued shares of the Company remained unchanged at 3,901,998,323 shares.

As at June 30, 2022, the Group had interest-bearing bank loans of approximately RMB7,117 million (December 31, 2021: approximately RMB6,109 million). The annual interest rate on bank loans ranged from 1.16% to 4.21% (December 31, 2021: from 0.91% to 4.26%). Most of the bank loans were based on fixed interest rates.

註：

1. 本集團EBITDA (生物資產公允價值調整前) 指期內溢利／(虧損) (生物資產公允價值調整前)、所得稅開支、融資成本、折舊攤銷四項合計，其中折舊攤銷為物業、廠房及設備折舊、使用權資產折舊、無形資產攤銷、生物資產公允價值調整前生產性生物資產計提的折舊合計。
2. 本集團EBITDA (生物資產公允價值調整後) 指期內溢利／(虧損) (生物資產公允價值調整後)、所得稅開支、融資成本、折舊攤銷四項合計，其中折舊攤銷為物業、廠房及設備折舊、使用權資產折舊、無形資產攤銷合計。

二零二二年上半年，我們的經營活動所用現金為人民幣11.45億元(二零二一年同期：所得人民幣15.84億元)。我們的投資活動所用現金為人民幣4.03億元(二零二一年同期：所用人民幣6.14億元)，包括購買物業、廠房及設備人民幣4.11億元(二零二一年同期：人民幣5.88億元)。我們的融資活動所得現金為人民幣15.03億元(二零二一年同期：所用人民幣6.79億元)。總括而言，我們二零二二年上半年的現金及銀行結餘減少淨額為人民幣0.45億元。

資本結構

於二零二二年六月三十日，本公司之已發行股份總數保持不變，仍為3,901,998,323股股份。

於二零二二年六月三十日，本集團有計息銀行借貸約人民幣71.17億元(二零二一年十二月三十一日：約人民幣61.09億元)。銀行借貸按年利率介乎1.16%至4.21%(二零二一年十二月三十一日：介乎0.91%至4.26%)計息。大部分銀行借貸按固定利率計息。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Details of the maturity of interest-bearing bank loans are as follows:

計息銀行借貸的到期詳情分析如下：

| | | June 30, 2022 二零二二年 六月三十日 | December 31, 2021 二零二一年 十二月三十一日 |
|-----------------------------|------------------|------------------------------------|--|
| <i>Unit: RMB in million</i> | <i>單位：人民幣百萬元</i> | | |
| Within 1 year | 一年以內 | 7,059 | 5,964 |
| 1 to 2 years | 一年至兩年 | 11 | 12 |
| 3 to 5 years | 三年至五年 | 47 | 124 |
| Over 5 years | 五年以上 | - | 9 |
| Total | 總計 | 7,117 | 6,109 |

Details of the fixed-rate borrowings and variable-rate borrowings are as follows:

固定利率借款和浮動利率借款詳情分析如下：

| | | June 30, 2022 二零二二年 六月三十日 | December 31, 2021 二零二一年 十二月三十一日 |
|-----------------------------|------------------|------------------------------------|--|
| <i>Unit: RMB in million</i> | <i>單位：人民幣百萬元</i> | | |
| Fixed-rate borrowings | 固定利率借款 | 6,068 | 5,608 |
| Variable-rate borrowings | 浮動利率借款 | 1,049 | 501 |
| Total | 總計 | 7,117 | 6,109 |

As at June 30, 2022, the Group had loans from related parties of approximately RMB1,301 million (December 31, 2021: approximately RMB100 million).

於二零二二年六月三十日，本集團有來自關聯公司的貸款約人民幣13.01億元（二零二一年十二月三十一日：約人民幣1.00億元）。

As at June 30, 2022, the Group had net assets of approximately RMB7,628 million (December 31, 2021: approximately RMB8,609 million). Net debts¹ of the Group amounted to approximately RMB7,423 million (December 31, 2021: approximately RMB5,168 million), while the net debt-to-equity ratio was approximately 97.3% (December 31, 2021: approximately 60.0%).

於二零二二年六月三十日，本集團淨資產約為人民幣76.28億元（二零二一年十二月三十一日：約人民幣86.09億元），本集團淨債務¹約為人民幣74.23億元（二零二一年十二月三十一日：約人民幣51.68億元）及淨債務對權益比率約為97.3%（二零二一年十二月三十一日：約60.0%）。

Note:

註：

1. Net debts of the Group refer to interest-bearing bank loans and loans from related parties less cash and bank balances.

1. 本集團淨債務指計息銀行借貸及來自關聯方的貸款減現金及銀行結餘。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Contingent Liabilities and Pledge of Assets

As at June 30, 2022 and December 31, 2021, the Group had no significant contingent liabilities.

As at June 30, 2022 and December 31, 2021, the Group had no bank loans pledged by buildings, land use rights and time deposits of the Group.

Capital Expenditure

Capital expenditure of the Group was mainly used for the construction of our hog farms, as well as our other production and ancillary facilities. We funded our capital expenditures primarily with Shareholders' capital contributions, borrowings and our internal funds.

In the first half of 2022, the Group's capital expenditure was RMB411 million (same period in 2021: RMB593 million). The following table sets forth our capital expenditure for the years indicated:

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|--|-------------|--|-------|
| | | 2022 | 2021 |
| Unit: RMB in million | 單位：人民幣百萬元 | 二零二二年 | 二零二一年 |
| Payments for property, plant and equipment | 就物業廠房及設施的付款 | 411 | 588 |
| Payments for right-of-use assets | 就使用權資產的付款 | - | 5 |
| Total | 合計 | 411 | 593 |

As of the first half of 2022, our demand for capital expenditure mainly came from the construction of the hog farms in Jilin Province, Henan Province and the Inner Mongolia Autonomous Region, as well as slaughterhouses in the Inner Mongolia Autonomous Region.

Capital Commitment

Capital commitment of the Group is mainly related to the construction of hog farms and other production and ancillary facilities. As at June 30, 2022, capital commitment of the Group was RMB351 million (December 31, 2021: RMB596 million).

或有負債及資產抵押

於二零二二年六月三十日及二零二一年十二月三十一日，本集團並無任何重大或有負債。

於二零二二年六月三十日及二零二一年十二月三十一日，本集團並無銀行借貸以本集團樓宇、土地使用權和定期存款作抵押。

資本開支

本集團資本開支主要用作建造生豬養殖場以及其他生產及配套設施。我們主要使用股東出資、借款及內部資金等方式支付資本開支。

二零二二年上半年，本集團的資本開支為人民幣4.11億元（二零二一年同期：人民幣5.93億元）。下表載列所示年度我們的資本開支：

截至二零二二年上半年，我們的資本開支需求主要包括位於吉林省、河南省、內蒙古自治區生豬養殖場及內蒙古自治區屠宰廠的建設。

資本承擔

本集團資本承擔主要與建造生豬養殖場以及其他生產及配套設施相關。二零二二年六月三十日，本集團的資本承擔為人民幣3.51億元（二零二一年十二月三十一日：人民幣5.96億元）。

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Biological Assets

Biological assets of the Group primarily consist of commodity pigs at different growth stages and breeding hogs used to give birth to animals in the future. As at June 30, 2022, we owned 306 thousand heads of breeding and replacement hogs in total, representing an increase of 25.4% as compared with 244 thousand heads as at December 31, 2021. The fair value of our biological assets was RMB2,664 million as at June 30, 2022 and RMB1,853 million as at December 31, 2021. Our results have been and are expected to be affected by changes in fair value of biological assets.

Our cost of sales is adjusted for changes in fair value of biological assets, with fair value gains increasing our costs of sales and fair value losses decreasing our cost of sales, although the timing of these adjustments is not necessarily the same as that of the related gains or losses. We have adjusted the cost of sales for each period based on (i) changes in fair value of live hogs for that period less cost of sales; and (ii) changes in fair value less cost of sales of biological assets recognized in the previous period.

During the first half of 2022 and the same period in 2021, such adjustments have resulted in a decrease of RMB317 million and an increase of RMB1,838 million in cost of sales, respectively. Additionally, gains arising from fair value less cost of sales of agricultural products at the point of harvest amounted to RMB227 million (the same period in 2021: losses of RMB455 million); gains arising from changes in fair value of biological assets less cost of sales amounted to RMB386 million (the same period in 2021: gains of RMB293 million). In general, the net effect of adjustment in fair value of biological assets on profit was gains of RMB930 million during the current period and losses of RMB2,001 million during the same period in 2021.

V. HUMAN RESOURCES

The continuing operations of the Group hired 9,490 employees as at June 30, 2022 (June 30, 2021: 8,131 employees). Remuneration for employees was determined according to their job nature, personal performance and the market trends. For the six months ended June 30, 2022, total remuneration of the Group amounted to approximately RMB621 million (the same period in 2021: RMB467 million).

生物資產

本集團生物資產主要包括不同成長階段的商品豬及日後用作生產動物的種豬。於二零二二年六月三十日，我們共擁有能繁及後備種豬合計306千頭，較二零二一年十二月三十一日的244千頭增加25.4%。我們生物資產的公允價值於二零二二年六月三十日為人民幣26.64億元，而於二零二一年十二月三十一日則為人民幣18.53億元。我們的業績一直且預期將繼續受生物資產公允價值變動所影響。

我們的銷售成本會就生物資產的公允價值變動做出調整，其中公允價值收益會增加銷售成本而公允價值虧損會減少銷售成本，儘管該等調整的時間與有關收益或虧損的時間不一定相同。我們於各期間的銷售成本會就以下各項做出調整 (i) 該期間內生豬公允價值變動減銷售成本；及 (ii) 公允價值變動減於過往期間確認的生物資產銷售成本。

二零二二年上半年及二零二一年同期，該等調整令我們的銷售成本分別減少人民幣3.17億元及增加人民幣18.38億元。此外，農產品收穫時的公允價值減銷售成本產生的收益為人民幣2.27億元（二零二一年同期：虧損人民幣4.55億元）；生物資產公允價值變動減銷售成本產生的收益為人民幣3.86億元（二零二一年同期：收益人民幣2.93億元）。整體而言，當期生物公允價值調整對利潤的影響淨額為收益人民幣9.30億元，二零二一年同期為虧損人民幣20.01億元。

五、人力資源

本集團持續經營業務於二零二二年六月三十日僱傭9,490名員工（二零二一年六月三十日：8,131名員工）。僱員的薪酬按工作性質、個人表現及市場趨勢而定。截至二零二二年六月三十日止六個月，本集團的薪酬總額約為人民幣6.21億元（二零二一年同期：人民幣4.67億元）。

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The Group provides basic social insurance and housing accumulation fund for the Company's employees as required by the PRC law. Apart from the above, we encouraged all employees to become well-rounded and enhance their knowledge and abilities related to their career through continuous training, seminars and online learning in order to unearth their own potentials.

VI. SIGNIFICANT RISKS AND UNCERTAINTIES

The results and business operations of the Group are affected by a number of risks and uncertainties directly or indirectly related to the business of the Group. Primary risk factors known to the Group are outlined as follows:

Epidemic Risks

The major threat to the development of animal husbandry is epidemic risks. The epidemic spreading in hog production mainly includes blue ear disease, classical swine fever, porcine respiratory disease, porcine epidemic diarrhea, porcine pseudorabies, porcine circovirus, etc. In the first half of 2022, African swine fever epidemic continued all across the country. There are four categories of risks brought about by epidemics. First, the outbreak of epidemic diseases will lead to hog mortalities, which will directly cause a decrease in hog production and result in direct economic losses of the Company. Second, the outbreak of epidemic will increase daily consumption expenditures in the long run, since it may inhibit hogs' growth, reduce the production efficiency, and increase feed and veterinary drug consumption, all of which will result in higher operating costs. Third, the epidemic will bring phased reduction to production in hog farms because the purification process reduces the production efficiency of the farms in stages and increases the operating costs, resulting in reduced effectiveness. Fourth, the large-scale outbreak and spread of epidemic diseases may cause a panic among some consumers and thus lower the total demand for related products, which adversely affects the sales of hogs.

To solve epidemic risks, the Group has formulated regulations such as the Procedure for Biosecurity Control 《生物安全控制程序》, the Contingency Plan for Major Animal Disease Prevention and Control 《重大動物疫情應急預案》 and the Operation Manual of Swine Diseases Prevention and Control 《豬病防控操作手冊》, and constantly improved the level and capacity of biosecurity control, so as to comprehensively prevent and curb major animal diseases such as African swine fever.

本集團為本公司僱員提供中國法律要求的基本社會保險及住房公積金。另外，我們亦鼓勵員工通過持續培訓課程、研討會及網上學習等培訓，借此提升個人對事業的全面發展和知識技能，以發揮個人潛能。

六、重大風險及不確定性

本集團的業績及業務營運受到與本集團業務直接或間接相關的眾多風險及不明朗因素影響。本集團知悉的主要風險概述如下：

疫病風險

疫病風險是畜牧行業發展中面臨的主要風險。生豬養殖過程中發生的疫病主要有藍耳病、豬瘟、豬呼吸道病、豬流行性腹瀉、豬偽狂犬病、豬圓環病毒病等。二零二二年上半年，非洲豬瘟疫情繼續在全國範圍內大面積發生。疫病的發生帶來的風險包括四類，一是疫病的發生將導致生豬的死亡，直接導致生豬產量的降低，給本公司帶來直接經濟損失；二是疫病的發生可能會產生消耗性影響，使得豬群生長速度降低，生產效率降低，飼料消耗、獸藥消耗投入增加，經營成本提高；三是疫情會給豬場的生產帶來階段性減產的影響，淨化過程將使豬場階段性減產從而降低效益，經營成本上升；四是疫病的大規模發生與流行，可能會導致大部分消費者心理恐慌，降低相關產品的總需求量，對生豬銷售帶來不利影響。

對於疫病風險，本集團制定了《生物安全控制程序》、《重大動物疫情應急預案》、《豬病防控操作手冊》等制度，不斷提升生物安全控制等級及能力，全面防控非洲豬瘟等重大動物疫病。

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In addition, in the first half of 2022, the COVID-19 epidemic continued to spread across the globe. The major risks brought by the COVID-19 epidemic are: firstly, the disease is relatively contagious, and could pose threats to the health and safety of employees; secondly, various disease prevention and transportation control measures could affect work resumption of employees, transportation of all sorts of materials for production as well as interprovince (region) sales of products, thus decreasing the production and operation efficiency of the Company; thirdly, the disease may cause a decline in demand for meat in catering channels in the short term, which adversely affected the sales of meat products of the Company. To cope with the risks caused by the COVID-19 epidemic, the Group set up a team to lead disease-prevention work, formulated a comprehensive and stringent prevention and control plan according to the development trend of the epidemic and national policies, and strived to ensure employee safety, stable production and smooth sales.

Price Risks

Price risks refer to the losses of costs increase or profits decrease due to the fluctuation of the purchase price and the sales price. We operate in a highly fragmented and competitive industry, where the primary raw materials and finished products are commodities, all of which have been subject to significant price fluctuations. In our pork business, we are exposed to the risk of fluctuations of commodity prices, including prices of corn and soy bean meals (which are our primary feed ingredients), live hogs and pork in China, as well as fluctuations in prices of commodity derivative products. In our meat import business, we are exposed to the risk of fluctuations in the price differentials between the Chinese and overseas markets of frozen meat products such as pork, beef, poultry, mutton and lamb. Fluctuations in these commodity prices, especially the prices of live hogs, have had and are expected to continue to have an effect on our profitability. Commodity prices generally fluctuate with market conditions, including supply and demand, diseases, government policies and weather conditions in major agricultural and farming regions.

此外，二零二二年上半年，新型冠狀病毒肺炎疫情繼續在全球蔓延，新冠肺炎疫情帶來的風險主要如下：一是該疫病傳染性較強，可能對員工的身體健康和生命安全造成威脅；二是各類防疫及交通管控舉措可能對員工返崗、各類生產物資調運、產品的跨省（區）銷售造成影響，可能會使本公司生產運營效率降低；三是疫病短期內可能造成餐飲渠道需求下滑，對本公司肉類產品銷售帶來不利影響；對於新冠肺炎疫情風險，本集團第一時間成立了防疫工作領導小組，結合疫情發展趨勢及國家政策，制定全方位的嚴格防控方案，全力保障員工安全、生產平穩、銷售順暢。

價格風險

價格風險是指採購、銷售價格的波動導致成本上升或利潤下降的損失。我們在一個高度分散且充滿競爭的行業經營，當中的主要原材料及成品均為商品並且有顯著的價格波動。在豬肉業務中，我們面臨商品價格波動的風險，包括中國的玉米及豆粕（為我們主要的飼料原料）、生豬及豬肉價格，也包括商品類衍生品價格波動。在肉類進口業務中，我們面臨中國及海外市場上冷凍肉類產品（如豬肉、牛肉、禽肉、羊肉及羔羊肉）差價波動的風險。該等商品價格（尤其是生豬價格）的波動已經且預期會繼續對我們的盈利能力產生影響。商品價格通常隨市況（包括供需、疫病、政府政策及主要農牧區的天氣狀況）起伏。

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Safe Production Risks

Safe production risks refer to risks of corporate property loss, temporary production suspensions or tarnished reputation due to production safety accidents caused by deficient safety management system or inadequate accident preventive measures. The Group has formulated the Regulations on Safety Production Management (《安全生產管理規定》), Measures for Administration of Production Safety Accidents (《生產安全事故管理辦法》) and Comprehensive Emergency Plans for Production Safety Accidents (《生產安全事故綜合應急預案》) to standardize safety risks management and prevent accidents. The Group has formulated the early warning indicators and bottom line indicators, and organized all subordinate enterprises to conduct all-round risk identification, evaluation and classification, and formulated corresponding management and control measures; to formulate special risk prevention and control measures for major risks; to organize all subordinate enterprises to perfect inspection system, organize regular safety inspection and confirm the effectiveness of risk management and control measures; and to conduct regular supervision and inspection to evaluate the operation of management system and risk management and control and promote the improvement and development of subordinate enterprises.

Food Safety Risks

Food safety risks refer to risks of severe customer complaints, large-scale product recall and other negative effects resulted from unqualified product and food safety indicators due to deficient food safety management system and unfulfilled management and control measures. To specify various food safety control measures and regulate food safety management, the Group has stipulated management systems, such as, Provisions for the Food Safety Management (《食品安全管理規定》), Food Safety Responsibility System (《食品安全責任制》), Standards for Food Safety of Industry Chain (《產業鏈質量安全標準》) and Prohibition on Food Safety (《食品安全禁令》). The Group organized and carried out food safety training and education and provided guidance for subordinate enterprises on food safety management, conducted regular supervision inspection and supervision examination of subordinate enterprises of samples, and evaluated and reviewed the results. All subordinate enterprises strictly implement the food safety management requirements and actively prevent food safety risks.

安全生產風險

安全生產風險是指安全管理制度不健全或事故防範措施不到位，導致生產安全事故，造成企業財產損失、生產暫時中止或聲譽受損的風險。本集團制定了《安全生產管理規定》、《生產安全事故管理辦法》、《生產安全事故綜合應急預案》等制度，以規範安全風險管理、預防事故發生。本集團制定了明確的預警指標和底線指標，組織各下屬企業進行全面的危險源辨識、評價、分級並制定相應的管控措施，針對重大風險制定了專項風險防控措施；組織各下屬企業完善檢查體系，定期組織安全檢查，確認風險的管控措施有效；總部定期進行監督檢查，對下屬企業管理體系運行情況、風險管控情況進行評估，促進下屬企業改進提升。

食品安全風險

食品安全風險是指食品安全管理體系不完善、管控措施執行不到位等導致產品食品安全指標不合格，造成嚴重的顧客投訴、產品大規模召回和其他負面影響的風險。本集團制定了《食品安全管理規定》、《食品安全責任制》、《產業鏈質量安全標準》、《食品安全禁令》等制度標準，明確各項食品安全管控措施，規範食品安全管理工作。本集團組織開展食品安全培訓教育，指導下屬企業開展食品安全管理工作；定期對下屬企業進行監督檢查及監督抽檢，並對結果進行考核評價，督促下屬企業嚴格落實食品安全管理要求，防範食品安全風險。

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Environmental Protection Risks

Environmental protection risks refer to risks of corporate property loss and bad influence on social image due to excessive emission of pollutants and environmental pollution resulted from deficient environmental protection facilities and unstable operation. The Group has formulated standards, such as Regulations of Administration on Energy Conservation and Environmental Protection 《節能環保管理規定》, Measures for Supervision and Administration of “Three Simultaneities” for Construction Projects 《建設項目「三同時」監督管理辦法》 and Emergency Plans for Environmental Pollution Accidents 《環境污染事故應急預案》, which defined the requirements of environmental protection compliance and standardized the management of environmental pollution accidents to effectively carry out environmental protection risk prevention. The Group has established environmental risk warning and monitoring system, formulated specific early warning indicators and bottom line indicators, and regularly carried out environmental inspection, systematically checked the environmental protection problems of its subsidiaries, and followed up the implementation of rectifications, so as to effectively implement the responsibility of environmental protection.

VII. OUTLOOK

The international situation remains uncertain while the downward pressure on the domestic economy still exists. In the second half of 2022, the Company will maintain strategic stability, strictly control various risks and continue the following tasks:

Firstly, we will prevent and control African swine fever, further improve the level of refined management, narrow the gap of the efficiency between internal farms, and consolidate our core competitive advantages.

環保風險

環保風險是指由於環保設施不完善、運行不穩定，導致污染物超標排放、污染環境，造成企業財產損失、影響社會形象的風險。本集團制定了《節能環保管理規定》、《建設項目「三同時」監督管理辦法》、《環境污染事故應急預案》等制度，明確了環保合規性要求，規範了環境污染事故應急處置，有效開展環保風險預防工作。本集團建立了環保風險預警監測體系，制定了明確的預警指標和底線指標，定期開展環保巡檢，系統排查下屬企業的環保問題，並跟進落實整改，切實落實環保責任。

七、展望

當前國際形勢仍不明朗，國內經濟下行壓力仍然存在，二零二二年下半年，本公司將保持戰略定力，嚴控各類風險，繼續做好以下工作：

第一，常態化防控非洲豬瘟，進一步提升精細化管理水平，縮小內部場區效率差距，夯實核心競爭優勢。

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Secondly, we will optimize the hedging strategies in a dynamic manner, and strictly control the risk of market volatility, to achieve the organic combination of futures and in-stocks.

Thirdly, we will accelerate the matching of upstream and downstream production capacity, and make our best efforts in branding operation and market development after the commissioning of the Guangdong cutting center.

Fourthly, we will continue to promote the differentiation and branding of fresh products, focusing on the promotion of linseed-fed pork products and the development of new products to further enhance the scale of the brand and expand its influence.

Fifthly, we will strengthen the risk control of import business, strengthen the integration of trading and processing, deepen the terminal channels, enhance customer stickiness, and add value to the business.

第二，動態優化套保策略，嚴控行情波動風險，實現期現有機結合。

第三，加速推進上下游產能匹配，做好廣東分割中心投產後的品牌化運營和市場開發工作。

第四，繼續推動生鮮產品差異化、品牌化運作，重點加強亞麻籽豬肉產品的推廣與新品研發，進一步提升品牌規模、擴大品牌影響力。

第五，加強進口業務風險控制，強化工貿結合，深耕終端渠道，提升客戶黏性，為業務增值。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2022, none of the Directors and the chief executive of the Company had or were deemed to have any interests or 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) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at June 30, 2022, the interests and short positions of substantial Shareholders in the shares and underlying shares of the Company as notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests of the Company kept under Section 336 of the SFO, were as follows:

董事及最高行政人員於股份及相 關股份之權益及淡倉

於二零二二年六月三十日，概無本公司董事及最高行政人員於本公司或其任何關聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有或被視為擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文當作或視為擁有之權益或淡倉），或根據證券及期貨條例第352條須記錄於該條所述之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

主要股東及其他人士於股份及相 關股份之權益及淡倉

於二零二二年六月三十日，根據證券及期貨條例第XV部第2及第3分部而知會本公司；或根據證券及期貨條例第336條記錄於本公司所存置之權益登記冊內，主要股東於本公司股份及相關股份之權益及淡倉如下：

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

Aggregate long positions in the shares and underlying shares of the Company 於本公司股份及相關股份之好倉總數

| Substantial Shareholders and other persons 主要股東及其他人士 | Note 附註 | Capacity/Nature of Interests 身份／權益性質 | Number of ordinary shares of the Company held (long position) 持有本公司普通股數目 (好倉) | Approximate percentage of aggregate interests in issued share capital of the Company 佔本公司已發行股本權益總額的概約百分比 |
|---|------------|--|--|---|
| Mainfield 明暉 | (1) | Beneficial owner 實益擁有人 | 1,078,377,782 | 27.64% |
| China Foods (Holdings) 中國食品 (控股) | (1) | Interest in controlled corporation 於受控法團的權益 | 1,078,377,782 | 27.64% |
| COFCO (HK) 中糧香港 | (1) | Interest in controlled corporation 於受控法團的權益 | 1,078,377,782 | 27.64% |
| | | Beneficial owner 實益擁有人 | 57,015,000 | 1.46% |
| COFCO 中糧 | (1) | Interest in controlled corporation 於受控法團的權益 | 1,135,392,782 | 29.10% |

Note:

(1) Mainfield is a wholly-owned subsidiary of China Foods (Holdings). China Foods (Holdings) is wholly-owned by COFCO (HK), which in turn is wholly-owned by COFCO. Accordingly, each of COFCO, COFCO (HK) and China Foods (Holdings) is deemed to be interested in such shares.

附註：

(1) 明暉為中國食品 (控股) 的全資附屬公司。中國食品 (控股) 由中糧香港全資擁有，而中糧香港由中糧全資擁有。因此，中糧、中糧香港及中國食品 (控股) 均被視為於有關股份中擁有權益。

Save as disclosed herein, as at June 30, 2022, so far as was known to the Directors, no other persons had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of interests kept by the Company under Section 336 of the SFO.

除本報告披露者外，於二零二二年六月三十日，就董事所知悉，概無其他人士於本公司的股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及第3分部條文的規定向本公司及聯交所披露，或根據證券及期貨條例第336條的規定須記錄於本公司所存置的權益登記冊內。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities for the six months ended June 30, 2022.

CG CODE

The Board and the management of the Company are committed to achieving and maintaining high standards of corporate governance, which they consider to be essential to safeguard the integrity of the Group's operations and maintain investors' trust in the Company. The management of the Company also actively observes the latest corporate governance requirements in the PRC, Hong Kong and abroad.

Save as disclosed below, in the opinion of the Board, the Company has adopted the principles of the CG Code and complied with all the code provisions therein throughout the six months ended June 30, 2022.

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. On June 10, 2022, Mr. Xu Jianong ("Mr. Xu") resigned as the executive Director, managing director, general manager and the authorized representative of the Company. Following the resignation of Mr. Xu, Mr. Jiang Guojin, the chairman of the Board has been appointed as the general manager of the Company and has taken up the roles and functions of the managing director including but not limited to implementation of decisions of the Board, formulation of corporate and business strategies of the Company, supervision of ordinary operation of the Company and making decisions and providing advice relating to the appointment of senior management. The Board believes that Mr. Jiang Guojin's extensive experience and knowledge, together with the support of the management, shall strengthen the solid and consistent leadership of the Group and would allow for efficient business planning and decision, which the Board believes is in the best interest of the overall development of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced individuals. The Board currently comprises one executive Director (Mr. Jiang Guojin), two non-executive Directors and three independent non-executive Directors and therefore has a fairly strong independence element in its composition. The Company will keep reviewing the current structure of the Board from time to time.

購買、出售或贖回本公司之上市 證券

本公司及其任何附屬公司於截至二零二二年六月三十日止六個月之期間並無購買、出售或贖回其任何上市證券。

企業管治守則

本公司董事會及管理層致力於實現並維持高標準的企業管治，彼等認為此對保障本集團營運完整及維持投資者對本公司的信任而言至關重要。本公司管理層亦積極遵守中國、香港及國外企業管治的最新要求。

除下文所披露者外，董事會認為，本公司於截至二零二二年六月三十日止六個月內一直採用企業管治守則之原則並遵守其所有守則條文。

企業管治守則的守則條文C.2.1訂明，主席與行政總裁之角色應有區分，並不應由一人同時兼任。於二零二二年六月十日，徐稼農先生（「徐先生」）辭任本公司執行董事、董事總經理、總經理及授權代表。於徐先生辭任後，董事會主席江國金先生已獲委任為本公司總經理，以擔任董事總經理的角色及職能，包括但不限於執行董事會決定、制定本公司的公司及業務策略、監督本公司日常營運以及就有關委任高級管理人員的事宜作出決策及提供意見。董事會相信，江國金先生的豐富經驗及知識，加上管理層的支持，將可鞏固本集團一貫穩健的領導實力，並可達致高效的業務規劃及決策，故董事會認為此舉符合本集團的整體發展的最佳利益。高級管理層及董事會均由經驗豐富的人士組成，由彼等負責營運可確保權力與授權的平衡。董事會目前由一名執行董事（江國金先生）、兩名非執行董事及三名獨立非執行董事組成，因此在組成上具有頗高的獨立性。本公司將會繼續不時檢討現行的董事會架構。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. Following specific enquiries by the Company, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended June 30, 2022.

OBLIGATIONS OF ON-GOING DISCLOSURE UNDER THE LISTING RULES

The Company has no any other disclosure obligations under Rule 13.20, Rule 13.21 and Rule 13.22 of the Listing Rules.

SUBSEQUENT EVENT

The Group has no material subsequent events after June 30, 2022 which are required to be disclosed.

CHANGES IN THE BOARD AND DIRECTORS' INFORMATION

The changes in the Board and Director's information since the date of the Company's 2021 annual report are set out below:

1. Mr. Xu Jianong has resigned as the executive Director, managing director and general manager of the Company, and ceased to be the chairman of the Food Safety Committee and an authorised representative of the Company on June 10, 2022 due to his other business commitments that require more of his dedication.
2. Mr. Jiang Guojin has been appointed as the chairman of the Food Safety Committee, the general manager and an authorised representative of the Company on June 10, 2022.
3. Dr. Zhao Wei has been appointed as a member of the Food Safety Committee on June 10, 2022.

董事進行的證券交易

本公司已採納標準守則作為董事進行證券交易之操守守則。經本公司作出具體查詢後，本公司所有董事確認彼等於截至二零二二年六月三十日止六個月整個期間內一直遵守標準守則所載列之規定標準。

根據上市規則持續披露責任

本公司並無上市規則第13.20、13.21及13.22條項下任何其他披露責任。

期後事項

本集團並無須予披露的二零二二年六月三十日之後的重大期後事項。

董事會及董事資料變更

自本公司二零二一年年報日期以來，董事會及董事資料的變更如下：

1. 徐稼農先生因彼之其他業務承擔需要投入更多精力和時間，已於二零二二年六月十日辭任本公司執行董事、董事總經理兼總經理，且不再擔任食品安全委員會主席及本公司授權代表。
2. 江國金先生已於二零二二年六月十日獲委任為食品安全委員會主席、本公司總經理及授權代表。
3. 趙璋博士已於二零二二年六月十日獲委任為食品安全委員會成員。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

Save as disclosed above, there has been no change in information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated interim financial information of the Group for the six months ended June 30, 2022 has been reviewed by the Audit Committee of the Board. The Audit Committee is of the view that the interim report of the Group is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended June 30, 2022 have also been reviewed by the auditor of the Company, Baker Tilly Hong Kong Limited, 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.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2022 (for the six months ended June 30, 2021: Nil).

除上文披露者外，根據上市規則第13.51B(1)條，概無資料變更須予披露。

審閱中期業績

本集團截至二零二二年六月三十日止六個月之未經審核簡明綜合中期財務資料已由董事會轄下的審核委員會審閱。審核委員會認為，本集團中期報告符合適用會計準則、規則及條例，並已正式作出適當披露。

本集團截至二零二二年六月三十日止六個月的未經審核簡明綜合中期財務報表亦已由本公司核數師天職香港會計師事務所有限公司根據由香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體之獨立核數師審閱中期財務資料」進行審閱。

中期股息

董事會已決議不宣派截至二零二二年六月三十日止六個月的中期股息（截至二零二一年六月三十日止六個月：無）。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表審閱報告



To the board of directors of COFCO Joycome Foods Limited
(Incorporated in the Cayman Islands with limited liability)

致中糧家佳康食品有限公司董事會
(於開曼群島註冊成立的有限公司)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of COFCO Joycome Foods Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 30 to 69, which comprise the condensed consolidated statement of financial position as of June 30, 2022 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 Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 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.

引言

我們已審閱載於第30至69頁的中糧家佳康食品有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的簡明綜合財務報表，包括於二零二二年六月三十日的簡明綜合財務狀況表，以及截至該日止六個月期間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，以及若干解釋附註。根據香港聯合交易所有限公司證券上市規則規定，中期財務資料報告須按照其相關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)編製。貴公司董事負責按照香港會計準則第34號編製及呈報該等簡明綜合財務報表。我們的責任為根據我們的審閱工作對該等簡明綜合財務報表發表結論，並根據我們受聘的協定條款，僅向閣下全體匯報我們的結論，而不作任何其他用途。我們不會就本報告之內容向任何其他人士承擔或負上任何責任。

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.

審閱範圍

我們根據香港會計師公會頒佈的香港審閱工作準則第2410號「獨立核數師對實體中期財務資料的審閱」進行審閱。該等簡明綜合財務報表的審閱工作包括主要向負責財務及會計事宜的人員詢問，並應用分析和其他審閱程序。審閱之範圍遠小於根據香港審計準則進行之審計，故無法確保我們會注意到所有可通過審計辨別的重要事項。因此，我們不會發表審計意見。

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 HKAS 34.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, August 23, 2022

Wan Wing Ping

Practising certificate number P07471

結論

根據我們的審閱工作，我們並無注意到任何事宜使我們相信簡明綜合財務報表在所有重大方面未有按照香港會計準則第34號編製。

天職香港會計師事務所有限公司

執業會計師

香港，二零二二年八月二十三日

溫永平

執業證書編號：P07471

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 June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | | | Six months ended June 30, 截至六月三十日止六個月 | | | | | |
|--|-------------------------------------|-------------|---|--|---|---|--|---|---|
| | | | | 2022 二零二二年 | | | 2021 二零二一年 | | |
| | | | | Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績 | Biological assets fair value adjustments 生物資產 公允價值調整 | Total | Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績 | Biological assets fair value adjustments 生物資產 公允價值調整 | Total |
| | | Notes 附註 | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Revenue | 收益 | 3 | 5,344,506 | - | 5,344,506 | 7,502,854 | - | 7,502,854 | |
| Cost of sales | 銷售成本 | | (6,247,613) | 316,718 | (5,930,895) | (5,539,093) | (1,838,454) | (7,377,547) | |
| Gross (loss)/profit | (毛損)/毛利 | | (903,107) | 316,718 | (586,389) | 1,963,761 | (1,838,454) | 125,307 | |
| Other income | 其他收入 | 5 | 86,888 | - | 86,888 | 103,536 | - | 103,536 | |
| Other gains and losses, net | 其他收益及虧損淨額 | 6 | (54,629) | - | (54,629) | (39,556) | - | (39,556) | |
| Distribution and selling costs | 分銷及銷售開支 | | (211,107) | - | (211,107) | (180,784) | - | (180,784) | |
| Administrative expenses | 行政開支 | | (151,457) | - | (151,457) | (141,183) | - | (141,183) | |
| Gain/(loss) arising from agricultural produce at fair value less costs to sell at the point of harvest | 按農產品收穫時的公允價值 減銷售成本產生的收益/ (虧損) | | - | 227,491 | 227,491 | - | (454,852) | (454,852) | |
| Gain arising from changes in fair value less costs to sell of biological assets | 生物資產公允價值變動減 銷售成本產生的收益 | | - | 385,956 | 385,956 | - | 292,797 | 292,797 | |
| Finance costs | 融資成本 | 7 | (77,641) | - | (77,641) | (52,325) | - | (52,325) | |
| (Loss)/profit before tax | 除稅前(虧損)/溢利 | 8 | (1,311,053) | 930,165 | (380,888) | 1,653,449 | (2,000,509) | (347,060) | |
| Income tax expense | 所得稅開支 | 9 | (88,060) | - | (88,060) | (92,089) | - | (92,089) | |
| (Loss)/profit for the period | 期內(虧損)/溢利 | | (1,399,113) | 930,165 | (468,948) | 1,561,360 | (2,000,509) | (439,149) | |

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 June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | Six months ended June 30, 截至六月三十日止六個月 | | | | |
|---|---|--|------------------|---|---|------------------|
| | | 2022 二零二二年 | | 2021 二零二一年 | | |
| Results before biological assets fair value adjustments | Biological assets fair value adjustments | | Total | Results before biological assets fair value adjustments | Biological assets fair value adjustments | Total |
| 生物資產 公允價值 調整前業績 | 生物資產 公允價值調整 | | 合計 | 生物資產 公允價值 調整前業績 | 生物資產 公允價值調整 | 合計 |
| RMB'000 | RMB'000 | | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| (Unaudited) | (Unaudited) | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| (未經審核) | (未經審核) | | (未經審核) | (未經審核) | (未經審核) | (未經審核) |
| Other comprehensive income/(expense), net of income tax: | 除所得稅後其他全面收入/ (開支): | | | | | |
| <i>Item that will not be reclassified to profit or loss:</i> | <i>將不會重新分類至損益的 項目:</i> | | | | | |
| Fair value gain on equity instrument at fair value through other comprehensive income (with nil tax effect) | 按公允價值計入其他全面收入的權益工具之公允價值收益(並無稅務影響) | | 60,859 | | | 103,466 |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | <i>其後可重新分類至損益的 項目:</i> | | | | | |
| Exchange differences arising on translation of foreign operation (with nil tax effect) | 換算國外業務產生的匯兌差額(並無稅務影響) | | 887 | | | (5,114) |
| Other comprehensive income for the period, net of income tax | 除所得稅後期內其他全面收入 | | 61,746 | | | 98,352 |
| Total comprehensive expense for the period | 期內全面開支總額 | | (407,202) | | | (340,797) |
| Loss for the period attributable to: | 以下者應佔期內虧損: | | | | | |
| Owners of the Company | 本公司擁有人 | | (462,030) | | | (425,590) |
| Non-controlling interests | 非控股權益 | | (6,918) | | | (13,559) |
| | | | (468,948) | | | (439,149) |

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 June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | Six months ended June 30, 截至六月三十日止六個月 | | | | | |
|--|--------------------|--|---|---|--|---|---|
| | | 2022 二零二二年 | | | 2021 二零二一年 | | |
| | | Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績 | Biological assets fair value adjustments 生物資產 公允價值調整 | Total | Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績 | Biological assets fair value adjustments 生物資產 公允價值調整 | Total |
| Notes 附註 | | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Total comprehensive expense for the period attributable to: | 以下者應佔期內全面開支 總額： | | | | | | |
| Owners of the Company | 本公司擁有人 | | | (400,284) | | | (327,238) |
| Non-controlling interests | 非控股權益 | | | (6,918) | | | (13,559) |
| | | | | (407,202) | | | (340,797) |
| Loss per share: | 每股虧損： | | | RMB(0.1184) | | | RMB(0.1091) |
| Basic | 基本 | 10 | | 人民幣(0.1184)元 | | | 人民幣(0.1091)元 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at June 30, 2022 (Expressed in Renminbi)
於二零二二年六月三十日 (以人民幣列示)

| | | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|---|---------------------------------------|-------------|--|---|
| | | Notes 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Goodwill | 商譽 | | 100,609 | 100,609 |
| Property, plant and equipment | 物業、廠房及設備 | 12 | 9,146,530 | 8,983,145 |
| Right-of-use assets | 使用權資產 | 12 | 659,086 | 691,494 |
| Intangible assets | 無形資產 | | 8,623 | 7,093 |
| Equity instrument at fair value through other comprehensive income ("FVTOCI") | 按公允價值計入其他全面收入 (「按公允價值計入其他全面收入」) 的權益工具 | | 374,410 | 313,551 |
| Biological assets | 生物資產 | 13 | 470,044 | 296,979 |
| Prepayments for purchase of property, plant and equipment | 就購買物業、廠房及設備的預付款項 | | 16,448 | 30,007 |
| Deferred tax assets | 遞延稅項資產 | | 2,650 | 264 |
| Other prepayments | 其他預付款項 | | - | 930 |
| | | | 10,778,400 | 10,424,072 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | | 1,007,813 | 1,287,060 |
| Biological assets | 生物資產 | 13 | 2,193,842 | 1,556,140 |
| Account receivables | 應收賬款 | 14 | 193,827 | 225,491 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 15 | 1,162,494 | 782,038 |
| Other current assets | 其他流動資產 | 16 | 1,581,751 | 1,556,760 |
| Amounts due from related companies | 應收關聯公司款項 | 17 | 1,755,594 | 925,314 |
| Financial assets at fair value through profit or loss | 按公允價值計入損益的金融資產 | 18 | 2,210 | 230,874 |
| Pledged and restricted bank deposits | 已抵押及受限制銀行存款 | | 89 | 698 |
| Cash and bank balances | 現金及銀行結餘 | | 995,931 | 1,040,980 |
| | | | 8,893,551 | 7,605,355 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at June 30, 2022 (Expressed in Renminbi)
於二零二二年六月三十日 (以人民幣列示)

| | | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|--|------------------|-------------|--|---|
| | | Notes 附註 | | |
| Current liabilities | 流動負債 | | | |
| Account and bills payables | 應付賬款及應付票據 | 19 | 418,818 | 573,173 |
| Other payables, accruals and deposits received | 其他應付款項、應計費用及已收按金 | | 1,011,401 | 1,077,546 |
| Lease liabilities | 租賃負債 | | 44,607 | 27,651 |
| Contract liabilities | 合約負債 | | 272,808 | 424,338 |
| Bank borrowings | 銀行借款 | 20 | 7,058,909 | 5,963,713 |
| Amounts due to related companies | 應付關聯公司款項 | 17 | 130,090 | 120,840 |
| Loans from related companies | 來自關聯公司的貸款 | 20 | 1,202,500 | 2,500 |
| Financial liabilities at fair value through profit or loss | 按公允價值計入損益的金融負債 | 18 | 1,020,425 | 29,551 |
| Current tax liabilities | 即期稅項負債 | | 142,278 | 289,308 |
| | | | 11,301,836 | 8,508,620 |
| Net current liabilities | 流動負債淨額 | | (2,408,285) | (903,265) |
| Total assets less current liabilities | 總資產減流動負債 | | 8,370,115 | 9,520,807 |
| Non-current liabilities | 非流動負債 | | | |
| Bank borrowings | 銀行借款 | 20 | 58,576 | 145,361 |
| Loans from a related company | 來自關聯公司的貸款 | 20 | 98,754 | 97,306 |
| Deferred income | 遞延收入 | | 131,508 | 133,860 |
| Deferred tax liabilities | 遞延稅項負債 | | 32,157 | 85,098 |
| Long-term payable | 長期應付款項 | | 87,418 | 84,281 |
| Lease liabilities | 租賃負債 | | 333,728 | 366,131 |
| | | | 742,141 | 912,037 |
| Net assets | 資產淨值 | | 7,627,974 | 8,608,770 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | | 1,668,978 | 1,668,978 |
| Reserves | 儲備 | | 5,817,011 | 6,790,889 |
| Equity attributable to the owners of the Company | 本公司擁有人應佔權益 | | 7,485,989 | 8,459,867 |
| Non-controlling interests | 非控股權益 | | 141,985 | 148,903 |
| Total equity | 權益總額 | | 7,627,974 | 8,608,770 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | Attributable to the owners of the Company 本公司擁有人應佔 | | | | | | | | | | |
|--|------------------------|---|---------------|-----------------|-----------------|-------------------|----------------|---------------------|------------------|-----------|---------------------------|--------------|
| | | Share capital | Share premium | Special reserve | Capital reserve | Statutory reserve | FVTOCI reserve | Translation reserve | Retained profits | Total | Non-controlling interests | Total equity |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | 按公允價值計入其他全面收入 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 的儲備 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| At December 31, 2021 (audited) | 於二零二一年十二月三十一日 (經審核) | 1,668,978 | 573,435 | 858,459 | 89,112 | 729,945 | 290,035 | 67,039 | 4,180,864 | 8,459,867 | 148,903 | 8,608,770 |
| Loss for the period | 期內虧損 | - | - | - | - | - | - | - | (462,030) | (462,030) | (6,918) | (468,948) |
| Other comprehensive income for the period | 期內其他全面收入 | - | - | - | - | - | 60,859 | 887 | - | 61,746 | - | 61,746 |
| Total comprehensive expense for the period | 期內全面開支總額 | - | - | - | - | - | 60,859 | 887 | (462,030) | (400,284) | (6,918) | (407,202) |
| Dividends declared (Note 11) | 已宣派股息(附註11) | - | (573,594) | - | - | - | - | - | - | (573,594) | - | (573,594) |
| At June 30, 2022 (unaudited) | 於二零二二年六月三十日 (未經審核) | 1,668,978 | 1,841 | 858,459 | 89,112 | 729,945 | 350,894 | 67,926 | 3,718,834 | 7,485,989 | 141,985 | 7,627,974 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | Attributable to the owners of the Company 本公司擁有人應佔 | | | | | | | | | | |
|--|---|------------------------|--------------------------|--------------------------|----------------------------|-------------------------|------------------------------|---------------------------|----------------|------------------------------------|-----------------------|
| | Share capital 人民幣千元 | Share premium 人民幣千元 | Special reserve 人民幣千元 | Capital reserve 人民幣千元 | Statutory reserve 人民幣千元 | FVTOCI reserve 人民幣千元 | Translation reserve 人民幣千元 | Retained profits 人民幣千元 | Total 人民幣千元 | Non-controlling interests 人民幣千元 | Total equity 人民幣千元 |
| At December 31, 2020 (audited) | 1,668,978 | 1,244,271 | 838,459 | 89,112 | 612,310 | 108,605 | 69,342 | 4,758,196 | 9,409,273 | 173,007 | 9,582,280 |
| | | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | - | (425,590) | (425,590) | (13,559) | (439,149) |
| Other comprehensive income for the period | - | - | - | - | - | 103,466 | (5,114) | - | 98,352 | - | 98,352 |
| Total comprehensive expense for the period | - | - | - | - | - | 103,466 | (5,114) | (425,590) | (327,238) | (13,559) | (340,797) |
| Dividends declared (Note 11) | - | (668,836) | - | - | - | - | - | - | (668,836) | - | (668,836) |
| At June 30, 2021 (unaudited) | 1,668,978 | 575,435 | 838,459 | 89,112 | 612,310 | 212,071 | 64,228 | 4,332,606 | 8,413,199 | 159,448 | 8,572,647 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|------------------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Net cash (used in)/generated from operating activities | 經營活動(所用)/所得現金淨額 | (1,144,866) | 1,584,079 |
| Investing activities | 投資活動 | | |
| Interest received | 已收利息 | 5,168 | 6,221 |
| Payments for property, plant and equipment | 就物業、廠房及設備的付款 | (411,007) | (587,972) |
| Payments for purchase of breeding stocks | 就購買種豬的付款 | - | (37,502) |
| Payments for right-of-use assets | 就使用權資產的付款 | - | (4,922) |
| Payments for intangible assets | 就無形資產的付款 | (392) | - |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備的所得款項 | 759 | 3,519 |
| Placement of pledged and restricted bank deposits | 存放已抵押及受限制銀行存款 | (89) | (5,326) |
| Withdrawal of pledged and restricted bank deposits | 提取已抵押及受限制銀行存款 | 698 | 11,657 |
| Deferred government grants received | 已收遞延政府補助 | 1,505 | - |
| Net cash used in investing activities | 投資活動所用現金淨額 | (403,358) | (614,325) |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|-------------------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Financing activities | 融資活動 | | |
| Dividend paid | 已付股息 | (573,594) | - |
| Interest paid | 已付利息 | (58,781) | (40,746) |
| New bank borrowings | 新增銀行借款 | 5,973,214 | 3,177,801 |
| Repayments of bank borrowings | 償還銀行借款 | (5,021,926) | (4,307,083) |
| Long-term payable received | 已收長期應付款項 | - | 120,000 |
| Repayments of leases liabilities | 償還租賃負債 | (16,049) | (28,855) |
| Loans from related companies | 來自關聯公司的貸款 | 1,500,000 | 1,000,000 |
| Repayments of loans from related companies | 償還來自關聯公司的貸款 | (300,000) | (600,000) |
| Net cash generated from/(used in) financing activities | 融資活動所得／(所用) 現金淨額 | 1,502,864 | (678,883) |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等價物 (減少)／增加淨額 | (45,360) | 290,871 |
| Cash and cash equivalents at the beginning of period | 期初現金及現金等價物 | 1,040,980 | 416,650 |
| Effects of foreign exchange rate changes | 外匯匯率變動的影響 | 311 | (248) |
| Cash and cash equivalents at the end of period | 期末現金及現金等價物 | 995,931 | 707,273 |
| Represented by: | 以下者所呈列： | | |
| Cash and bank balances | 現金及銀行結餘 | 995,931 | 707,273 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

1 BASIS OF PREPARATION AND PRESENTATION

The unaudited condensed consolidated financial statements of COFCO Joycome Foods Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the six months ended June 30, 2022 have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended December 31, 2021.

These condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company and most of its subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

As at June 30, 2022, the Group’s current liabilities exceeded its current assets by RMB2,408,285,000. Taking into account the banking facilities available to the Group, the directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to meet its liabilities as and when they fall due and to continue in operational existence for the foreseeable future. Thus the Group continues to adopt the going concern basis of accounting in preparing its condensed consolidated financial statements.

1 編製及呈列基礎

中糧家佳康食品有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零二二年六月三十日止六個月的未經審核簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號（「香港會計準則第34號」）「中期財務報告」以及香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定編製。

簡明綜合財務報表不包括年度財務報表中規定的一切資料及披露，應連同本集團截至二零二一年十二月三十一日止年度的年度財務報表一併閱讀。

該等簡明綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為本公司及其大部分附屬公司的功能貨幣，除另有指明外，所有數值均四捨五入至最近的千位數。

於二零二二年六月三十日，本集團流動負債超過其流動資產人民幣240,828.5萬元。考慮到本集團可動用的銀行融資，本公司董事於批准簡明綜合財務報表時合理預期本集團有足夠資源滿足其到期時應付的負債及於可見未來繼續經營。因此，本集團於編製其簡明綜合財務報表時繼續採納持續經營會計基礎。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

2 PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except that biological assets and certain financial instruments are measured at fair values.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2022 are the same as those presented in the Group’s annual financial statements for the year ended December 31, 2021.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the annual period beginning on or after January 1, 2022 for the preparation of the Group’s condensed consolidated financial statements:

| | |
|------------------------|--|
| Amendments to HKFRS 3 | Reference to the Conceptual Framework |
| Amendments to HKFRS 16 | Covid-19-Related Rent Concessions beyond June 30, 2021 |
| Amendments to HKAS 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to HKAS 37 | Onerous Contracts – Cost of Fulfilling a Contract |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2018-2020 |

The application of the amendments to HKFRSs 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.

2 主要會計政策

簡明綜合財務報表已按歷史成本基準編製，惟按公允價值計量的生物資產及若干金融工具除外。

除應用經修訂香港財務報告準則（「香港財務報告準則」）導致的額外會計政策外，截至二零二二年六月三十日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與本集團截至二零二一年十二月三十一日止年度的年度財務報表所呈列者相同。

應用香港財務報告準則修訂本

於本中期期間，本集團已首次應用以下於二零二二年一月一日當日或之後的年度期間強制生效並由香港會計師公會頒佈的香港財務報告準則修訂本，以編製本集團簡明綜合財務報表：

| | |
|-----------------|--------------------------|
| 香港財務報告準則第3號修訂本 | 概念框架指引 |
| 香港財務報告準則第16號修訂本 | 二零二一年六月三十日後之新冠肺炎相關租金減免 |
| 香港會計準則第16號修訂本 | 物業、廠房及設備 – 擬定用途前之所得款項 |
| 香港會計準則第37號修訂本 | 虧損性合約 – 履行合約之成本 |
| 香港財務報告準則修訂本 | 二零一八年至二零二零年之香港財務報告準則年度改進 |

於本中期期間應用香港財務報告準則之修訂本對本集團於本期間及過往期間之財務狀況及表現及／或於該等簡明綜合財務報表所載之披露並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

3 客戶合約收益

來自客戶合約收益的收益分述

| | | For the six months ended June 30, 2022 截至二零二二年六月三十日止六個月 | | | | |
|--------------------------------------|---------------|--|---|--|--|---|
| | | Hog production and sales 生豬養殖 及銷售 | Sales of fresh pork 銷售 生鮮豬肉 | Sales of processed meat products 銷售 肉製品 | Sales of imported meat products 銷售進口 肉類產品 | Total 合計 |
| Segments 分部 | | RMB'000 人民幣千元 (unaudited) (未經審核) | RMB'000 人民幣千元 (unaudited) (未經審核) | RMB'000 人民幣千元 (unaudited) (未經審核) | RMB'000 人民幣千元 (unaudited) (未經審核) | RMB'000 人民幣千元 (unaudited) (未經審核) |
| Types of goods | 產品的類型 | | | | | |
| Hogs | 生豬 | 1,907,492 | - | - | - | 1,907,492 |
| Fresh pork | 生鮮豬肉 | - | 1,804,592 | - | - | 1,804,592 |
| Processed meat products | 肉製品 | - | - | 373,579 | - | 373,579 |
| Imported meat products | 進口肉類產品 | - | - | - | 1,258,843 | 1,258,843 |
| Total | 合計 | 1,907,492 | 1,804,592 | 373,579 | 1,258,843 | 5,344,506 |
| Timing of revenue recognition | 收益確認時間 | | | | | |
| A point in time | 時間點 | 1,907,492 | 1,804,592 | 373,579 | 1,258,843 | 5,344,506 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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截至二零二二年六月三十日止六個月（以人民幣列示）

3 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Disaggregation of revenue from contracts with customers (Continued)

3 客戶合約收益 (續)

來自客戶合約收益的收益分述 (續)

| Segments 分部 | Hog production and sales 生豬養殖 及銷售 RMB'000 人民幣千元 (unaudited) (未經審核) | Sales of fresh pork 銷售 生鮮豬肉 RMB'000 人民幣千元 (unaudited) (未經審核) | Sales of processed meat products 銷售 肉製品 RMB'000 人民幣千元 (unaudited) (未經審核) | Sales of imported meat products 銷售進口 肉類產品 RMB'000 人民幣千元 (unaudited) (未經審核) | Total 合計 RMB'000 人民幣千元 (unaudited) (未經審核) |
|--------------------------------------|--|--|---|---|--|
| | | | | | |
| Types of goods | 產品的類型 | | | | |
| Hogs | 生豬 | 3,374,257 | - | - | 3,374,257 |
| Fresh pork | 生鮮豬肉 | - | 1,830,013 | - | 1,830,013 |
| Processed meat products | 肉製品 | - | - | 377,580 | 377,580 |
| Imported meat products | 進口肉類產品 | - | - | 1,921,004 | 1,921,004 |
| Total | 合計 | 3,374,257 | 1,830,013 | 377,580 | 7,502,854 |
| Timing of revenue recognition | 收益確認時間 | | | | |
| A point in time | 時間點 | 3,374,257 | 1,830,013 | 377,580 | 7,502,854 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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4 SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. Specifically, the Group has four reportable operating segments under HKFRS 8 as follows:

| | |
|---------------------------------|---|
| Hog production segment | represents hog breeding and sales of hogs |
| Fresh pork segment | represents slaughtering, wholesale and retail sales of fresh and frozen meats |
| Processed meat products segment | represents manufacture, wholesale and retail sales of processed meat products |
| Meat import segment | represents sales of imported meat products |

No operating segments have been aggregated in arriving at the reportable segments of the Group.

4 分部資料

就分配資源及評估分部表現而向本公司執行董事（即主要經營決策者（「主要經營決策者」））所呈報的資料主要針對所交付或提供的產品或服務的類型。本集團根據香港財務報告準則第8號設定的四個可呈報經營分部具體如下：

| | |
|--------|------------------|
| 生豬養殖分部 | 指生豬養殖及生豬銷售 |
| 生鮮豬肉分部 | 指屠宰、批發及零售生鮮及冷凍豬肉 |
| 肉製品分部 | 指生產、批發及零售肉製品 |
| 肉類進口分部 | 指銷售進口肉類產品 |

釐定本集團可呈報分部時概無合計經營分部。

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截至二零二二年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment revenue and segment results

The following is an analysis of the Group's revenue and results by reportable operating segments.

4 分部資料(續)

分部收益及分部業績

本集團按可呈報經營分部劃分的收益及業績分析如下。

| | | Hog production 生豬養殖 RMB'000 人民幣千元 (unaudited) (未經審核) | Fresh pork 生鮮豬肉 RMB'000 人民幣千元 (unaudited) (未經審核) | Processed meat products 肉製品 RMB'000 人民幣千元 (unaudited) (未經審核) | Meat import 肉類進口 RMB'000 人民幣千元 (unaudited) (未經審核) | Segment total 分部總計 RMB'000 人民幣千元 (unaudited) (未經審核) | Inter- segment elimination 分部間對銷 RMB'000 人民幣千元 (unaudited) (未經審核) | Total 合計 RMB'000 人民幣千元 (unaudited) (未經審核) |
|--|------------------------------|--|--|---|---|---|--|--|
| <i>Six months ended June 30, 2022</i> | <i>截至二零二二年六月 三十日止六個月</i> | | | | | | | |
| Segment revenue | 分部收益 | | | | | | | |
| External customers | 外部客戶 | 1,907,492 | 1,804,592 | 373,579 | 1,258,843 | 5,344,506 | - | 5,344,506 |
| Inter-segment sales | 分部間銷售 | 1,208,609 | 35,776 | 997 | 55,862 | 1,301,244 | (1,301,244) | - |
| Segment revenue | 分部收益 | 3,116,101 | 1,840,368 | 374,576 | 1,314,705 | 6,645,750 | (1,301,244) | 5,344,506 |
| Segment results | 分部業績 | (1,286,319) | 16,449 | 19,949 | 92,195 | (1,157,726) | | (1,157,726) |
| Unallocated corporate income | 未獲分配企業收入 | | | | | | | 23,847 |
| Unallocated corporate expenses | 未獲分配企業開支 | | | | | | | (99,533) |
| Fair value adjustments on biological assets | 有關生物資產的 公允價值調整 | | | | | | | 930,165 |
| Finance costs | 融資成本 | | | | | | | (77,641) |
| Loss before tax | 除稅前虧損 | | | | | | | (380,888) |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

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截至二零二二年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment revenue and segment results (Continued)

| | | Hog | Fresh | Processed | Meat | Segment | Inter- | Total |
|---|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | production | pork | meat | import | total | segment | |
| | | 生豬養殖 | 生鮮豬肉 | 肉製品 | 肉類進口 | 分部總計 | 分部間對銷 | 合計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | (unaudited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| | | (未經審核) | (未經審核) | (未經審核) | (未經審核) | (未經審核) | (未經審核) | (未經審核) |
| Six months ended | 截至二零二一年六月 | | | | | | | |
| June 30, 2021 | 三十日止六個月 | | | | | | | |
| Segment revenue | 分部收益 | | | | | | | |
| External customers | 外部客戶 | 3,374,257 | 1,830,013 | 377,580 | 1,921,004 | 7,502,854 | - | 7,502,854 |
| Inter-segment sales | 分部間銷售 | 851,809 | 10,916 | 1,647 | 117,584 | 981,956 | (981,956) | - |
| Segment revenue | 分部收益 | 4,226,066 | 1,840,929 | 379,227 | 2,038,588 | 8,484,810 | (981,956) | 7,502,854 |
| Segment results | 分部業績 | 1,595,769 | (9,268) | 13,024 | 132,064 | 1,731,589 | | 1,731,589 |
| Unallocated corporate income | 未獲分配企業收入 | | | | | | | 9,531 |
| Unallocated corporate expenses | 未獲分配企業開支 | | | | | | | (35,346) |
| Fair value adjustments on biological assets | 有關生物資產的公允價值調整 | | | | | | | (2,000,509) |
| Finance costs | 融資成本 | | | | | | | (52,325) |
| Loss before tax | 除稅前虧損 | | | | | | | (347,060) |

Segment profit/(loss) represents the profit earned by/(loss from) each segment without allocation of corporate income and expenses including central administration costs and directors' emoluments, fair value adjustments on biological assets and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prices agreed between group entities.

4 分部資料 (續)

分部收益及分部業績 (續)

分部溢利／(虧損)指各分部所賺取的溢利／(產生的虧損)，未經分配企業收入及開支，包括中央行政成本及董事酬金、有關生物資產的公允價值調整及若干融資成本。此乃向主要經營決策者呈報以作資源分配及表現評估的方法。

分部間銷售按集團實體議定的價格收取。

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截至二零二二年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

5 OTHER INCOME

An analysis of the Group's other income is as follows:

4 分部資料 (續)

分部資產及負債

主要經營決策者根據各分部的經營業績作出決策。概無呈列分部資產及分部負債的分析，原因為主要經營決策者並無定期就資源分配及表現評估目的檢討有關資料。因此，僅呈列分部收益及分部業績。

5 其他收入

本集團的其他收入分析如下：

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|--|-----------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Interest income from banks | 銀行利息收入 | 895 | 1,997 |
| Interest income from a related company | 關聯公司的利息收入 | 4,273 | 4,224 |
| | | 5,168 | 6,221 |
| Government grants* | 政府補助* | 81,720 | 97,315 |
| | | 86,888 | 103,536 |

* Government grants are mainly related to innocuous treatment of died hogs and construction of hog farms. There are no unfulfilled conditions or contingencies relating to these grants.

Government grants related to acquisition of lands use rights and acquisition/construction of property, plant and equipment projects are included in deferred income and are credited to profit or loss on a systematic basis over the useful lives of the related assets. Included in the above balances are government grants released from deferred income of RMB3,857,000 for the six months ended June 30, 2022 (six months ended June 30, 2021: RMB5,454,000).

* 政府補助主要與死豬的無害化處理以及建造生豬養殖場有關。概無有關該等補助的未達成條件或有事項。

有關收購土地使用權以及收購／建造物業、廠房及設備項目的政府補助計入遞延收入，且於相關資產的可使用年期以系統化方式計入損益。截至二零二二年六月三十日止六個月自遞延收入解除的政府補助人民幣385.7萬元（截至二零二一年六月三十日止六個月：人民幣545.4萬元）載入上述結餘。

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6 OTHER GAINS AND LOSSES, NET

An analysis of the Group's other gains and losses is as follows:

6 其他收益及虧損淨額

本集團的其他收益及虧損分析如下：

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|---------------------------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Exchange (loss)/gain, net | 匯兌(虧損)/收益淨額 | (64,618) | 5,197 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備虧損 | (7,272) | (4,038) |
| Write-down of inventories | 存貨撇減 | (5,123) | (35,947) |
| Impairment on account receivables, net | 應收賬款減值淨額 | (673) | (213) |
| (Provision of)/reversal of impairment on other receivables, net | 其他應收款項減值(撥備)/撥回淨額 | (32) | 7 |
| Realised and unrealised gain/(loss) on fair value changes in respect of foreign currency forward contracts, net | 已變現及未變現有關外幣遠期合約的公允價值變動收益/(虧損)淨額 | 23,033 | (4,192) |
| Others | 其他 | 56 | (370) |
| | | (54,629) | (39,556) |

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For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

7 FINANCE COSTS

An analysis of the Group's finance costs is as follows:

7 融資成本

本集團的融資成本分析如下：

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|--|---------------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Interest on: | 以下各項的利息： | | |
| - Bank borrowings | - 銀行借款 | 62,038 | 44,769 |
| - Loans from related companies | - 來自關聯公司的貸款 | 7,631 | 3,867 |
| - Lease liabilities from the third parties | - 來自第三方的租賃負債 | 8,096 | 7,538 |
| - Lease liabilities from related companies | - 來自關聯公司的租賃負債 | 162 | - |
| - Long-term payable | - 長期應付款項 | 3,137 | 2,716 |
| Total borrowing costs | 借貸成本總額 | 81,064 | 58,890 |
| Less: borrowing costs capitalised in the cost of qualifying assets | 減：於合資格資產成本中資本化的借貸成本 | (3,423) | (6,565) |
| | | 77,641 | 52,325 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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截至二零二二年六月三十日止六個月（以人民幣列示）

8 (LOSS)/PROFIT BEFORE TAX

The Group's loss before tax is arrived at after charging:

8 除稅前（虧損）／溢利

本集團的除稅前虧損扣除以下各項後得出：

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|----------------------------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Cost of inventories recognised as expenses | 確認為開支的存貨成本 | 5,622,494 | 5,548,556 |
| Realised and unrealised loss/(gain) on fair value changes in respect of commodity future contracts, net | 已變現及未變現有關於商品期貨合約的公允價值變動虧損／(收益)淨額 | 625,119 | (9,463) |
| Fair value changes in respect of biological assets | 有關生物資產的公允價值變動 | (316,718) | 1,838,454 |
| Total cost of sales | 銷售成本總額 | 5,930,895 | 7,377,547 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 254,540 | 200,866 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 26,825 | 19,107 |
| Amortisation of intangible assets | 無形資產攤銷 | 895 | 880 |
| Total depreciation and amortisation | 折舊及攤銷總額 | 282,260 | 220,853 |
| Less: Capitalised in biological assets | 減：於生物資產中的資本化 | (225,759) | (156,228) |
| | | 56,501 | 64,625 |

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截至二零二二年六月三十日止六個月（以人民幣列示）

9 INCOME TAX EXPENSE

An analysis of the Group's income tax expense is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
|---|---------------|---|--|
| Current tax: | 即期稅項： | | |
| The People's Republic of China (the "PRC") | 中華人民共和國（「中國」） | | |
| – Enterprise Income Tax | – 企業所得稅 | 143,387 | 3,226 |
| Deferred tax: | 遞延稅項： | | |
| – Current period | – 本期間 | (55,327) | 88,863 |
| Income tax expense | 所得稅開支 | 88,060 | 92,089 |

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit generated in Hong Kong for the six months ended June 30, 2022 (six months ended June 30, 2021: nil).

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the six months ended June 30, 2022 (six months ended June 30, 2021: 25%).

Certain subsidiaries operating in the PRC were exempted from PRC income taxes during both 2022 and 2021. According to the Implementation Regulation of the EIT Law and the EIT exemptions regulation set out in the Circular of the Ministry of Finance and the State Administration on Releasing the Primary Processing Ranges of Agricultural Products Entitled to Preferential Policies on Enterprise Income Tax (Trial Implementation) (Cai Shui [2008] No. 149), and the requirements of Article 86 of the Implementation Regulation of the EIT Law, the income from primary processing for agricultural products are exempted from EIT. In addition, pursuant to related regulations in respect of the Implementation Regulation of the EIT Law, the income from projects of animal-husbandry and poultry feeding, is also entitled to exemption from EIT.

9 所得稅開支

本集團的所得稅開支分析如下：

Six months ended June 30,
截至六月三十日止六個月

| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
|--|--|---|--|
| 由於本集團於截至二零二二年六月三十日止六個月並無於香港產生應課稅溢利，故並無計提香港利得稅撥備（截至二零二一年六月三十日止六個月：無）。 | | | |
| 根據《中國企業所得稅法》（「企業所得稅法」）及《企業所得稅法實施條例》，中國附屬公司於截至二零二二年六月三十日止六個月的稅率為25%（截至二零二一年六月三十日止六個月：25%）。 | | | |
| 若干於中國經營的附屬公司於二零二二年及二零二一年期間均免繳中國所得稅。根據《企業所得稅法實施條例》及《財政部、國家稅務總局關於發佈享受企業所得稅優惠政策的農產品初加工範圍（試行）的通知》（財稅[2008]149號）中所載免繳企業所得稅的規定，以及《企業所得稅法實施條例》第八十六條的規定，農產品初加工所得免徵企業所得稅。此外，根據《企業所得稅法實施條例》相關規定，牲畜及家禽飼養項目收入亦免徵企業所得稅。 | | | |

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10 LOSS PER SHARE

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

Loss

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|----------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Loss for the purpose of basic loss per share | 就計算每股基本虧損而言的虧損 | | |
| Loss for the period attributable to the owners of the Company | 本公司擁有人應佔期內虧損 | (462,030) | (425,590) |

Number of shares

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|--|----------------------|--|-----------------------------|
| | | 2022 二零二二年 '000 千股 | 2021 二零二一年 '000 千股 |
| Weighted average number of ordinary shares for the purpose of basic loss per share | 就計算每股基本虧損而言的普通股加權平均數 | 3,901,998 | 3,901,998 |

No diluted loss per share is presented as there were no potential ordinary shares in issue for both periods.

10 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

虧損

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|----------------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Loss for the purpose of basic loss per share | 就計算每股基本虧損而言的虧損 | | |
| Loss for the period attributable to the owners of the Company | 本公司擁有人應佔期內虧損 | (462,030) | (425,590) |

股份數目

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|--|----------------------|--|-----------------------------|
| | | 2022 二零二二年 '000 千股 | 2021 二零二一年 '000 千股 |
| Weighted average number of ordinary shares for the purpose of basic loss per share | 就計算每股基本虧損而言的普通股加權平均數 | 3,901,998 | 3,901,998 |

概無呈列每股攤薄虧損，原因是兩個期間內並無任何已發行的潛在普通股股份。

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11 DIVIDEND

During the six months ended June 30, 2022, a final dividend of Hong Kong Dollar (“HKD”) 0.180 (equivalent to RMB0.147) per share, totalling HKD702,360,000 (equivalent to RMB573,594,000), in respect of the year ended December 31, 2021 was declared and approved. The dividend was paid in June 2022.

During the six months ended June 30, 2021, a final dividend of HKD0.206 (equivalent to RMB0.1714) per share, totalling HKD803,812,000 (equivalent to RMB668,836,000), in respect of the year ended December 31, 2020 was declared and approved. The dividend was paid in July 2021.

The board of directors of the Company has resolved not to declare any interim dividend for the six months ended June 30, 2022 (six months ended June 30, 2021: Nil).

12 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group paid RMB411,007,000 (six months ended June 30, 2021: RMB587,972,000) for the construction of new farms and acquisition of plant and equipment.

In addition, during the current interim period, the Group entered into several new lease agreements with lease terms from 1 to 30 years. The Group is required to make fixed annual payments during the lease periods. On lease commencement, the Group recognised right-of-use assets of RMB17,392,000 of (six months ended June 30, 2021: RMB30,680,000) and lease liabilities of RMB15,225,000 (six months ended June 30, 2021: RMB25,758,000).

The Group also disposed of certain plant and machinery with an aggregate carrying amount of RMB8,031,000 (six months ended June 30, 2021: RMB7,557,000) for cash proceeds of RMB759,000 (six months ended June 30, 2021: RMB3,519,000), resulting in a loss on disposal of RMB7,272,000 (six months ended June 30, 2021: RMB4,038,000).

11 股息

於截至二零二二年六月三十日止六個月，宣派及批准截至二零二一年十二月三十一日止年度末期股息每股0.180港元（「港元」）（相當於人民幣0.147元），總計70,236萬港元（相當於人民幣57,359.4萬元）。股息已於二零二二年六月派發。

截至二零二一年六月三十日止六個月，宣派及批准截至二零二零年十二月三十一日止年度末期股息每股0.206港元（相當於人民幣0.1714元），總計80,381.2萬港元（相當於人民幣66,883.6萬元）。股息已於二零二一年七月派發。

本公司董事會已議決不宣派截至二零二二年六月三十日止六個月的任何中期股息（截至二零二一年六月三十日止六個月：無）。

12 物業、廠房及設備以及使用權資產

於本中期期間，本集團就新養殖場的建設及廠房與設備的採購支付人民幣41,100.7萬元（截至二零二一年六月三十日止六個月：人民幣58,797.2萬元）。

此外，於本中期期間，本集團訂立若干新租賃協議，租期為1至30年。本集團須於租賃期內每年支付固定款項。於租賃開始時，本集團確認使用權資產人民幣1,739.2萬元（截至二零二一年六月三十日止六個月：人民幣3,068萬元）及租賃負債人民幣1,522.5萬元（截至二零二一年六月三十日止六個月：人民幣2,575.8萬元）。

本集團亦出售總賬面值為人民幣803.1萬元（截至二零二一年六月三十日止六個月：人民幣755.7萬元）的若干廠房及機械，換取現金所得款項人民幣75.9萬元（截至二零二一年六月三十日止六個月：人民幣351.9萬元），產生出售虧損人民幣727.2萬元（截至二零二一年六月三十日止六個月：人民幣403.8萬元）。

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13 BIOLOGICAL ASSETS

The biological assets of the Group are live hogs at various stages of development, including piglets, nursery hogs, medium and large finishing hogs, and replacement studs and gilts, which are classified as current assets. Biological assets also include breeding stock, which are used to produce future live hogs and classified as non-current assets.

Carrying value of the Group's biological assets

13 生物資產

本集團的生物資產為處在不同生長階段的生豬，包括仔豬、保育豬、中型及大型育肥豬以及後備公豬及後備母豬，分類為流動資產。生物資產亦包括種豬，其用作繁殖生豬，分類為非流動資產。

本集團生物資產的賬面值

| | | Live hogs and breeding stocks |
|---|-----------------------|--|
| | | 生豬及種豬 |
| | | RMB'000 |
| | | 人民幣千元 |
| At January 1, 2022 (audited) | 於二零二二年一月一日（經審核） | 1,853,119 |
| Additions: breeding costs | 添置：養殖成本 | 3,754,953 |
| Gain arising from changes in fair value less costs to sell of biological assets | 生物資產公允價值變動減銷售成本產生的收益 | 613,447 |
| Transfer to cost of sales at the point of harvest | 收穫時轉至銷售成本 | (2,956,452) |
| Decrease due to culling and other changes | 因死淘及其他變動減少 | (601,181) |
| At June 30, 2022 (unaudited) | 於二零二二年六月三十日 （未經審核） | 2,663,886 |
| Less: current portion (unaudited) | 減：流動部分（未經審核） | (2,193,842) |
| Non-current portion (unaudited) | 非流動部分（未經審核） | 470,044 |
| At January 1, 2021 (audited) | 於二零二一年一月一日（經審核） | 4,125,522 |
| Additions: breeding costs | 添置：養殖成本 | 2,952,769 |
| Additions: purchase of breeding stocks | 添置：購買種豬 | 37,502 |
| Loss arising from changes in fair value less costs to sell of biological assets | 生物資產公允價值變動減銷售成本產生的虧損 | (162,055) |
| Transfer to cost of sales at the point of harvest | 收穫時轉至銷售成本 | (3,971,016) |
| Decrease due to culling and other changes | 因死淘及其他變動減少 | (636,138) |
| At June 30, 2021 (unaudited) | 於二零二一年六月三十日 （未經審核） | 2,346,584 |
| Less: current portion (unaudited) | 減：流動部分（未經審核） | (1,792,629) |
| Non-current portion (unaudited) | 非流動部分（未經審核） | 553,955 |

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13 BIOLOGICAL ASSETS *(Continued)*

Fair value measurement

The Group's biological assets were valued by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group. The fair value less costs to sell of biological assets are determined with reference to the market-determined prices of items with similar age, breed and genetic merit or replacement costs where the market-determined prices are not available.

Changes in fair value less costs to sell of biological assets include changes in the fair value of the hogs at the end of each reporting period.

Key assumptions and inputs

The major significant unobservable inputs to the valuation of the biological assets include estimated local market price, rearing costs, survival rate, species and the growing conditions.

Set forth below are the valuation techniques, key assumptions and inputs adopted in the valuation process to determine the fair values of the Group's biological assets as at June 30, 2022 and December 31, 2021.

13 生物資產 *(續)*

公允價值計量

本集團的生物資產由一間與本集團並無關連的獨立合資格專業估值師公司第一太平戴維斯估值及專業顧問有限公司估值。生物資產的公允價值減銷售成本乃經參考年齡、品種及基因優點相若的項目的市場定價釐定，或倘無法獲取市場定價，則按重置成本釐定。

生物資產的公允價值變動減銷售成本計入於各報告期末生豬的公允價值變動。

主要假設及輸入數據

生物資產估值的主要重大不可觀察輸入數據包括估計當地市價、飼養成本、存活率、物種以及生長條件。

下文載列於二零二二年六月三十日及二零二一年十二月三十一日釐定本集團生物資產公允價值的估值過程中採用的估值方法、主要假設及輸入數據。

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13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

13 生物資產 (續)

主要假設及輸入數據 (續)

| | | June 30, 2022 二零二二年 六月三十日 RMB 人民幣元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB 人民幣元 (Audited) (經審核) |
|---|----------------------|---|--|
| Live hogs | 生豬 | | |
| Piglets (Note (a)) | 仔豬 (附註(a)) | 445 to 531 | 201 to 352 |
| <i>Per head market price</i> | <i>每頭市價</i> | 445至531 | 201至352 |
| Nursery hogs (Note (b)) | 保育豬 (附註(b)) | 647 to 819 | 344 to 454 |
| <i>Per head market price</i> | <i>每頭市價</i> | 647至819 | 344至454 |
| Medium and large finishing hogs (Note (c)) | 中型及大型育肥豬 (附註(c)) | 783 to 2,008 | 387 to 1,233 |
| <i>Per head market price</i> | <i>每頭市價</i> | 783至2,008 | 387至1,233 |
| Replacement studs and gilts (Note (d)) | 後備公豬及後備母豬 (附註(d)) | 2,222 to 4,534 | 1,678 to 9,473 |
| <i>Per head cost</i> | <i>每頭成本</i> | 2,222至4,534 | 1,678至9,473 |
| Breeding stock (Note (e)) | 種豬 (附註(e)) | 2,169 to 4,548 | 1,177 to 2,213 |
| <i>Per head replacement cost</i> | <i>每頭重置成本</i> | 2,169至4,548 | 1,177至2,213 |

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13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

Notes:

- (a) As there were active markets for piglets, active market prices have been adopted.
- (b) As there were active markets for the nursery hogs, the market prices of nursery hogs have been adopted.
- (c) Market prices have been adopted for large finishing hogs as there were active markets for the large finishing hogs as at respective valuation dates.

As there was no active market for the medium finishing hogs, the market price of medium finishing hogs has been estimated based on the market prices of large finishing hogs, less cost to completion, and adjusted with survival rate and risk in price uncertainty upon completion.

The unit cost to completion is estimated based on the unit cost of medium finishing hogs to the unit cost of large finishing hogs as at the respective valuation dates, under the assumption that the future cost in completing the remaining rearing cycle can be approximated by the historical cost. It is further adjusted by the number of hogs expected to be dead during this stage as no additional cost is necessary to feed those dead hogs.

The survival rate is estimated based on the historical statistics for respective location and category of hogs as at the respective valuation dates.

- (d) As replacement studs and gilts are yet to generate income to the Group due to their immature physical condition and in the absence of active market prices from actively traded markets for the replacement studs and gilts, cost approach has been adopted. The fair value of the replacement studs and gilts is determined based on the original cost plus the rearing costs (e.g. cost of vaccine, feeding, labour) subsequent to purchase or transfer.

13 生物資產 (續)

主要假設及輸入數據 (續)

附註：

- (a) 由於仔豬存在活躍市場，故採用活躍市價。
- (b) 由於保育豬存在活躍市場，故採用保育豬的市價。
- (c) 大型育肥豬於各估值日期有活躍市場，故採用市價。

中型育肥豬無活躍市場，故中型育肥豬的市價按大型育肥豬的市價進行估計，減完成成本，並就存活率及完成時的價格不確定性風險作出調整。

完成的單位成本基於各估值日期中型育肥豬的單位成本至大型育肥豬的單位成本估計，並假設完成餘下養殖週期的未來成本會與過往成本相若。再根據此階段預期死亡的生豬數進一步調整（因為死豬毋須額外飼養成本）。

存活率按各估值日期各地的過往統計數據及生豬的分類估計。

- (d) 後備公豬及後備母豬因生理條件未成熟而尚未為本集團產生收入且並無活躍交易市場的活躍市價，故採用成本法。後備公豬及後備母豬的公允價值按原成本加購買或轉欄之後的養殖成本（如疫苗、飼養、勞工成本）釐定。

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13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

Notes: (Continued)

- (e) Since there was no active market for breeding stock at specific age, the replacement cost approach has been adopted. Market prices for different species of boar and gilt have been obtained as a basis for the replacement cost, and adjusted for the reduction/consumption of economic useful life by applying the respective metrics to estimate the fair value of breeding stock in different species.

A significant increase/decrease in the estimated market price and the estimated rearing costs in isolation would result in a significant increase/decrease in the fair value of the biological assets.

The fair values of the Group's biological assets at June 30, 2022 and December 31, 2021 are grouped into Level 3 of fair value measurement. There were no transfers into or out of Level 3 during both the current and prior periods.

14 ACCOUNT RECEIVABLES

| | |
|---|-------------|
| Account receivables from contracts with customers | 來自客戶合約的應收賬款 |
| Less: Allowance for credit losses | 減：信貸虧損撥備 |

| | | |
|--|----------------|---------|
| | 194,723 | 225,714 |
| | (896) | (223) |
| | 193,827 | 225,491 |

13 生物資產 (續)

主要假設及輸入數據 (續)

附註：(續)

- (e) 由於特定年齡種豬並無活躍市場，故採用重置成本法。取得不同品種公豬及母豬的市價作為重置成本的基準，並就供銷壽命的減少／消耗作出調整，採用相關指標估計不同品種種豬的公允價值。

估計市價及估計單獨養殖成本大幅增加／減少均可能導致生物資產的公允價值大幅增加／減少。

本集團生物資產於二零二二年六月三十日及二零二一年十二月三十一日的公允價值分類為公允價值計量第三級。於當前及過往期間，並無轉入或轉出第三級。

14 應收賬款

| | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|---|--|---|
| Account receivables from contracts with customers | 194,723 | 225,714 |
| Less: Allowance for credit losses | (896) | (223) |
| | 193,827 | 225,491 |

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14 ACCOUNT RECEIVABLES (Continued)

An aged analysis of the account receivables as at the end of the reporting period, based on delivery dates and net of allowance for credit losses, is as follows:

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|--------------------|---------|--|---|
| Within 90 days | 90天內 | 187,437 | 224,482 |
| 90 to 180 days | 90至180天 | 5,720 | 802 |
| 180 days to 1 year | 180天至1年 | 670 | 22 |
| Over 1 year | 1年以上 | - | 185 |
| | | 193,827 | 225,491 |

14 應收賬款 (續)

於報告期末應收賬款（以交付日期為基準及經扣減信貸虧損撥備）的賬齡分析如下：

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|-----------------------------|--------|--|---|
| Value-added tax recoverable | 可收回增值稅 | 169,978 | 201,651 |
| Prepayments | 預付款項 | 44,108 | 33,106 |
| Deposits (Note) | 按金（附註） | 890,134 | 500,288 |
| Others | 其他 | 58,344 | 47,031 |
| | | 1,162,564 | 782,076 |
| Allowance for credit losses | 信貸虧損撥備 | (70) | (38) |
| | | 1,162,494 | 782,038 |

15 預付款項、按金及其他應收款項

Note: The deposits included the deposits relating to commodity futures contract of RMB870,986,000 (December 31, 2021: RMB485,337,000).

附註：按金包括有關商品期貨合約的按金人民幣87,098.6萬元（二零二一年十二月三十一日：人民幣48,533.7萬元）。

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16 OTHER CURRENT ASSETS

As at June 30, 2022 and December 31, 2021, other current assets represented the costs recoverable for meat products the Group purchased pursuant to agency arrangements where the Group was requested to purchase meat products and sell the meat products to designated buyers. The Group is responsible for the procurement and delivery of the meat products to designated buyers and earns agreed agency fees. Under the arrangement, the purchases of meat products are financed by bank loans from a designated bank in the PRC.

17 BALANCES WITH RELATED COMPANIES

Related companies include entities controlled by COFCO Corporation, a major shareholder of the Company.

Included in amounts due from related companies as at June 30, 2022 are receivables in trade nature of RMB10,237,000 (December 31, 2021: RMB9,598,000), which are unsecured, interest-free and repayable according to relevant sales contracts. An aged analysis of these receivables as at the end of the reporting period, based on delivery dates and net of allowance for credit losses, is as follows:

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|-----------------------------------|-----------|---|---|
| Within 90 days | 90天內 | 1,753 | 1,085 |
| Over 90 days but less than 1 year | 90天以上1年以內 | - | 8,202 |
| Over 1 year | 1年以上 | 8,484 | 311 |
| | | 10,237 | 9,598 |

The remaining balance of amounts due from related companies included prepayments in connection with the purchases of goods and current account balances, which are unsecured, interest-free and repayable on demand.

16 其他流動資產

於二零二二年六月三十日及二零二一年十二月三十一日，其他流動資產指本集團根據代理安排採購的肉類產品可收回的成本，本集團負責根據安排採購肉類產品並將該等肉類產品售予指定買家。本集團負責採購肉類產品並將其交付予指定買家，以賺取協定的代理費用。根據安排，採購肉類產品由在中國指定銀行的銀行貸款提供資金。

17 與關聯公司的結餘

關聯公司包括由本公司的主要股東中糧集團控制的實體。

於二零二二年六月三十日，有人民幣1,023.7萬元（二零二一年十二月三十一日：人民幣959.8萬元）的貿易性質應收款項計入應收關聯公司款項，該等應收款項無抵押、不計息及須根據相關銷售合約償還。於報告期末，該等應收款項（以交付日期為基準及經扣減信貸虧損撥備）的賬齡分析如下：

其餘的應收關聯公司款項結餘（包括與購買商品相關的預付款項及往來賬戶結餘）為無抵押、不計息並須於要求時償還。

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17 BALANCES WITH RELATED COMPANIES

(Continued)

Included in amounts due to related companies as at June 30, 2022 were payables in trade nature of RMB119,183,000 (December 31, 2021: RMB115,359,000), which are unsecured, interest-free and repayable according to the relevant purchase contracts. An aged analysis of these payables at the end of the reporting period, based on the invoice dates, is as follows:

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|-----------------------------------|-----------|--|---|
| Within 90 days | 90天內 | 119,183 | 97,301 |
| Over 90 days but less than 1 year | 90天以上1年以內 | - | 18,058 |
| | | 119,183 | 115,359 |

The remaining balance of amounts due to related companies include interest payable in respect of loans from related companies and current account balances, which are unsecured, interest-free and repayable on demand.

17 與關聯公司的結餘 (續)

於二零二二年六月三十日，有人民幣11,918.3萬元（二零二一年十二月三十一日：人民幣11,535.9萬元）的貿易性質應付款項計入應付關聯公司款項，該等款項為無抵押、不計息並須根據相關購買合約償還。於報告期末，該等應付款項基於發票日期的賬齡分析如下：

其餘的應付關聯公司款項結餘（包括就來自關聯公司的貸款之應付利息及往來賬戶結餘）為無抵押、不計息並須於要求時償還。

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18 FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

18 按公允價值計入損益的金融資產／負債

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|--|--------------|--|---|
| Classified under current assets: | | | |
| | 分類為流動資產： | | |
| Commodity futures contracts (Note i) | 商品期貨合約（附註i） | - | 230,874 |
| Foreign currency forward contracts (Note ii) | 外幣遠期合約（附註ii） | 2,210 | - |
| | | 2,210 | 230,874 |
| Classified under current liabilities: | | | |
| | 分類為流動負債： | | |
| Commodity futures contracts (Note i) | 商品期貨合約（附註i） | (1,016,361) | (4,045) |
| Foreign currency forward contracts (Note ii) | 外幣遠期合約（附註ii） | (4,064) | (25,506) |
| | | (1,020,425) | (29,551) |
| Total | 合計 | (1,018,215) | 201,323 |

Note i: the Group has entered into live hog and soybean meal futures contracts to manage the future price risk of live hog and soybean meal. These futures are measured at fair value through profit or loss. Net fair value loss on commodity futures contracts of RMB625,119,000 (six months ended June 30, 2021: net fair value gain of RMB9,463,000) was recognised in "cost of sales" in the condensed consolidated statement of profit or loss and other comprehensive income for the period.

附註i：本集團已訂立生豬及豆粕期貨合約，以管理生豬及豆粕的未來價格風險。該等期貨按公允價值計入損益計量。期內，商品期貨合約的公允價值虧損淨額人民幣62,511.9萬元（截至二零二一年六月三十日止六個月：公允價值收益淨額人民幣946.3萬元）於簡明綜合損益及其他全面收益表確認為「銷售成本」。

Note ii: the Group entered into foreign currency forward contracts with certain banks to manage its exposure to the foreign currency risk arising from certain of its account payables denominated in United States Dollar, Hong Kong Dollar and Euro.

附註ii：本集團與若干銀行訂立外幣遠期合約，以管理因使用美元、港元及歐元計值的若干應付賬款而產生的外匯風險。

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19 ACCOUNT AND BILLS PAYABLES

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|------------------|------|--|---|
| Account payables | 應付賬款 | 413,560 | 566,871 |
| Bills payables | 應付票據 | 5,258 | 6,302 |
| | | 418,818 | 573,173 |

The account payables are non-interest-bearing and are normally with credit periods ranging from 15 to 60 days. Bills payables are normally repayable within 180 days.

An aged analysis of the account payables as at the end of the reporting period, based on invoice dates, is as follows:

| | | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|---------------|------|--|---|
| Within 1 year | 1年以內 | 399,640 | 557,824 |
| 1 to 2 years | 1至2年 | 10,171 | 8,257 |
| Over 2 years | 2年以上 | 3,749 | 790 |
| | | 413,560 | 566,871 |

19 應付賬款及應付票據

應付賬款為免息，信用期一般介乎15至60天。應付票據一般於180天內償還。

於報告期末，應付賬款基於發票日期的賬齡分析如下：

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20 BANK BORROWINGS AND LOANS FROM RELATED COMPANIES

During the current interim period, the Group obtained new bank loans amounting to RMB5,973,214,000 (excluding bank loans obtained for procurement agency service of meat products as mentioned in note 16), which bear interest ranging from 2% to 3.95% per annum, and repaid bank loans amounting to RMB5,021,926,000 (excluding bank loans obtained for procurement agency service of meat products as mentioned in note 16), which bear interest ranging 1.05% to 4.21% per annum.

The loans from related companies classified under current liabilities are loans from a major shareholder and an entity controlled by that major shareholder, which are unsecured and repayable within one year and bear interest at fixed rates from 2.3% to 3.26% per annum.

The loans from a related company classified under non-current liabilities are loans from the above-mentioned major shareholder, which are unsecured, repayable in November 2035 and June 2036 and carry at the effective interest rate of 4.9% per annum.

21 CAPITAL COMMITMENTS

Contracted but not provided for in respect of:
Purchase of property, plant and equipment

就以下各項已訂約但未撥備：
購買物業、廠房及設備

20 來自關聯公司的銀行借款及貸款

於本中期期間，本集團獲得新銀行貸款人民幣597,321.4萬元（不包括於附註16所述就肉類產品採購代理服務獲得的銀行貸款），其按介乎2%至3.95%的年利率計息，並償還銀行貸款人民幣502,192.6萬元（不包括於附註16所述就肉類產品採購代理服務獲得的銀行貸款），其按介乎1.05%至4.21%的年利率計息。

分類為流動負債的關聯公司貸款為來自主要股東及由該主要股東控制的實體的貸款，其乃為無抵押及須於一年內償還，並按2.3%至3.26%的固定年利率計息。

分類為非流動負債的關聯公司貸款為來自上述主要股東的貸款，其乃為無抵押、須於二零三五年十一月及二零三六年六月償還及按4.9%的實際年利率計息。

21 資本承擔

| | June 30, 2022 二零二二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核) | December 31, 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) |
|---|--|---|
| Contracted but not provided for in respect of: Purchase of property, plant and equipment | 351,130 | 596,092 |

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22 RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these condensed consolidated financial statements, the Group had the following material transactions with related parties during the period:

22 關聯方交易

除該等簡明綜合財務報表其他部分詳述的交易及結餘外，本集團於期內有以下與關聯方的重大交易：

| | | Six months ended June 30, 截至六月三十日止六個月 | |
|---|-----------|--|--|
| | | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Transactions with related companies: | 與關聯公司的交易： | | |
| Sales of goods | 銷售貨品 | 3,705 | 20,521 |
| Purchases of goods | 購買貨品 | 879,460 | 637,833 |
| Feeding materials processing fee expense | 飼料材料加工費開支 | - | 6,574 |
| Interest income | 利息收入 | 4,273 | 4,224 |
| Interest expense | 利息開支 | 7,631 | 3,867 |
| Rental expense* | 租賃開支* | 7,005 | 8,177 |
| Agency procurement service income | 代理採購服務收入 | - | 10,240 |
| Expenses for other miscellaneous services | 其他雜項服務開支 | 2,353 | 1,816 |

* The related party transactions of rental expense included the lease payments of RMB4,548,000 (six months ended June 30, 2021: RMBnil) settle through lease liabilities during the six months ended June 30, 2022.

* 租賃開支的關聯方交易包括於截至二零二二年六月三十日止六個月透過租賃負債結算的租賃付款人民幣454.8萬元（截至二零二一年六月三十日止六個月：無）。

Related companies include entities controlled by COFCO Corporation, a major shareholder of the Company.

關聯公司包括由本公司的主要股東中糧集團控制的實體。

The above sale and purchase transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

上述銷售及購買交易乃按有關各方相互協定的條款及條件進行。

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22 RELATED PARTY TRANSACTIONS

(Continued)

In addition, as at June 30, 2022, certain deposits included in cash and cash equivalents are placed with COFCO Finance Corporation Limited (“COFCO Finance”), a subsidiary of COFCO Corporation, which is a non-bank financial institution regulated by the People’s Bank of China (the “PBOC”) and the China Banking And Insurance Regulatory Commission. In the PRC, deposit rates are set by the PBOC which is applicable to all financial institutions. The interest rates offered by COFCO Finance are the same as the rates promulgated by the PBOC. The deposits placed with COFCO Finance by the Group as at June 30, 2022 amounted to RMB957,000 (December 31, 2021: RMB3,000).

The lease liabilities as at June 30, 2022 included an amount relating to the major shareholder and its subsidiaries of RMB4,442,000 (December 31, 2021: RMB31,708,000).

Compensation of key management personnel of the Group

| | |
|---|------------|
| Salaries, allowances and other benefits | 薪金、津貼及其他福利 |
| Retirement benefit scheme contributions | 退休福利計劃供款 |

The key management personnel of the Group include the directors of the Company and certain top executives of the Company.

22 關聯方交易 (續)

此外，於二零二二年六月三十日，計入現金及現金等價物內的若干存款存放於中糧財務有限責任公司（「中糧財務」），該公司為中糧集團旗下附屬公司，為受中國人民銀行（「中國人民銀行」）及中國銀行保險監督管理委員會監管的非銀行金融機構。於中國，中國人民銀行設定的存款利率適用於所有金融機構。中糧財務提供的利率與中國人民銀行公佈的利率相同。於二零二二年六月三十日，本集團存放於中糧財務的存款為人民幣95.7萬元（二零二一年十二月三十一日：人民幣3,000元）。

於二零二二年六月三十日，租賃負債包括與主要股東及其附屬公司有關的款項人民幣444.2萬元（二零二一年十二月三十一日：人民幣3,170.8萬元）。

本集團主要管理人員的薪酬

Six months ended June 30, 截至六月三十日止六個月

| | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
|---|--|--|
| Salaries, allowances and other benefits | 4,071 | 3,953 |
| Retirement benefit scheme contributions | 168 | 160 |
| | 4,239 | 4,113 |

本集團的主要管理人員包括本公司董事及若干高級管理人員。

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23 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information (particularly, the valuation technique(s) and inputs used) about how the fair values of these financial assets and financial liabilities are determined, as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

23 金融工具之公允價值計量

按累計基準以公允價值計量的本集團金融資產及金融負債的公允價值

本集團部分金融資產及金融負債於各報告期末按公允價值計量。下表呈列如何釐定該等金融資產及金融負債的公允價值，以及公允價值計量所劃分的公允價值等級（第一至三級）相關資料（尤其是所採用的估值技術及輸入數據），此等級別的劃分乃基於公允價值計量輸入數據的可觀察程度。

- 第一級公允價值計量來自從活躍市場獲得的相同資產或負債的報價（未經調整）；
- 第二級公允價值計量來自除第一級包含的報價外，資產或負債的直接（即作為價格）或間接（即源自價格）可觀察輸入數據；及
- 第三級公允價值計量來自包含並非基於可觀察市場數據之資產或負債的輸入數據（不可觀察輸入數據）的估值技術。

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23 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

23 金融工具之公允價值計量 (續)

按累計基準以公允價值計量的本集團金融資產及金融負債的公允價值 (續)

| Financial assets/ financial liabilities 金融資產／金融負債 | Fair value as at 於以下日期之公允價值 | | Fair value hierarchy 公允價值層級 | Valuation technique(s) and key input(s) 估值技術及關鍵輸入數據 |
|---|---|--|-----------------------------------|---|
| | June 30, 2022 二零二二年 六月三十日 | December 31, 2021 二零二一年 十二月三十一日 | | |
| 1) Commodity futures contracts 1) 商品期貨合約 | Liabilities – RMB1,016,361,000 負債 – 人民幣 101,636.1萬元 | Assets – RMB230,874,000 Liabilities – RMB4,045,000 資產 – 人民幣23,087.4萬元 負債 – 人民幣404.5萬元 | Level 1 第一級 | Quoted bid prices in an active market. 活躍市場上的報價。 |
| 2) Foreign currency forward contracts 2) 外幣遠期合約 | Assets – RMB2,210,000 Liabilities – RMB4,064,000 資產 – 人民幣221.0萬元 負債 – 人民幣406.4萬元 | Liabilities – RMB25,506,000 負債 – 人民幣2,550.6萬元 | Level 2 第二級 | Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties. 貼現現金流量。 未來現金流量的估算是基於遠期匯率（來自於報告期末可觀察的遠期匯率）及合約遠期匯率，以能反映各交易對手方的信貸風險的利率貼現。 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

23 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

23 金融工具之公允價值計量 (續)

按累計基準以公允價值計量的本集團金融資產及金融負債的公允價值 (續)

| Financial assets/ financial liabilities 金融資產／金融負債 | Fair value as at 於以下日期之公允價值 | Fair value hierarchy 公允價值層級 | Valuation technique(s) and key input(s) 估值技術及關鍵輸入數據 | Significant Unobservable input(s) 重大不可觀察輸入數據 | |
|--|--|--|---|---|--|
| | June 30, 2022 二零二二年 六月三十日 | December 31, 2021 二零二一年 十二月三十一日 | | | |
| 3) Unquoted equity investment at FVTOCI 按公允價值計入其他全面收入之無報價股權投資 | 15% equity investment in McKey Food Services Ltd – 投資於 McKey Food Services Ltd 15%的股權 – 人民幣 37,441.0萬元 | 15% equity investment in McKey Food Services Ltd – 投資於 McKey Food Services Ltd 15%的股權 – 人民幣 31,355.1萬元 | Level 3 第三級 | Market Approach The fair value under market approach is determined based on the target company's financial performance and the multiples of comparable companies. 市場法 市場法下的公允價值乃基於目標公司財務表現及可資比較公司倍數釐定。 | Discount for lack of marketability determined by reference to the share price of listed entities in similar industries, 40 percent (December 31, 2021: 40 percent) (Note 1) 由於缺乏市場流通，參照類似行業上市實體的股價釐定的貼現率為40%（二零二一年十二月三十一日：40%）（附註1） |

Note 1: A slight increase in the discount for lack of marketability used in isolation would result in a slight decrease in the fair value measurement of the private equity investment, and vice versa. A 1% increase in the discount for lack of marketability holding all other variables constant would decrease the carrying amount of the equity investment by RMB2,496,000 (December 31, 2021: RMB2,090,000).

附註1：因缺乏市場流通而單獨使用的貼現率小幅上升將導致私募股權投資的公允價值計量略為下降，反之亦然。倘缺乏市場流通的貼現率增加1%而所有其他變數維持不變，則股權投資賬面值將減少人民幣249.6萬元（二零二一年十二月三十一日：人民幣209.0萬元）。

There were no transfers between Level 1, 2 and 3 fair value during both the current period and prior year.

於本期間及過往年度，第一級、第二級與第三級公允價值之間並無轉撥。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2022 (Expressed in Renminbi)
截至二零二二年六月三十日止六個月（以人民幣列示）

23 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Reconciliation of Level 3 fair value remeasurements

| | | Financial assets at FVTOCI 按公允價值計入其他 全面收入的金融資產 RMB'000 人民幣千元 |
|-------------------------------|-------------------|---|
| At January 1, 2021 (audited) | 於二零二一年一月一日（經審核） | 132,121 |
| Total gains: | 收益總額： | |
| in other comprehensive income | 於其他全面收入 | 103,466 |
| At June 30, 2021 (unaudited) | 於二零二一年六月三十日（未經審核） | 235,587 |
| At January 1, 2022 (audited) | 於二零二二年一月一日（經審核） | 313,551 |
| Total gains: | 收益總額： | |
| in other comprehensive income | 於其他全面收入 | 60,859 |
| At June 30, 2022 (unaudited) | 於二零二二年六月三十日（未經審核） | 374,410 |

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated statement of financial position approximate their respective fair values at the end of each reporting period.

24 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.

23 金融工具之公允價值計量（續）

按累計基準以公允價值計量的本集團金融資產及金融負債的公允價值（續）

第三級公允價值重新計量的對賬

不按累計基準以公允價值計量的本集團金融資產及金融負債的公允價值

本公司董事認為，簡明綜合財務狀況表內按攤銷成本入賬的金融資產及金融負債的賬面值與其各自於各報告期末的公允價值相若。

24 比較數字

若干比較數字已重新分類以與本期間的呈列保持一致。

GLOSSARY

釋義

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| “Audit Committee” 「審核委員會」 | the audit committee of the Board 董事會審核委員會 |
| “Board” 「董事會」 | the board of directors of the Company 本公司董事會 |
| “China Foods (Holdings)” 「中國食品(控股)」 | China Foods (Holdings) Limited (中國食品(控股)有限公司) (formerly known as COFCO (BVI) No. 108 Limited), a company incorporated in the BVI with limited liability on August 30, 2000, and a wholly-owned subsidiary of COFCO (HK) 中國食品(控股)有限公司(前稱COFCO (BVI) No. 108 Limited)，一家於二零零零年八月三十日在英屬處女群島註冊成立的有限公司，為中糧香港的全資附屬公司 |
| “COFCO” 「中糧」 | COFCO Corporation (中糧集團有限公司), a wholly state-owned enterprise incorporated in the PRC in September 1952 currently under the purview of the SASAC and a major Shareholder of our Company 中糧集團有限公司，一家於一九五二年九月在中國註冊成立的國有獨資企業，目前隸屬於國資委，並為本公司的主要股東 |
| “COFCO Finance” 「中糧財務」 | COFCO Finance Corporation Limited (中糧財務有限責任公司), a non-bank financial institution incorporated with limited liability in the PRC on September 24, 2002, and an indirect subsidiary of COFCO 中糧財務有限責任公司，一家於二零零二年九月二十四日在中國註冊成立的有限責任非銀行金融機構，為中糧的間接附屬公司 |
| “COFCO (HK)” 「中糧香港」 | COFCO (Hong Kong) Limited (中糧集團(香港)有限公司), a company incorporated in Hong Kong with limited liability on August 14, 1981, and a direct wholly-owned subsidiary of COFCO and a major shareholder of the Company 中糧集團(香港)有限公司，一家於一九八一年八月十四日在香港註冊成立的有限公司，為中糧的直接全資附屬公司及本公司的主要股東 |
| “COFCO Joycome”, “Company” or “our Company” 「中糧家佳康」或「本公司」 | COFCO Joycome Foods Limited (中糧家佳康食品有限公司) (formerly known as COFCO Meat Holdings Limited (中糧肉食控股有限公司) and Charm Thrive Investments Limited (燦旺投資有限公司)), a company incorporated in the BVI with limited liability on March 11, 2014 and re-domiciled to the Cayman Islands as an exempted company with limited liability on May 4, 2016 中糧家佳康食品有限公司(前稱中糧肉食控股有限公司及燦旺投資有限公司)，一家於二零一四年三月十一日在英屬處女群島註冊成立的有限公司，並於二零一六年五月四日遷冊至開曼群島，作為一家獲豁免有限公司 |

GLOSSARY

釋義

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| “CG Code” 「企業管治守則」 | the Corporate Governance Code as set out in Appendix 14 of the Listing Rules 上市規則附錄十四《企業管治守則》 |
| “Director(s)” 「董事」 | director(s) of our Company 本公司董事 |
| “Food Safety Committee” 「食品安全委員會」 | the food safety committee of the Board 董事會食品安全委員會 |
| “Group”, “our Group”, “we” or “us” 「本集團」或「我們」 | our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time 本公司及其附屬公司，或如文義所需，就本公司成為其現有附屬公司的控股公司之前的期間而言，則指於相關時間經營現有集團業務的實體 |
| “Hong Kong dollar(s)” 「港元」 | the lawful currency of Hong Kong 香港法定貨幣 |
| “Listing Rules” 「上市規則」 | the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則 |
| “Mainfield” 「明暉」 | Mainfield International Limited (明暉國際有限公司), a limited liability company incorporated in the BVI on October 8, 2008, and a major shareholder of our Company 明暉國際有限公司，一家於二零零八年十月八日在英屬處女群島註冊成立的有限公司，為本公司的主要股東 |

GLOSSARY

釋義

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| “Model Code” 「標準守則」 | the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules 上市規則附錄十《上市發行人董事進行證券交易的標準守則》 |
| “Nomination Committee” 「提名委員會」 | the nomination committee of the Board 董事會提名委員會 |
| “Prospectus” 「招股章程」 | the prospectus of the Company dated October 19, 2016 本公司日期為二零一六年十月十九日的招股章程 |
| “Remuneration Committee” 「薪酬委員會」 | the remuneration committee of the Board 董事會薪酬委員會 |
| “RMB” or “Renminbi” 「人民幣」 | the lawful currency of the PRC 中國法定貨幣 |
| “SFO” 「證券及期貨條例」 | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例，經不時修訂或補充 |
| “Shareholder(s)” 「股東」 | holder(s) of shares of the Company 本公司的股份持有人 |
| “Stock Exchange” 「聯交所」 | The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司 |



中糧
COFCO

自然之源 重塑你我

中糧家佳康食品有限公司
COFCO Joycome Foods Limited