

雅士利®

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

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

2022年報 ANNUAL REPORT





瑞哺恩 · 更亲和才适合

更亲和才适合*



* 指瑞哺恩的品牌使命，以乳源营养为目标，不断开发更接近黄金标准的配方，以适合宝宝营养需求。

蒙牛® | 悠瑞® 高端中老年奶粉全国销量领先*

(2021年上半年)


补充营养新选择 高端奶粉选悠瑞*

蒙牛悠瑞品牌代言人

张国立



数据来源：欧睿信息咨询（上海）有限公司，以2021年1月至6月蒙牛悠瑞于中国内地高端中老年奶粉市场中的零售量计。一般来说，高端产品的零售价为每千克人民币150元左右。于2021年8月完成调研。



雅士利國際控股有限公司(「本公司」或「雅士利」)(股份代號：01230)及其子公司(統稱「本集團」)

是中國領先的國際化專業嬰幼兒配方奶粉生產商，專注生產及銷售優質嬰幼兒配方奶粉及營養食品。本集團在廣東、山西、內蒙古、新西蘭等地擁有工廠，通過雅士利、瑞哺恩及朵拉小羊等廣受認可品牌銷售嬰幼兒配方奶粉，通過悠瑞等品牌銷售成人奶粉，並出售包括兒童奶粉及沖調產品在內的多種營養食品。

Yashili International Holdings Ltd (the “Company” or “Yashili”) (stock code: 01230) and its subsidiaries (collectively the “Group”)

As a whole is a domestically leading professional infant formula producer with international presence that focuses on the production and sales of premium infant formula and nutrition food. The Group has factories in Guangdong, Shanxi, Inner Mongolia and New Zealand. It sells infant formula through widely recognized brands such as Yashily, Reeborne and Doraler, milk powder for adults under brands such as Yourui, as well as various nutrition food including milk powder for children and dissolvable products.

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Non-executive directors

Mr. Jeffrey, Minfang Lu (*Chairman*)

Mr. Qin Peng⁽¹⁾

Mr. Zhang Ping

Mr. Gu Peiji (alias Philip Gu)⁽²⁾

Executive director

Mr. Yan Zhiyuan (*Chief Executive Officer*)

Independent non-executive directors

Mr. Mok Wai Bun Ben

Mr. Cheng Shoutai

Mr. Lee Kong Wai Conway

NOMINATION COMMITTEE

Mr. Jeffrey, Minfang Lu (*Chairman*)

Mr. Mok Wai Bun Ben

Mr. Cheng Shoutai

REMUNERATION COMMITTEE

Mr. Mok Wai Bun Ben (*Chairman*)

Mr. Jeffrey, Minfang Lu

Mr. Qin Peng⁽¹⁾

Mr. Cheng Shoutai

Mr. Lee Kong Wai Conway

AUDIT COMMITTEE

Mr. Lee Kong Wai Conway (*Chairman*)

Mr. Mok Wai Bun Ben

Mr. Zhang Ping

AUTHORIZED REPRESENTATIVES

Mr. Yan Zhiyuan

Mr. Kwok Wai Cheong, Chris

COMPANY SECRETARY

Mr. Kwok Wai Cheong, Chris

董事會

非執行董事

盧敏放先生 (*主席*)

秦鵬先生⁽¹⁾

張平先生

顧培基 (又名 Philip Gu) 先生⁽²⁾

執行董事

閔志遠先生 (*行政總裁*)

獨立非執行董事

莫衛斌先生

程守太先生

李港衛先生

提名委員會

盧敏放先生 (*主席*)

莫衛斌先生

程守太先生

薪酬委員會

莫衛斌先生 (*主席*)

盧敏放先生

秦鵬先生⁽¹⁾

程守太先生

李港衛先生

審核委員會

李港衛先生 (*主席*)

莫衛斌先生

張平先生

授權代表

閔志遠先生

郭偉昌先生

公司秘書

郭偉昌先生

PRINCIPAL PLACE OF BUSINESS IN THE PRC

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

REGISTERED ADDRESS OF THE COMPANY

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

HONG KONG BRANCH SHARE REGISTRAR

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

INVESTOR RELATIONS DEPARTMENT

Office of the Board

INVESTOR ENQUIRY HOTLINE

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

INVESTOR ENQUIRY EMAIL ADDRESS

ir@yashili.cn

中國主要營業地點

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

香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈
32樓A舖

公司註冊地址

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

香港股份過戶登記分處

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

投資者關係部門

董事會辦公室

投資者諮詢熱線

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

投資者諮詢郵箱

ir@yashili.cn

CORPORATE INFORMATION (CONTINUED)

公司資料(續)

STOCK CODE

Hong Kong Stock Exchange 01230

COMPANY'S WEBSITE

www.yashili.hk

PRINCIPAL BANKERS

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

LEGAL ADVISERS

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

As to Cayman law
Conyers, Dill & Pearman

AUDITORS

KPMG
(Public Interest Entity Auditor registered in accordance with the
Accounting and Financial Reporting Council Ordinance)

Notes:

- (1) Resigned on 9 March 2023.
- (2) Resigned on 9 March 2023.

股份代號

香港聯合交易所01230

公司網站

www.yashili.hk

主要往來銀行

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

興業銀行股份有限公司香港分行

法律顧問

香港法律
蘇利文•克倫威爾律師事務所(香港)
有限法律責任合夥

開曼法律
康德明律師事務所

核數師

畢馬威會計師事務所
(於《會計及財務匯報局條例》下的註冊
公眾利益實體核數師)

附註:

- (1) 於2023年3月9日辭任。
- (2) 於2023年3月9日辭任。

DEAR SHAREHOLDERS,

On behalf of the board of directors (the “Board”) of Yashili International Holdings Ltd, I hereby present the Annual Report of the Group for the year ended 31 December 2022 to all shareholders of the Company (the “Shareholders”).

The partial resurgence of the COVID-19 epidemic in 2022 created a difficult situation for the consumer market in China. Moreover, the newborn population is still trending downward, and there is fierce “competition for existing volume” as the saturation of the infant formula milk powder market becomes more evident. In addition, the 2023 implementation of the “new national standards” for milk powder, coupled with the “recipe re-registration” system, will accelerate “winner take all” dynamics and result in greater industry concentration. During the period, Yashili strived to pursue new opportunities amid changes and adversity, demonstrating its resilience. Yashili is committed to developing its business at a stable and healthy rate and positioning itself to gain market share under the more stringent regulatory requirements.

On the other hand, the competitive landscape between domestic brands and foreign brands quietly shifted. Because of the COVID-19 epidemic, foreign brands with overseas factories faced pressures on production and transportation, accelerating the market share gains of domestic brands. In addition, the China-chic trend in consumption has become more popular, and consumer confidence in domestic brands is getting stronger. As a quality domestic milk powder brand, Yashili leveraged these market trends during the year, providing new growth momentum for its business.

尊敬的各位股東：

本人謹代表雅士利國際控股有限公司董事會（「董事會」），在此向本公司全體股東（「股東」）提呈本集團截至2022年12月31日止年度之年報。

2022年，國內新冠疫情局部反彈，消費市場在艱難中向前邁進，疊加近年新出生人口仍處於下滑態勢，嬰幼兒配方乳粉市場競爭持續白熱化，逐步趨於飽和，「存量競爭」特點愈發明顯。此外，基於奶粉「新國標」將在2023年正式實施，加上「二次配方註冊」制度，行業優勝劣汰持續加速，行業集中度不斷提高。雅士利期內爭取在變局和逆境中尋求新機會，展現韌性，致力推動業務穩健發展，期望在更為嚴格的監管要求下，得到更多佔領存量市場的機會。

另一方面，期內，國產品牌和外資品牌的競爭格局悄然生變，受新冠疫情影響，外資品牌海外工廠生產運輸面臨壓力，進一步加速國產品牌市場份額的提升。此外，期內「國潮風」持續升溫，國內消費者對中國本土品牌的信心持續增強。作為優質國產奶粉品牌，雅士利期內把握以上市場趨勢，為業務提供新增長動力。

LETTER TO SHAREHOLDERS (CONTINUED) 致股東的信(續)

The Group continued to promote research and development work on infant milk powder and nutritional products in 2022, garnering wide recognition for its achievements. Reeborne “Enzhi” (恩至), Reeborne’s first infant formula milk powder product to apply the world-leading innovation of MLCT-structured lipid and new OPO, and Reeborne “Jingzhi” (菁至), Reeborne’s first desert organic infant formula milk powder in the world, both passed the new national standard registration. In addition, the research and development work that led to their development was highly praised by experts including fellows of the Chinese Academy of Engineering. On the nutritional products front, a number of products under the brand Yourui acquired the national low GI certification in order to meet the health needs of the middle aged and elderly. In addition, the Group deepened its research and insights into hot consumer trends, enriched its product matrix, and developed specialty products like skim milk powder with fruit and vegetable enzymes and goji drinks with collagen peptides.

Yashili continued to strengthen its sales channels for infant formula milk powder and nutritional products. On one hand, it focused on opening channels in lower-tier markets by cooperating with well-known mother-and-baby chain stores and regional chain stores with presence nationwide. On the other hand, the Group devoted great effort to promoting channels and establishing quality stores. On the digital marketing front, amid the effects of the epidemic, the Group empowered stores to strengthen their digital marketing capabilities and implement innovative marketing practices including community marketing, pop up stores and live streaming commerce. In the meantime, the Group used the “In-can Code (罐內碼)” to build a parenting ecosystem driven by both a bonus point award system and content marketing, thus enhancing customers’ brand loyalty.

In 2022, the Group continued to adhere to the quality policy of “Trust (信賴), Outstanding (卓越) and Preferred (首選)”. With quality strategy planning as our guiding principle, the Group continued to implement a comprehensive quality management strategy and stringent quality control in order to ensure that our products meet the highest domestic and international standards, facilitating our own development and that of the industry. During the period, the Group continued to meet the standards of advanced international quality and food safety systems such as FSSC22000, SQF, and BRCGS, and became the first infant formula milk powder enterprise in China to have its products assessed and certified under EU food standards (SGS).

2022年，本集團繼續推進嬰幼兒奶粉及營養品的研發工作，成果廣受認可。本集團旗下瑞哺恩首款應用全球創新成果MLCT結構脂和新型OPO的嬰配乳粉瑞哺恩「恩至」及瑞哺恩全球首款沙漠有機嬰配乳粉瑞哺恩「菁至」兩款產品已率先通過新國標註冊，相關研發應用成果獲得多位中國工程院院士等專家高度評價。營養品方面，悠瑞系列旗下產品設計響應中老年人健康所需，多款產品獲得國家低GI認證。另外，本集團深化消費者熱點需求洞察研究，豐富產品矩陣，開發果蔬酵素脫脂乳粉、膠原蛋白肽枸杞飲料等特色產品。

雅士利持續加強嬰配乳粉和營養品的銷售渠道，一方面堅持渠道下沉，與全國知名母嬰連鎖和區域連鎖店建立合作關係。另一方面，本集團推進渠道精耕，打造優質門店。數智化營銷方面，疫情影響下，本集團全面賦能門店社群營銷、快閃及直播帶貨，幫助門店提升數字化工具和創新營銷的應用能力。同時，本集團通過「罐內碼」搭建會員積分體系與內容營銷雙輪驅動的育兒生態，提升消費者品牌黏性。

本集團在2022年繼續秉承「信賴、卓越、首選」的質量方針，以質量戰略規劃為行動方向，持續開展全面質量管理，嚴格按照高標準進行品質管控，確保產品達到國內外高水準，助力自身和行業發展。本集團期內持續對標FSSC22000、SQF、BRCGS等國際先進質量和食品安全體系，並成為國內首家產品獲得食品歐盟標準評估認證(SGS)的嬰配乳粉企業。

The Group assumes its corporate social responsibility through actions. During the outbreak of the epidemic, the Group responded to the call of the nation, implemented the corporate mission of “Nutrient in a drop, blooming every life (點滴營養，綻放每個生命)”, and played an active role in facilitating epidemic prevention and control efforts by helping to supplement the daily nutrition needs of the people. The Group donated materials worth more than RMB47 million in total. In 2022, in response to the epidemic in the Inner Mongolia Autonomous Region and Guangzhou, the Group made numerous donations of nutritional materials to the frontline anti-epidemic units, supporting epidemic prevention personnel and child patients with severe cases. Yashili’s subsidiary in New Zealand contributed to local employment and economic development, and at the same time it actively organized and participated in local charity and community activities.

With the adjustment of epidemic prevention and control policies towards the end of last year, the normalization of the epidemic is becoming more and more evident. The consumer market is predicted to recover progressively, and it is believed that industry participants such as Yashili will benefit from this. With the continuous support of major resources platforms like COFCO and Mengniu, in 2023, Yashili will gather quality resources from around the world to achieve the best quality in the dairy industry, firmly root our social responsibility in the development of the enterprise, and commit to becoming the trustworthy brand of choice to provide consumers with comprehensive nutrition and health solutions.

Jeffery, Minfang Lu
Chairman
Hong Kong, 29 March 2023

本集團以實際行動承擔企業社會責任，疫情以來，本集團響應國家號召，踐行「點滴營養，綻放每個生命」的企業使命，積極助力疫情防控和國民日常營養補充，累計捐贈物資超人民幣4,700萬元。2022年，本集團針對內蒙古自治區、廣州市疫情，多次捐贈營養物資送達抗疫一線單位，支持防疫人員、重症兒童患者等。在海外，雅士利新西蘭公司在為當地提供就業，為經濟發展做出貢獻的同時，積極組織和參與當地慈善公益活動。

隨著去年底防控政策調整，疫情常態化趨勢已明朗，消費市場預料將穩步復甦，雅士利等行業參與者相信將能受惠。2023年，雅士利將在中糧、蒙牛等大資源平台的持續支持下，集全球優質資源，達乳業至臻品質，把社會責任堅定植根於企業發展中，致力於成為值得消費者信賴的營養健康全方案首選品牌。

盧敏放
主席
香港，2023年3月29日

SELECTED FINANCIAL DATA 挑選的財務數據

Year ended 31 December 截至12月31日止年度

		2022	2021	Percentage change 變動百分比
(All amounts in Renminbi ("RMB") million unless otherwise stated)	(除特別列明外，所有金額 以人民幣(「人民幣」)百 萬元列示)			
Key results	主要業績			
Revenue	收入	3,738.2	4,434.7	(15.7%)
Gross profit	毛利	1,050.3	1,460.0	(28.1%)
Operating loss	經營虧損	(229.4)	(144.8)	58.4%
(Loss)/Earnings before interest, tax, depreciation and amortization (EBITDA)	息稅折舊攤銷前 (虧損)/盈利	(81.5)	19.7	(513.7%)
Loss attributable to equity holders of the Company	本公司股權持有人應佔 虧損	(230.7)	(81.4)	183.4%
Net operating cash flow (Note 1)	經營現金流量淨額(附註1)	(495.4)	(264.4)	87.4%
Basic loss per share (RMB cents) (Note 2)	每股基本虧損(人民幣分) (附註2)	(4.9)	(1.7)	188.2%
Net asset value per share (RMB yuan) (Note 3)	每股資產淨值(人民幣元) (附註3)	1.1	1.2	(8.3%)
Proposed special dividend per share (RMB cents)	每股建議特別股息 (人民幣分)	—	—	—
Dividend payout ratio	股息分派比率	—	—	—
Key performance ratios	主要業績比率			
Gross profit margin	毛利率	28.1%	32.9%	
Operating loss margin	經營虧損率	(6.1%)	(3.3%)	
Net loss margin	淨虧損率	(6.2%)	(1.8%)	
Margin of loss attributable to equity holders	股權持有人應佔虧損率	(6.2%)	(1.8%)	
Return on net assets	淨資產回報率	(4.3%)	(1.5%)	
Net loss to total assets (Note 4)	淨虧損對總資產比率 (附註4)	(3.3%)	(1.1%)	
Asset ratios	資產比率			
Current ratio (Note 5)	流動比率(附註5)	2.4	2.1	
Inventory turnover days (Note 6)	存貨周轉天數(附註6)	128	110	
Trade receivable turnover days (Note 7)	貿易應收款周轉天數 (附註7)	40	21	
Trade payable turnover days (Note 8)	貿易應付款周轉天數 (附註8)	98	93	
Debt to equity ratio (Note 9)	負債對權益比率(附註9)	33.3%	31.7%	
Gearing ratio (Note 10)	資產負債比率(附註10)	8.2%	4.4%	

SELECTED FINANCIAL DATA (CONTINUED) 挑選的財務數據(續)

Notes:

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

附註：

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INDUSTRY REVIEW

In 2022, the Chinese consumer market faced challenges including regional Covid-19 rebounds and the multi-year downward trend in the domestic newborn population continued, leading the development of China's milk powder market to fall short of expectations. However, the pandemic situation has normalized since pandemic prevention and control policies were adjusted at the end of the year, creating good conditions for a recovery in the consumer market. At the same time, China's milk powder market is becoming more concentrated and domestic producers of infant formula powder are taking greater market share against the backdrop of the "new national standards" and "Formula re-registration" policies. Furthermore, children's milk powder, adult milk powder, and green zero-carbon milk powder have all emerged as new market focuses.

Birth rate trends downward; infant formula market reaches saturation

Over the past two decades, due to the decrease in newborn population and other factors, competition in China's infant formula milk powder market has intensified as producers compete for existing volume in an increasingly saturated market.

The new national standards for infant formula milk powder issued by the National Health Commission in 2021 came into force on 22 February 2023 after a two-year transitional period. The new national standards set stricter regulations on the nutritional content of infant formula milk powder products. Under the "Formula re-registration" system, infant milk powder products that passed the first batch of formula registrations in 2017 were required to resubmit their applications in 2022. The companies applying for formula re-registration must meet the requirements of the new national standards, which is expected to pose challenges to some small and medium-sized brands. This could lead some brands to voluntarily withdraw from the market or merge with large companies, providing opportunities for leading brands to capture a greater share of the existing market. In addition, COVID-19 and other factors have hindered relevant departments' recent efforts to conduct on-site audits abroad, giving domestic milk powder an advantage in formula registration.

行業回顧

2022年，受新冠疫情局部反彈影響，國內消費市場面臨挑戰，疊加近年國內新出生人口呈下降趨勢，中國乳粉市場發展未如預期。然而，隨著年底防控政策調整，疫情常態化趨勢日漸明朗，為消費市場復甦創造條件。同時，在「新國標」、二次配方註冊的政策背景下，期內中國乳粉市場行業集中度不斷提高，國產嬰配乳粉市場份額將持續增加。此外，兒童乳粉、成人乳粉、綠色零碳乳粉等亦成為市場新焦點。

出生率呈下降趨勢，嬰配粉行業競爭趨向飽和

近二十年來，受新出生人口下降等因素影響，中國嬰幼兒配方乳粉市場競爭持續白熱化，並逐步趨向飽和，已進入存量競爭階段。

國家衛健委在2021年發佈的嬰幼兒配方乳粉新國標，過渡期為兩年，並已於2023年2月22日正式實施。嬰幼兒配方乳粉新國標對產品的部分營養素作出更嚴格的規定和限制。在「二次配方註冊」制度下，在2017年首批通過配方註冊的嬰幼兒乳粉產品，需要在2022年重新遞交申請。嬰配企業申請二次配方註冊，需達到新國標的要求，預料此將對部分中小型品牌造成挑戰。一些品牌可能會自動退出市場或被大企業兼併，為頭部品牌提供進一步佔領存量市場的機會。另外，在新冠等因素影響下，相關部門前往國外進行現場審核受到一定的阻礙，國產奶粉在配方註冊方面更佔優勢。

Domestic infant formula milk powder accounts for a growing share of the market

The COVID-19 pandemic has posed challenges to foreign brands, affecting the registration, production and transportation of infant formula produced in overseas factories and further accelerating domestic infant formula brands' market share gains. Moreover, domestic consumers have gained confidence in local Chinese brands thanks to the growing popularity of the China-chic trend during the period, coupled with domestic food safety regulators' stricter supervision of the infant formula industry. Currently, domestic infant formula milk powder accounts for more than 60% of the overall market. The market share of domestic infant formula brands is expected to rise further with the full implementation of the new national standards and product re-registration.

Children's and adult milk powder present new opportunities for industry growth

The milk powder industry is increasingly shifting its corporate development focus from producing infant formula milk powder to providing full life-cycle professional nutrition. As nutrition awareness grows, Chinese parents are paying greater attention to the nutritional and health needs of children over 3 years old. Leading dairy companies have launched milk powder products targeting children over 3 years old in hopes of retaining this large consumer group, extending the product life cycle and driving supply-side upgrades in the industry. In addition, data from the National Bureau of Statistics shows that by the end of 2022, the country's population aged over 60 or above reached 280 million, accounting for 19.8% of the total population. The National Health Commission estimates that China will enter the "medium aging stage" during the 14th Five-Year Plan, by which time the population aged over 60 or above will exceed 300 million to account for more than 20% of China's total population. Milk powders for the middle-aged and the elderly currently have a low market penetration rate, but are expected to become a major driving force of the adult milk powder industry as aging trends continue.

國產嬰配乳粉市場份額持續增加

受新冠疫情影响，外資嬰配品牌海外工廠的配方註冊和生產運輸面臨一定壓力，進一步加速國產嬰配品牌市場份額的提升。此外，期內「國潮風」持續升溫，加上國內監管機構對嬰配食品安全監管愈加嚴格，國內消費者對中國本土品牌的信心得到持續提升。目前，國產嬰幼兒配方乳粉整體市場份額已超過60%。隨著新國標與二次產品註冊的全面實施，國產嬰配品牌市場份額將有望持續攀升。

兒童乳粉和成人乳粉成行業增長新機會

從專注生產嬰幼兒配方乳粉轉型至生產全生命週期的專業營養品，成為乳粉行業未來發展的大趨勢。隨著營養意識的提升，國內父母越發關注3歲以上兒童的營養健康狀況，頭部乳企品牌紛紛推出針對3歲以上兒童的乳粉產品，期望留住龐大消費群體，延長產品生命週期，從供給端帶動行業升級。另外，國家統計局數據顯示，截至2022年底，全國60歲及以上老年人口達2.8億，佔總人口的19.8%。據國家衛生健康委測算，預計「十四五」時期，我國將進入中度老齡化階段，屆時60歲及以上老年人口總量將突破3億，在總人口中的佔比將超過20%。目前中老年乳粉品類滲透率仍維持在較低水平，預料在人口老齡化趨勢下，中老年乳粉將成為推動成人乳粉行業發展的主要驅動力。

Major new consumption trend for green zero-carbon milk powder products

The dairy industry is undergoing a green frenzy, with producers rolling out products such as “zero-carbon cow milk”, “zero-carbon yogurt”, “zero-carbon milk powder”, and “zero-carbon ice cream”. This signals a new stage of high-quality development in China’s dairy market. One after another, leading Chinese brands have launched their first carbon-neutral milk powders to cater to these trends and support the national dual-carbon strategy. Milk powder companies have also taken the initiative to reduce carbon emissions in their production process. On one hand, these actions demonstrate companies’ green sustainable development business philosophies and burnish their brand reputations. On the other hand, they also positively influence consumer purchasing decisions.

BUSINESS REVIEW

Staying true to its original aspiration, the Group is committed to becoming the brand of choice that provides consumers with comprehensive nutrition and health solutions they can trust. The Group has tremendous support in resources from its controlling shareholder, China Mengniu Dairy Company Limited (“Mengniu Dairy”, together with its subsidiaries, the “Mengniu Group”), which advances the Group’s business exploration and internationalization.

Segment results

Milk powder products

For the year ended 31 December 2022, the results of the milk powder products segment were RMB2,968.2 million (2021: RMB3,650.4 million), decreased by 18.7% as compared to the last year, mainly due to the impact of the pandemic on the sales of adult milk powder and infant formula milk powder.

Other milk powder products

For the year ended 31 December 2022, the results of other milk powder products segment amounted to RMB511.8 million (2021: RMB438.4 million), representing an increase of 16.7% from the last year, mainly due to the increase in the sales of Yashili New Zealand Dairy Co., Limited (“Yashili New Zealand”) driven by the increase in orders for whole milk powder.

綠色零碳乳粉產品成市場消費新趨勢

乳製品行業期內掀起一股綠色潮流，行業參與者陸續推出「零碳牛奶」、「零碳酸奶」、「零碳乳粉」及「零碳冰淇淋」等產品，中國乳製品市場進入高質量發展的新階段。為積極響應國家雙碳戰略和迎合市場新趨勢，國內頭部品牌陸續推出旗下首款碳中和乳粉。乳粉企業在生產環節主動降碳，一方面可彰顯綠色可持續發展的企業經營理念，提升品牌美譽度，另一方面亦可正向影響消費者的購買決策。

業務回顧

本集團不忘初心，致力成為值得消費者信賴的營養健康全方案的首選品牌。本集團擁有控股股東中國蒙牛乳業有限公司（「蒙牛乳業」，連同其附屬公司，「蒙牛集團」）的豐厚資源支持，推動本集團在業務拓展及國際化的道路上不斷前行。

分部業績

奶粉產品

截至2022年12月31日止年度，奶粉產品分部業績為人民幣2,968.2百萬元（2021年：人民幣3,650.4百萬元），較去年下降18.7%，主要由於疫情影響成人粉和嬰配粉銷售。

其他奶粉產品

截至2022年12月31日止年度，其他奶粉製品分部業績為人民幣511.8百萬元（2021年：人民幣438.4百萬元），較上年上升16.7%，主要由於全脂粉訂單增加，使新西蘭雅士利乳業有限公司（「新西蘭乳業」）銷售額上升。

Dissolvable products

For the year ended 31 December 2022, the results of the dissolvable products segment were RMB195.0 million (2021: RMB221.2 million), decreasing by 11.8% as compared to the last year, which was mainly due to the decrease in sales as a result of adjustment to product mix.

Others

For the year ended 31 December 2022, the results of other segments were RMB63.2 million (2021: RMB124.7 million), representing a decrease of 49.3%, which was mainly due to the decrease in OEM business.

Product introduction

The Group strives to become consumers' preferred brand for all-round nutrition and health solutions. Its products are divided into two major categories, namely infant formula milk powder and health and nutrition products, with cow milk powder, organic milk powder and goat milk powder covering markets at various price points — including ultra-high-end, high-end and middle-end. The Group takes pride in its business model of integrating premium imported dairy raw materials, high quality milk sources, scientific research and self-developed formulas, advanced manufacturing and stringent quality management, enabling it to gather high-quality resources from around the world to supply the highest quality dairy products worthy of consumers' trust. Its brands include:

Reeborne

Reeborne is a high-end infant milk formula brand under Yashili. The brand has seven product lines in three categories, namely basic milk powder, organic milk powder, and goat milk powder, to meet infants' nutritional needs and provide Chinese mothers with comprehensive feeding solutions.

Reeborne products include the Reeborne "Enzhi" series and the Reeborne "Jingzhi" series, which are the first two products to pass the registration of the new national standards; Reeborne "Kieember", the star product produced, canned, and exported from Yashili's New Zealand factory; "Reeborne" organic milk powder, which has obtained WIT organic certification; and Reeborne "TruYn" goat milk powder, which is made with high-quality small molecule goat milk protein.

沖調產品

截至2022年12月31日止年度，沖調產品分部業績為人民幣195.0百萬元(2021年：人民幣221.2百萬元)，較上年下降11.8%，主要是由於產品結構調整，銷售有所下降。

其他

截至2022年12月31日止年度，其他分部業績為人民幣63.2百萬元(2021年：人民幣124.7百萬元)，較去年下降49.3%，主要是由於代工業務減少。

產品介紹

本集團致力於成為值得消費者信賴的營養健康全方案首選品牌，產品分為嬰幼兒配方乳粉和健康營養品兩大品類，以牛乳粉、有機乳粉、羊乳粉，覆蓋超高端、高端、中端等多層級市場。本集團結合進口優質乳品原材料、優質奶源地、科學研究及自主研發配方、先進生產系統、嚴格質量管理體系的業務模式，集全球優質資源，達乳業臻選品質，為廣大消費者提供具有信心保證的產品，旗下品牌包括：

瑞哺恩

瑞哺恩是雅士利旗下高端嬰幼兒配方乳粉品牌，旗下擁有基礎牛乳粉、有機牛乳粉、羊乳粉三個品類共七個系列產品線，滿足不同嬰幼兒營養需求，為中國媽媽提供全面的哺育解決方案。

瑞哺恩旗下產品包括率先通過新國標註冊的瑞哺恩「恩至」系列和瑞哺恩「菁至」系列、產自雅士利新西蘭工廠和原裝原罐進口的明星產品瑞哺恩「菁珀」、擁有萬泰(WIT)有機認證的「瑞哺恩」有機乳粉，以及甄選優質小分子羊乳蛋白的瑞哺恩「初穎」羊乳粉等。

The Reeborne “Enzhi” series is Reeborne’s first infant milk formula in the world to contain the innovative MLCT-structured lipid (Medium and long-chain fatty acid triglyceride edible oil) and new OPO ingredients. It is the product of research that has helped China solve the long-term issue of dependence on foreign import of the core foundation lipid materials for infant formula products.

The Reeborne “Jingzhi” series is Reeborne’s first infant milk formula in the world to use premium organic desert raw cow milk. Its milk sources, organic OPO, and products have all been certified organic in China and the European Union. Meanwhile, the “Enzhi” series and the “Jingzhi” series have simultaneously launched A2 β -casein and organic A2 β -casein milk source products, marking its entry into the specialty milk source race.

Yourui

Yourui is a series of products tailored to the physical characteristics and nutritional supplement needs of the middle-aged and elderly. Focusing on areas such as bone, gut, blood sugar, and cardiovascular health, the series includes Yourui Guyi, Yitian, Shunyi, Liyi, Xinpei, Goat Milk Powder Rich in Selenium and Calcium, Probiotic Formula Camel Milk Powder, Pure Camel Milk Powder, and Tihuli Milk Powder. The products cover three major categories, namely cow milk powder, goat milk powder, and camel milk powder. Apart from meeting the basic needs of high calcium and high protein, Yourui products contain added ingredients such as colostrum basic protein powder, lactobacillus casei Zhang, CaHMB, EPA/DHA, and lactoferrin to address various health problems faced by the middle-aged and elderly and to provide scientific nutritional solutions for their physical needs.

M8 Children’s Formula Milk Powder

M8 children’s formula milk powder is a product specially developed to cater to the nutritional needs of children aged 3 and above, by adding Bifidobacterium lactis Probio-M8, zinc elements and 28 kinds of fruit and vegetable powders with dietary fiber to address parents’ concerns about children’s picky and unbalanced eating habits and help children grow.

瑞哺恩「恩至」系列為瑞哺恩全球首款添加了創新MLCT結構脂(中長鏈脂肪酸甘油三酯食用油)及新型OPO成分的嬰幼兒配方產品，相關研究成果回應了中國嬰配粉產品脂肪核心基料長期依賴國外進口的難題。

瑞哺恩「菁至」系列是瑞哺恩全球首款採用優質沙漠有機生牛乳的嬰幼兒配方產品，其奶源、有機OPO、產品等均獲中國和歐盟的雙有機認證。同時，「恩至」系列和「菁至」系列還同步推出A2 β -酪蛋白及有機A2 β -酪蛋白奶源版產品，進軍特殊奶源賽道。

悠瑞

悠瑞為根據中老年人群身體特徵及營養補充需求，專注骨骼、腸道、血糖、心血管等方面而研製的一系列產品，其中包括悠瑞骨宜、怡添、順宜、力宜、心沛、富硒高鈣羊乳粉、益生菌配方駝乳粉、純駝乳粉、提護立乳粉等，覆蓋牛乳粉、羊乳粉和駝乳粉三大品類。悠瑞旗下產品除了滿足基礎的高鈣高蛋白需求外，還針對中老年健康問題特異性添加初乳鹼性蛋白粉、乾酪乳桿菌 Zhang、CaHMB、EPA/DHA、乳鐵蛋白等成分，為中老年人身體所需提供科學營養方案。

M8兒童配方乳粉

M8兒童配方乳粉為專門針對3歲以上兒童的營養需求而研製的產品，當中添加乳雙歧桿菌Probio-M8，鋅元素，並特別添加28種果蔬粉、含膳食纖維，響應家長對於兒童挑食偏食的關注，助力孩子成長。

1.88M Children's Growth Formula Milk Powder

Mengniu 1.88M Children's Growth Formula Milk Powder was developed for children aged between 3 and 15 in China, focusing on the concept of supporting children's height growth. It is scientifically formulated with nutrients needed for children's growth and development, namely high calcium and high vitamin D, CBP (colostrum basic protein powder), vitamin K, breast milk-derived probiotics (bifidobacterium lactis Probio-M8), lactoferrin, DHA, ARA and lutein. It aims to help parents make the most of the golden period in children's development and promote children's healthy growth.

Huicongming (慧聰明)

Huicongming is a student milk powder brand that strives to meet students' nutrition and health needs. The Huicongming product series includes Golden Package Student Milk Powder, Super Golden Package Student Milk Powder, Original DHA Student Milk Powder, and Jingxue Ruixue (菁學睿學) Student Milk Powder.

Zhengwei Mofang

Zhengwei Mofang focuses on the functional nutritional food market. The recently launched Zhengwei Mofang — "Goji" (Goji Berries) the Rising Star series aims to respond to the skin nourishing needs of young women. The product formula is based on a nourishing goji berry puree and innovative skin nourishing ingredients, namely collagen peptide and nicotinamide, providing women with a scientific and diversified skin nourishing program.

Fruit Oatmeal

Fruit oatmeal targets the nutritional needs of young female consumers between the ages of 18 and 35. It contains diverse ingredients including nuts, milk, and rose petals. Emphasizing the low-calorie concept, it is rich in dietary fiber and beneficial to the intestines.

Pure Cow Milk Powder

Mengniu Pure Cow Milk Powder has a simple formula and a focus on health to serve modern consumers. The ingredients consist solely of raw cow milk high in calcium and premium protein, with no additives or added sugar. It is safe with a rich and fragrant taste.

一米八八兒童成長配方乳粉

蒙牛一米八八兒童成長配方乳粉專為3至15歲的中國兒童研製，專注兒童身高成長概念，高鈣、高維生素D，並特別添加CBP（初乳鹼性蛋白粉）、維生素K、母乳源益生菌（乳雙歧桿菌Probio-M8）、乳鐵蛋白、DHA、ARA、葉黃素，以科學配比，提供孩子成長發育所需要的營養，協助家長抓住孩子發育黃金期，為更多孩子的健康成長護航。

慧聰明

慧聰明是致力於為學生人群提供健康所需營養的學生乳粉品牌。慧聰明系列產品包含金裝學生乳粉、超金裝學生乳粉、原生DHA學生乳粉，菁學睿學學生乳粉等。

正味魔方

正味魔方聚焦於功能性營養食品市場，目前已開發正味魔方 — 我是後「杞」之秀系列，響應年輕女性的養顏需求。產品配方以枸杞原漿滋補食材為主，創新地添加膠原蛋白肽、煙酰胺等養顏原料，主打多元養護，為女性提供科學的養顏方案。

水果麥片

水果麥片是針對18至35歲年輕女性用戶營養需求而開發的產品，添加堅果、牛乳、玫瑰花瓣等多種成分，主打低卡概念，同時富含膳食纖維，有益腸道。

純牛乳粉

蒙牛純牛乳粉配方純粹，注重現代消費者的健康理念。配料只有生牛乳，高鈣、含優質蛋白質、無添加劑，不添加蔗糖，安全安心，口感濃香。

Brand strategies

Bringing together its superior resources to focus on brand building, in 2022, the Group conveyed its brand story to consumers through integrated online and offline marketing efforts, supplemented by three-dimensional multi-media campaigns. These brand-building efforts have begun to show results.

Technological innovation builds high-quality brands; precise communication promotes consumption transformation

In 2022, Reeborne focused on technological innovation. Its project entitled “MLCT-structured Lipid and new OPO Enzymatic Synthesis Key Technology and its Application in Infant Formula (《結構脂肪 MLCT 和新型 OPO 酶法合成關鍵技術及其在嬰配粉中的應用》)” passed the appraisal of the national authorities and received highly favourable comments from a number of members of the Chinese Academy of Engineering and other experts. An expert committee unanimously declared that the project had reached an international leading level¹. The project was also awarded First Prize in the Product Innovation Awards of the Chinese Institute of Food Science and Technology. In addition, Reeborne “Enzhi”, Reeborne’s first infant formula milk powder in the world to contain the innovative MLCT-structured lipid and new OPO ingredients, and Reeborne “Jingzhi”, Reeborne’s first infant formula milk powder series in the world to use organic desert raw cow milk, were the first two products to pass the registration of the new national standards.

In terms of nutrition products, the product design of the Yourui series further addresses the health needs of the middle-aged and the elderly. Yourui Goat Milk Powder Rich in Selenium and Calcium contains selected Holland whole goat milk powder, yeast rich in selenium, calcium, and various vitamins. Yourui Guyi milk powder for the middle-aged and the elderly contains Colostrum basic protein powder (CPB) and milk mineral salt, offering special care for the bones and joints. Yourui Yitian milk powder for the middle-aged and the elderly specifically contains Inulin powder and high dietary fiber, which is suitable for daily use. Several products under the Yourui series have obtained the National Low GI Certification.

Note:

¹ According to the Scientific Technology Achievement Assessment Report issued by the Chinese Institute of Food Science and Technology.

品牌策略

在2022年，為整合優勢資源，聚焦品牌建設，本集團通過線上線下整合營銷，輔以立體式多媒體投放，向消費者傳達品牌故事，品牌塑造初顯成效。

科技創新塑質優品牌，精準傳播促消費轉化

2022年，瑞哺恩始終堅持科技創新。其《結構脂肪 MLCT 和新型 OPO 酶法合成關鍵技術及其在嬰配粉中的應用》項目通過國家權威機構鑒定，獲得多位中國工程院院士等專家高度評價，專家委員會一致認為該項目整體達到國際領先水平¹。該項目亦獲得中國食品科學技術學會產品創新獎一等獎。另外，瑞哺恩首款應用全球創新成果 MLCT 結構脂和新型 OPO 的嬰配乳粉瑞哺恩「恩至」及瑞哺恩全球首款沙漠有機嬰配乳粉瑞哺恩「菁至」兩款產品率先通過新國標註冊。

營養品方面，悠瑞系列旗下產品設計進一步響應中老年人健康所需。悠瑞富硒高鈣羊乳粉精選荷蘭全脂羊乳粉，添加富硒酵母，富含鈣及多種維生素。悠瑞骨宜中老年乳粉添加初乳鹼性蛋白粉(CPB)，含乳礦物鹽，呵護骨骼和關節。悠瑞怡添中老年乳粉特別添加菊粉、高膳食纖維，適宜每天飲用。悠瑞系列旗下多款產品獲得國家低GI認證。

附註：

¹ 依據中國食品科學技術學會出具的《科學技術成果評價報告》。

In addition, the Group is the first infant milk powder company in China to have its products assessed and certified under EU food standards (SGS)². The Group conducts quality control strictly in accordance with high standards to ensure that products meet high standards at home and abroad.

To highlight its products' technological innovation, the Group helped its innovative products gain precision exposure among target groups through online search campaigns and product promotions. At the same time, the Group used joint publications with industry organizations and cooperation with authoritative industry social media channels, to rapidly increased the influence of the innovative products. The Group also put out high-quality content through expert promotional sharing, professional nutritionist recommendations, and various promotional channels to communicate our products' key advantages in a way that resonated with consumers, deepened brand awareness and expanded our fan base, while helping terminal stores and channels communicate with consumers and turn these efforts into sales results. The Group fully utilized public and private traffic and achieved full-spectrum online and offline omnichannel marketing.

Leveraging top sporting events to enhance brand influence

In 2022, the Reeborne and Yourui brands succeeded in leveraging top sporting events and working closely with spokespersons to enhance brand awareness and influence. At the beginning of the year, the Group refreshed the theme layout in terminal stores and on e-commerce channels and carried out continuous interactions related to hot topics, highlighting Eileen Gu's gold medal-winning moment, such that the Group have effectively increased the popularity and influence of the Reeborne brand on social media and in communities. During the FIFA World Cup in Qatar, the Reeborne brand cooperated with tens of thousands of offline stores to carry out World Cup-themed promotional activities and strengthened its online community marketing efforts. At the same time, the Group interacted with consumers on the hot topic of the World Cup final match and on our new product features to establish a good foundation for our brand assets. In addition, the Group further expanded Yourui's brand influence by promoting its status as the "Global Official Milk Powder of the FIFA World Cup".

Note:

² In compliance with: (EC) No 1881/2006, (EC) No 2073/2005 (For items involving requirements for formulating milk powder).

另外，本集團成為國內首家產品獲得食品歐盟標準評估認證 (SGS)² 的乳粉企業。本集團嚴格按照高標準進行品質管控，確保產品達到國內外高水準。

基於產品的科技創新，本集團通過線上精準搜索觸達和產品種草，讓創新產品獲得目標人群的精準曝光。同時，通過與行業機構聯合發佈資訊及與權威行業自媒體矩陣合作傳播，快速提升創新產品影響力。此外，通過達人種草分享、專業營養師推介以及多種形式的產品優勢宣傳，輸出優質內容，與消費者形成共鳴，加深品牌認知，擴大粉絲基礎，助力終端及渠道溝通轉化，全面打通公域私域流量，實現線上線下全渠道整體營銷。

借勢頂級體育賽事，提升品牌影響力

2022年，瑞哺恩品牌和悠瑞品牌借勢頂級體育賽事，與代言人緊密合作，有效提升品牌知名度和影響力。年初，在終端門店和電商渠道進行主題布建煥新，結合谷愛凌奪金時刻，進行持續的熱點互動，有效提高了瑞哺恩品牌在社媒和社群的熱度和影響力。卡塔爾世界盃期間，瑞哺恩品牌聯同線下萬家門店進行世界盃主題推廣活動，並在線上加強社群營銷力度，同時借助雙球王賽事熱點和新產品特點與消費者緊密互動，為品牌資產建立了良好基礎。此外，本集團以「FIFA世界盃全球官方指定乳粉」為悠瑞品牌進行品牌推廣，進一步擴大了品牌影響力。

附註：

² 符合：(EC) No 1881/2006，(EC) No 2073/2005 (涉及調製乳粉要求項目)。

Product research and development

During 2022, the Group made satisfactory progress in the registration of infant formula milk powders and the research and development of adult nutrition products. The Group created differentiated products by leveraging its strong and professional research and development team and responding to market trends and consumer demands. The Group continued to develop infant formula milk powder products based on the scientific standard of breast milk nutritional composition, while innovating and developing new milk powder series for children, women, adults, the middle-aged, and the elderly to cover the increasingly diversified nutritional needs of different consumer groups.

Successful formula registrations of infant formula milk powder

As of 31 December 2022, the Group has submitted a number of applications for formula registration of infant formula milk powder products to the Center for Food Evaluation, State Administration for Market Regulation. As of the date of this annual results announcement, nine formulas from three product series have passed the formula registration. Among these, Reeborne “Enzhi” infant formula milk powder, Reeborne’s first product in the world to contain MLCT and UPU-structured lipid, and Reeborne “Jingzhi” infant formula milk powder, Reeborne’s first product in the world to contain organic desert raw cow milk, both successfully passed the formula registration on 13 October 2022. In addition, Reeborne “Qinyi” infant formula milk powder, the Group’s second product containing MLCT and UPU-structured lipids, passed the formula registration in January 2023.

Enriching the brand mix and building high-end specialty milk powder

During the period, the Group launched a brand-new series of “Native DHA” student milk powder products based on raw milk rich in DHA for students at the important stage of learning and brain development. In addition, the Group deepened research into consumer needs, utilized innovative raw materials, and enriched the brand mix by developing specialty products like skim milk powder with fruit and vegetable enzymes and goji drinks with collagen peptides.

產品研發

2022年，本集團在嬰幼兒乳粉配方註冊工作、成人營養產品研發等方面進展理想。本集團憑藉強大的專業研發團隊，因應市場發展趨勢和消費者需求，不斷打造差異化產品，持續研發以母乳營養成分為科學標準的嬰幼兒配方乳粉產品，同時創新研發一系列兒童、女士、成人、中老年乳粉，以涵蓋不同消費人群日益多樣化的營養需求。

嬰幼兒配方乳粉配方註冊順利通過

截至2022年12月31日，本集團已向國家市場監督管理總局食品審評中心遞交嬰幼兒配方乳粉產品配方註冊申請。截至本年度全年業績公告日期，3個產品系列的9個配方通過配方註冊批准。其中，瑞哺恩全球首款應用MLCT和UPU結構脂的產品—瑞哺恩「恩至」嬰幼兒配方乳粉產品以及瑞哺恩全球首款應用沙漠有機生牛乳的產品—瑞哺恩「菁至」嬰幼兒配方乳粉已於2022年10月13日通過配方註冊批准。至於本集團第2個應用MLCT和UPU結構脂的產品—瑞哺恩「親益」嬰幼兒配方乳粉，亦已於2023年1月通過配方註冊批准。

豐富產品矩陣，打造高端特色乳粉

期內，本集團以富含DHA生牛乳為基礎，針對學生人群處於學習用腦的重要階段，推出「原生DHA」學生乳粉全新系列產品。另外，本集團深化消費者熱點需求洞察研究，應用創新原料，不斷豐富產品矩陣，開發果蔬酵素脫脂乳粉、膠原蛋白肽枸杞飲料等特色產品。

Continuously improving research and development

The Group continued to embark on collaborative projects with industry-leading research institutes in the areas of food, agriculture, and nutrition, achieving great success working with experts and scholars from Jiangnan University, China Agricultural University, Inner Mongolia Agricultural University, Sun Yat-sen University, and other institutions to conduct nutritional research on the nutritional needs of and the products for infants and toddlers, children, adults, and the middle-aged and elderly.

In terms of basic research, the Group co-published two English-language academic articles, five Chinese-language academic articles and four academic theses related to product health benefit verification research during the period. In terms of patents, the Group obtained four granted patents and submitted seven patent applications during the period. In addition, one of the Group's achievements in maternal and infant R&D, the creation of new OPO infant formula milk powder produced by utilising MLCT ingredients and UPU technology for the first time (首次應用MLCT成分和UPU技術生產的新型OPO的嬰幼兒配方乳粉的創製), was awarded the Science and Technology Innovation Award – First Prize of Product Innovation Award (科技創新獎 – 產品創新獎一等獎) by the Chinese Institute of Food Science and Technology for its application of innovative R&D.

Sales channels

In 2022, Yashili continued to strengthen its sales channels for infant formula milk powder and nutritional products. On the one hand, the Group continued to develop channels to increase channel coverage. During the period, the Group was committed to opening channels in lower-tier markets, and established cooperative relations with well-known mother-and-baby chain stores and regional chain stores in the country, especially in key provinces such as Anhui and Henan. On the other hand, the Group continued to deepen channel development, build high-quality stores, and consolidate the foundation of its channels. The Group launched the In-can Code to help offline stores stabilize their sales orders and boost channel confidence. During the period, the Group achieved remarkable results in deepening channel development and the number of high-quality partner stores continued to increase.

持續提升研發技術水平

本集團持續與行業領先的食品、農業和營養研究所開展聯合項目，包括與江南大學、中國農業大學、內蒙古農業大學、中山大學等機構的專家和學者合作，進行針對嬰幼兒、兒童、成人、中老年人群的營養研究和產品研發，取得豐碩成果。

在基礎研究方面，本集團期內合作發表英文學術文章2篇，中文學術文章5篇，有關產品健康益處驗證研究學術論文4篇。專利方面，本集團期內獲得授權專利4件，提交專利申報7項。此外，基於產品研發和應用的創新性，本集團其中一項母嬰研發應用成果「首次應用MLCT成分和UPU技術生產的新型OPO的嬰幼兒配方乳粉的創製」獲中國食品科學技術學會頒發科技創新獎 – 產品創新獎一等獎。

銷售渠道

2022年，雅士利持續加強嬰配乳粉和營養品的銷售渠道。一方面，本集團持續進行渠道開發，提升渠道覆蓋率。本集團期內堅持渠道下沉，與全國知名母嬰連鎖和區域連鎖店建立合作關係，尤其聚焦安徽、河南重點省份。另一方面，本集團推進渠道精耕，打造優質門店，夯實渠道基礎。本集團針對線下門店推出「罐內碼」，穩定銷售秩序，提升渠道信心。期內，本集團渠道精耕效果顯著，優質門店合作數量不斷增加。

For the launch of Reeborne “Enzhi” and Reeborne “Jingzhi”, the Group implemented a channel layout with district-level and county-level mother-and-baby chain stores and achieved preliminary results in channel structure optimization. In order to respond to the changes in sales channels, the Group increased investment in digital marketing which, in conjunction with targeted channel product portfolios and a sound product line, established a solid distribution foundation in core sales channels. Moreover, during the period, the Group continued to enhance stores’ sales rates, attract new customers, and drive repeat sales. The Group stepped up consumer education efforts and carried out tens of thousands of promotional activities. At the same time, the Group utilized sports marketing resources, including spokespersons, World Cup marketing, etc., to step up marketing efforts.

Under the effect of the pandemic, the Group fully utilized community marketing, pop-up stores, and live streaming commerce, and helped stores get better at using digital tools and innovative marketing. In terms of membership management, the Group used In-Can Codes to build a parenting ecosystem driven by a membership points award system and content marketing, strengthening brand loyalty among customers. The Group used the membership upgrade system to empower terminal stores and help them lock in repeat purchases by customers. In addition, the Group engaged deeply with consumers through product experience projects and made consumers the mainstay of its brand marketing efforts through private domain operations.

Quality safety and management

In 2022, the Group firmly adhered to its quality policy with the targets of TOP (i.e. Trust (信賴), Outstanding (卓越) and Preferred (首選)). With quality strategic planning as its guiding principle, the Group will continue to carry out comprehensive quality management to facilitate its development.

針對瑞哺恩「恩至」、瑞哺恩「菁至」上市，本集團以區縣母嬰連鎖進行渠道佈局，渠道結構優化取得初步成果。為順應銷售渠道的變化，本集團在數字化營銷上加大投入，配合健全產品線，形成具針對性的渠道產品組合，在核心銷售渠道建立扎實分銷基礎。另外，本集團期內持續加強門店動銷，進行新客招募與復購拉動，加強消費者教育，進行了上萬場推廣活動。同時，本集團利用體育營銷資源，包括代言人資源、世界盃營銷等，放大市場聲量。

疫情影響下，本集團全面賦能門店社群營銷、快閃及直播帶貨，幫助門店提升數字化工具和創新營銷的應用能力。會員管理方面，本集團通過「罐內碼」搭建會員積分體系與內容營銷雙輪驅動的育兒生態，提升消費者品牌黏性，同時利用會員晉級制度，幫助門店鎖定客戶的持續復購，賦能門店。此外，本集團通過產品體驗官項目與消費者深度互動，通過私域運營讓消費者成為品牌傳播的中堅力量。

質量安全管理

2022年，本集團繼續秉承「信賴、卓越、首選」的質量方針，以質量戰略規劃為行動方向，持續開展全面質量管理，助力企業發展。

In terms of its overall quality management strategy, Yashili continued to comply with FSSC22000, SQF, BRCGS, and other leading global quality and food safety systems during the period. The Group improved the 4Q quality management system and comprehensively managed the four aspects of quality planning (QP), quality control (QC), quality assurance (QA), and quality support (QS), which covers the whole industry chain and the entire product life cycle. At the same time, the Group strengthened the cohesion between “operation and standard, standard and business, business and system” and focused on inspection management and partnership management. We worked towards the four first-class requirements, namely first-class system (一流質量體系), first-class standard (一流質量標準), first-class quality (一流質量品質), and first-class organization (一流質量組織).

In terms of improving product quality, adhering to its corporate value of “consumer first, first, and first (消費者第一、第一、第一)”, the Group targeted consumers’ concerns and launched a dedicated improvement campaign to optimize products. Product life-cycle management and forward-looking management have been strengthened, and quality design has been integrated into new product development activities to ensure consumers are provided with quality products. The Group has fully upgraded its control requirements for food safety indicators (chemical and microbial) in key raw materials according to the new national standards. During the period, our infant formula milk powder and modified milk powder obtained EU product certifications issued by the authoritative international certification agency SGS and the Group became the first domestic infant formula milk powder company to have its products assessed and certified under EU food standards.

In terms of corporate safety management, the Group adheres to the bottom line of compliance to control risks and observes the three core pillars of safe production, low-carbon environmental protection, and health protection. During the period, there were zero grade four or above safety or environmental accidents and zero occupational disease accidents. During the period, the Group organized hundreds of “Environment, Health and Safety (EHS)” trainings covering 100% of employees. The Group improved the EHS management knowledge of staff at all levels using events such as “Earth Day”, “Occupational Health Week”, “Environment Day”, “National Low-Carbon Day”, “Safety Month”, etc. In addition, the Group strengthened efforts to identify and control hidden EHS dangers and risks, and implemented timely rectification and prevention measures for all EHS hidden dangers discovered during the period.

總體質量管理策略方面，雅士利期內持續對標 FSSC22000、SQF、BRCGS 等國際先進質量和食品安全體系，完善 4Q 質量管理體系，在質量策劃(QP)、質量控制(QC)、質量保障(QA)、質量支持(QS) 四方面進行全面管理，涵蓋全產業鏈、產品全生命週期過程。同時，本集團強化「操作與標準、標準與業務，業務與體系」一致性，聚焦檢驗管理和合作夥伴管理，推動實現「四個一流」，即一流質量體系、一流質量標準、一流質量品質、一流質量組織。

提升產品品質方面，本集團秉承「消費者第一、第一、第一」的企業價值觀，期內針對消費者關注點，開展完美產品專項改善行動，強化產品生命週期管理和前瞻性管理，將質量設計融入到新產品開發業務活動，為消費者提供優質產品。其中，本集團按照新國標要求全面升級關鍵原料食品安全指標(化學、微生物)控制要求，旗下嬰幼兒配方乳粉、調製乳粉期內獲得國際權威認證機構 SGS 頒發的歐盟產品認證證書，成為國內首家產品獲食品歐盟標準評估認證的嬰配乳粉企業。

公司安全管理方面，本集團堅守合規底線，控制風險，以安全生產、低碳環保、健康防護為核心支柱，期內四級及以上安全環保事故為 0，新增職業病事故為 0。本集團期內共組織數百場「環境、健康、安全(EHS)」培訓活動，員工覆蓋率達 100%，以「世界地球日」、「職業健康週」、「環境日」、「全國低碳日」、「安全月」等，提高各級員工的 EHS 管理水平。另外，本集團持續加強對 EHS 隱患及風險的識別和管控工作，並已針對期內發現的所有 EHS 隱患及時落實整改預防措施。

In terms of low-carbon management, the Group has successfully launched its first zero-carbon product — Reeborne's first organic desert raw milk infant formula milk powder in the world — which meets both the new national standards and the zero-carbon standard. This has improved the Group's corporate social responsibility image and created an improved concept for new products. The Group imposes low-carbon control at the source, and has introduced seven low-carbon construction technology applications to reduce thousands of tons of carbon dioxide emissions. A "zero-carbon factory" construction plan has also been incorporated into new factory design.

Supply chain

In 2022, the Group achieved its three major objectives of "high quality, low cost, and high speed" through optimizing and upgrading the entire business chain and overcoming the challenges and changes in the external environment. The Group has always insisted on the policy of "building a solid foundation and preventing risks" and its corporate value of "consumer first, first and first" to facilitate product sales.

During the period, in the face of various pandemic-related difficulties, the Group persisted in completing its strategic supply chain goals. During the outbreak periods from February to April and October to December in 2022, the Group carried out closed-loop management to ensure normal and safe production operations. During these periods, fresh milk was processed in a timely manner to build sufficient reserves for whole milk powder production. During the pandemic, the Group donated and delivered milk powder to affected areas to ensure that infants were not deprived of food. In terms of downstream logistics business management, the Group adopted various procedures to ensure that products reached consumers and met customers' needs. In addition, the Group continued to improve its warehousing layout and organize its transportation routes, successfully maintaining the standard logistic transportation time of three days.

In terms of coordination, the Group continued to plan resources and improve production allocation to maximize production capacity. At the same time, the Group leveraged technological innovation to pursue cost-saving projects in the hopes of streamlining supply chain processes, improving work efficiency, and strengthening supply security to meet sales demand.

低碳管理方面，本集團成功打造旗下首款零碳產品，為瑞哺恩全球首款達到零碳標準的新國標沙漠有機嬰幼兒配方乳粉，為本集團樹立更良好的社會責任形象，亦為新產品建立更好的產品理念。本集團從源頭進行低碳管控，引入7項低碳建設技術應用，減少數千噸二氧化碳的排放，並在新建工廠設計引入「零碳工廠」創建規劃。

供應鏈

2022年，本集團通過全鏈條優化升級，克服外部環境的挑戰與變化，實現「最優質量、最低成本、最快速度」的三大目標，並始終堅持「夯實基礎、預防風險」的方針，以及「消費者第一、第一、第一」價值觀，助力產品銷售。

期內，面對疫情影響下的種種困難，本集團仍堅定完成供應鏈方面的戰略目標。在2022年2至4月以及10至12月的疫情爆發期，本集團為保障安全生產，實行閉環管理，保障生產正常運行。同時，對鮮奶進行及時處理，為全脂乳粉生產做好充足儲備。疫情期間，本集團為受影響地區運送捐贈乳粉，務求確保嬰兒不斷糧。連接下游的物流業務管理方面，本集團採取各種措施保障產品到達消費者手中，滿足客戶需求。另外，本集團持續優化倉儲佈局，梳理運輸路線，成功保持物流運輸時效達標三天。

統籌佈局方面，本集團持續規劃資源、改善產能調配，實現產能最大化。同時，本集團著力挖掘技術創新節約項目，期望全鏈條簡化流程，提高工作效率，以滿足銷售需求為目標，加強供應保障。

Management system

In 2022, the Group raised digitalization to a strategic priority. The business has been digitalized end-to-end, with In-Can Code tracking and dynamic marketing achieved on the marketing end and TRM system iteration and upgrade completed on the channel end. The digital business model is advancing at an accelerating pace.

In terms of marketing, the Group used the In-Can Code to ensure the recruitment of authentic members and facilitate data connection of “Product line — Business — Consumer”. In terms of channels, the Group continued to iterate and upgrade the channel-end TRM system. The Group optimized procedures such as expense reimbursement and expense crediting by connecting online and offline systems. Offline financial processes such as budget control have been taken online and handled intelligently. The Group have refined the management and control of marketing expenses and greatly reduced manual operations, making financial data more accurate and secure.

In terms of quality management, the Group established a formula product R&D framework to speed up product definition by the R&D department and created standard procedures for the management of the R&D process. Based on the business objectives of each department, the Group ensured that business processes and management systems were rational and feasible, maximized the utilization and sharing of resources, reduced the communication and coordination barriers between various departments, and thereby improved product quality and promoted optimized cost management.

The Group follows the 4Q quality management system to build a comprehensive platform for improving quality in all aspects of the business. The Group used the quality system to analyse the needs of each business department and factory, and harnessed big data and AI algorithms to build a smart quality management system that provides analysis, early warning, and prediction.

管理系統

在2022年，本集團將數字化提升至戰略層級，實現端到端業務數智化，實現營銷端「罐內碼」溯源與動銷、渠道端TRM系統迭代升級等，提升數字化商業模式的推進速度。

在營銷方面，本集團以「罐內碼」通過產線—B端—C端的系統串聯及數據打通，確保真實會員採集。在渠道方面，本集團持續為渠道端TRM系統迭代升級，通過打通上下游系統，優化費用核銷、費用上賬等程序，把預算管控等線下財務流程進行線上化和智能化，實現營銷費用精細化管控，減少大量人工操作，使得財務數據更準確、更安全。

在質量管理方面，本集團主要通過建立配方產品研發平台框架，加速研發部門進行產品定義，使研發過程管理有可依循的標準流程規範。本集團依據各部門業務目標，確保業務流程及管理體制的合理性、可行性，提供資源最大化利用及共享，減少各部門溝通和協調障礙，進而提高產品質量及促進成本管理的優化。

本集團遵循4Q管理體系，打造質量業務綜合信息化管理平台，提升全面質量管理水平，並利用質量系統，分析各事業部、工廠需求，運用大數據AI算法，構建智慧智能質量管理系統，進行分析預警預測。

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2022, the Group's revenue amounted to RMB3,738.2 million (2021: RMB4,434.7 million), representing a decrease of 15.7% as compared to the corresponding period of last year.

By product category	按產品類別劃分	2022 RMB million 人民幣百萬元	2021 RMB million 人民幣百萬元	Percentage change 變動比例
Milk powder products	奶粉產品	2,968.2	3,650.4	(18.7)%
Other milk powder products	其他奶粉產品	511.8	438.4	16.7%
Dissolvable products	沖調產品	195.0	221.2	(11.8)%
Others	其他	63.2	124.7	(49.3)%
Total	總計	3,738.2	4,434.7	(15.7)%

As of 31 December 2022, sales revenue from milk powder products amounted to RMB2,968.2 million (2021: RMB3,650.4 million), representing a decrease of 18.7% from the last year, which was mainly due to the impact of the pandemic on the sales of adult milk powder and infant formula milk powder. The sales revenue from other milk powder products amounted to RMB511.8 million (2021: RMB438.4 million), representing an increase of 16.7% from the last year, which was mainly due to the increase in the sales of Yashili New Zealand driven by the increase in orders for whole milk powder. The sales revenue from dissolvable products amounted to RMB195.0 million (2021: RMB221.2 million), representing a decrease of 11.8% from the last year, mainly attributable to the decrease in sales as a result of optimization of product mix. The sales revenue from other products amounted to RMB63.2 million (2021: RMB124.7 million), representing a decrease of 49.3% from the last year, which was mainly due to the decrease in OEM business.

The decrease in the sales revenue of the Group was mainly attributable to the downward trend in revenue as a result of the pandemic, fierce market competition and decline in birth rate.

財務回顧

收入

截至2022年12月31日止年度，本集團之收入達人民幣3,738.2百萬元(2021年：人民幣4,434.7百萬元)，較去年同期下降15.7%。

截至2022年12月31日，奶粉產品實現銷售收入人民幣2,968.2百萬元(2021年：人民幣3,650.4百萬元)，較上年下降18.7%，主要由於疫情影響成人粉和嬰配粉銷售；其他奶粉產品實現銷售收入人民幣511.8百萬元(2021年：人民幣438.4百萬元)，較上年上升16.7%，主要由於全脂粉訂單增加，使新西蘭乳業銷售額上升；沖調產品實現銷售收入人民幣195.0百萬元(2021年：人民幣221.2百萬元)，較上年下降11.8%，主要由於產品結構優化後，此類品項銷售有所下降；其他類別產品實現銷售收入人民幣63.2百萬元(2021年：人民幣124.7百萬元)，較上年下降49.3%，主要由於代工業務減少。

本集團銷售收入下降主要是由於：由於疫情、市場競爭激烈以及出生率下降，收入呈現下滑趨勢。

Gross profit

For the year ended 31 December 2022, the Group recorded a gross profit of RMB1,050.3 million (2021: RMB1,460.0 million), representing a decrease of 28.1% from the last year. The gross profit margin was 28.1% (2021: 32.9%), representing a decrease of 4.8% over the last year, which was a result of an increase in the cost of raw materials and a higher sales proportion of whole milk powder, which had a lower gross profit margin.

Selling and distribution expenses

For the year ended 31 December 2022, the Group generated selling and distribution expenses of RMB1,088.2 million (2021: RMB1,146.8 million), representing a decrease of 5.1% from the last year. The selling and distribution expenses as a percentage of revenue was 29.1% (2021: 25.9%), representing an increase of 3.2% over the last year, which was mainly a result of the implementation of product segmentation and channel expansion strategies and the greater input in advertising and promotion in the face of fierce market competition.

Administrative expenses

For the year ended 31 December 2022, administrative expenses amounted to RMB233.1 million (2021: RMB239.3 million), representing a decrease of 2.6% from the last year, which was mainly attributable to improved efficiency in fees utilisation as a result of stringent cost control by functional divisions.

Net finance income

For the year ended 31 December 2022, net finance income was RMB26.5 million (2021: RMB51.8 million). The decrease of 48.8% in net finance income was mainly attributable to the reduction of funds available for deposits and the continuous decrease in interest rates of RMB arising from several cuts to interest rates and required reserve ratios.

Income tax

For the year ended 31 December 2022, the income tax expenses of the Group were RMB27.8 million (income tax credit of 2021: RMB11.7 million). The increase in income tax expenses was mainly due to use of deferred income tax assets recognised in previous years by some legal persons.

毛利

截至2022年12月31日止年度，本集團錄得毛利為人民幣1,050.3百萬元(2021年：人民幣1,460.0百萬元)，較去年下降28.1%。毛利率為28.1%(2021年：32.9%)，毛利率較上年下降4.8%，下降原因在於原材料成本上升，毛利率較低的全脂粉銷售佔比提高。

銷售及經銷開支

截至2022年12月31日止年度，本集團產生銷售及經銷開支為人民幣1,088.2百萬元(2021年：人民幣1,146.8百萬元)，較去年下降了5.1%。本集團銷售及經銷開支佔收入比例為29.1%(2021年：25.9%)，較去年上升了3.2%；上升的主要原因為產品細分和拓展渠道等策略執行中，同時市場競爭激烈，因而廣宣費用投入較多。

行政開支

截至2022年12月31日止年度，行政開支為人民幣233.1百萬元(2021年：人民幣239.3百萬元)，較去年下降了2.6%，主要是由於職能部門嚴控費用支出，提高費用使用效率。

淨財務收入

截至2022年12月31日止年度，財務收入淨額為人民幣26.5百萬元(2021年：人民幣51.8百萬元)。財務收入淨額下降了48.8%，主要是可用於辦理存款的資金減少以及人民幣持續降息降準導致利率持續下跌所致。

所得稅

截至2022年12月31日止年度，本集團的所得稅費用為人民幣27.8百萬元(2021年所得稅抵減：人民幣11.7百萬元)。所得稅費用上升的原因主要是部分法人使用以前年度確認的遞延所得稅資產。

Inventory

As at 31 December 2022, the balance of inventory of the Group amounted to RMB1,074.4 million (31 December 2021: RMB816.0 million), representing an increase of 31.7%, which was mainly due to the increase in the balance of inventories of the self-sprayed whole milk powder.

Other current financial assets

As at 31 December 2022, other current financial assets amounted to RMB0 million (31 December 2021: RMB93.9 million).

Trade receivables

As at 31 December 2022, the Group's trade receivables amounted to RMB409.2 million (31 December 2021: RMB414.7 million). In 2022, the trade receivables turnover days were 40 days (2021: 21 days), representing an increase of 19 days from last year, which was mainly attributable to the increase in the trade receivables from large-scale modern trade and e-commerce platforms within normal credit period as a result of higher percentage of revenue from adult milk powder during the period.

Contingent liabilities

As at 31 December 2022, the Group had no material contingent liabilities (31 December 2021: nil).

Capital commitment

As at 31 December 2022, the Group's net cash outflow in capital expenditure was RMB196.6 million (31 December 2021: RMB222.2 million). As at 31 December 2022, the Group's capital commitment was RMB151.9 million (2021: RMB1.2 million), mainly related to the purchase of milk powder production equipment and optimization in software systems.

存貨

於2022年12月31日，本集團存貨餘額為人民幣1,074.4百萬元(2021年12月31日：人民幣816.0百萬元)，存貨增加31.7%，主要由於自噴全脂粉庫存餘額增加。

其他流動金融資產

於2022年12月31日，其他流動金融資產金額為人民幣0百萬元(2021年12月31日：人民幣93.9百萬元)。

貿易應收款

於2022年12月31日，本集團貿易應收款金額為人民幣409.2百萬元(2021年12月31日：人民幣414.7百萬元)。於2022年，貿易應收款周轉天數為40天(2021年：21天)，周轉天數較上年增加19天，主要由於本期成人粉收入佔比較高，在正常賬期內，對大型商超和電商平台的貿易應收款有所增加。

或然負債

於2022年12月31日，本集團並無重大或然負債(2021年12月31日：無)。

資本承擔

於2022年12月31日，本集團資本支出淨現金流出金額為人民幣196.6百萬元(2021年12月31日：人民幣222.2百萬元)。於2022年12月31日，本集團資本承擔額為人民幣151.9百萬元(2021年：人民幣1.2百萬元)，主要為購置奶粉生產設備及優化軟件系統。

Provision for doubtful debts of trade receivables

As at 31 December 2022, the Group had provisions for doubtful debts of RMB6.8 million (2021: RMB11.8 million). These provisions were made for impaired receivables relating to customers that were in delinquency of payments. The Group does not hold any collateral or other credit enhancements over such amounts. An impairment analysis is performed by the Group using a provision matrix to measure expected credit losses. The provision rates are based on the ageing of the balances for the groupings of various customer segments with similar default patterns (e.g. by customer type). The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Provision for impairment and disposal losses of inventories

As at 31 December 2022, the Group's balance of provision for the impairment on inventories was RMB51.9 million (2021: RMB44.0 million), which was mainly because some of the inventories had longer age and corresponding provision of impairment was required in accordance with policy. In addition, the Group recorded losses on disposal of inventories of RMB5.4 million in 2022 (2021: RMB10.6 million), which was mainly because, under the impact of rebranding, unsuitable packaging materials were disposed of and the provision for inventory impairment of deteriorated inventory were required.

Pledge of assets

As at 31 December 2022, the Group has pledged assets with an aggregate value of approximately RMB1,410.7 million (31 December 2021: RMB1,501.3 million).

Loss attributable to equity holders of the Company

For the year ended 31 December 2022, the loss attributable to equity holders of the Group amounted to RMB230.7 million (2021: loss attributable to equity holders of the Group amounted to RMB81.4 million). This was mainly due to fierce market competition, a decline in revenue and increased costs for seizing market share.

貿易應收款呆賬撥備

於2022年12月31日，本集團的呆賬撥備為人民幣6.8百萬元(2021年：人民幣11.8百萬元)。該等撥備是與拖欠付款的客戶有關的減值應收款而作出的撥備。本集團並無就該等金額持有任何抵押品或其他信貸增級。本集團以撥備矩陣進行減值分析，以計量預期信用損失，撥備率基於具有類似報失模式的各個客戶群的分組(如按客戶類型)的賬齡確定。該計算反映了概率加權結果，貨幣時間價值以及報告日期可獲得的關於過去事件，當前狀況和未來經濟狀況預測的合理且可支持的信息。

存貨減值撥備和報廢虧損

於2022年12月31日，本集團的存貨減值撥備餘額為人民幣51.9百萬元(2021年：人民幣44.0百萬元)。主要是由於部分存貨庫齡較長，需按照政策計提相應的減值撥備。此外，本集團2022年亦錄得存貨報廢虧損人民幣5.4百萬元(2021年：人民幣10.6百萬元)，主要是由於受品牌重塑影響，需報廢不適用的包材及對處於降級狀態的庫存計提存貨減值撥備。

已抵押資產

於2022年12月31日，本集團已抵押之資產合計約人民幣1,410.7百萬元(2021年12月31日：人民幣1,501.3百萬元)。

本公司股權持有人應佔虧損

截至2022年12月31日止年度，本集團股權持有人應佔虧損為人民幣230.7百萬元(2021年：本集團股權持有人應佔虧損人民幣81.4百萬元)。主要由於市場競爭激烈，收入下滑，加上為了搶佔市場投入更多費用。

Liquidity and capital resources

As at 31 December 2022, the Group's liquidity and capital resources, including cash and bank balances, pledged deposits to be released within one year, other current financial assets/structured bank deposits and long-term bank deposits, amounted to RMB2,135.0 million (31 December 2021: RMB2,679.9 million), representing a decrease of 20.3%. The decrease was mainly due to the Group's strategical stocking occupying part of the operating capital. Details of the liquidity and capital structure of the Group are set out in notes 38(d) and 38(e) to the consolidated financial statements.

Operating activities

For the year ended 31 December 2022, the Group's net cash outflow from operating activities was RMB495.4 million (2021: net outflow of RMB264.4 million). Net cash outflows from operating activities increased, mainly due to the working capital used for strategical stocking in order to cope with the risk of material price increases.

Investing activities

For the year ended 31 December 2022, net cash inflow generated from investing activities amounted to RMB492.8 million (2021: net outflow of RMB65.5 million), mainly due to the maturity of deposit products during the year.

Financing activities

For the year ended 31 December 2022, net cash inflow generated from financing activities amounted to RMB173.7 million (2021: net inflow of RMB53.7 million), which was mainly attributable to more loans due to be paid last year.

Interest-bearing bank and other borrowings

As at 31 December 2022, the Group's interest-bearing bank and other borrowings amounted to RMB578.7 million (31 December 2021: RMB320.8 million). The above loans shall be repayable on demand upon maturity. As at 31 December 2022, the Group's gearing ratio, which is calculated by total interest-bearing bank and other borrowings at year end divided by total assets at year end, was 8.2% (31 December 2021: 4.4%).

流動資金及資本資源

於2022年12月31日，本集團的流動資金及資本資源包括現金及銀行結餘，一年內解除限制的保證金存款、其他流動金融資產／結構性銀行存款及長期銀行存款合計人民幣2,135.0百萬元(2021年12月31日：人民幣2,679.9百萬元)，下降20.3%。下降的原因主要是本集團進行了戰略備貨佔用了部分運營資金。本集團流動性及資本結構的詳情載於合併財務報表附註38(d)及38(e)。

經營活動

截至2022年12月31日止年度，本集團的經營活動現金淨流出人民幣495.4百萬元(2021年：淨流出人民幣264.4百萬元)。經營活動現金流出淨額增加，主要由於為了應對材料價格上漲風險，戰略備庫佔用了營運資金。

投資活動

截至2022年12月31日止年度，投資活動產生的現金淨流入為人民幣492.8百萬元(2021年：淨流出人民幣65.5百萬元)，主要是更多定期存款在本年度到期所致。

融資活動

截至2022年12月31日止年度，融資活動所產生現金淨流入為人民幣173.7百萬元(2021年：淨流入人民幣53.7百萬元)，主要是由於去年償還到期的貸款較多導致。

計息銀行及其他借款

於2022年12月31日，本集團計息銀行及其他借款為人民幣578.7百萬元(2021年12月31日：人民幣320.8百萬元)。以上貸款需按要求的到期償還。於2022年12月31日，本集團資產負債比率為8.2%(2021年12月31日：4.4%)，資產負債比率為年末計息銀行及其他借款總額除以年末資產總額。

Use of net proceeds from the Initial Public Offering

The Company's net proceeds from the Initial Public Offering amounted to approximately RMB1,965.8 million after deduction of relevant expenses. As of 30 June 2018, the Company had used up all the net proceeds from the Initial Public Offering in accordance with the manner as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus dated 30 October 2010.

HUMAN RESOURCES

As of 31 December 2022, the Group had a total of 2,434 (31 December 2021: 2,762) full-time employees. The total staff cost for the year was approximately RMB526.4 million (2021: RMB561.7 million).

Refining headquarters functions and strengthening the business divisions

In 2022, the Group continued to refine the functions of the headquarters and strengthen the business divisions to transform organizational strength into business results. With the normalization of the pandemic, newly developed content e-commerce and social e-commerce channels have become new growth drivers. During the period, the Group actively developed new models of e-commerce and further built an online marketing platform to increase brand exposure and strengthen connections with consumers.

Embracing leadership and professionalism and building the organization's talent team

The Group attaches great importance to leadership and professionalism and consolidates its talent reserves through sales management teams. It held learning activities in functional sectors such as supply chain, quality, finance, and human resources to improve employees' professional capabilities and continuously develop the talent team.

首次公開招股所得款項淨額用途

本公司於扣除有關開支後的首次公開發售所得款項淨額約為人民幣1,965.8百萬元。於2018年6月30日，本公司已按照2010年10月30日的招股章程「未來計劃及所得款項用途」一節所披露的方式，用完所有首次公開發售所得款項淨額。

人力資源

於2022年12月31日，本集團共有2,434名(2021年12月31日：2,762名)全職僱員。年內，僱員總成本約為人民幣526.4百萬元(2021年：人民幣561.7百萬元)。

持續做精總部職能，做實事業部

在2022年，本集團持續做精總部職能，做實事業部，把組織能力轉化成業績。疫情常態化下，新開拓的內容電商、社交電商等成為新的增長動力，本集團期內積極拓展電商新模式，進一步打造線上營銷平台，從而提升品牌曝光度及增強與消費者的連接。

領導力和專業力雙管齊下，全面充實組織人才隊伍

本集團同時重視領導力與專業力，鞏固銷售管理隊伍儲備，並同步在供應鏈、質量、財務、人力等職能板塊開展學習活動，提升員工專業能力，持續發展人才隊伍。

Reforming remuneration and performance systems to motivate high-performing talents

This year, the Group optimized its remuneration structure, enhanced the external competitiveness and internal fairness of employee remuneration, and added new welfare holidays such as parental leave, single-child and non-single-child care leave, and male employee care leave. The Group reformed and optimized its performance management system based on industry experience, management needs, and the results of the survey on performance management effectiveness.

Enhancing the Group's employer image and attracting outstanding external talents

In 2022, the Group was awarded the "Outstanding Human Resources Management Award" by 51job.com and the "Work Different" award by Liepin. The Group exhibited its working experience and atmosphere through campus recruitment activities, live broadcasts, and social media platforms. In addition, the Group launched the certification project for interviewers, which improved interview quality and strengthened concepts of fair recruitment, thus creating a better experience for job candidates.

SOCIAL RESPONSIBILITY

Since the beginning of the Covid-19 pandemic, the Group has responded to the nation's call and undertaken the corporate mission of "Nutrient in a drop, blooming every life (「點滴營養，綻放每個生命」)". The Group actively assisted in the prevention and control of the pandemic and provided daily nutritional supplements for the people. The Group has taken real actions to fulfil its corporate social responsibility and has made donations-in-kind totalling more than RMB47 million.

Mid-February 2022 saw a resurgence of Covid-19 in the Inner Mongolia Autonomous Region. In response, the Group launched the "fight against COVID-19 at home" campaign. Within a week, hundreds of nutritional supplies including Reeborne "Kieember (菁珀)" milk powder, Mengniu Yourui Shunyi, Yitian milk powder etc., with a total value of more than RMB250,000 were delivered to the Third Hospital of the Inner Mongolia Autonomous Region, the epidemic response headquarters, and other front-line anti-epidemic units.

持續優化薪酬及績效體系，激勵高績效人才

本集團今年進一步優化薪酬結構，提升員工薪酬的外部競爭力和內部公平性，並新增育兒假、獨生子女與非獨生子女護理假、男員工護理假等福利假期。績效管理方面，本集團基於業界經驗和管理需要，結合績效管理有效性調研結果，對績效管理系統進行變革和優化。

強化僱主形象，吸引外部優秀人才

在2022年，本集團先後獲前程無憂頒發「人力資源管理傑出獎」和獵聘網頒發「非凡僱主」等獎項。本集團通過校招宣傳、業務聯動直播及社交平台運營，向外界展示工作內容、氛圍。此外，本集團開展面試官認證項目，提升面試質量、強化平等僱傭觀念，提升候選人體驗。

社會責任

自新冠疫情發生以來，本集團響應國家號召，踐行「點滴營養，綻放每個生命」的企業使命，積極助力疫情防控和國民日常營養補充，以實際行動承擔企業社會責任，累計捐贈物資超人民幣4,700萬元。

2022年2月中旬，內蒙古自治區疫情反彈，本集團發動「家鄉抗疫」行動，一周時間內，將瑞哺恩菁珀奶粉、蒙牛悠瑞順宜、怡添奶粉等，總貨值超人民幣25萬元的數百件營養物資，送達內蒙古自治區第三醫院、疫情指揮部等抗疫一線單位。

Abroad, Yashili New Zealand actively organized and participated in local charitable activities while providing local employment and contributing to economic development. In August 2022, Yashili New Zealand held a fundraising activity to raise funds for cancer research in the community where the Yashili New Zealand factory is located, and all funds were donated to the New Zealand Cancer Society.

In October 2022, the Group launched the “Firefly Public Welfare Program” immediately after learning that several critically ill children admitted into the Hohhot No. 1 Hospital in the Inner Mongolia Autonomous Region were in urgent need of milk powder. The first batch of Reeborne’s Qinyou milk powder was urgently allocated to the hospital to ensure food supply for hospitalized patients.

At the end of October 2022, Guangzhou faced the most complicated and severe anti-epidemic situation since the pandemic began. The Group learned that the quarantine personnel and epidemic prevention and control personnel at the mobile hospitals in Guangzhou urgently needed nutritional supplements. In November, two batches of hundreds of boxes of milk powder for infants, children, the middle-aged and the elderly, and other nutritional supplies worth nearly RMB100,000, were sent to the quarantine zones. They were mainly used as daily nutritional supplements for quarantine personnel and medical staff on-site.

PUBLIC RELATIONS AND CRISIS MANAGEMENT

In 2022, the Group kept abreast of the times and upheld the principles of open, active, and mutual communication. The Group used mass, organizational, and interpersonal communication channels to immediately answer questions from the public, the media and the government, and to disseminate positive messages about the Group and its brands on every channel, building brand and product awareness and improving the Group’s corporate image.

During the year, the Group announced the “MLCT-structured Lipid and new OPO Enzymatic Synthesis Key Technology and its Application in Infant Formula” project, showcasing its leading innovative scientific research results to the media and consumers. During the period, Reeborne launched two new products that passed the formula registration under the new national standards. The Group highlighted these upgraded products and new achievements to the public. In addition, the Group participated for the fifth time in the high-profile China International Import Expo, demonstrating the scientific research level of Chinese dairy companies to the world.

在海外，雅士利新西蘭公司在為當地提供就業，為經濟發展做出貢獻的同時，積極組織和參與當地慈善公益活動。2022年8月，雅士利新西蘭公司舉辦公益籌款活動，為雅士利新西蘭工廠所在的社區的癌症研究籌集資金，並全部捐贈給新西蘭癌症協會。

2022年10月，本集團得知內蒙古自治區呼和浩特市第一醫院接收的幾名新冠重症兒童患者急缺奶粉，便第一時間啟動「螢火蟲公益計劃」，緊急調撥第一批瑞哺恩親悠奶粉送達醫院，以保障患者住院治療期間的糧食。

2022年10月底，廣州市面臨疫情以來最複雜、最嚴峻的抗疫形勢，本集團瞭解到廣州方艙醫院隔離人員和疫情防控人員急需營養補充物資，在11月，將兩批次、貨值近人民幣10萬元的首百箱嬰幼兒、兒童、中老年奶粉等營養物資發往疫區，主要用於方艙隔離人員和醫護人員的日常營養補充。

公共關係及危機處理

2022年，本集團與時俱進，秉持公開、積極、互通原則，通過大眾傳播、組織傳播和人際傳播等方式，第一時間解答公眾、媒體及政府關注的問題，爭取透過各傳播渠道為集團和品牌進行正面發聲，不斷提高品牌與產品的知名度，樹立良好企業形象。

本集團年內公佈「結構脂肪MLCT和新型OPO酶法合成關鍵技術及其在嬰配粉中的應用」，向媒體和消費者展示領先的創新科研成果。期內，兩款通過新國標配方註冊的瑞哺恩新品上市，本集團向公眾展示應用了新成果的升級版產品。此外，本集團第5次參加具有國際性和權威性的中國國際進口博覽會，向世界展現中國乳企的科研水平。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論與分析(續)

In addition, the Group made every effort to improve public opinion crisis management by establishing and optimizing a mechanism for the prevention, control, assessment, and handling of public opinion risks. Through the sensitive and prompt monitoring of public opinion, the Group used this mechanism to achieve positive results in public opinion management. In addition, various consumer complaints were handled in a timely manner by various departments working together under the crisis alert and prompt response mechanism. The Group attached great importance to the market, served and coordinated market sales to provide a stronger support for sales and provide timely answers to consumers, effectively preventing the occurrence of crisis events.

INVESTOR RELATIONS

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

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

PROPOSED PRIVATISATION OF THE COMPANY

Reference is made to (1) the announcement dated 6 May 2022 (the “3.5 Announcement”) jointly issued by the Company, Star Future Investment Company Limited (the “Offeror”) and Mengniu Dairy and (2) the announcement dated 9 March 2023 (the “Fulfilment of Scheme Pre-Conditions Announcement”) jointly issued by the Company, the Offeror and Mengniu Dairy.

另外，本集團全力提升輿情管理水平，建立起完善的輿情風險防控、研判與處置機制，在相關機制的運行下，輿情監測靈敏快速，輿情管理工作取得積極成效。同時，本集團通過危機預警和快速處理機制，各個部門協同合作，及時處理各種消費者的訴求。本集團高度重視市場，服務和配合市場銷售，為銷售提供更好的堅實後盾，及時為消費者提供解答釋疑，有效預防危機事件的發生。

投資者關係

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

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

本公司的建議私有化

茲提述(1)本公司、星萊投資有限公司(「要約人」)及蒙牛乳業聯合刊發日期為2022年5月6日的公告(「3.5公告」)及(2)本公司、要約人及蒙牛乳業聯合刊發日期為2023年3月9日的公告(「計劃先決條件達成公告」)。

As disclosed in the 3.5 Announcement, Mengniu Dairy has proposed that upon the satisfaction of the pre-conditions, it will, through the Offeror, put forward a proposal to the holders of shares of the Company in issue (other than those held by Mengniu Dairy directly or indirectly) for the privatisation of the Company (the “Privatisation Proposal”) by way of a scheme of arrangement under section 86 of the Companies Act of the Cayman Islands (the “Scheme”), on the terms and subject to the conditions as described in the 3.5 Announcement and as amended in the announcement of the Company, Mengniu Dairy and the Offeror dated 16 August 2022, such that upon the Scheme becoming effective, all scheme shares will be cancelled in exchange for the cash payment of the cancellation price of HK\$1.20 per scheme share.

As disclosed in the Fulfilment of Scheme Pre-Conditions Announcement, all pre-conditions to the making of the Privatisation Proposal and implementation of the Scheme had become fulfilled as of 9 March 2023. With all the pre-conditions having been fulfilled, the implementation of the Privatisation Proposal is subject only to the satisfaction (or where applicable, waiver) of the conditions to the Privatisation Proposal.

EVENTS AFTER THE REPORTING PERIOD

Dumex China Disposal

Reference is made to the circular of the Company dated 29 July 2022 (the “Circular”).

As disclosed in the 3.5 Announcement and the Circular, on 6 May 2022, Yashili International Group Co. Ltd. (“Yashili Guangdong”) and Danone Asia Pacific Holdings Pte. Ltd. (“Danone APAC”) entered into the equity transfer agreement, pursuant to which Yashili Guangdong agrees to sell, and Danone APAC agrees to purchase, 100% of the equity interest in Dumex Baby Food Co., Ltd. (“Dumex China”), subject to the terms and conditions therein (the “Dumex China Disposal”).

The Dumex China Disposal was completed on 2 March 2023. Upon the completion of the Dumex China Disposal, the Company had ceased to hold any interest in Dumex China and Dumex China had ceased to be a subsidiary of the Company. Accordingly, the financial results of Dumex China will no longer be consolidated into the consolidated financial statements of the Group.

誠如3.5公告所披露，蒙牛乳業已建議待先決條件達成後，其將透過要約人向本公司已發行股份(蒙牛乳業直接或間接持有的股份除外)持有人提呈提案，以根據開曼群島公司法第86條透過協議安排方式(「協議安排」)按3.5公告(經本公司、蒙牛乳業及要約人日期為2022年8月16日的公告修訂)所述的條款及條件並在其規限下將本公司私有化(「私有化提案」)，以使協議安排生效後，所有計劃股份將被註銷，以換取每股計劃股份1.20港元的註銷價現金付款。

誠如計劃先決條件達成公告所披露，作出私有化提案及實施計劃的所有先決條件已於2023年3月9日達成。在所有先決條件已獲達成的情況下，私有化提案僅須待私有化提案的條件獲達成(或獲豁免(如適用))後方可實施。

報告期後事項

多美滋中國出售案

茲提述本公司日期為2022年7月29日的通函(「通函」)。

誠如3.5公告及通函所披露，於2022年5月6日，雅士利國際集團有限公司(「雅士利廣東」)與Danone Asia Pacific Holdings Pte. Ltd. (「達能APAC」)訂立股權轉讓協議，據此，雅士利廣東同意出售及達能APAC同意購買多美滋嬰幼兒食品有限公司(「多美滋中國」)的全部股本權益，惟須遵守股權轉讓協議的條款及條件(「多美滋中國出售案」)。

多美滋中國出售案已於2023年3月2日完成。多美滋中國出售案完成後，本公司不再持有多美滋中國的任何權益，而多美滋中國不再為本公司的附屬公司。因此，多美滋中國的財務業績將不再併入本集團的綜合財務報表。

FUTURE PROSPECTS

Policy implications

The three new national standards for infant formula milk powder jointly issued by the National Health Commission and the State Administration for Market Regulation in 2021 were implemented in February 2023. The new national standards set higher requirements for infant formula milk powder companies in terms of raw materials, supply chain, research and development, and process stability. The product registration approval process will become more rigorous in the future, and products that have passed the formula registration under the new national standards will be subject to more stringent supervision.

The implementation of the new national standards is conducive to accelerating product R&D innovation and industry transformation and upgrade, further driving the high-quality development of the infant formula milk powder industry. The tightening of regulatory regulations will encourage companies to strengthen raw material control, improve R&D, production, inspection and other capabilities, and strictly control product quality. It will encourage the infant formula milk powder industry to persist in innovation and inject bold ideas in the production process, technical equipment and quality management. Product innovation and differentiated selling points will become the core elements of competition between high-quality milk powders in the future. In addition, the implementation of the new national standards gives domestic milk powder a first-mover advantage. If companies can promptly complete the formula registration in accordance with the new standards, they will have a better chance to seize market share early. Domestic infant formula milk powder's quality, market competitiveness, and reputation among consumers will improve further.

未來展望

政策影響

國家衛健委、國家市場監管總局於2021年聯合發佈的嬰幼兒配方乳粉三項新國標於2023年2月實施。新國標對嬰幼兒配方奶粉企業的原料、供應鏈、研發和工藝穩定性等方面提出更高要求。未來產品註冊的審批工作將更嚴格，已通過新國標的配方註冊的產品則會受到更嚴格監管。

新國標的實施，有利於加快產品研發創新和產業轉型升級，進一步引領嬰幼兒配方乳粉產業高質量發展。監管法規的收緊將推動企業加強原料控制，提高研發、生產、檢驗等能力，嚴把產品質量關，有利於嬰幼兒配方乳粉產業堅持創新驅動，在生產工藝、技術裝備、質量管理等方面大膽創新。產品的創新點和差異化賣點也將成為未來奶粉高品質競爭的核心。此外，新國標的實施讓國產奶粉有先發優勢的機遇，若企業能盡早按照新標準要求完成配方註冊，則更有機會早日搶佔市場份額，進一步提升國產嬰幼兒配方乳粉的品質、市場核心競爭力和消費者的信譽度。

In February 2022, the State Council issued the “Notice on the 14th Five-Year Plan for the Development of the National Aging Cause and Elderly Care Service System” (《「十四五」國家老齡事業發展和養老服務體系規劃的通知》), actively responding to the aging population. Against this backdrop, adult milk powder, especially milk powder for the middle-aged and the elderly, is a category with high potential. A large number of young and middle-aged consumers and teenagers also present possible growth opportunities for the adult milk powder category. There is great potential for development. It is expected that industry players will focus on R&D investment, continue to develop product unique selling points, and integrate products, channels and brand advantages with the underlying objective of ensuring the quality and nutrition of adult milk powders. Companies that have gained considerable advantages in niche functional segments and seized opportunities in the rapidly changing market will have the opportunity to differentiate themselves.

Industry trend

The dairy products industry in China has entered a phase of steady development. At the 2020 NetEase New Force Dairy Industry Summit in December 2022, China Dairy Industry Association vice chairman Liu Chao said that the dairy product industry will maintain a CAGR of 4.8% over the next five years, with revenue reaching over RMB590 billion by 2026, according to the estimates of certain institutions.

In February 2023, following the implementation of the new national standards, the re-registration of infant formula products will enter the final stage. This will further fuel competition in the infant formula industry. Market regulation will be tightened further and might cause some brands to exit the market. Given the similarity between products of different brands, leading brands in each product segment will enjoy enhanced opportunities. Industry participants will further step up efforts in scientific research and launch new and more competitive products, with major differentiation lying in the ability to capture segment position, strengthen specific nutritional elements, and use specific milk sources.

2022年2月國務院印發《「十四五」國家老齡事業發展和養老服務體系規劃的通知》積極應對人口老齡化，在此背景下，成人奶粉，尤其是中老年奶粉，是被寄予厚望的潛力品類。廣大的中青年主力消費人群以及青少年人群，同樣給成人奶粉品類帶來充分的想像空間，發展潛力巨大。預料行業參與者將注重研發投入，在保證成人奶粉品質和營養的基礎上，不斷發掘產品賣點，整合產品、渠道及品牌優勢。相信充分獲得功能細分領域優勢，在高速變化的市場中抓住先機的企業，將有機會脫穎而出。

行業趨勢

目前，中國乳製品行業步入穩步發展階段。中國乳製品工業協會副理事長劉超2022年12月在「網易·新能量乳製品行業峰會」上表示，據有關機構預測，未來五年乳製品行業將保持4.8%的年均複合增長率，到2026年行業營收將達到人民幣5,900多億元。

2023年2月新國標正式實施，二次嬰配產品註冊也將進入收尾階段，將進一步推動嬰配行業競爭趨於白熱化。市場規範化進一步加強，將可能促使一些品牌退出市場。由於各品牌配方趨同，品類頭部品牌將迎來更好機會。行業參與者將進一步強化科研，推出更具競爭優勢的新產品，以細分品類佔位、強化特定營養元素、使用特定奶源等特性為重要差異點。

In the coming year, with the impact of COVID-19 gradually fading, it is believed that the willingness to give birth in third-and fourth-tier and lower-tier markets will increase, and the birth rate of newborn babies in these markets will rise significantly compared with upper-tier markets. In addition, as the consumption power of families in these places increases, mothers of the post-90s and post-95 generations will drive the growth in the infant formula market. In the future, deepening of research and business development efforts in lower-tier markets will help brands gain advantages in the competition for existing market volume.

In addition, the digitalization and platformization of sales channels for mother-and-baby milk powder products will continue to develop. Meanwhile, digital marketing channels such as live streaming, community marketing, and private domain operations will continue to develop at higher speeds and spur new developments in customer collaboration and physical store operations.

As for the adult milk powder market, actively responding to the aging population has been incorporated in national strategies. It is anticipated that the market for milk powder for the middle-aged and the elderly will see greater opportunities for development. In addition, the new national standards have imposed higher standards for milk powder formula for the middle-aged and the elderly, which will be favourable for enhancing product quality. In the future, market attitudes on milk powder for the middle-aged and the elderly will become more stringent, and enterprises will increasingly collaborate with professional institutions to customize solutions to address the nutritional needs and health issues of the middle-aged and the elderly identified by research and big data on this age group.

未來一年，隨著新冠疫情影響逐漸淡化，三四線及下沉市場的生育意願相信將有效釋放，預料三四線及下沉市場的新生兒出生率較上線市場將見明顯提升。此外，隨著消費能力提高，來自這些地區的90後、95後媽媽將推動嬰配市場增長。未來，行業參與者加深對下沉市場的研究與業務深耕，將有助其在存量競爭中獲得一定優勢。

此外，母嬰產品零售渠道數字化、平台化趨勢預料將持續發展。同時，在線直播、社群營銷、私域運營等數智化營銷方式將更高速發展，推動行業在客戶合作、門店經營等方面的新發展。

成人奶粉方面，積極應對老齡化已成為國家戰略，預料中老年奶粉將迎來更大的發展機遇。此外，新國標對中老年奶粉配方提出更高的要求，將更有利成人奶粉的品質優化。未來，市場對高端中老年奶粉將越來越嚴格，企業將趨向於與專業機構合作，基於大健康數據研究中老年人健康問題和營養需求，定製針對中老年人群的營養解決方案。

COMPANY STRATEGIES

Brand strategies

Creating quality products and strengthening brand image

In 2023, to effectively navigate the new market landscape following the implementation of the new national standards and re-registration requirement, the Group will advance the development of new technology and innovations in infant formula under its Reeborne brand, while focusing its resources on brand marketing of “Enzhi” and “Jingzhi” under the Reeborne brand. Meanwhile, the Group will continue to strengthen its brand image and showcase Reeborne’s scientific research capabilities and social responsibility to consumers. At the same time, through brand innovation, the Group will further reinforce Reeborne’s brand influence and deepen trust and cooperation with distributors and channels in order to increase Reeborne’s brand recognition among consumers of mother-and-baby products.

As for nutritional products, Mengniu Yourui milk powder for the middle-aged and the elderly will be extended to more segments to comprehensively satisfy the nutritional supplement needs of the middle-aged and elderly population. The Group will continuously optimize the product formula and enhance the strength of the product with a more professional upgraded formula, so as to take the brand to a new level. Meanwhile, the Group will vigorously expand milk powder products for students, the native DHA student milk powder series under the Huicongming “慧聰明”. The 1.88M Children’s milk powder will continue to apply the CBP component to satisfy the key concern of consumers.

Stepping up marketing activities to deepen communication with consumers

In 2023, Reeborne will focus on targeted online and offline communication to reach the brand’s target customers, boost brand awareness, improve brand recognition, and enhance conversion. The Group will communicate through major channels including event marketing, public relations as well as digital and intelligent targeted communication, in order to stay at the forefront of new and hot innovation trends in the infant formula industry. The Group will continue to connect the Reeborne brand with consumers through content marketing, and step up digital media efforts to empower front-end sales. Knowledge-sharing by scientific experts, endorsement from reputable KOLs and consumer word-of-mouth will enable the Group to strengthen its brands in terms of scientific expertise and deliver product information in greater depth.

公司策略

品牌策略

做好產品，持續鞏固品牌形象

2023年，隨著新國標與二次註冊落地實施，為有效應對市場新變局，本集團旗下瑞哺恩品牌將持續推進嬰配品類科研創新，持續集中資源，聚焦瑞哺恩「恩至」及「菁至」的品牌營銷。同時，本集團將持續鞏固品牌形象，向消費者傳達瑞哺恩科研實力及社會責任。同時，本集團通過品牌煥新營銷，以進一步強化瑞哺恩品牌影響力，持續深化經銷商及渠道合作信心，從而獲得更多母嬰消費者對瑞哺恩品牌的認同。

營養品方面，蒙牛悠瑞中老年奶粉將覆蓋更多細分功能，多維度滿足中老年人對專業營養補充的缺口，不斷優化產品配方，以更專業的升級配方提升整體產品力，帶動品牌力再上一個台階。同時，本集團將大力開拓學生奶粉品類，開拓慧聰明品牌旗下原生DHA學生奶粉系列。一米八八兒童奶粉堅持應用明星成分初乳鹼性蛋白(CBP)，滿足消費者重點關注的功能需求。

強化營銷，加深與消費者的深度溝通

2023年，瑞哺恩將聚焦線上與線下進行精準傳播，精確觸達品牌目標人群，持續鞏固品牌認知，提升品牌認同和促進轉化，包括通過事件營銷、公關傳播及數智化精準傳播等主要溝通方式，持續引領嬰配行業創新熱點。瑞哺恩將持續通過內容營銷構建品牌與消費者的深度鏈接，深化數字化媒體對銷售前沿的賦能，並通過科研專家內容科普、意見領袖推薦及消費者的實證口碑，強化品牌的科技實力與深度產品信息傳播。

As for nutrition products, Reeborne will fully leverage its resource and media advantages, continue to make diversified media marketing efforts in core and potential markets, and roll out short videos to showcase product features in scenarios that grab consumers' attention. Meanwhile, the Mengniu Yourui brand will actively strengthen cooperation with sports IPs, and will combine digital media with international sports events to promote the brand on the front line and enhance brand awareness at all levels. The 1.88M Children's milk powder will focus on comprehensively generating private domain traffic to expand its influence in the fan economy, with the aim of driving omnichannel sales online and offline.

Product research and development

In 2023, the Group will continue to implement the registration of infant formula milk powder under the new national standards, continuously assimilate the latest research findings in breast milk nutrition, develop innovative formulas for infant milk powder products with breast milk components, continue to track the launch of its innovative technology products, and conduct testing, verification and research into product efficacy.

In addition, the Group will carry out further in-depth research on the nutritional needs of specific groups, and develop nutritional products with specific custom-made functions, thus enriching the brand matrix and meeting the needs of groups such as students, women, the middle-aged and the elderly.

On the other hand, the Group will continue to strengthen its cooperation with research institutions, and carry out research on the nutritional needs of different groups, the composition of nutritional components, and the health benefits of various products in partnership with relevant experts from Jiangnan University, the China Agricultural University, the Inner Mongolia Agricultural University and Sun Yat-sen University. The targets of the Group's nutritional research include infants, children, adults, the middle-aged and the elderly. The Group will continue to apply the existing research results of the project to its business and products. In addition, the Group will continue to strengthen the introduction of nutrition, process research, and product research and development talents into its team to improve its innovation capabilities in nutrition science and process research.

營養品方面，悠瑞品牌將充分發揮資源及媒體優勢，集中對核心、潛力市場保持多樣化的媒體投入，推出產品短視頻，以場景突顯功能，搶佔消費者心智。同時，蒙牛悠瑞品牌將積極加強與體育IP的合作，還將結合數字化媒體及國際性賽事活動，在一線銷售進行宣傳，全方位提高品牌知名度。一米八八兒童奶粉則著重在全面打通私域流量，擴大粉絲經濟影響力，帶動全渠道線上線下的整體銷售。

產品研發

2023年，本集團將繼續推動嬰幼兒配方乳粉新國標的配方註冊，持續結合最新的母乳營養成分研究成果，創新開發以母乳成分為科學標準的嬰幼兒配方奶粉，持續推動創新技術產品的上市跟蹤和功效驗證研究。

此外，本集團將進一步深入特殊人群營養需求研究，定製化開發特殊功能營養品，豐富產品矩陣，以滿足學生、女士和中老年等人群的需求。

另一方面，本集團將持續加強與研究院所合作，進行人群營養需求研究，營養成分組合及產品健康益處研究，相關專家來自江南大學、中國農業大學、內蒙古農業大學、中山大學等，營養研究涉及人群包括嬰幼兒、兒童、成人和中老年人。本集團還將繼續推進已有研究成果的落地和轉化，並持續加強團隊營養研究、工藝研究和產品開發人才的引進，以提升營養科學創新能力、工藝研究創新能力。

Sales channels

Focus on the core market and cultivate channels

In 2023, the Group will develop its core market through channel and resource integration, developing district-level and county-level chain store coverage and deepening store development. It will continue to implement the In-Can Code to establish higher standards for safety and traceability and to stabilize channel sales orders. Meanwhile, the Group will launch the “precision marketing” system to accurately match people, goods, and venues and improve marketing efficiency. Across the country, the Group will cooperate with top provincial and municipal mother-and-baby chain stores through various strategies to rapidly increase its sales share in chain stores and establish steady cooperation with manufacturers.

Empowering the business with smart and dynamic marketing

In respect of marketing and digital intelligence innovation, the Group will continue to allocate manpower and resources to promotional activities and will increasingly use dynamic marketing to educate consumers in order to increase trial rates and achieve high conversion rates and repeat purchases among new customers. The Group will deepen its membership marketing system and use content marketing within its membership marketing strategy to optimize its conversion mechanism and loyalty program. In addition, the pandemic has accelerated the rise of contactless online retail and “livestream shopping”, leading many brands to invest more in online marketing. The Group has captured opportunities in these areas to drive the continued development of its business.

Supply chain

In 2023, the Group will provide the business capabilities and technical support required for digital operation to users of its factories through consolidating the business capabilities and data resources internally and leveraging various external platforms. The Group will enhance the prediction, alert and data analysis capabilities within its supply chain system to achieve the objectives of collaborative operations, strategic decision-making, and operational excellence.

銷售渠道

聚焦核心市場，持續精耕渠道

2023年，本集團將通過渠道及資源整合，發展核心市場，進行區縣連鎖開發和門店精耕，持續推進「罐內碼」以建立更高標準安全追溯體系，穩定渠道銷售秩序。同時，本集團上線「精準營銷」系統，實現人貨場精準匹配，提高營銷效率。在全國範圍內，本集團通過多種策略與省市級頭部母嬰連鎖合作，快速提升母嬰連鎖系統銷售份額，建立穩固廠商合作關係。

數智化營銷賦能，提升動銷力

在營銷與數智創新方面，本集團將持續安排活動推廣人員與資源，以新客復購邏輯驅動渠道動銷提升，以消費者教育進行轉化，提升消費者的試用率、轉化率與復購率。本集團將繼續深化會員營銷體系的打造，以內容營銷為驅動，完善會員營銷策略，優化轉化機制與忠誠度計劃。此外，疫情加速無接觸零售等線上渠道的發展，同時「直播購物」興起，促使眾多品牌加大線上營銷的投入力度。本集團亦將把握相關機遇，推動業務持續發展。

供應鏈

在2023年，本集團將對內整合工廠業務能力與數據資源，對外連接各合作系統平台，面向工廠各類型用戶提供數字化運營所需的業務能力與技術支持，提升供應鏈系統整體的預測、預警及數據分析能力，實現協同作業、戰略決策和極致運營的目標。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論與分析(續)

The Group will focus on the sustainable development of the entire value chain and promote the full implementation of the strategic system of “Group — Business Department — Factory (集團 — 事業部 — 工廠)”, heeding consumer demand and adjusting its structural thinking to accelerate the digital and smart transformation of production.

In terms of production management, the Group will implement real-time data sharing, improve production adaptability, and strengthen data application management to support operational decision-making. The Group will also optimize the management of spare products and parts by enhancing information management of materials and inventory. The Group will improve the inspection, maintenance, and repair of equipment and implement systematic management to lower failure rates and monitor its operational status in real time.

The Group will enhance cross-departmental business and technology sharing and interaction. Business units will be consolidated in order to establish connections, synergies, and optimization between internal and external system platforms. The Group will streamline, optimize, and reshape its business processes and enhance its digital supply chain analysis system to achieve innovation.

HUMAN RESOURCES

Maintaining synergy throughout the entire value chain

In 2023, the Group will maintain the highly efficient synergy throughout the value chain of “research and development, production, sales and services (研、產、銷、服)”, ensuring that resources are consolidated and input repetition is minimized, thus enhancing the organization’s operational capability and efficiency. In the meantime, the Group will devote additional resources to its research and development platform in order to meet consumer needs, enhance competitiveness, and facilitate the growth of emerging channels.

本集團將聚焦全鏈路可持續發展，圍繞消費者需求，調整結構思維，推動「集團 — 事業部 — 工廠」全面落地戰略體系，加快生產端數智化轉型。

在生產管理方面，本集團將實時數據全局共享，提升生產的應變能力，同時加強數據應用管理，支持運營決策。本集團持續推動物料出入存盤廢信息化管理，優化備品備件管理水平。本集團並對設備加強點巡檢、維護、保養進行系統化管理，降低故障率，實時監控運行狀態。

本集團將加強跨部門業務與技術共享和互動，整合業務單元，打通內外部系統平台，實現能力協同優化，梳理、優化與重塑業務流程，提升供應鏈數據分析體系，實現數字化應用創新。

人力資源

持續全價值鏈高效協同

2023年，本集團將保持「研、產、銷、服」價值鏈高效協同，資源高度整合，減少重複投入，提升組織運作能力及效率。同時，本集團將進一步加強研發平台的資源投入，滿足消費者差異化需求，增強產品配方核心競爭力，助力新興渠道的持續增長。

Upgrading the talent training system

The Group will create a differentiated and targeted talent training system emphasizing the three dimensions of leadership, professionalism and general knowledge. The Group will optimize the talent development path, build the talent ladder, reform organizational and talent-related structures to support business development and implement the organization's strategy.

Enhance staff capability with remuneration and performance incentives

The Group will strengthen the correlation between remuneration, incentives and performance, optimize its performance management system, and drive the improvement of personal performance and ability throughout the organization, enabling the Group to achieve its medium and long-term strategic goals and phased operational and management goals.

持續升級人才培養體系

本集團將打造差異化、針對性的人才培養體系，通過領導力、專業力、通識力三個維度，進一步優化員工人才發展通道，加強人才梯隊建設，推動組織與人才結構變革，有效支撐業務發展，助力組織戰略落地。

薪資績效牽引員工能力提升

本集團將進一步加強薪酬、激勵與績效有效對接，進一步優化績效管理體系，推動個人績效持續改善和個人專業能力持續提升，推動本集團達成中長期戰略和階段性經營管理目標。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE CULTURE AND/ PURPOSE/VALUE/STRATEGY

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to Shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of ethics are maintained.

CORPORATE GOVERNANCE PRACTICES

The Board of directors (the “Board”) of the Company is committed to maintaining high corporate governance standards.

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

企業管治文化及／目的／價值／策略

本公司致力確保以崇高的商業道德標準營運業務，這反映本公司堅信如要達到長遠的業務目標，必須以誠信、透明及負責的態度行事。本公司相信這樣做長遠可為股東取得最大的回報，而僱員、業務夥伴及本公司營運所在的社區均會受惠。

企業管治為董事會指示本集團管理層進行其事務以達到業務目標的過程。董事會致力維持及建立完善的企業管治常規，以確保：

- 為股東帶來滿意及可持續的回報；
- 保障與本公司有業務往來者的利益；
- 了解並適當地管理整體業務風險；
- 提供令顧客滿意的高質素產品與服務；及
- 維持崇高的商業道德標準。

企業管治常規

本公司董事會（「董事會」）致力保持高水準的企業管治。

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

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

The Board is of the view that throughout the year ended 31 December 2022, the Company has complied with all applicable code provisions as set out in the CG Code, except for the deviation from code provision C.2.1 as explained under the paragraph “Chairman and Chief Executive Officer” below.

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

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made by the Company with all directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2022.

The Company has also established written guidelines (the “Employees Written Guidelines”) on no less exacting terms than the Model Code for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company during the year ended 31 December 2022.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and collective responsibility for promoting the Company’s success by directing and supervising the Company’s affairs. Directors take decisions objectively in the best interests of the Company.

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

董事會認為，截至2022年12月31日止年度整段期間，除下文「主席及行政總裁」一段所闡述偏離守則條文第C.2.1條外，本公司已遵守企業管治守則載列的所有適用守則條文。

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

證券交易之標準守則

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

本公司經向全體董事作出特定查詢後，各董事已確認，於截至2022年12月31日止年度整段期間皆有遵守標準守則。

本公司亦已為可能擁有本公司尚未公佈的內幕消息的僱員制定進行證券交易的書面指引(「僱員書面指引」)，其條款並不比標準守則寬鬆。本公司於截至2022年12月31日止年度並未發現任何僱員不遵守僱員書面指引的事件。

董事會

本公司由行之有效的董事會領導，董事會負有領導及監控本公司的責任，以及指導及監督本公司事務的共同負責，以促使本公司成功發展。董事客觀地作出符合本公司最佳利益的決策。

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his responsibilities to the Company, and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of Executive Directors and Non-executive Directors (including Independent Non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Responsibilities

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

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

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

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

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

董事會具備適合本公司業務需要的技能、經驗及多元觀點，定期檢討董事向本公司履行其職責需要付出的貢獻，以及董事是否投入足夠時間履行其職務及董事會職責。董事會中的執行董事與非執行董事(包括獨立非執行董事)的組合均衡，使董事會有強大的獨立元素，能夠有效地作出獨立判斷。

責任

董事會應負有領導及監控本公司的責任，並共同負責指示及監督本公司事務。

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

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

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

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

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

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

The Company has arranged appropriate insurance coverage on Directors' and senior managements' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

Board Composition

The Board currently comprises 6 members, consisting of 2 non-executive directors, one executive director and three independent non-executive directors.

During the year ended 31 December 2022 and up to the date of this Annual Report, the Board comprises the following directors:

Non-executive directors

Mr. Jeffrey, Minfang Lu (*Chairman*)
Mr. Qin Peng⁽¹⁾
Mr. Zhang Ping
Mr. Gu Peiji (alias Philip Gu)⁽²⁾

Executive director

Mr. Yan Zhiyuan (*Chief Executive Officer*)

Independent non-executive directors

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

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

Notes:

(1) Resigned on 9 March 2023.

(2) Resigned on 9 March 2023.

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

董事須向本公司披露彼等擔任其他職務的詳情。

本公司已就董事及高級管理層因企業活動引起對董事及高級管理層提出的任何法律行動而承擔的責任安排適當投保。保險範圍會每年檢討。

董事會成員

董事會現由六名成員組成，包括二名非執行董事、一名執行董事及三名獨立非執行董事。

截至2022年12月31日止年度及直至本年報日期，董事會由下列董事組成：

非執行董事

盧敏放先生(*主席*)
秦鵬先生⁽¹⁾
張平先生
顧培基(又名Philip Gu)先生⁽²⁾

執行董事

閻志遠先生(*行政總裁*)

獨立非執行董事

莫衛斌先生
程守太先生
李港衛先生

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

附註：

(1) 於2023年3月9日辭任。

(2) 於2023年3月9日辭任。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

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

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

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (“CEO”)

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

The positions of Chairman and CEO of the Company are held by Mr. Jeffrey, Minfang Lu and Mr. Yan Zhiyuan respectively.

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year ended 31 December 2022, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

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

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

據本公司所深知，董事會成員之間並無其他財務、業務或親屬關係。

主席及行政總裁(「行政總裁」)

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

本公司主席及行政總裁分別由盧敏放先生及閻志遠先生出任。

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

獨立非執行董事

截至2022年12月31日止年度，董事會一直符合上市規則有關委任至少三名獨立非執行董事的規定，獨立非執行董事人數佔董事會至少三分之一及其中一名獨立非執行董事須具備合適的專業資格或會計或相關財務管理專業知識。

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

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

NON-EXECUTIVE DIRECTORS

Code provision B.2.2 of the CG Code states that all directors, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

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

BOARD INDEPENDENCE EVALUATION

The Company has established mechanisms to ensure independent views and input are available to the Board in the following aspects:

- a. the Nomination Committee and/or the Board will evaluate the independence and qualification of independent non-executive Director candidates;
- b. the Nomination Committee will assess the independence of each existing independent non-executive Director annually;
- c. the Board will evaluate whether each existing independent non-executive Director has devoted sufficient time to the Company by reviewing such Director's attendance at the board and general meetings;
- d. when re-electing independent non-executive Director who has served more than nine years, the Board and/or the Nomination Committee will (i) evaluate and determine whether such Director is still independent and should be re-elected and (ii) disclose such determination and the factors considered, the process and the discussion in arriving at such determination in the circular to shareholders accompanying the notice of the annual general meeting; and

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

非執行董事

企業管治守則的守則條文第B.2.2條則訂明所有董事(包括按特定任期委任的董事)須至少每三年輪值退任。

本公司各非執行董事按三年的特定任期獲委任，並須每三年輪值退任。

董事會獨立性評估

本公司已建立機制，確保董事會在以下方面獲得獨立意見及資料：

- a. 提名委員會及／或董事會會評估獨立非執行董事候選人的獨立性及資格；
- b. 提名委員會將每年評估各現任獨立非執行董事的獨立性；
- c. 董事會將檢視各現任獨立非執行董事的董事會及股東大會出席情況，藉此評估該董事是否對本公司投入足夠時間；
- d. 在重選任職超過九年的獨立非執行董事時，董事會及／或提名委員會將(i)評估及釐定該董事是否仍然獨立及應獲重選；及(ii)在股東周年大會通知所附致股東的通函中披露該決定及達致該決定的考慮因素、過程及討論；及

e. the Nomination Committee, the Remuneration Committee and the Audit Committee have the power to obtain external independent professional advice at the Company's expenses.

The Board reviews the implementation and effectiveness of such mechanisms on an annual basis. During the year ended 31 December 2022, the Board reviewed the implementation and effectiveness of such mechanisms and the results were satisfactory.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

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

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

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

During the year ended 31 December 2022, the Company organized more than one training session conducted by the legal advisers of the Company for the directors. Such training sessions cover a wide range of topics such as directors' duties during the offer period and general overview of Codes on Takeovers and Mergers and Share Buy-backs. In addition, relevant reading materials have been provided to the directors for their reference and studying.

e. 提名委員會、薪酬委員會及審核委員會有權獲取外部獨立專業意見，費用由本公司承擔。

董事會每年檢討該等機制的執行情況及成效。截至2022年12月31日止年度，董事會已檢討該等機制的執行情況及成效，結果令人滿意。

董事之就任須知及持續專業發展

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

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

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

截至2022年12月31日止年度，本公司已為董事們安排了不止一次由本公司法律顧問舉辦的培訓課程，有關培訓課程涵蓋廣泛的議題，例如：要約期董事責任、《公司收購、合併及股份回購守則》概覽等。此外，董事獲提供相關閱讀材料以供彼等參閱及學習。

The record of continuous professional development relating to director's duties and regulatory and business development that have been received by the directors for the year ended 31 December 2022 and up to date of this report are summarized as follows:

於截至2022年12月31日止年度及截至本年報日期，董事已接獲有關董事職務以及監管規例及業務發展的持續專業發展記錄概述如下：

Directors	董事	Type of Training ^{Note} 培訓類別 ^{附註}
Non-executive directors	非執行董事	
Mr. Jeffrey, Minfang Lu	盧敏放先生	A/B/C
Mr. Qin Peng	秦鵬先生	A/B
Mr. Zhang Ping	張平先生	A/B
Mr. Gu Peiji (alias Philip Gu)	顧培基(又名Philip Gu)先生	A/B
Executive director	執行董事	
Mr. Yan Zhiyuan	閔志遠先生	A/B
Independent non-executive directors	獨立非執行董事	
Mr. Mok Wai Bun Ben	莫衛斌先生	A/B
Mr. Cheng Shoutai	程守太先生	A/B
Mr. Lee Kong Wai Conway	李港衛先生	A/B

Note:

附註：

Types of Training

培訓類別

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

A：出席培訓會，包括但不限於簡介會、研討會、會議及工作坊

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

B：閱讀相關的新聞快訊、報章、期刊、雜誌及相關刊物

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

C：在研討會及／或會議及／或論壇上發表演說

DELEGATION BY THE BOARD

董事會的授權

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

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

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

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

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

BOARD COMMITTEES

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

Each Board committee has also been provided with sufficient resources to discharge its duties and, upon reasonable request, is able to seek independent professional advice in appropriate circumstances at the Group's expense.

Audit Committee

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

As at 31 December 2022, the Audit Committee consists of three members including two independent non-executive directors, namely Mr. Lee Kong Wai Conway (Chairman) and Mr. Mok Wai Bun Ben and one non-executive director, namely Mr. Zhang Ping with Mr. Lee Kong Wai Conway possessing the appropriate professional qualifications or accounting or related financial management expertise.

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

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

董事委員會

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

各董事委員會亦已獲提供足夠資源以履行其職責，及於合理要求時可在適當情況下尋求獨立專業意見，費用概由本集團承擔。

審核委員會

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

於2022年12月31日，審核委員會由三名成員組成，包括兩名獨立非執行董事李港衛先生(主席)及莫衛斌先生，以及一名非執行董事張平先生，其中李港衛先生具備適當專業資格或會計或相關財務管理專業知識。

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

During the year ended 31 December 2022, the Audit Committee held four meetings and reviewed the Group's interim and annual financial results and interim and annual reports, significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works, connected transactions and arrangements for employees to raise concerns about possible improprieties. The Audit Committee has been provided with sufficient resources to discharge its duties.

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

Remuneration Committee

The Remuneration Committee of the Company was established on 8 October 2010. As at 31 December 2022, the Remuneration Committee consists of five members including three independent non-executive directors, namely Mr. Mok Wai Bun Ben (Chairman), Mr. Cheng Shoutai and Mr. Lee Kong Wai Conway and two non-executive directors, namely Mr. Jeffrey, Minfang Lu and Mr. Qin Peng.

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

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

截至2022年12月31日止年度，審核委員會舉行了四次會議及審閱本集團的中期及年度財務業績以及中期報告及年報、有關財務報告、營運及合規監控的重大事宜、風險管理及內部監控系統及內部審核職能的有效性、外聘核數師的委任以及相關工作範圍、關連交易、僱員可就可能發生的不當行為提出關注的安排。審核委員會已獲提供充足資源履行其職責。

審核委員會與外聘核數師進行三次會晤，當中執行董事並無列席。

薪酬委員會

本公司薪酬委員會於2010年10月8日成立。於2022年12月31日，薪酬委員會由五名成員組成，包括三名獨立非執行董事，分別為莫衛斌先生(主席)、程守太先生及李港衛先生，以及兩名非執行董事盧敏放先生及秦鵬先生。

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

The Remuneration Committee has reviewed the remuneration policy and structure of the Company, and the remuneration packages as well as the annual bonuses of the executive director and the senior management during the year ended 31 December 2022.

The Remuneration Committee held one meeting during the year ended 31 December 2022.

Nomination Committee

The Nomination Committee of the Company was established on 8 October 2010. As at 31 December 2022, the Nomination Committee consists of three members including one non-executive director namely Mr. Jeffrey, Minfang Lu (Chairman), and two independent non-executive directors, namely Mr. Mok Wai Bun Ben and Mr. Cheng Shoutai.

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

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

During the year ended 31 December 2022 and up to the date of this annual report, the Nomination Committee reviewed the structure, size and composition of the Board and the independence of independent non-executive directors, to consider the qualifications for the retiring directors standing for election at the annual general meeting held on 8 June 2022 and to consider and recommend to the Board on the appointment of executive director. The Nomination Committee considered an appropriate balance of diversity perspectives other than gender diversity perspective of the Board is maintained. Up to the date of this Annual Report, the Nomination Committee is in progress of identifying suitable female candidate(s) for appointment to the Board on merit against objective criteria.

薪酬委員會已審閱本公司的薪酬政策及結構，以及執行董事及高級管理層於截至2022年12月31日止年度內的薪酬待遇及年終花紅。

於截至2022年12月31日止年度內，薪酬委員會舉行了一次會議。

提名委員會

本公司提名委員會於2010年10月8日成立。於2022年12月31日，提名委員會由三名成員組成，包括一名非執行董事盧敏放先生(主席)，以及兩名獨立非執行董事莫衛斌先生及程守太先生。

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

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

截至2022年12月31日止年度內及直至本年報日期，提名委員會檢討了董事會的架構、人數及組成以及獨立非執行董事的獨立性，並考慮於2022年6月8日所舉行的股東周年大會上候選之退任董事之資格，以及審議執行董事的委任及向董事會提出建議。提名委員會認為，除性別多元化外，董事會多元化各方面已維持適當的平衡。直至本年報日期，提名委員會正根據客觀標準物色合適的女性候選人以委任為董事會成員。

The Nomination Committee held one meeting during the year ended 31 December 2022.

截至2022年12月31日止年度，提名委員會舉行了一次會議。

BOARD PROCEEDINGS

董事會程序

Board practices and conduct of meetings

董事會常規及舉行會議

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

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

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors.

董事會常規會議應每年召開至少四次，大部分董事應親身出席或通過電子通訊方式積極參與。

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

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

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

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

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

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

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

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

Attendance Records of Directors

The attendance records of each director at the Board, Board committee meetings and the general meetings of the Company held during the year ended 31 December 2022 are set out below:

董事出席會議的記錄

各董事出席本公司於截至2022年12月31日止年度舉行之董事會會議、董事委員會會議及股東大會的記錄載列如下：

Name of director	董事姓名	Number of Attendance/Number of Meeting(s) 出席次數/會議次數					
		Board	Audit Committee	Remuneration Committee	Nomination Committee	Annual General Meeting ⁽¹⁾ 股東周年大會 ⁽¹⁾	Extraordinary General Meetings ⁽²⁾ 股東特別大會 ⁽²⁾
Mr. Jeffrey, Minfang Lu	盧敏放先生	4/4	—	1/1	1/1	1/1	2/2
Mr. Qin Peng	秦鵬先生	4/4	—	1/1	—	1/1	2/2
Mr. Zhang Ping	張平先生	4/4	4/4	—	—	1/1	2/2
Mr. Gu Peiji (alias Philip Gu)	顧培基(又名Philip Gu)先生	4/4	—	—	—	1/1	2/2
Mr. Yan Zhiyuan	閻志遠先生	4/4	—	—	—	1/1	2/2
Mr. Mok Wai Bun Ben	莫衛斌先生	4/4	4/4	1/1	1/1	1/1	2/2
Mr. Cheng Shoutai	程守太先生	3/4	—	1/1	1/1	1/1	2/2
Mr. Lee Kong Wai Conway	李港衛先生	3/4	4/4	1/1	—	1/1	2/2

Notes:

- (1) The annual general meeting of the Company was held on 8 June 2022.
(2) The extraordinary general meetings of the Company were held on 27 June 2022 and 16 August 2022.

附註：

- (1) 本公司股東周年大會於2022年6月8日舉行。
(2) 本公司股東特別大會於2022年6月27日及2022年8月16日舉行。

Apart from regular Board meetings, an independent non-executive directors' meeting was also held without the presence of other directors on 30 March 2022.

除常規董事會會議外，亦於2022年3月30日舉行了一次獨立非執行董事會議，會上並無其他董事列席。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

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

董事及高級管理層的薪酬

本公司已制定正式且具透明度的程序，以制定本集團董事及高級管理層的薪酬政策。

The annual remuneration of the members of the senior management (other than directors) by bands for the year ended 31 December 2022 is set out below:

截至2022年12月31日止年度，按薪酬組別劃分的高級管理層成員(董事除外)年薪載列如下：

		Number of individuals 人數
Nil to RMB1,000,000	零至人民幣1,000,000元	1
RMB3,000,001 to RMB4,000,000	人民幣3,000,001元至人民幣4,000,000元	1
Total	總計	2

Details of the remuneration of each of the directors for the year ended 31 December 2022 are set out in Note 9 to the consolidated financial statements.

各董事於截至2022年12月31日止年度內的薪酬詳情載於合併財務報表附註9。

Details of the remuneration of the five highest paid individuals of the Group are set out in Note 10 to the consolidated financial statements.

本集團五名最高薪酬人士的薪酬詳情載於合併財務報表附註10。

CORPORATE GOVERNANCE FUNCTIONS

企業管治職能

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

董事會負責履行企業管治守則的守則條文第A.2.1條所載的職能。

During the year ended 31 December 2022, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employee Written Guidelines, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

於截至2022年12月31日止年度，董事會已審閱本公司的企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司遵守法律及監管規定、遵守標準守則及僱員書面指引的政策及常規、本公司遵守企業管治守則的情況及於本企業管治報告的披露資料。

BOARD DIVERSITY POLICY

董事會成員多元化政策

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

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

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

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

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

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

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

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

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

- Gender
- Age
- Cultural and educational background

本公司相信董事更加多元化有利於企業管治並致力於：

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

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

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

- 性別
- 年齡
- 文化及教育背景

- Professional qualifications
- Skills, knowledge and industry and regional experience

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

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

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

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

- (A) at least one of members of the Board shall be female;
- (B) at least 50% of the members of the Board shall be non-executive Directors or independent non-executive Directors;
- (C) at least one-third of the members of the Board shall be independent non-executive Directors;
- (D) at least one of the members of the Board shall have obtained accounting or other professional qualifications;
- (E) at least two-thirds of the members of the Board shall have more than ten years of experience in the industry he/she is specialised in;
- (F) at least two of the members of the Board shall have China-related work experience.

The Board is committed to improving the diversity of the Board and wishes to achieve the above objectives by the end of 2024.

- 專業資格
- 技能、知識及行業及地區經驗

本公司旨在使董事會成員多元化各方面保持適當平衡，以切合本公司業務發展。

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

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

為了執行董事會多元化政策，已採納以下可計量目標：

- (A) 至少一名董事會成員須為女性；
- (B) 至少50%董事會成員須為非執行董事或獨立非執行董事；
- (C) 至少三分之一董事會成員須為獨立非執行董事；
- (D) 至少一名董事會成員須取得會計或其他專業資格；
- (E) 至少三分之二董事會成員須有超過十年專長的經驗；
- (F) 至少兩名董事會成員須有中國相關工作經驗。

董事會致力於提高董事會多元化，有意於2024年結束前實現上述目標。

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

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

GENDER DIVERSITY

The Company values gender diversity across all levels of the Group.

性別多元化

本公司重視本集團各階層的性別多元化。

The following table sets out the gender ratio of the Board as at 31 December 2022:

下表載列於2022年12月31日董事會的性別比例：

		Female 女性	Male 男性
Board	董事會	0.0%	100.0%

The Board is committed to improving greater gender diversity in the Board and will appoint at least one female Director by the end of 2024.

董事會致力於提高董事會性別多元化，將於2024年底前委任至少一名女性董事。

The Company has adopted the following measures to develop a pipeline of potential successors to the Board to achieve gender diversity:

公司已採取下列措施開發董事會潛在繼任人管道以實現性別多元化：

- To attract and retain candidate(s) for Board with a combination of competencies from the widest possible pool of available talent.
- To set up appropriate procedures for development of a broader and more diverse pool of skilled and experienced senior management that would be prepared for Board positions.

- 於廣泛人才庫中密切留意具備各類不同才能的董事會候選人。
- 設立適當的程序以培養更廣泛及更多元化、技術經驗豐富的高級管理層，為出任董事會職位作準備。

Up to the date of this Annual Report, the Nomination Committee is in progress of identifying suitable female candidate(s) for appointment to the Board on merit against objective criteria.

直至本年度報告日期，提名委員會正在根據客觀標準物色合適的女性候選人以委任為董事會成員。

As of 31 December 2022, the Group had a total of 2,434 full-time employees, 1,055 of whom were female (accounting for approximately 43.3%), and 1,379 of whom were male (accounting for approximately 56.7%). The following table sets out the gender ratio in the workforce of the Group, including the senior management, as at 31 December 2022:

截至2022年12月31日，本集團共有2,434名全職僱員，由1,055名女性僱員(佔比約43.3%)以及1,379名男性僱員(佔比約56.7%)組成。下表載列於2022年12月31日本集團員工隊伍(包括高級管理層)的性別比例：

		Female 女性	Male 男性
Senior Management ¹	高級管理層 ¹	50.0%	50.0%
Senior Management Personnel	高級管理人員	30.0%	70.0%
Mid-level Management Personnel	中級管理人員	31.6%	68.4%
General staff	普通員工	44.3%	55.7%
Overall workforce	整體員工隊伍	43.3%	56.7%

Note:

1 The senior management category includes one non-full-time employee who works as the company secretary in the company.

附註：

1 高級管理層類別人員包含一名非全職僱員，該僱員於本公司擔任公司秘書一職。

The Group has set measurable goals to achieve gender diversity in the workforce. The Group is committed to achieving and keeping the proportion of female employees in the total workforce at 40–50% and maintaining a non-single-sex senior management team.

本集團已制定可衡量的目標，以實現勞動力的性別多元化。本集團致力於實現並維持女性僱員在整體僱員40–50%的佔比，以及保持非單一性別的高級管理層團隊。

Most employees of the Group work on the front line in factory roles involving medium and heavy labor. Given that the majority of candidates for such front-line positions are male, the majority of candidates for the Group's general staff and mid-level management personnel (who are generally appointed from such front-line positions) are male. As such, the Group believes that a 40–50% female representation is a reasonable goal for gender diversity in the total workforce. Considering the small team size of senior management and the contingent nature of the ratio, the Group believes that maintaining a non-single-sex senior management team is a reasonable goal of gender diversity in the senior management level.

本集團大部分員工都在工廠前線工作，涉及中重型勞動。鑒於此類前線職位的大部分候選人是男性，本集團一般員工及中層管理人員(一般委任自該等前線職位)的候選人大部分為男性。因此，本集團認為女性僱員佔40–50%是整體僱員性別多元化的合理目標。其中，考慮到高級管理層類別人員較少，比例有偶然性，本集團認為保持非單一性別的高級管理層團隊是高級管理層層級性別多元化的合理目標。

As of 31 December 2022, the Group considers that it has achieved gender diversity across the workforce (including senior management).

截至2022年12月31日，本集團認為已達到整體僱員(包括高級管理層)的性別多元化。

The Group will continue to strictly abide by all applicable labour laws and regulations, provide equal opportunities for employees and candidates of different genders by only considering their qualifications, experience, performance, and other factors related to the job functions, and ensure that there is no unequal treatment due to gender differences in recruitment, remuneration, promotion, or career development.

DIRECTOR NOMINATION POLICY

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

Criteria for nomination and appointment of directors

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

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

本集團將繼續嚴格遵守所有適用的勞動法律法規，為不同性別的僱員和候選人提供平等的機會，只考慮資格、經驗、績效和其他與工作職能相關的因素，並確保在招聘、薪酬、晉升和職業發展方面不因性別差異而受到不平等待遇。

董事提名政策

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

提名及委任董事的準則

於評估及甄選董事候選人時，應考慮以下準則：

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

- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.
- 適用於本公司業務及繼任計劃，以及(如適用)董事會及／或提名委員會就提名董事及繼任計劃可能不時採納及／或修訂的有關其他方面。

Nomination process

(a) Appointment of new director

- The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, where applicable.
- For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

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

(b) Re-election of director at General Meeting

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

提名程序

(a) 委任新董事

- 提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，依據上文所載標準評估該候選人，以確定該候選人是否合資格擔任董事。
- 倘程序產生一名或多名合意的候選人，提名委員會及／或董事會應根據本公司的需要及每名候選人的背景調查(如適用)排列彼等的優先次序。
- 提名委員會隨後應就委任合適人選擔任董事向董事會提出推薦意見(如適用)。
- 就任何經由股東提名於本公司股東大會上選舉為董事的人士，提名委員會及／或董事會應依據上文所載標準評估該候選人，以確定該候選人是否合資格擔任董事。

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

(b) 於股東大會上重選董事

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

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

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

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

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

DIVIDEND POLICY

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

A summary of the dividend policy is set out below:

1. In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value.
2. The Company intends to distribute part of the annual net profits of the Group or other special dividend amount approved by the Board as dividends to its shareholders, subject to the conditions and factors as set out below. No specific dividend proportion has been currently adopted.
3. The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the Articles of Association of the Company and all applicable laws and regulations and the factors set out below.

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

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

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

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

股息政策

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

股息政策概要載列如下：

1. 於建議或宣派股息時，本公司應維持足夠現金儲備，以應付其營運資金需求、未來增長以及其股東價值。
2. 受下列條件及因素所限，本公司擬分派本集團的部分年度純利或董事會批准的其他特定股息金額作為給予本公司股東的股息。目前概無採納特定股息比例。
3. 根據本公司組織章程細則、所有適用法律及法規以及下列因素，董事會可酌情宣派及分派股息予本公司股東。

4. The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:
- financial results;
 - cash flow situation;
 - business conditions and strategies;
 - future operations and earnings;
 - capital requirements and expenditure plans;
 - interests of shareholders;
 - any restrictions on payment of dividends; and
 - any other factors that the Board may consider relevant.
5. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out above, the following dividends may be proposed and/or declared by the Board for a financial year or period:
- interim dividend;
 - final dividend;
 - special dividend; and
 - any distribution of net profits that the Board may deem appropriate.
6. Any final dividend for a financial year will be subject to shareholders' approval.
7. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.
8. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Company's Articles of Association.
4. 董事會在考慮宣派及派付股息時，應同時考慮下列有關本集團的因素：
- 財務業績；
 - 現金流狀況；
 - 業務狀況及策略；
 - 未來營運及盈利；
 - 資金需求及支出計劃；
 - 股東的利益；
 - 任何派付股息的限制；及
 - 董事會可能視為相關的任何其他因素。
5. 視乎本公司及本集團的財政狀況以及上述條件及因素，董事會可在財政年度或期間建議及／或宣派下列股息：
- 中期股息；
 - 末期股息；
 - 特別股息；及
 - 任何董事會認為合適的純利派付。
6. 財政年度的任何末期股息均須由股東批准。
7. 本公司可以現金或以股代息方式或董事會認為合適的其他形式宣派及派付股息。
8. 任何未領取的股息應被沒收及應根據本公司組織章程細則復歸本公司。

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

董事會將在適當時不時檢討股息政策。

ACCOUNTABILITY AND AUDIT

Directors' responsibilities for financial reporting in respect of financial statements

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2022.

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

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

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

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

RISK MANAGEMENT AND INTERNAL CONTROL

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

問責性及審核

董事就有關財務報表的財務報告的責任

董事確認負有編製本公司截至2022年12月31日止年度的財務報表之責任。

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

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

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

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

風險管理及內部監控

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

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks (including but not limited to business, operation as well as environmental, social and governance (“ESG”) risks) it is willing to take in achieving the Company’s strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems. The Board is the highest decision-making authority for overall corporate risk management, and is mainly responsible for performing the following risk management duties.

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

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

董事會有整體責任評估及釐定本公司為達成戰略目標時所願意承擔的風險(包括但不限於業務、營運及環境、社會及管治(「環境、社會及管治」)風險)性質及程度，並設立及維持適切及有效的風險管理及內部監控系統。董事會是公司整體風險管理的最高決策機構，主要履行以下風險管理職責。

風險管理委員會已根據上市規則指引成立，該委員會由一名董事會成員及本集團部門負責人組成。本集團通過建立全面風險管理組織體系，有效實施風險管理工作，明確決策、執行、監督及其他風險管理職責，形成科學有效的職責分工體系，建立風險管理三道防線，即銷售管理部、工廠及採招執行為第一道防線，是各風險管理的直接責任者；風險與內控管理委員會、各職能支持部門以及風險管理部為第二道防線，是風險管理的統籌策劃和監督者；審核委員會、內部審計部以及紀檢辦公室為第三道防線，是風險管理的驗證者。

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

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

(I) Risk identification

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

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

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

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

(一) 風險識別

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

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

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

- (2) Scope of risk identification: there are inherent risks in conducting any business activities. Each of the affairs divisions, functional divisions and factories are required to organize risk identification on a unified basis according to the required dates of starting and ending the risk identification as notified by the risk management division. Management staff and risk counterpart staff at each level are the main organizers of risk identification and are required to boost the risk management awareness among all staff internally and to comprehensively identify various internal and external risks which impact on the achievement of objectives;
- (2) 風險識別的範圍：任何業務活動開展均存在固有風險，各事業部、職能部門及工廠需根據風險管理部通知的風險識別起止時間要求，統一組織開展風險識別工作。各層級管理人員及風險對接人是風險識別的主要組織者，須在內部倡導全員風險管理的意識，全面識別影響目標達成的內外部各種風險；
- (3) Areas of risk identification: in commencing a risk identification process, each affairs division, functional division and factory are required to sort out and collect risks comprehensively and systematically in line with the Group's risk management framework which consists of seven dimensional areas including strategy, market, finance, operations, law and compliance, quality and food safety as well as sustainable development, taking into account the factors that impact on the achievement of the Company's business objectives;
- (3) 風險識別的領域：各事業部、職能部門及工廠在開展風險識別的過程中，需根據本集團風險管理框架，從戰略、市場、財務、運營、法律與合規、質量與食品安全、可持續發展七個維度全面、系統地進行風險梳理和收集，綜合考慮影響本公司業務目標達成的因素；
- (4) Principle of risk identification: it is necessary to follow the three basic principles including comprehensiveness, systematicness and continuity;
- (4) 風險識別的原則：須遵循三項基本原則包括全面性、系統性和連續性；
- (5) Method of risk identification: employing the risk identification methods commonly used by enterprises as well as a variety of ways and methods to collect a wide range of risks associated with the Group's business areas;
- (5) 風險識別的方法：利用企業常用的風險識別方法及通過多種途徑和方法廣泛收集本集團業務領域相關的風險；
- (6) Summarizing and submitting findings on risk identification: risk counterpart staff of each affairs division, functional division and factory are required to describe each risk identified strictly in accordance with the Company's common risk language and compile a list of risks identified at the affairs division/functional division/factory level which, after being verified and confirmed by the affairs division, functional division and factory manager, shall be submitted by the risk counterpart staff of affairs division, functional division and factory to the risk management division of the Group;
- (6) 風險識別概述與結果呈交：各事業部、職能部門及工廠風險對接人須將識別的每項風險嚴格按照本公司統一的風險語言進行描述，形成事業部／職能部門／工廠層面的風險識別清單，經各事業部、職能部門及工廠負責人審核確認後，由各事業部、職能部門及工廠的風險對接人呈交本集團風險管理部；

- (7) Organization of risk seminars: specifically for the findings on risk identification submitted by each affairs division, functional division and factory, the risk management division is required to sort out the differences regarding the unclearly defined leading role in risk management and incomplete description of risks;
- (8) Establishment and improvement of the risk database: the risk management division is required to establish and improve the risk database of the Group as an essential basis for risk management based on the findings on risk identification submitted by each affairs division, functional division and factory annually;
- (9) Other requirements: in addition to the routine risk identification carried out by the Group each year, each of affairs divisions, functional divisions and factories are required to carry out temporary risk identification in line with their own internal actual situations. The workflow and methods shall be carried out with reference to the above criteria.
- (7) 風險研討會的組織：針對各事業部、職能部門及工廠呈交的風險識別結果，風險管理部須對存在風險管理主導職責不清、風險描述不完整等存異內容進行整理；
- (8) 風險數據庫的建立和完善：風險管理部須根據每年度各事業部、職能部門及工廠呈交的風險識別結果，建立和完善本集團風險數據庫，作為風險管理的重要依據；
- (9) 其他要求：在每年本集團例行開展的風險識別之外，各事業部、職能部門及工廠需根據彼等各自的內部實際情況組織開展臨時的風險識別工作，工作流程和方法參照以上標準執行。

(III) Risk assessment

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

- (1) the cycle of a risk assessment (conduct regularly once a year);
- (2) to carry out a risk assessment at different levels;
- (3) to assess and identify significant risks at different levels;
- (4) to build up a team of risk assessment experts;

(二) 風險評估

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

- (1) 風險評估的周期(每年例行展開一次)；
- (2) 分層次開展風險評估；
- (3) 分層次評估及識別重大風險；
- (4) 風險評估專家團隊建設；

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

(5) 跨事業部／職能部門／工廠風險評分權重的設定。

(III) Risk response

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

- (1) to determine the main unit in charge of the Group's significant risks (including ESG related risks);
- (2) to make preparations for responding to and notifying of risk;
- (3) to develop strategies for analysing and responding to risks;
- (4) to execute and modify measures for responding to risks.

(IV) Risk monitoring

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

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

(三) 風險應對

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

- (1) 本集團重大風險(包括環境、社會及管治相關風險)主負責單位確定；
- (2) 風險應對準備與通知；
- (3) 風險分析與應對策略制定；
- (4) 風險應對措施執行與變更。

(四) 風險監控

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

- (1) 風險監控職責分工：本集團層面重大風險(包括環境、社會及管治相關風險)由風險管理部全程監控；職能部門／事業部／工廠層面重大風險由職能部門／事業部／工廠風險對接人全程監控，風險管理部不定期抽查；

- (2) Frequency of risk monitoring: significant risks at Group level are monitored quarterly, while significant risks (including ESG related risks) at functional division/affairs division/factory level are monitored quarterly or monthly by the functional divisions/affairs divisions/factories on a selective basis;
- (3) Particulars of risk monitoring: risk monitoring covers the implementation and effectiveness of strategies for responding to significant risks at each level as well as the monitoring and early warning of significant risk events and related risk information within the industry.

(IV) Risk management reporting

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

- (1) Risk management reporting to the Audit Committee: report at least once a year, as required by the Audit Committee;
- (2) Reporting to the risk and internal control committee: report at least twice a year, as required by the risk and internal control committee;
- (3) Other risk management forms and reports: while the risk management system and workflow (refers to risk identification, assessment, response and monitoring) are being carried out, the functional divisions/affairs divisions/factories shall, as required by the risk management division, submit all kinds of process management form and information report in a timely and quality manner to ensure that the Group's risk management information is communicated and reported smoothly.

- (2) 風險監控頻次：本集團層面的重大風險(包括環境、社會及管治相關風險)監控頻次為季度；職能部門／事業部／工廠層面的重大風險監控頻次為季度或月度，由各職能部門／事業部／工廠選擇性執行；
- (3) 風險監控內容：包括各層級重大風險應對策略的執行情況與成效、重大風險事件和行業內相關風險信息的監測預警。

(V) 風險管理報告

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

- (1) 向審核委員會的風險管理報告：根據審核委員會的要求，每年度至少彙報一次；
- (2) 向風險與內控管理委員會的報告：根據風險與內控管理委員會的要求，每年度至少彙報兩次；
- (3) 其他風險管理表單與報告：在風險管理體系和流程(指風險識別、評估、應對、監控環節)進行的過程中，各職能部門／事業部／工廠須根據風險管理部的要求按時保質呈交各類過程管理表單和資料報告，保證本集團風險管理資料溝通與報告通暢。

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

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

- (i) conducting interviews with the relevant management personnel and staff of the Company, and conducting site review of the relevant documents relating to internal control at the same time;
- (ii) conducting walk through testing on relevant internal control processes and systems;
- (iii) conducting sample testing on relevant internal controls to determine whether the internal controls of the Company are consistent with the requirements of the management and the relevant policies and procedures handbook,
- (iv) based on the results of procedures (ii) and (iii) above, identifying deficiencies of internal controls of the Company and making appropriate recommendations to improve them.

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

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

內部監控顧問執行的審閱程序包括以下內容：

- (i) 與本公司相關管理人員及工作人員進行訪談，同時對涉及內部監控的相關文件進行實地審核；
- (ii) 對相關內部監控程序及體系進行穿行測試；
- (iii) 對相關的內部監控作出抽樣測試，以釐定本公司的內部監控運行是否符合管理層與有關政策及程序手冊的要求；
- (iv) 基於以上步驟(ii)及(iii)的結果，識別本公司內部監控的缺陷並提出適當的改進建議。

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

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

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

- (i) conducting follow-up review of the rectification measures implemented by the Company;
- (ii) discussing the procedures of the rectification measures with the relevant management personnel and staff of the Company; and
- (iii) conducting walk through testing on the rectified internal control processes and systems.

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

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2022.

At the board meeting held on 29 March 2023, the Board, as supported by the Audit Committee as well as the internal audit findings, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended 31 December 2022, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function and staff qualifications, experiences and relevant resources.

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

內部監控顧問執行的跟進審閱程序包括以下內容：

- (i) 對本公司實施的整改措施進行後續審閱；
- (ii) 與本公司相關管理人員及工作人員討論整改措施的步驟；及
- (iii) 對已整改的內部監控程序及體系進行穿行測試。

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

管理層已向董事會及審核委員會確認截至2022年12月31日止年度就有關風險管理及內部監控系統的成效。

於2023年3月29日舉行的董事會會議上，董事會於審核委員會及內部審核結果的協助下審閱截至2022年12月31日止年度的風險管理及內部監控系統，包括財務、營運及合規監控，並認為此等系統屬有效及充分。年度審閱亦涵蓋財務申報及內部審核職能及員工學歷、經驗及相關資源。

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

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

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

監控程序已經實施，以確保嚴禁未經授權訪問與使用內幕消息。

MANAGEMENT OF CONNECTED TRANSACTIONS

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

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

Procedures for identifying connected transactions are as follows:

(I) The first control gate — Business Unit

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

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

關連交易管理

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

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

識別關連交易的程序如下：

(一) 第一道控制關口 — 業務部門

本公司各業務部門須自覺把好第一道關，保持對關連交易的高度敏感和警覺性。

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

- (2) When signing any business contract, it is necessary to add an option for declaration of connection to the contract with reference to the “Rules for Management of Connected Transactions” (《關連交易管理制度》). Currently, the option for declaration of connection is mainly targeted at the Company’s substantial shareholders, Mengniu Group;
- (3) Contracts confirmed as connected transactions must be countersigned to the Compliance Department in the OA system;
- (4) The pricing of connected transaction contracts strictly follows the principles of fairness and impartiality;
- (5) The time limit for signing the connected transaction contracts shall not exceed three years; and
- (6) It is forbidden to make connected transactions first and then to supplement contracts or backdate the connected transaction contracts.

(III) The second control gate — Legal Department

- (1) To supervise the review of any draft business contract initiated by the business unit and check whether the contract text includes the option for declaration of connection. If there is no option for declaration of connection, the draft contract will be returned to the business unit.
- (2) If the connection is declared as “the contracted party is a connected company”, the business unit must be reminded and requested to countersign the contracts to the Compliance Department in the OA system.

(III) The third control gate — OA system

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

- (2) 簽訂任何業務合同時，均須參考《關連交易管理制度》在合同中加入關連聲明選項。關連聲明選項目前主要針對本公司主要股東蒙牛集團；
- (3) 確定為關連交易的合同須在OA系統會簽給合規部；
- (4) 關連交易合同定價嚴格遵循公平公正原則；
- (5) 簽署關連交易合同期限不得超過三年；及
- (6) 禁止關連交易先發生後補合同，禁止關連交易合同日期倒簽。

(二) 第二道控制關口 — 法務部門

- (1) 監督業務部門發起會審的任何業務合同草稿，檢查合同文本是否加入關連聲明選項。如缺少關連聲明選項，將合同草稿退回業務部門。
- (2) 若發現合同關連聲明選項中勾選結果為「合同對方屬於關連企業」，須提醒及要求業務部門在OA系統將合同會簽給合規部。

(三) 第三道控制關口 — OA系統

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

(IV) The fourth control gate — Seal Management Department

- (1) If any business contract is found to lack the option for declaration of connection, the contract shall not be stamped;
- (2) If the connection is declared as “the contracting party is a connected company”, but the contract process of the OA system is not countersigned to the Compliance Department, the contract shall not be stamped.

(四) 第四道控制關口 — 印鑒管理部門

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

EXTERNAL AUDITORS AND AUDITORS’ REMUNERATION

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

During the year ended 31 December 2022, the remuneration paid/payable to the Company’s current auditors, KPMG, Certified Public Accountants, is set out below:

外聘核數師及核數師的薪酬

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

截至2022年12月31日止年度，本公司已付／應付本公司現任核數師畢馬威會計師事務所(執業會計師)的薪酬載列如下：

Category of services	服務類別	Fee paid/ payable 已付／ 應付費用 RMB'000 人民幣千元
Audit services ⁽¹⁾	審核服務 ⁽¹⁾	2,700
Other assurance services ⁽²⁾	其他鑒證服務 ⁽²⁾	1,280
Non-audit services ⁽³⁾	非審核服務 ⁽³⁾	552
Total	總計	4,502

Notes:

1. Audit services for the 2022 financial statements.
2. Assurance services related to the special deals in connection with the Privatization Proposal.
3. Services related to tax consultation, etc.

附註：

- (1) 2022年財務報表審計服務。
- (2) 私有化提案相關的特別交易的鑒證服務。
- (3) 稅務諮詢等相關服務。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

During the year ended 31 December 2022, the remuneration paid/payable to the Company's former auditors, Ernst & Young, Certified Public Accountants, is set out below:

截至2022年12月31日止年度，本公司已付／應付本公司前任核數師安永會計師事務所(執業會計師)的薪酬載列如下：

Category of services	服務類別	Fee paid/ payable 已付／ 應付費用 RMB'000 人民幣千元
Audit services ⁽¹⁾	審核服務 ⁽¹⁾	3,050
Non-audit services	非審核服務	—
Other assurance services ⁽²⁾	其他鑒證服務 ⁽²⁾	805
Total	總計	3,855

Notes:

1. Audit services for the 2021 financial statements.
2. Assurance services related to the special deals in connection with the Privatization Proposal.

附註：

- (1) 2021年財務報表審計服務。
- (2) 私有化提案相關的特別交易的鑒證服務。

COMPANY SECRETARY

Mr. Kwok Wai Cheong, Chris is the company secretary of the Company. Mr. Kwok is the financial controller and company secretary of China Mengniu Dairy Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 2319) ("Mengniu Dairy") (the holding company of the Company), a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Kwok is not an employee of the Company. Mr. Kwok contacts the management of the Company and reports to the chairman of the Board and/or the chief executive officer of the Company through Ms. Alisa Wu of CEO's Office, when necessary in accordance with the code provisions set out in the CG Code in Appendix 14 of the Listing Rules. Mr. Kwok has confirmed that he has taken no less than 15 hours of relevant professional trainings during the year ended 31 December 2022.

公司秘書

郭偉昌先生為本公司的公司秘書。郭先生為本公司控股公司中國蒙牛乳業有限公司(「蒙牛乳業」)(一間在聯交所主板上市的公司，股份代號：2319)的財務總監兼公司秘書，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。郭先生並非為本公司僱員。郭先生將於有需要時根據上市規則附錄十四企業管治守則所載守則條文透過總裁辦公室吳子欣女士與本公司管理層聯繫，並向董事會主席及／或本公司行政總裁匯報。郭先生已確認其於截至2022年12月31日止年度已參與不少於15小時的相關專業培訓。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

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

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

During the year ended 31 December 2022, the Company has not made any changes to its Memorandum and Articles of Association. The Company's Memorandum and Articles of Association is available on the websites of the Company and the Stock Exchange.

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

Shareholders' Communication Policy

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

與股東的溝通及投資者關係

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

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

本公司於截至2022年12月31日止年度並無對其組織章程大綱及細則作出任何改動。本公司的組織章程大綱及細則登載於本公司的網站及聯交所的網站。

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

股東溝通政策

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

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

“Corporate Communication” as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors’ report, annual accounts together with a copy of the auditor’s report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on the Stock Exchange’s website (www.hkex.com.hk) in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company’s securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules.

(b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange’s website in a timely manner in accordance with the Listing Rules.

(c) Corporate Website

Any information or documents of the Company posted on the Stock Exchange’s website will also be published on the Company’s website (www.yashili.hk).

本公司已建立如下與股東保持持續對話的多個渠道：

(a) 公司通訊

根據上市規則所界定，「公司通訊」乃指本公司發出或將予發出以供其任何證券的持有人參照或採取行動的任何文件，其中包括但不限於本公司的下列文件：(a)董事會報告、年度賬目連同核數師報告以及(如適用)財務摘要報告；(b)中期報告及(如適用)中期摘要報告；(c)會議通告；(d)上市文件；(e)通函；及(f)委任表格。本公司的公司通訊將按照上市規則的規定適時在聯交所網站(www.hkex.com.hk)登載。公司通訊將以中、英文版本(或如獲許可，以單一語言)按照上市規則的規定適時向股東及非登記的本公司證券持有人提供。

(b) 根據上市規則規定的公告及其他文件

本公司應根據上市規則的規定於聯交所網站適時登載公告(就內幕消息、企業行動及交易等事宜)及其他文件(例如組織章程大綱及細則)。

(c) 公司網站

任何登載於聯交所網站的本公司資料或文件亦將登載於本公司網站(www.yashili.hk)。

(d) Shareholders' Meetings

The annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any). The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

(e) Shareholders' Enquiries

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, by submitting enquiries online at www.computershare.com/hk/contact or calling its hotline at +852 2862 8555, or going in person to its office at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

Enquiries about Corporate Governance or Other Matters to be put to the Board and the Company

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send any enquiries to the company secretary by email: ir@yashili.cn or by post to Room A, 32nd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong. Shareholders may call the Company at +852-2845 1230 for any assistance.

(d) 股東大會

本公司的股東周年大會及其他股東大會是本公司與股東溝通的首要平台。本公司應按照上市規則的規定適時向股東提供在股東大會上提呈的決議案的相關資料，所提供的應是合理需要的資料，以便股東能夠就提呈的決議案作出有根據的決定。本公司鼓勵股東參與股東大會或在他們未能出席大會時委任代表出席及於會上代表他們投票。在合適或需要的情况下，董事會主席，其他董事會成員、董事會轄下委員會的主席或其委任的代表，以及外聘核數師應出席本公司的股東大會並在會上回答股東提問(如有)。獨立董事委員會(如有)的主席亦應出席任何批准關連交易或任何其他須經獨立股東批准的交易的股東大會，並於會上回應問題。

(e) 股東查詢

關於持股事項的查詢

股東可透過本公司的香港股份過戶登記分處香港中央證券登記有限公司的網站(www.computershare.com/hk/contact)提交查詢、撥打熱線+852 2862 8555或者親身前往其位於香港灣仔皇后大道東183號合和中心17M樓的辦公室作出有關持股事項的查詢。

向董事會及本公司查詢關於企業管治或其他的事項

一般而言，本公司不會處理口頭或匿名的查詢。股東可透過郵件(郵箱地址為ir@yashili.cn)，或郵遞方式(地址為香港銅鑼灣告士打道262號中糧大廈32樓A室)將查詢發送給公司秘書。股東如需任何協助，可致電本公司(號碼為+852-2845 1230)。

(f) Other Investor Relations Communication Platforms

Investor/analysts briefings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a required basis.

(f) 其他投資者關係通訊平台

投資者／分析員簡報會、本地及國際路演、媒體訪問、為投資者而設的推廣活動，以及業界專題研討會等將於有需要時舉行。

SHAREHOLDERS' RIGHTS

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

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

股東權利

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

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

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

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

股東召開股東特別大會及於股東大會上提呈建議的程序

本公司組織章程細則第58條規定，任何一位或以上於遞呈要求當日持有不少於附有於本公司股東大會上投票權之本公司繳足股本之十分之一的本公司股東於任何時候均有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項，且該大會應於遞呈該要求後兩個月內舉行。倘遞呈後21日內，董事會未能召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求的人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

PUTTING FORWARD ENQUIRIES TO THE BOARD

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

向董事會提出查詢

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

CONTACT DETAILS

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

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

Telephone: +852 2845 1230

Fax: +852 2845 1231

Email: ir@yashili.cn

Contact person: Mr. Kwok Wai Cheong, Chris

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

聯絡資料

股東可如上文所述向本公司寄發彼等的查詢或要求：

地址：香港
銅鑼灣
告士打道262號中糧大廈
32樓A室

電話：+852 2845 1230

傳真：+852 2845 1231

電郵：ir@yashili.cn

聯絡人：郭偉昌先生

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

DIRECTORS AND MANAGEMENT BIOGRAPHIES

董事及管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. Jeffrey, Minfang Lu

Aged 54, was appointed as the Chairman of the Board, the Chairman of the Nomination Committee of the Board and a member of the Remuneration Committee of the Board, and was redesignated as a non-executive director of the Company on 15 September 2016. Mr. Lu was a director for each of the following subsidiaries of the Company, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Mengya International Group Limited (formerly known as Scient International Group Limited) from 27 April 2015 to 9 January 2017. Mr. Lu is currently an executive director and the CEO of Mengniu Dairy (a company listed on the Main Board of the Stock Exchange, stock code: 2319), a non-executive director and the chairman of the board of China Shengmu Organic Milk Limited. (a company listed on the Main Board of the Stock Exchange, stock code: 1432), as well as a non-independent director and the chairman of the board of Shanghai Milkground Food Tech Co., Ltd. (a company listed on the Shanghai stock exchange, stock code: 600882). From March 2017 to February 2023, Mr. Lu served as a non-executive director and the chairman of the board of China Modern Dairy Holdings Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1117). Mr. Lu is also a director of International Dairy Federation. Mr. Lu was the Vice President (Greater China) of Danone Early Life Nutrition Greater China and had been with the Danone Group and Dumex Baby Food Co., Ltd. for over 10 years. During the tenure at the Danone Group, he demonstrated strong strategic business and market planning capabilities. With strong leadership, management skills and in-depth knowledge of markets, Mr. Lu contributed significantly to the success of the Danone Group's baby nutrition business in China. Prior to joining the Danone Group, Mr. Lu spent 9 years with Johnson & Johnson (China) Company Limited and almost 4 years with General Electric Company (China). Mr. Lu has over 18 years of experience in sales and marketing and has been served in general manager or senior management roles for over 10 years. He has extensive experience in the management of fast-moving consumer products and dairy companies and has an excellent understanding and the in-depth knowledge of the PRC market. Mr. Lu obtained his bachelor degree from Shanghai Fudan University.

非執行董事

盧敏放先生

54歲，於2016年9月15日獲委任為本公司董事會主席、董事會提名委員會主席及薪酬委員會成員，並同時調任為本公司非執行董事。盧先生曾於2015年4月27日至2017年1月9日期間擔任本公司以下附屬公司之董事：雅士利國際有限公司、雅士利國際集團有限公司、新歐香港國際有限公司及蒙雅國際集團有限公司(前稱為施恩國際集團有限公司)。盧先生目前擔任蒙牛乳業(一間在聯交所主板上市的公司，股份代號：2319)之執行董事及行政總裁，中國聖牧有機奶業有限公司(一間在聯交所主板上市的公司，股份代號：1432)之非執行董事及董事會主席，以及上海妙可藍多食品科技股份有限公司(一間在上海證券交易所上市的公司，股份代號：600882)之非獨立董事及董事會主席。自2017年3月至2023年2月，盧先生曾為中國現代牧業控股有限公司(一間在聯交所主板上市的公司，股份代號：1117)的非執行董事及董事會主席。盧先生亦為國際乳品聯合會董事。盧先生曾擔任達能早期生命營養品公司大中華區副總裁，曾服務達能集團及多美滋嬰幼兒食品有限公司超過10年。彼在達能集團任職期間已展現了非凡的戰略業務和市場規劃能力。盧先生利用其卓越的領導能力和管理技巧，以及對市場的深入瞭解，幫助達能集團在中國的嬰幼兒營養品業務取得了巨大的成功。加入達能集團前，盧先生曾在強生(中國)有限公司任職達9年並在美國通用電氣(中國)服務近4年。盧先生在銷售與市場領域擁有逾18年的經驗，亦擔任總經理或高層管理人員職務超過10年。盧先生具有豐富的快速消費品及乳品公司管理經驗，對中國市場有充分理解和豐富知識。盧先生於上海復旦大學獲得學士學位。

Mr. Zhang Ping

Aged 58, was appointed as a non-executive director of the Company and a member of the Audit Committee on 27 April 2015. Mr. Zhang was appointed as the authorized representative of the Company on 16 March 2018. He has been also a director of Yashili International Group Limited, a subsidiary of the Company, since 27 April 2015. Mr. Zhang joined the Mengniu Group in 2014 and is currently an executive director, vice president and the chief financial officer of China Mengniu Dairy Company Limited. He has over 33 years of experience in the industry of fast-moving consumer goods, specializing in the management of operation, finance and audit as well as risk control. Mr. Zhang successively worked as the manager of internal audit and system development, finance director in Swire Beverages Co., Ltd., general manager of its bottler manufacturing company and chief executive officer in Coca-Cola Bottler Manufacturing Holdings Limited. Mr. Zhang graduated from Beijing Information Science and Technology University with a Master degree in management engineering. Mr. Zhang has been a non-executive director of China Modern Dairy Holdings Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1117) since 22 March 2016, a non-executive director of China Shengmu Organic Milk Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1432) since 25 August 2020, a director of Shanghai Milkground Food Tech Co., Ltd. (a company listed on the Shanghai stock exchange, stock code: 600882) since 27 September 2021 and an executive director of China Mengniu Dairy Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 2319) since 1 December 2021.

張平先生

58歲，於2015年4月27日獲委任為本公司非執行董事及審核委員會成員。於2018年3月16日，張先生獲委任為本公司之授權代表。自2015年4月27日起，彼亦出任本公司附屬公司雅士利國際集團有限公司之董事。張先生於2014年加入蒙牛集團，現任中國蒙牛乳業有限公司執行董事、副總裁及首席財務官。彼於快速消費品行業累積超過33年經驗，專責營運、財務及審計之管理以及風險監控。張先生曾就職於太古飲料公司，歷任內審及系統發展經理、財務總監、裝瓶廠總經理，及可口可樂裝瓶商生產控股有限公司首席執行官。張先生於北京信息科技大學管理工程學專業畢業，取得研究生學歷。張先生於2016年3月22日起出任中國現代牧業控股有限公司(一間在聯交所主版上市的公司，股份代號：1117)之非執行董事，於2020年8月25日起出任中國聖牧有機奶業有限公司(一間在聯交所主版上市的公司，股份代號：1432)之非執行董事，於2021年9月27日起出任上海妙可藍多食品科技股份有限公司(一間在上海證券交易所上市的公司，股份代號：600882)之董事，以及於2021年12月1日起出任中國蒙牛乳業有限公司(一間在聯交所主版上市的公司，股份代號：2319)之執行董事。

EXECUTIVE DIRECTOR

Mr. Yan Zhiyuan

Aged 40, was appointed as an executive director, Chief Executive Officer and authorized representative of the Company on 8 January 2020. Mr. Yan has also been a director for each of the following subsidiaries of the Company, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Mengya International Group Limited (formerly known as Scient International Group Limited) since 8 January 2020. Mr. Yan has seventeen years of working experience in Mengniu Dairy (together with its subsidiaries, the “Mengniu Group”), and has accumulated extensive sales and management experience in the dairy products industry. Mr. Yan was formerly the assistant vice president of Mengniu Dairy, and had also been the general manager of the sales management center of Mengniu Group’s room temperature product business division since January 2017, leading the room temperature sales team to achieve continuous high growth in sales revenue and market share. During his term of office, Mr. Yan was also in charge of Xinjiang Mengniu Dairy Company Limited (新疆蒙牛乳業有限公司) (the “Xinjiang Company”), which runs an operation with integrated production and sales of room temperature, low temperature and frozen products. With his outstanding ability to manage the entire business chain, the performance of Xinjiang Company recorded steady growth and achieved continuous growth in profits in last three years. Prior to this, Mr. Yan held different management positions within the Mengniu Group, including general manager of Mengniu Arla (Inner Mongolia) Dairy Products Co., Ltd. (內蒙古蒙牛阿拉乳製品有限責任公司) (milk powder segment) in Central/East China region and general manager of Mengniu Henan region. Mr. Yan obtained an Executive Master of Business Administration degree from the University of Texas at Arlington, and obtained a Doctorate degree in Business Administration from the City University of Hong Kong.

執行董事

閻志遠先生

40歲，於2020年1月8日起獲委任為本公司執行董事、行政總裁及授權代表。自2020年1月8日起，閻先生亦出任為本公司以下附屬公司之董事：雅士利國際有限公司、雅士利國際集團有限公司、新歐香港國際有限公司及蒙雅國際集團有限公司(前稱為施恩國際集團有限公司)。彼於蒙牛乳業(連同其附屬公司，「蒙牛集團」)擁有十七年的工作經驗，在乳製品行業積累了豐富的銷售及管理經驗。加入本公司前，閻先生原為蒙牛乳業助理副總裁，並自2017年1月起同時擔任蒙牛集團常溫事業部銷售管理中心總經理，帶領常溫銷售團隊實現銷售收入與市場份額的持續高增長。期間，閻先生同時分管蒙牛產供銷一體化、常低冰全品類經營的新疆蒙牛乳業有限公司(「新疆公司」)，依靠其對全鏈條管理的出色能力，實現新疆公司近三年業績穩步增長，利潤持續提升。在此之前，閻先生曾擔任蒙牛集團不同職位的管理職務，包括內蒙古蒙牛阿拉乳製品有限責任公司(奶粉板塊)華中／華東大區總經理及蒙牛河南大區總經理。閻先生於美國得克薩斯大學阿靈頓分校獲高級工商管理碩士學位，亦於香港城市大學獲工商管理博士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mok Wai Bun Ben

Aged 74, was appointed as an independent non-executive director of the Company, the Chairman of the Remuneration Committee, and a member of each of the Nomination Committee and the Audit Committee on 15 November 2013. Mr. Mok has been appointed as an independent non-executive director of China Foods Limited (a company listed on the Main Board of the Stock Exchange, stock code: 506) since 29 August 2017. Mr. Mok served as a senior consultant for COFCO Coca-Cola Beverages Limited in 2012. Mr. Mok had served as a general manager of Beijing Coca-Cola Beverage Co., Ltd. from 2002 to 2011. From 1993 to 2001, he was a general manager of Hangzhou BC Foods Company Limited and Nanjing BC Foods Company Limited. Mr. Mok also served as the general manager of Swire Beverages Limited responsible for overseeing bottling plant of Swire Beverages Limited in China. Mr. Mok was awarded a Bachelor degree of Economics from McGill University, Canada in 1975.

Mr. Cheng Shoutai

Aged 56, was appointed as an independent non-executive director of the Company, and a member of each of the Remuneration Committee and the Nomination Committee on 15 November 2013. Mr. Cheng is a practicing lawyer of the People's Republic of China, the chief partner of Tahota Law Firm, a law firm based in China. Mr. Cheng also serves as the vice president of the All China Lawyers Association (中華全國律師協會), an arbitrator of the China International Economic and Trade Arbitration Commission (CIETAC) (中國國際經濟貿易仲裁委員會仲裁員) and a legal advisor of the People's Government of Sichuan Province. Mr. Cheng holds a Doctorate's degree in civil and commercial law from Southwestern University of Finance and Economics. Mr. Cheng is honored with the titles of "Model Worker in the Judicial Administration System in Countrywide (全國司法行政系統勞動模範)", National Outstanding Lawyer, Chambers Asia Pacific Asia's Leading Lawyer for Business (錢伯斯亞太地區傑出商務律師), China Top Ten Influential Lawyers of Asia Legal Business (ALB) (亞洲法律雜誌) and LEGALBAND "China Top Lawyers of 2020" (LEGALBAND "2020年度中國頂級律師") and was one of the Fangyuan Top Ten Elite Lawyers of the Year as well as the First Session of Top Ten Outstanding Lawyers Graduated from Southwest University of Political Science and Law.

獨立非執行董事

莫衛斌先生

74歲，於2013年11月15日獲委任為本公司獨立非執行董事、薪酬委員會主席、提名委員會及審核委員會成員。莫先生於2017年8月29日起出任中國食品有限公司(一間在聯交所主板上市的公司，股份代號：506)之獨立非執行董事。莫先生於2012年擔任中糧可口可樂飲料有限公司高級顧問。莫先生於2002年至2011年期間擔任北京可口可樂飲料有限公司的總經理。於1993年至2001年期間擔任杭州中萃食品有限公司及南京中萃食品有限公司的總經理。莫先生亦曾任職於太古飲料有限公司總經理，負責監督太古飲料有限公司在中國的裝瓶廠管理。莫先生於1975年獲得加拿大麥基爾大學(McGill University)經濟學學士學位。

程守太先生

56歲，於2013年11月15日獲委任為本公司獨立非執行董事、薪酬委員會及提名委員會成員。程先生為中華人民共和國執業律師，現任位於中國的律師事務所泰和泰律師事務所首席合夥人。程先生亦分別擔任中華全國律師協會副會長、中國國際經濟貿易仲裁委員會(CIETAC)仲裁員、四川省人民政府法律顧問。程先生獲得西南財經大學民商法博士學位。程先生榮獲「全國司法行政系統勞動模範」稱號，全國優秀律師，錢伯斯亞太地區傑出商務律師(Chambers Asia Pacific Asia's Leading Lawyer for Business)，亞洲法律雜誌(ALB)中國最具影響力的十佳律師，LEGALBAND「2020年度中國頂級律師」，方圓律政年度十大精英律師，西南政法大學首屆十大傑出律師校友。

Mr. Lee Kong Wai Conway

Aged 68, was appointed as an independent non-executive director of the Company, the chairman of the Audit Committee and a member of the Remuneration Committee on 27 November 2013. Mr. Lee has over 30 years of experience in public accounting and auditing, corporate finance, merger and acquisition and initial public offerings. Mr. Lee served at Ernst & Young from September 1980 to September 2009. Mr. Lee was a partner of Ernst & Young and held key leadership positions in the business development of Ernst & Young in China. Mr. Lee is a member of the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants in Australia and New Zealand, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Macau Society of Certified Practising Accountants respectively. From 2007 to 2017, Mr. Lee was a member of Chinese People's Political Consultative Conference of Hunan Province.

Mr. Lee is an independent non-executive director of Chaowei Power Holdings Limited (stock code: 951), China Modern Dairy Holdings Ltd. (stock code: 1117), GCL New Energy Holdings Limited (stock code: 451), GOME Retail Holdings Limited (stock code: 493), NVC Lighting Holding Limited (stock code: 2222), West China Cement Limited (stock code: 2233) and Guotai Junan Securities Co., Ltd. (stock code: 2611) (the above companies are all listed on the Main Board of the Stock Exchange). Mr. Lee is also an independent non-executive director of Intchains Group Limited (a company listed on the Nasdaq Stock Exchange, stock code: ICG). From July 2014 to June 2022, Mr. Lee served as an independent non-executive director of WH Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 288). From July 2014 to December 2020, Mr. Lee also served as an independent non-executive director of China Rundong Auto Group Limited (a company which was delisted on the Main Board of the Stock Exchange, stock code: 1365). From March 2011 to February 2020, Mr. Lee also served as an independent non-executive director of Tibet Water Resources Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1115). From July 2014 to September 2015, Mr. Lee also served as a non-executive director of China Environmental Technology and Bioenergy Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1237). From November 2011 to May 2016, Mr. Lee was also an independent non-executive director of CITIC Securities Company Limited (a company listed on the Stock Exchange (stock code: 6030) as well as the Shanghai Stock Exchange (stock code: 600030)). Mr. Lee was an independent non-executive director of China Taiping Insurance Holdings Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 966) from October 2009 to August 2013. Mr. Lee was an independent non-executive director of Sino Vanadium Inc. (a company which was delisted on the TSX Venture Exchange in December 2011, stock code: SVX) from September 2009 to December 2011.

李港衛先生

68歲，於2013年11月27日獲委任為本公司之獨立非執行董事、審核委員會主席及薪酬委員會成員。李先生於執業會計及審核、公司財務、合併及收購以及首次公開發售方面積逾30年經驗。李先生於1980年9月至2009年9月任職於安永會計師事務所，李先生曾擔任安永會計師事務所的合夥人，並在安永會計師事務所中國業務的發展中擔任主要領導職務。李先生分別為英格蘭及威爾士特許會計師公會會員、澳洲及新西蘭特許會計師公會會員、英國特許會計師公會會員、香港會計師公會會員及澳門註冊會計師公會會員。自2007年至2017年止，李先生為中國人民政治協商會議湖南省委員。

李先生現為超威動力控股有限公司(股份代號: 951)、中國現代牧業控股有限公司(股份代號: 1117)、協鑫新能源控股有限公司(股份代號: 451)、國美零售控股有限公司(股份代號: 493)、雷士照明控股有限公司(股份代號: 2222)、中國西部水泥有限公司(股份代號: 2233)及國泰君安證券股份有限公司(股份代號: 2611)(上述均為在聯交所主板上市的公司)之獨立非執行董事。李先生現亦為聰鏈集團有限公司(一間在納斯達克證券交易所上市的公司，股份代號: ICG)之獨立非執行董事。自2014年7月至2022年6月，李先生曾為萬洲國際有限公司(一間在聯交所主板上市的公司，股份代號: 288)的獨立非執行董事。自2014年7月至2020年12月，李先生亦曾為中國潤東汽車集團有限公司(一間在從聯交所主板除牌的公司，股份代號: 1365)的獨立非執行董事。自2011年3月至2020年2月，李先生亦曾為西藏水資源有限公司(一間在聯交所主板上市的公司，股份代號1115)的獨立非執行董事。自2014年7月至2015年9月，李先生亦曾為中科生物控股有限公司(一間在聯交所主板上市的公司，股份代號: 1237)的非執行董事。自2011年11月至2016年5月，李先生亦出任中信證券股份有限公司(一間在聯交所(股份代號: 6030)及上海證券交易所(股份代號: 600030)上市的公司)之獨立非執行董事。自2009年10月至2013年8月，李先生曾為中國太平保險控股有限公司(一間在聯交所主板上市的公司，股份代號: 966)之獨立非執行董事。自2009年9月至2011年12月，李先生曾為Sino Vanadium Inc. (一間已於2011年12月從多倫多證券交易所創業板(股份代號: SVX)除牌的公司)之獨立非執行董事。

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

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

SENIOR MANAGEMENT

高級管理層

Ms. Chen Limin

陳立敏女士

Aged 43, has over 20 years of work experience in accounting and financial management. Prior to her appointment as the CFO, Ms. Chen served as Senior Director at the finance management department of Mengniu Group. Ms. Chen joined the Mengniu Group in May 2003 and had held various positions at the Mengniu Group. Ms. Chen has a Master of Business Administration degree from Inner Mongolia University of Finance and Economics. Ms. Chen is a member of the Chinese Institute of Certified Public Accountants.

43歲，於會計及財務管理方面擁有逾20年工作經驗。於獲委任為財務總監前，陳女士於蒙牛集團財務管理部擔任高級總監。陳女士於2003年5月加入蒙牛集團並於蒙牛集團擔任多個職位。陳女士擁有內蒙古財經大學工商管理碩士學位。陳女士是中國註冊會計師協會的成員。

Mr. Kwok Wai Cheong, Chris

郭偉昌先生

Aged 50, was appointed as the company secretary of the Company on 10 April 2019. He is also the financial controller and company secretary of Mengniu Dairy. Prior to joining the Mengniu Group in May 2007, Mr. Kwok was the financial controller of a Hong Kong listed company and had also served in an international accounting firm. Mr. Kwok graduated from The Hong Kong Polytechnic University with a Bachelor degree in accountancy. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

50歲，於2019年4月10日獲委任為本公司公司秘書。彼亦為蒙牛乳業的財務總監兼公司秘書。2007年5月加入蒙牛集團以前，郭先生曾任一間香港上市公司的財務總監，並曾於一間國際會計師事務所工作。郭先生畢業於香港理工大學，取得會計學學士學位，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。

REPORT OF THE DIRECTORS

董事會報告

REPORT OF THE DIRECTORS

The directors of the Company (the “Directors”) have pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2022.

BUSINESS REVIEW AND PERFORMANCE

A review of the business of the Group and a discussion and analysis of the Group’s performance during the year under review and a discussion on the Group’s future business development and outlook of the Company’s business, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2022 are provided in the section headed “Management Discussion and Analysis” on pages 10 to 41 of this Annual Report. An account of the Company’s relationships with its key stakeholders is included in the paragraphs headed “Emolument Policy”, “Retirement Benefits Schemes” and “Major Customers and Suppliers” of this Report of the Directors.

An analysis of the Group’s performance during the year ended 31 December 2022 using financial performance indicators is provided in the section headed “Management Discussion and Analysis” on pages 10 to 41 of this Annual Report.

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

PRINCIPAL ACTIVITIES

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

董事會報告

本公司董事(「董事」)欣然提呈其報告，連同截至2022年12月31日止年度的經審核合併財務報表。

業務回顧及表現

本集團業務回顧及本集團於回顧年度表現的討論與分析、本集團未來業務發展及本公司業務前景的討論、本集團可能面臨的風險及不確定因素以及截至2022年12月31日止年度所發生影響本公司的重要事件，載列於本年報第10至41頁標題為「管理層討論與分析」的部分內。本公司與其主要持份者關係的說明載於本董事會報告「薪酬政策」、「退休福利計劃」及「主要客戶及供應商」的段落內。

本集團採用財務表現指標就其於截至2022年12月31日止年度表現進行的分析載列於本年報第10至41頁「管理層討論與分析」一節。

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

主要業務

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

FINANCIAL STATEMENTS

The profit/loss of the Group for the year ended 31 December 2022 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 129 to 242 of this Annual Report.

FINAL DIVIDENDS

The Board did not recommend the payment of a final dividend for the year ended 31 December 2022 (31 December 2021: nil).

RESERVES

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

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2022, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands was RMB0 million.

CHARITABLE DONATIONS

Donations made by the Group during the year under review amounted to approximately RMB1 million.

PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2022, the Group held property, plant and equipment of approximately RMB1,417.3 million. Movements in property, plant and equipment of the Group for the year ended 31 December 2022 are set out in note 13 to the consolidated financial statements.

財務報表

本集團截至2022年12月31日止年度的溢利／虧損以及本公司及本集團於該日的事務狀況載於本年報第129至242頁的合併財務報表。

末期股息

董事會不建議就截至2022年12月31日止年度派發末期股息(2021年12月31日:零)。

儲備

本集團於回顧年度儲備的變動詳情載於合併權益變動表。

本公司的可供分派儲備

於2022年12月31日,本公司根據開曼群島第22章(1961年第三號法例,經合併及修訂)公司法計算的可供分派儲備為人民幣0百萬元。

慈善捐贈

本集團於回顧年度作出價值約人民幣1百萬元的捐贈。

物業、廠房及設備

截至2022年12月31日止年度,本集團持有物業、廠房及設備約人民幣1,417.3百萬元。本集團截至2022年12月31日止年度的物業、廠房及設備變動載於合併財務報表附註13。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

SHARE CAPITAL

Details of the movements in share capital of the Company during the year ended 31 December 2022 are set out in note 32 to the consolidated financial statements.

DIRECTORS

The Directors of the Company during the year ended 31 December 2022 and during the period from the end of the year of 2022 to the date of this Report of the Directors were:

Non-executive directors:

Mr. Jeffrey, Minfang Lu (*Chairman*)
Mr. Qin Peng⁽¹⁾
Mr. Zhang Ping
Mr. Gu Peiji (alias Philip Gu)⁽²⁾

Executive director:

Mr. Yan Zhiyuan (*Chief Executive Officer*)

Independent non-executive directors:

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

Notes:

(1) Resigned on 9 March 2023

(2) Resigned on 9 March 2023

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

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management are set out on pages 82 to 87 of this Annual Report.

股本

本公司截至2022年12月31日止年度股本的變動詳情載於合併財務報表附註32。

董事

截至2022年12月31日止年度及2022年年末至本董事會報告日期期間，本公司董事為：

非執行董事：

盧敏放先生(主席)
秦鵬先生⁽¹⁾
張平先生
顧培基(又名Philip Gu)先生⁽²⁾

執行董事：

閻志遠先生(行政總裁)

獨立非執行董事：

莫衛斌先生
程守太先生
李港衛先生

附註：

(1) 於2023年3月9日辭任

(2) 於2023年3月9日辭任

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

董事及高級管理層履歷

董事及高級管理層的履歷詳情載於本年報第82至87頁。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed below, there was no transaction, arrangement or contract of significance to which the Company, its holding company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisting during or at the end of the year ended 31 December 2022.

DIRECTORS' SERVICE CONTRACTS

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

PERMITTED INDEMNITY PROVISION

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

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year ended 31 December 2022.

董事於交易、安排或合約的權益

除下文所披露者外，截至2022年12月31日止年度或於該年年末，概無本公司、其控股公司或其任何子公司為訂約方而任何本公司董事直接或間接擁有重大權益的重大交易、安排或合約仍然存續。

董事服務合約

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

獲准許彌償條文

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

本公司於截至2022年12月31日止年度整段期間已為董事及本集團高級行政人員安排適當的董事及高級行政人員責任保險計劃。

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

As at 31 December 2022, the Directors and the chief executives of the Company had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")), which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executives of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules:

Directors' interests in the shares of the Company:

Name of director	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of the issued share capital ²
董事姓名	身份／權益性質	普通股數目	已發行股本的概約百分比 ²
Mr. Yan Zhiyuan 閔志遠先生	Beneficial owner 實益擁有人	15,924,640 (L) ¹	0.34%

Notes:

- Grant of 25,427,020 phantom shares by the Company to Mr. Yan Zhiyuan, in which 7,623,780 phantom shares were realized and 1,878,600 phantom shares were canceled, pursuant to the phantom share incentive scheme adopted by the Company on 15 July 2020. The phantom share incentive scheme does not involve the grant of options over new shares or other new securities that may be issued by the Company (or any of its subsidiaries). The recipients of phantom shares do not own any Shares, nor enjoy voting rights or allotment rights of the Shares by virtue of holding the phantom shares.
- The total issued Shares as at 31 December 2022 was 4,745,560,296.

(L) The interest is held in long position.

董事及最高行政人員於股份、相關股份及債券的權益及淡倉

於2022年12月31日，本公司董事及主要行政人員於本公司及其相聯法團(定義見香港法例第571章《證券及期貨條例》(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所的權益或淡倉(包括董事及本公司主要行政人員根據證券及期貨條例該等條文被當作及視為擁有的權益及淡倉)或須記錄於根據證券及期貨條例第352條須予存置的登記冊的權益或淡倉，或根據上市規則所載標準守則另行知會本公司及聯交所的權益或淡倉如下：

董事於本公司股份中的權益：

附註：

- 本公司根據本公司於2020年7月15日採納的虛擬股票激勵計劃向閔志遠先生授出25,427,020股虛擬股票，其中7,623,780股虛擬股票已兌現及1,878,600股虛擬股票已註銷。虛擬股票激勵計劃並無涉及授出本公司(或其任何附屬公司)可能發行的新股份或其他新證券的購股權。虛擬股票對象並不會因持有虛擬股票而擁有任何股份的所有權，亦不享有任何股份的投票權或配股權。
- 於2022年12月31日，已發行股份總數為4,745,560,296股。

(L) 權益以好倉持有。

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

董事於蒙牛乳業(本公司的控股公司及相聯法團)股份中的權益:

Name of director	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of the issued share capital
董事姓名	身份/權益性質	普通股數目	已發行股本的概約百分比
Mr. Jeffrey, Minfang Lu 盧敏放先生	Beneficial owner 實益擁有人	20,515,046 (L)	0.52%
Mr. Zhang Ping 張平先生	Beneficial owner 實益擁有人	3,090,357 (L)	0.08%
Mr. Yan Zhiyuan 閔志遠先生	Beneficial owner 實益擁有人	82,255 (L)	0.00%

Note:

附註:

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

(L) 所有股份均以好倉持有。

Save as disclosed above, as at 31 December 2022, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

除上文所披露者外，於2022年12月31日，董事或本公司最高行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有或被視作擁有記錄於本公司根據證券及期貨條例第352條所存置登記冊的權益或淡倉，或已根據上市規則所載標準守則知會本公司及聯交所的任何權益或淡倉。

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

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

SHARE OPTION SCHEMES

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

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

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

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

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

購股權計劃

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

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

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

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

- (a) 股份面值；
- (b) 於要約日期在聯交所每日報價表所列的股份收市價；及

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

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

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

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

The Share Option Scheme expired on 1 November 2020, after which no further option was granted or offered. As at 1 January 2022 and 31 December 2022, there was no outstanding option granted by the Company.

PHANTOM SHARE INCENTIVE SCHEME

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

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

(c) 緊接要約日期前五個營業日於聯交所每日報價表所列的股份平均收市價。

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

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

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

購股權計劃已於2020年11月1日到期，其後概無進一步授出或提呈任何期權。於2022年1月1日及2022年12月31日，概無任何由本公司授出的未行使其期權。

虛擬股票激勵計劃

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

虛擬股票激勵計劃並無涉及授出本公司(或其任何子公司)新的或現有的股份或新股份或其他證券的購股權，因此並不屬於上市規則第17章規定的範疇內，亦不受其所限。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

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

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

On 15 July 2021, the Board approved the grant of 62,619,900 Phantom Shares under the Phantom Share Incentive Scheme.

On 15 July 2022, the Board approved the further grant of 47,232,800 Phantom Shares under the Phantom Share Incentive Scheme.

For further details of the Phantom Share Incentive Scheme and the grant of Phantom Shares on 15 July 2020, 15 July 2021 and 15 July 2022, please refer to the announcements issued by the Company on 16 July 2020, 15 July 2021 and 15 July 2022.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group, or existed during the year.

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

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

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

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

於2021年7月15日，董事會批准根據虛擬股票激勵計劃授予62,619,900股虛擬股票。

於2022年7月15日，董事會批准進一步根據虛擬股票激勵計劃授予47,232,800股虛擬股票。

有關虛擬股票激勵計劃及於2020年7月15日、2021年7月15日及2022年7月15日授予虛擬股票的進一步詳情，請參閱本公司於2020年7月16日、2021年7月15日及2022年7月15日刊發的公告。

股票掛鈎協議

本集團概無於年內訂立或存在股票掛鈎協議。

董事購買股份或債券的安排

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

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

主要股東於股份及相關股份的權益及淡倉

So far as is known to the Director or chief executives of the Company, as at 31 December 2022, the persons or corporations (other than Directors or chief executives of the Company) who had interest or short positions in the shares and underlying shares of the Company or its associated corporation(s) which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

就本公司董事或主要行政人員所知，於2022年12月31日，於本公司或其相聯法團的股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須披露予本公司的權益或淡倉，或須記入根據證券及期貨條例第336條規定須存置的登記冊內的權益或淡倉的人士或法團(並非本公司董事或主要行政人員)如下：

Name	Capacity/Nature of interest	Number of ordinary shares ⁵	Approximate percentage of shareholding ⁶ 佔股權概約百分比 ⁶
名稱	身份／權益性質	普通股數目 ⁵	
Mengniu Dairy	Interests in a controlled corporation ¹	2,422,117,713	51.04%
蒙牛乳業	受控制法團的權益 ¹		
	Beneficial owner ²	1,186,390,074	25.00%
	實益擁有人 ²		
Mengniu International	Beneficial owner ¹	2,422,117,713	51.04%
蒙牛國際	實益擁有人 ¹		
Danone SA ³	Interests in a controlled corporation	1,186,390,074	25.00%
達能SA ³	受控制法團的權益		
Danone Baby and Medical Nutrition BV ³	Interests in a controlled corporation	1,186,390,074	25.00%
Danone Baby and Medical Nutrition BV ³	受控制法團的權益		
Nutricia International BV ³	Interests in a controlled corporation	1,186,390,074	25.00%
Nutricia International BV ³	受控制法團的權益		
Danone Asia ³	Beneficial owner	1,186,390,074	25.00%
達能亞洲 ³	實益擁有人		
Vanguard International Investment Co., Ltd ⁴	Interests in a controlled corporation	303,462,119	6.39%
Vanguard International Investment Co., Ltd ⁴	受控制法團的權益		
Zhang Yangui ⁴	Interests in a controlled corporation	303,462,119	6.39%
張雁桂 ⁴	受控制法團的權益		
Zhang International Investment Ltd ⁴	Beneficial owner	303,462,119	6.39%
張氏國際投資有限公司 ⁴	實益擁有人		

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

Notes:

- 1 As at 31 December 2022, Mengniu Dairy held 99.95% interest in Mengniu International and Mengniu International directly held the relevant Shares.
- 2 On 6 May 2022, Mengniu Dairy and Danone Asia Baby Nutrition Pte. Ltd. ("Danone Asia") entered into a sale and purchase agreement, pursuant to which Danone Asia conditionally agreed to sell, and Mengniu Dairy conditionally agreed to acquire (or procure the acquisition of), 1,186,390,074 Shares, subject to the terms and conditions therein. The aforementioned transaction was completed on 9 March 2023.
- 3 As at 31 December 2022, Danone SA held 100% interest in Danone Baby and Medical Nutrition BV. Danone Baby and Medical Nutrition BV held 100% interest in Nutricia International BV. Nutricia International BV held 100% interest in Danone Asia and Danone Asia directly held the relevant shares.
- 4 As at 31 December 2022, Zhang International Investment Ltd. was held as to 35.06% by Vanguard International Investment Co., Ltd, which is in turn wholly owned by Mr. Zhang Yangui.
- 5 All the shares are held in long position.
- 6 The total issued Shares of the Company as at 31 December 2022 was 4,745,560,296.

Save as disclosed above, as at 31 December 2022, the Directors are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company or its associated corporation(s) which would require to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2022.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Connected persons

(a) Mengniu Dairy and Inner Mongolia Mengniu

Mengniu International, a subsidiary of Mengniu Dairy, holds 51.04% of the shares of the Company and is a substantial shareholder of the Company. Therefore, Mengniu Dairy is a connected person of the Company. As Inner Mongolia Mengniu is a subsidiary of Mengniu Dairy, Inner Mongolia Mengniu is a connected person of the Company.

附註:

- 1 於2022年12月31日，蒙牛乳業持有蒙牛國際的99.95%權益，而蒙牛國際直接持有有關股份。
- 2 於2022年5月6日，蒙牛乳業與Danone Asia Baby Nutrition Pte. Ltd. (「達能亞洲」)訂立一項買賣協議，據此，達能亞洲有條件同意出售，而蒙牛乳業有條件同意收購(或促成收購)1,186,390,074股股份，惟須遵守該協議的條款及條件。前述交易已於2023年3月9日完成交割。
- 3 於2022年12月31日，達能SA持有Danone Baby and Medical Nutrition BV的100%權益。Danone Baby and Medical Nutrition BV持有Nutricia International BV的100%權益。Nutricia International BV持有達能亞洲的100%權益，而達能亞洲直接持有有關股份。
- 4 於2022年12月31日，Vanguard International Investment Co., Ltd持有張氏國際投資有限公司的35.06%權益，而Vanguard International Investment Co., Ltd則由張雁桂先生全資擁有。
- 5 所有股份均以好倉持有。
- 6 於2022年12月31日，本公司已發行股份總數為4,745,560,296股。

除上文所披露者外，於2022年12月31日，董事概不知悉任何其他人士或法團於本公司或其相聯法團的股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

購買、出售或贖回本公司上市證券

本公司或其任何子公司於截至2022年12月31日止年度概無購買、出售或贖回任何本公司上市證券。

關連交易及持續關連交易

關連人士

(a) 蒙牛乳業及內蒙蒙牛

蒙牛乳業子公司蒙牛國際持有本公司51.04%股份，為本公司主要股東。因此，蒙牛乳業為本公司的關連人士。內蒙蒙牛為蒙牛乳業的子公司，故內蒙蒙牛為本公司的關連人士。

(b) Danone Trading ELN BV (“Danone Trading”), Danone Asia Pacific Holdings Pte. Ltd. (“DAPH”), Shanghai Nutri Go Food Co. Ltd. (“Shanghai Nutri Go”) and DanTrade B.V. (“DanTrade”)

During the year ended 31 December 2022, Danone Asia, a subsidiary of Danone SA, had a 25.0% shareholding interest in the Company. Therefore, Danone SA was a connected person of the Company. As each of Danone Trading, DAPH, Shanghai Nutri Go and DanTrade is an indirect subsidiary of Danone SA and a member of the Danone Group, each of Danone Trading, DAPH, Shanghai Nutri Go and DanTrade was a connected person of the Company.

Connected transactions

1. Dumex China Disposal

On 6 May 2022, Yashili International Group Co. Ltd.* (雅士利國際集團有限公司) (“Yashili (Guangdong)”), a wholly-owned subsidiary of the Company, entered into an equity transfer agreement (the “Dumex China SPA”) with DAPH, pursuant to which Yashili (Guangdong) conditionally agreed to sell, and DAPH conditionally agreed to acquire, 100% of the equity interests in Dumex China (the “Dumex China Disposal”), for a consideration of RMB870 million subject to terms and conditions contained in the Dumex China SPA. On 16 August 2022, the independent Shareholders approved, among others, the Dumex China Disposal. Please refer to the announcements of the Company dated 6 May 2022 and 16 August 2023 and the circular of the Company dated 29 July 2022 for further details.

All Directors (including all independent non-executive Directors and excluding all non-executive Directors, who have abstained from voting on the relevant board resolution) are of the view that (a) the terms of the Dumex China Disposal are fair and reasonable so far as the independent Shareholders are concerned; and (b) the Dumex China Disposal, albeit not in the ordinary and usual course of business of the Group, is on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

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

於截至2022年12月31日年度期間，達能SA的子公司達能亞洲擁有本公司25.0%股份權益，因此達能SA為本公司的關連人士。Danone Trading、DAPH、上海起跑營養及DanTrade各自為達能SA的間接子公司及達能集團成員公司，因此，Danone Trading、DAPH、上海起跑營養及DanTrade各自為本公司的關連人士。

關連交易

1. 多美滋中國出售案

於2022年5月6日，本公司全資子公司雅士利國際集團有限公司(「雅士利(廣東)」)與DAPH訂立股權轉讓協議(「多美滋中國買賣協議」)，據此，雅士利(廣東)有條件地同意出售而DAPH有條件地同意收購多美滋中國的100%股權(「多美滋中國出售案」)，代價為人民幣870百萬元，惟須受多美滋中國買賣協議所載的條款及條件規限。於2022年8月16日，獨立股東批准(其中包括)多美滋中國出售案。有關進一步詳情，請參閱本公司日期為2022年5月6日及2022年8月16日的公告及本公司日期為2022年7月29日的通函。

全體董事(包括所有獨立非執行董事，不包括所有已就相關董事會決議案放棄投票的非執行董事)認為，(a)多美滋中國出售案的條款對獨立股東而言屬公平合理；及(b)儘管並非於本集團日常及一般業務過程中訂立，多美滋中國出售案乃按一般商業條款訂立並符合本公司及股東的整體利益。

Continuing connected transactions

1. Trademark Licensing Agreement

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

持續關連交易

1. 商標使用許可合同

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

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

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

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

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

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

- 歐世蒙牛及雅士利(廣東)毋須就使用商標使用許可合同項下的商標向內蒙蒙牛支付許可費，惟歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何有關年度就產品推廣、營銷、廣告及分銷產生的開支(「營銷開支」)不少於有關年度向第三方客戶銷售產品所得收入的3%；及
- 倘歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何年度產生的營銷開支少於有關年度向第三方客戶銷售產品所得收入的3%，則歐世蒙牛及雅士利(廣東)須於有關年度結束後兩個月內向內蒙蒙牛支付有關差額。

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

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

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

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

- 歐世蒙牛及雅士利(廣東)毋須就使用商標使用許可合同項下的商標向內蒙蒙牛支付許可費，惟歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何有關年度就產品推廣、營銷、宣傳及分銷產生的開支(「**營銷開支**」)不少於有關年度向第三方客戶銷售產品所得收入的3%；及
- 倘歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何年度產生的營銷開支少於有關年度向第三方客戶銷售產品所得收入的3%，則歐世蒙牛及雅士利(廣東)須於有關年度結束後兩個月內向內蒙蒙牛支付差額。

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

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

On 16 August 2021, Yashili (Guangdong), Oushi Mengniu and Inner Mongolia Mengniu entered into a supplemental agreement to the Trademark Licensing Agreement (the “**2021 Supplemental Agreement**”), pursuant to which, among others: (i) certain milk powder products, oatmeal, milk tablets, solid probiotic beverages and children snacks shall be added into the definition of Products under the Trademark Licensing Agreement; (ii) the licensees shall have the right to sub-license the Trademarks to their affiliated company, Mengniu Oushi Nutrition Food Co., Ltd, provided that the scope, the products and the terms of the sublicense are consistent with that of the license; (iii) the licensees may entrust third parties with the processing, manufacturing and selling of certain licensed products and sub-license the Trademarks to such third parties subject to the scope and the terms of the Trademark Licensing Agreement and the 2021 Supplemental Agreement; (iv) the Supplemental Confirmation Letter shall apply to the Trademark Licensing Agreement as amended by the 2021 Supplemental Agreement; and (v) the 2021 Supplemental Agreement is an effective supplement to and of the same force and effect as the Trademark Licensing Agreement.

The Directors are of the view that the Supplemental Agreement, the 2021 Supplemental Agreement and the transactions contemplated thereunder would enable the Group to promote the advertising and distribution of its products through the Mengniu brand.

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

於2021年8月16日，雅士利(廣東)、歐世蒙牛與內蒙蒙牛訂立商標使用許可合同的補充合同(「**2021年補充合同**」)，據此(其中包括)：(i)若干奶粉產品、麥片、奶片、益生菌固體飲料及兒童零食加入商標使用許可合同項下產品的定義；(ii)被許可人有權將商標分許可予其聯屬公司蒙牛歐世營養食品有限公司，惟分許可的範圍、產品及條款須與許可者一致；(iii)根據商標使用許可合同及2021年補充合同的範圍及條款，被許可人可委託第三方加工、製造及銷售若干許可產品，並向該等第三方分許可商標；(iv)補充確認函適用於經2021年補充合同修訂的商標使用許可合同；及(v)2021年補充合同為商標使用許可合同的有效補充，具有與其同等的法律效力。

董事認為，補充合同、2021年補充合同及其項下擬進行的交易有利於本集團進一步借力蒙牛母品牌的品牌力推動本集團產品的推廣及銷售。

On 22 December 2021, Yashili (Guangdong), Oushi Mengniu and Inner Mongolia Mengniu entered into a supplemental agreement in relation to the Confirmation Letter (the “2021 Supplemental Agreement in relation to the Confirmation Letter”), pursuant to which the parties agreed that for each of the years of 2022, 2023 and 2024:

- no license fee shall be payable by Oushi Mengniu and Yashili (Guangdong) to Inner Mongolia Mengniu for the use of the Trademarks under the Trademark Licensing Agreement and any supplemental agreements thereto, provided that the expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) for the promotion, marketing, advertising and distribution of the Products (the “Marketing Expenses”) in any such year shall not be less than 3% of the revenue from the sales of the Products to third party customers in such year; and
- in the event that the Marketing Expenses incurred by Oushi Mengniu and Yashili (Guangdong) (and its affiliates) in any year are less than 3% of the revenue from the sales of the Products to third party customers in such year, Oushi Mengniu and Yashili (Guangdong) shall pay the shortfall to Inner Mongolia Mengniu within two months after the end of such year.

The Directors (including the independent non-executive Directors but excluding Mr. Jeffrey, Minfang Lu and Mr. Zhang Ping) are of the view that the entering into of the 2021 Supplemental Agreement in relation to the Confirmation Letter will benefit the Company and its shareholders as a whole as the arrangements provided in the 2021 Supplemental Agreement in relation to the Confirmation Letter would support the Company’s promotional and marketing activities for the Products, which are important components of the product portfolio of the Company in the future, thereby increasing the market share of and sales revenue of the Company.

For the year ended 31 December 2022, pursuant to the 2021 Supplemental Agreement in relation to the Confirmation Letter, no license fee is payable by Oushi Mengniu, Yashili (Guangdong) and its affiliates to Inner Mongolia Mengniu under the Trademark Licensing Agreement.

於2021年12月22日，雅士利(廣東)、歐世蒙牛與內蒙蒙牛就確認函訂立一份補充合同(「與確認函有關的2021年補充合同」)，據此，訂約方同意，2022年、2023年及2024年各年：

- 歐世蒙牛及雅士利(廣東)毋須就使用商標使用許可合同及任何補充合同其項下的商標向內蒙蒙牛支付許可費，惟歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何有關年度就產品推廣、營銷、廣告及分銷產生的開支(「營銷開支」)不少於有關年度向第三方客戶銷售產品所得收入的3%；及
- 倘歐世蒙牛及雅士利(廣東)(及其聯屬公司)於任何年度產生的營銷開支少於有關年度向第三方客戶銷售產品所得收入的3%，則歐世蒙牛及雅士利(廣東)須於有關年度結束後兩個月內向內蒙蒙牛支付有關差額。

董事(包括獨立非執行董事，惟盧敏放先生及張平先生除外)認為，訂立與確認函有關的2021年補充合同將對本公司及其股東整體有利，原因是與確認函有關的2021年補充合同下的安排將支持本公司對於產品(該等產品是本公司未來產品組合的重要組成部分)的推廣及營銷活動，從而提升本公司的市場佔有率及銷售收入。

截至2022年12月31日止年度，根據有關確認函的2021年補充協議，歐世蒙牛、雅士利(廣東)及其關聯公司概無就商標使用許可合同應付內蒙蒙牛的許可費。

2. Manufacturing and Supply Agreement

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

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

For the year ended 31 December 2022, the value of the transactions contemplated under the Manufacturing and Supply Agreement was RMB0, which was less than the cap of RMB14 million as disclosed in the May 2016 Announcement.

3. Processing Agreement with Shanghai Nutri Go

On 23 March 2018, Dumex China, a wholly-owned subsidiary of the Company, entered into a processing agreement (the “**2018 Processing Agreement**”) with Shanghai Nutri Go pursuant to which Dumex China agreed to provide processing services in respect of NutriGo nutrition packs to Shanghai Nutri Go from time to time from 23 March 2018 to 22 March 2019. Please refer to the announcement of the Company dated 23 March 2018 for further details.

2. 生產及供應協議

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

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

截至2022年12月31日止年度，生產及供應協議下擬進行交易的價值為人民幣0元，低於2016年5月公告所披露的上限人民幣14百萬元。

3. 與上海起跑營養的加工協議

於2018年3月23日，本公司全資子公司多美滋中國與上海起跑營養訂立加工協議（「**2018年加工協議**」），據此，多美滋中國同意於2018年3月23日至2019年3月22日不時向上海起跑營養提供營養起跑營養包的加工服務。有關進一步詳情，請參閱本公司日期為2018年3月23日的公告。

On 4 June 2019, Dumex China entered into a processing agreement (the “**2019 Processing Agreement**”) with Shanghai Nutri Go, pursuant to which Dumex China agreed to provide processing services in respect of NutriGo nutrition packs to Shanghai Nutri Go from time to time from 4 June 2019 to 3 June 2020. Please refer to the announcement of the Company dated 4 June 2019 (the “**4 June 2019 Announcement**”) for further details.

On 4 June 2020, Dumex China and Shanghai Nutri Go entered into a supplemental agreement (the “**Supplemental Agreement**”) to (i) extend the term of the 2019 Processing Agreement to the period from 4 June 2020 to 30 June 2020; and (ii) amend certain terms of the 2019 Processing Agreement. Save as described above, the transactions contemplated under the Supplemental Agreement shall comply with the terms of the 2019 Processing Agreement. Please refer to the announcement of the Company dated 4 June 2020 (the “**4 June 2020 Announcement**”) for further details.

On 8 June 2021, Yashili (Guangdong) and Shanghai Nutri Go entered into a processing agreement (the “**2021 Processing Agreement**”), pursuant to which Yashili (Guangdong) agreed to provide processing services in respect of Nutri Go nutrition packs to Shanghai Nutri Go from time to time from 8 June 2021 to 7 June 2022. Please refer to the announcement of the Company dated 8 June 2021 (the “**8 June 2021 Announcement**”) for further details.

The Directors are of the view that the transactions contemplated under the 2018 Processing Agreement, the 2019 Processing Agreement, the Supplemental Agreement and the 2021 Processing Agreement with Shanghai Nutri Go would generate revenue for the Group and enable the Group to explore additional business opportunities in the future.

On 22 November 2021, the Board adjusted upward the annual cap for the period from 8 June 2021 to 31 December 2021 from RMB0.5 million to RMB2 million and the annual cap for the period from 1 January 2022 to 7 June 2022 from RMB0.5 million to RMB3 million. Please refer to the announcement of the Company dated 22 November 2021 (the “**22 November 2021 Announcement**”) for further details.

於2019年6月4日，多美滋中國與上海起跑營養訂立加工協議(「**2019年加工協議**」)，據此，多美滋中國同意於2019年6月4日至2020年6月3日不時向上海起跑營養提供營養起跑營養包的加工服務。有關進一步詳情，請參閱本公司日期為2019年6月4日的公告(「**2019年6月4日公告**」)。

於2020年6月4日，多美滋中國與上海起跑營養訂立補充協議(「**補充協議**」)，以(i)將2019年加工協議的期限延長至2020年6月4日至2020年6月30日期間；及(ii)修訂2019年加工協議的若干條款。除上述外，補充協議項下擬進行的交易應符合2019年加工協議的條款。有關進一步詳情，請參閱本公司日期為2020年6月4日的公告(「**2020年6月4日公告**」)。

於2021年6月8日，雅士利(廣東)與上海起跑營養訂立加工協議(「**2021年加工協議**」)，據此，雅士利(廣東)同意於2021年6月8日至2022年6月7日不時向上海起跑營養提供營養起跑營養包的加工服務。有關進一步詳情，請參閱本公司日期為2021年6月8日的公告(「**2021年6月8日公告**」)。

董事認為，與上海起跑營養的2018年加工協議、2019年加工協議、補充協議及2021年加工協議項下擬進行的交易將為本集團產生收益，並可令本集團日後探索其他商機。

於2021年11月22日，董事會上調於2021年6月8日至2021年12月31日期間的年度上限(人民幣0.5百萬元至人民幣2百萬元)，以及於2022年1月1日至2022年6月7日期間的年度上限(人民幣0.5百萬元至人民幣3百萬元)。有關進一步詳情，請參閱本公司日期為2021年11月22日的公告(「**2021年11月22日公告**」)。

On 11 July 2022, Yashili (Guangdong) and Shanghai Nutri Go entered into a processing agreement (the “**2022 Processing Agreement**”), pursuant to which Yashili (Guangdong) agreed to provide processing services in respect of NutriGo nutrition packs to Shanghai Nutri Go from time to time during the term of the 2022 Processing Agreement. The cap in respect of the transactions contemplated under the 2022 Processing Agreement during the period from 11 July 2022 to 31 December 2022 shall be RMB2 million, and the cap in respect of the transactions contemplated under the 2022 Processing Agreement during the period from 1 January 2023 to 10 July 2023 shall be RMB3 million. Please refer to the announcement of the Company dated 11 July 2022 (the “**11 July 2022 Announcement**”) for further details.

The Directors are of the view that the transactions contemplated under the 2022 Processing Agreement would generate revenue for the Group and enable the Group to explore additional business opportunities in the future.

For the period from 1 January 2022 to 7 June 2022, the value of the transactions contemplated under the 2021 Processing Agreement was RMB1 million, which was less than the cap of RMB3 million for the period from 1 January 2022 to 7 June 2022 as disclosed in the 22 November 2021 Announcement.

For the period from 11 July 2022 to 31 December 2022, the value of the transactions contemplated under the 2022 Processing Agreement was RMB0.1 million, which was less than the cap of RMB2 million for the period from 11 July 2022 to 31 December 2022 as disclosed in the 11 July 2022 Announcement.

4. Framework Agreement with Mengniu Dairy

On 29 June 2018, the Company entered into a Framework Agreement (the “**Framework Agreement with Mengniu Dairy**”) with Mengniu Dairy in relation to (i) purchase of goods by the Mengniu Group from the Group (“**Type I CCT**”); (ii) purchase of goods by the Group from the Mengniu Group (“**Type II CCT**”); (iii) provision of services by the Mengniu Group to the Group (“**Type III CCT**”); and (iv) provision of services by the Group to the Mengniu Group (“**Type IV CCT**”). The Framework Agreement has a term of three years commencing from the date of the approval of the independent Shareholders (the “**Effective Date**”).

於2022年7月11日，雅士利(廣東)與上海起跑營養訂立加工協議(「**2022年加工協議**」)，據此，雅士利(廣東)同意於2022年加工協議期限內不時向上海起跑營養提供營養起跑營養包的加工服務。於2022年7月11日至2022年12月31日期間，2022年加工協議項下擬進行的交易的上限為人民幣2百萬元，而於2023年1月1日至2023年7月10日期間，加工協議項下擬進行的交易的上限為人民幣3百萬元。有關進一步詳情，請參閱本公司日期為2022年7月11日的公告(「**2022年7月11日公告**」)。

董事認為，2022年加工協議項下擬進行的交易將為本集團產生收益，並可令本集團日後探索其他商機。

於2022年1月1日至2022年6月7日期間，2021年加工協議項下擬進行交易的價值為人民幣1百萬元，低於2021年11月22日公告所披露於2022年1月1日至2022年6月7日期間的上限人民幣3百萬元。

於2022年7月11日至2022年12月31日期間，2022年加工協議項下擬進行交易的價值為人民幣0.1百萬元，低於2022年7月11日公告所披露於2022年7月11日至2022年12月31日期間的上限人民幣2百萬元。

4. 與蒙牛乳業訂立的框架協議

於2018年6月29日，本公司與蒙牛乳業就(i)蒙牛集團向本集團採購商品(「**持續關連交易類別I**」)；(ii)本集團向蒙牛集團採購商品(「**持續關連交易類別II**」)；(iii)蒙牛集團向本集團提供服務(「**持續關連交易類別III**」)；及(iv)本集團向蒙牛集團提供服務(「**持續關連交易類別IV**」)訂立框架協議(「**與蒙牛乳業訂立的框架協議**」)。框架協議自獨立股東批准當日(「**生效日期**」)起計為期三年。

The goods under the Type I CCT and Type II CCT are mainly raw materials for dairy products, raw materials for food, food additives (including but not limited to whole milk powder, skimmed milk powder, white sugar, etc.), auxiliary materials, packing materials, semi-finished goods and finished goods. The list of goods may be updated from time to time according to the business needs of the Group and the Mengniu Group. The services under the Type III CCT and Type IV CCT are mainly testing services, storage and leasing services, marketing and sales services, IT services, labour services, advisory services and management services. The scope of services may be updated from time to time according to the business needs of the Group and the Mengniu Group. The price and terms of the transactions under the Framework Agreement shall be determined in the ordinary course of business on normal commercial terms, negotiated on an arm's length basis and no less favourable to the Group than those available to the Group from independent third parties.

Please refer to (i) the announcement of the Company dated 2 July 2018 in relation to the entering into of the Framework Agreement with Mengniu Dairy, (ii) the announcement of the Company dated 31 December 2018 in relation to, among others, the revision of proposed annual caps of the continuing connected transactions under the Framework Agreement with Mengniu Dairy, (iii) the circular of the Company dated 22 February 2019 ("22 February 2019 Circular") and (iv) the announcement of the Company dated 12 March 2019 for further details.

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 22 February 2019 Circular)) are of the view that the Framework Agreement with Mengniu Dairy and the transactions contemplated thereunder would enable the Group to achieve greater synergies with the Mengniu Group. In particular, (i) the purchase of goods and services from the Mengniu Group will enable the Group to realize stable and quality sourcing and reduce purchase costs; and (ii) the provision of goods and services by the Group to the Mengniu Group will diversify and increase the Group's income and most importantly improve the capacity utilization of the Group.

持續關連交易類別I及持續關連交易類別II項下商品主要為乳製品原材料、食物原料、食品添加劑(包括但不限於全脂奶粉、脫脂奶粉、白糖等)、輔料、包裝材料、半成品及成品。商品清單或會因應本集團及蒙牛集團的業務需要不時更新。持續關連交易類別III及持續關連交易類別IV項下服務主要為檢測服務、倉儲及租賃服務、市場及銷售服務、IT服務、勞務服務、諮詢服務及管理服務。服務範疇或會因應本集團及蒙牛集團的業務需要不時更新。框架協議項下交易的價格及條款乃於日常業務過程中按正常商業條款經公平磋商後釐定，給予本集團的價格及條款並不遜於本集團自獨立第三方所獲得者。

有關更多詳情，請參閱(i)本公司日期為2018年7月2日有關訂立與蒙牛乳業訂立框架協議的公告，(ii)本公司日期為2018年12月31日有關(其中包括)修訂與蒙牛乳業的框架協議項下持續關連交易之建議年度上限的公告，(iii)本公司日期為2019年2月22日的通函(「2019年2月22日通函」)及(iv)本公司日期為2019年3月12日的公告。

董事(包括獨立非執行董事，彼等意見已於2019年2月22日通函中所載的獨立董事委員會函件中載列)認為，與蒙牛乳業訂立的框架協議及其項下擬進行交易會有助提升本集團與蒙牛集團之間的協同效應。具體而言，(i)向蒙牛集團採購商品及服務有助本集團確保穩定及優質採購來源，並降低採購成本；及(ii)本集團向蒙牛集團提供商品及服務可多元化本集團的收入來源及增加本集團的收入，而更重要的是可提升本集團的產能利用率。

The Framework Agreement with Mengniu Dairy and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 12 March 2019. The Framework Agreement with Mengniu Dairy became effective on 12 March 2019.

On 15 October 2021, the Company entered into a supplemental agreement (the “**Supplemental Agreement**”) with Mengniu Dairy to extend the term of the Framework Agreement for a period from 12 March 2022 to 31 December 2024 (the “**Extension**”). The transactions contemplated under the Framework Agreement (as extended pursuant to the Supplemental Agreement) will be conducted on the same pricing and payment terms as provided in the Framework Agreement as disclosed in the 2018 Announcements and the 2019 Circular. The Group expected that the Mengniu Group would increase its purchase amount of the goods from the Group for the year ended 31 December 2021, which is Type I CCT under the Framework Agreement. As a result, the Board adjusted the annual cap in respect of Type I CCT contemplated under the Framework Agreement for the year ended 31 December 2021 from RMB350 million to RMB400 million (the “**2021 Annual Cap**”). Please refer to the announcements of the Company dated 15 October 2021 and 30 November 2021 and the circular of the Company dated 10 November 2021 (the “**10 November 2021 Circular**”) for further details.

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 10 November 2021 Circular)) are of the view that the Extension and the transactions contemplated thereunder would enable the Group to achieve greater synergies with the Mengniu Group. In particular, (i) the purchase of goods and services from the Mengniu Group will enable the Group to realise stable and quality sourcing and reduce purchase costs; and (ii) the provision of goods and services by the Group to the Mengniu Group will diversify and increase the Group’s income and most importantly the capacity utilisation of the Group. The Directors (including the independent non-executive Directors) are of the view that the revision of 2021 Annual Cap would enable the Group to further utilise its capacity and increase the Group’s income.

與蒙牛乳業的框架協議及其項下擬進行交易已於2019年3月12日舉行的本公司股東特別大會上獲本公司獨立股東批准。與蒙牛乳業的框架協議已於2019年3月12日生效。

於2021年10月15日，本公司與蒙牛乳業訂立補充協議(「**補充協議**」)，以延長框架協議的期限，期間為自2022年3月12日起至2024年12月31日為止(「**延長**」)。誠如2018年公告及2019年通函所披露，框架協議(經補充協議延長)項下擬進行交易將以與框架協議訂明的相同定價及支付條款進行。本集團預期截至2021年12月31日止年度蒙牛集團將增加向本集團採購的商品數量，即框架協議項下持續關連交易類別I。因此，董事會將截至2021年12月31日止年度框架協議項下進行持續關連交易類別I的年度上限從人民幣350百萬元調整至人民幣400百萬元(「**2021年年度上限**」)。有關進一步詳情，請參閱本公司日期為2021年10月15日及2021年11月30日的公告及2021年11月10日的通函(「**2021年11月10日通函**」)。

董事(包括獨立非執行董事，其意見載於2021年11月10日通函內的獨立董事委員會函件內)認為，延長及其項下擬進行交易將有助加強本集團與蒙牛集團之間的協同效應。具體而言，(i)向蒙牛集團採購商品及服務讓本集團實現穩定及優質採購來源，並降低採購成本；及(ii)本集團向蒙牛集團提供商品及服務可使本集團的收入來源多元化及增加，而更重要的是可提升本集團的產能利用率。董事(包括獨立非執行董事)認為，修訂2021年年度上限可讓本集團進一步利用其產能並增加本集團的收入。

The revision of 2021 Annual Cap, the Extension, the Supplemental Agreement and the transactions contemplated thereunder (including the proposed annual caps) were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 30 November 2021.

The Group expected that the Group would increase its purchase amount of the goods from the Mengniu Group for each of the three years of 2022, 2023 and 2024, which will be Type II CCT contemplated under the Framework Agreement. As a result, the Board proposed to adjust upward the annual caps in respect of Type II CCT to RMB1,200 million, RMB1,500 million and RMB1,900 million for the years of 2022, 2023 and 2024, respectively (“**Type II Annual Caps**”). The revision of Type II Annual Caps was approved by the independent Shareholders at the extraordinary general meeting of the Company held on 27 June 2022. Please refer to the announcements of the Company dated 25 April 2022 and 27 June 2022 and the Circular of the Company dated 7 June 2022 (the “**7 June 2022 Circular**”).

The Directors (including the independent non-executive Directors whose views are set out in the letter from the independent board committee included in the 7 June 2022 Circular) are of the view that the revision of Type II Annual Caps would enable the Group to secure stable and quality supply of goods from the Mengniu Group despite the challenging market environment and reduce costs.

For the year ended 31 December 2022, the value of transactions under the Framework Agreement with Mengniu Dairy was RMB179.6 million, RMB629.3 million, RMB27.2 million, RMB19.0 million for Type I CCT, Type II CCT, Type III CCT and Type IV CCT, respectively, which was less than RMB860 million, RMB1,200 million, RMB69 million and RMB67 million, respectively, as disclosed in the 7 June 2022 Circular.

修訂2021年年度上限、延長、補充協議及其項下擬進行交易(包括擬議年度上限)於本公司在2021年11月30日舉行的股東特別大會獲本公司獨立股東批准。

本集團預期截至2022年、2023年及2024年12月31日止年度本集團將增加向蒙牛集團採購的商品數量，即框架協議項下持續關連交易類別II。因此，董事會將截至2022年、2023年及2024年12月31日止年度框架協議項下進行持續關連交易類別II的年度上限分別上調至人民幣1,200百萬元、人民幣1,500百萬元及人民幣1,900百萬元(「**類別II年度上限**」)。修訂類別II年度上限已於2022年6月27日舉行的本公司股東特別大會上獲獨立股東批准。請參閱本公司日期為2022年4月25日及2022年6月27日的公告及本公司日期為2022年6月7日的通函(「**2022年6月7日通函**」)。

董事(包括獨立非執行董事(彼等的意見載於獨立董事委員會函件內，而有關函件載於2022年6月7日通函內))認為，修訂類別II年度上限將使本集團能夠在充滿挑戰的市場環境中取得蒙牛集團穩定及優質的商品供應，且降低成本。

截至2022年12月31日止年度，有關與蒙牛乳業的框架協議項下持續關連交易類別I、持續關連交易類別II、持續關連交易類別III及持續關連交易類別IV的交易價值分別為人民幣179.6百萬元、人民幣629.3百萬元、人民幣27.2百萬元及人民幣19.0百萬元，分別低於2022年6月7日通函所披露的人民幣860百萬元、人民幣1,200百萬元、人民幣69百萬元及人民幣67百萬元。

5. 2020 Supply Agreement with DAPH, Danone Trading, DanTrade and Their Affiliates

On 19 November 2019, Yashili New Zealand entered into a supply agreement (the "2020 Supply Agreement") with DAPH, Danone Trading, DanTrade and their affiliates (the "Purchasers under the 2020 Supply Agreement"), pursuant to which Yashili New Zealand agreed to supply, and the Purchasers under the 2020 Supply Agreement agreed to purchase, base powder and dairy ingredients from time to time. The 2020 Supply Agreement and the transactions contemplated thereunder are subject to the approval by the independent Shareholders. If the approval of the 2020 Supply Agreement by the independent Shareholders is obtained before 1 January 2020, the 2020 Supply Agreement shall take effect on 1 January 2020, and shall remain in force until 31 December 2020 unless otherwise agreed by the parties in writing. If the approval of the 2020 Supply Agreement by the independent Shareholders is obtained after 1 January 2020, the 2020 Supply Agreement shall take effect on the date on which it is approved by the independent Shareholders, and shall remain in force until 31 December 2020 unless otherwise agreed by the parties in writing. Please refer to the announcements of the Company dated 19 November 2019 and 31 December 2019 and circular of the Company dated 12 December 2019 (the "12 December 2019 Circular") for further details.

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 12 December 2019 Circular)) are of the view that the 2020 Supply Agreement would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

The 2020 Supply Agreement and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 31 December 2019. The 2020 Supply Agreement became effective on 1 January 2020.

5. 與 DAPH、Danone Trading、DanTrade 及彼等的聯屬公司訂立的2020年供應協議

於2019年11月19日，新西蘭乳業與 DAPH、Danone Trading、DanTrade 及彼等的聯屬公司(「2020年供應協議項下買家」)訂立供應協議(「2020年供應協議」)，據此，新西蘭乳業同意不時供應，而2020年供應協議項下買家同意不時購買基粉及乳品原料。2020年供應協議及其項下擬進行的交易須經獨立股東批准。倘2020年供應協議於2020年1月1日前獲獨立股東批准，則2020年供應協議將於2020年1月1日開始生效，並將維持有效至2020年12月31日(除非訂約方另行書面協定)。倘2020年供應協議於2020年1月1日後獲獨立股東批准，則2020年供應協議將於獲獨立股東批准當日生效，並將維持有效至2020年12月31日(除非訂約方另行書面協定)。有關進一步詳情，請參閱本公司日期為2019年11月19日及2019年12月31日的公告及本公司日期為2019年12月12日的通函(「2019年12月12日通函」)。

董事(包括獨立非執行董事，其意見載於2019年12月12日通函內的獨立董事委員會函件內)認為，2020年供應協議將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

2020年供應協議及其項下擬進行的交易於本公司在2019年12月31日舉行的股東特別大會獲獨立股東批准。2020年供應協議於2020年1月1日生效。

On 13 November 2020, Yashili New Zealand entered into an agreement with DAPH and DanTrade to extend the term of the 2020 Supply Agreement for a period of one year from 1 January 2021 to 31 December 2021 and to amend certain terms of the 2020 Supply Agreement (the “**Extension**”). Please refer to the announcements of the Company dated 13 November 2020 and 23 December 2020 and the circular of the Company dated 4 December 2020 (the “**4 December 2020 Circular**”) for further details.

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 4 December 2020 Circular)) are of the view that the Extension would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

The Extension and the transactions contemplated thereunder were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 23 December 2020. The Extension became effective on 1 January 2021.

On 17 December 2021, Yashili New Zealand entered into an agreement (the “**Extension No. 2**”) with DAPH to extend the term of the 2020 Supply Agreement for a period of one year from 1 January 2022 to 31 December 2022 and to amend certain terms of the 2020 Supply Agreement. The annual cap in respect of the total consideration of the transactions contemplated under the 2020 Supply Agreement (as extended pursuant to the Extension No. 2) from 1 January 2022 to 31 December 2022 shall be RMB52 million. Please refer to the announcement of the Company dated 17 December 2021 for further details.

The Directors (including the independent non-executive Directors) are of the view that the Extension No. 2 and the transactions contemplated thereunder would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

於2020年11月13日，新西蘭乳業與DAPH及DanTrade訂立協議，將2020年供應協議的期限延長一年至2021年1月1日至2021年12月31日期間，並修訂2020年供應協議的若干條款(「**延長**」)。有關進一步詳情，請參閱本公司日期為2020年11月13日及2020年12月23日的公告及本公司日期為2020年12月4日的通函(「**2020年12月4日通函**」)。

董事(包括獨立非執行董事，其意見載於2020年12月4日通函內的獨立董事委員會函件內)認為，延長將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

延長及其項下擬進行的交易於本公司在2020年12月23日舉行的股東特別大會獲獨立股東批准。延長於2021年1月1日生效。

於2021年12月17日，新西蘭乳業與DAPH訂立協議(「**二度延長**」)，以延長2020年供應協議期限一年(自2022年1月1日起至2022年12月31日止期間)及修訂2020年供應協議的若干條款。於2022年1月1日起至2022年12月31日止，2020年供應協議(根據二度延長而延長)項下擬進行之交易的代價總額的年度上限將為人民幣52百萬元。有關進一步詳情，請參閱本公司日期為2021年12月17日的公告。

董事(包括獨立非執行董事)認為，二度延長及其項下擬進行的交易將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

The Group expected that the Purchasers would increase their purchase amount of the Products under the 2020 Supply Agreement from the Yashili New Zealand during the year ended 31 December 2022 due to the expected increase in the Purchasers' demand for the Products. Therefore, on 17 June 2022, the Board adjusted upward the annual cap of the 2020 Supply Agreement for the year ended 31 December 2022 from RMB52 million to RMB150 million. Please refer to the announcement of the Company dated 17 June 2022 (the "17 June 2022 Announcement") for further details.

The Directors (including the independent non-executive Directors but excluding Mr. Qin Peng and Mr. Gu Peiji (alias Philip Gu) who are Directors nominated by Danone and abstained from voting on the board resolution) are of the view that the 2020 Supply Agreement and the transactions thereunder (with the revised annual cap) would enable Yashili New Zealand to further improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

For the year ended 31 December 2022, the value of the transactions contemplated under the 2020 Supply Agreement was RMB122.2 million, which was less than the cap of RMB150 million as disclosed in the 17 June 2022 Announcement.

On 14 December 2022, Yashili New Zealand entered into an agreement (the "Extension No. 3") with DAPH to extend the term of the 2020 Supply Agreement for a period of two years from 1 January 2023 to 31 December 2024 and to amend certain terms of the 2020 Supply Agreement. The annual caps in respect of the total consideration of the transactions contemplated under the 2020 Supply Agreement (as extended pursuant to the Extension No. 3) for the years of 2023 and 2024 shall be RMB50 million and RMB50 million, respectively. Please refer to the announcement of the Company dated 14 December 2022 for further details.

The Directors (including the independent non-executive Directors) are of the view that the Extension No. 3 and the transactions contemplated thereunder would enable Yashili New Zealand to improve its utilisation rate, thereby achieving greater synergies between the Group and Danone.

本集團預期，由於預期買家對產品的需求增加，截至2022年12月31日止年度買家將增加向新西蘭乳業採購2020年供應協議項下產品的數量。因此，於2022年6月17日，董事會將截至2022年12月31日止年度2020年供應協議的年度上限由人民幣52百萬元上調至人民幣150百萬元。有關進一步詳情，請參閱本公司日期為2022年6月17日的公告(「2022年6月17日公告」)。

董事(包括獨立非執行董事，但不包括秦鵬先生及顧培基(又名Philip Gu)先生，彼等為達能提名的董事，已就董事會決議案放棄投票)認為，2020年供應協議及其項下擬進行的交易(包括經修訂年度上限)能令新西蘭乳業進一步提升其利用率，從而增強本集團與達能之間的協同效應。

於截至2022年12月31日止年度，2020年供應協議項下擬進行的交易的價值為人民幣122.2百萬元，低於2022年6月17日公告所披露的上限人民幣150百萬元。

於2022年12月14日，新西蘭乳業與DAPH與DAPH訂立協議(「三度延長」)，以延長2020年供應協議期限兩年(自2023年1月1日起至2024年12月31日止期間)及修訂2020年供應協議的若干條款。2020年供應協議(根據三度延期而延長)項下擬進行的交易的代價總額的2023年及2024年年度上限分別為人民幣50百萬元及人民幣50百萬元。有關進一步詳情，請參閱本公司日期為2022年12月14日的公告。

董事(包括獨立非執行董事)認為，三度延長及其項下擬進行的交易將有利於新西蘭乳業提升其產能利用率，從而進一步增強本集團與達能之間的協同效應。

6. Accounts Receivables Transfer Framework Agreement with Mengniu Dairy

On 22 October 2021, the Company entered into an accounts receivables transfer framework agreement (the “**Accounts Receivables Transfer Framework Agreement**”) with Mengniu Dairy, pursuant to which the Company (on behalf of the Group) agreed to transfer, and Mengniu Dairy (on behalf of the Mengniu Group) agreed to accept, the Accounts Receivables from time to time from the date on which the Accounts Receivables Transfer Framework Agreement and the transactions contemplated thereunder is approved by the independent Shareholders until 31 December 2023. Please refer to the announcements of the Company dated 22 October 2021 and 30 November 2021 and the circular of the Company dated 15 November 2021 (the “**15 November 2021 Circular**”) for further details.

The Directors (including the independent non-executive Directors (whose views were set out in the letter from the independent board committee included in the 15 November 2021 Circular)) are of the view that the Accounts Receivables Transfer Framework Agreement and the transactions contemplated thereunder will (i) revitalize the Group’s assets; (ii) reduce its amount of accounts receivables so as to optimize its asset structure; (iii) allow expedite realisation of the accounts receivables which will in turn enhance the Group’s working capital efficiency; and (iv) increase the Group’s liquidity and improve its asset efficiency and financial condition, thereby optimizing its financial statements.

The Accounts Receivables Transfer Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) were approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 30 November 2021. The Accounts Receivables Transfer Framework Agreement became effective on 30 November 2021.

For the year ended 31 December 2022, the value of the transactions contemplated under the Accounts Receivables Transfer Framework Agreement was RMB0 million, which was less than the cap of RMB500 million for the year of 2022 as disclosed in the 15 November 2021 Circular.

6. 與蒙牛乳業訂立應收賬款轉讓框架協議

於2021年10月22日，本公司與蒙牛乳業訂立應收賬款轉讓框架協議(「**應收賬款轉讓框架協議**」)，據此，自獨立股東批准應收賬款轉讓框架協議及其項下擬進行之交易該日起至2023年12月31日內，本公司(代表本集團)同意不時轉讓，而蒙牛乳業(代表蒙牛集團)同意不時接受應收賬款。有關進一步詳情，請參閱本公司日期為2021年10月22日及2021年11月30日的公告及本公司日期為2021年11月15日的通函(「**2021年11月15日通函**」)。

董事(包括獨立非執行董事，其意見載於2021年11月15日通函內的獨立董事委員會函件內)認為，應收賬款轉讓框架協議及其項下擬進行交易將(i)產生盘活本集團資產的效果；(ii)降低應收賬款金額從而優化本集團的資產結構；(iii)加快變現應收賬款，從而提高本集團的營運資金效率；及(iv)增加本集團的流動資金、提高資產效率並改善財務狀況，進而優化財務報表。

應收賬款轉讓框架協議及其項下擬進行的交易(包括擬議年度上限)於本公司在2021年11月30日舉行的股東特別大會獲本公司獨立股東批准。應收賬款轉讓框架協議於2021年11月30日生效。

於截至2022年12月31日止年度，應收賬款轉讓框架協議及其項下擬進行的交易的價值為人民幣0百萬元，低於2021年11月15日通函所披露的2022年度上限人民幣500百萬元。

The pricing policies set out in the relevant announcements and circulars (where applicable) of the connected transactions and continuing connected transactions set out above have been followed when determining the price and terms of the transactions conducted during the year.

Other than the connected transactions and the continuing connected transactions set out above, in respect of which the disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied with, no contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholders during the year ended 31 December 2022.

The independent non-executive Directors of the Company have reviewed these connected transactions and confirmed that such transactions were entered into:

- in the ordinary and usual course of business of the Group;
- on normal commercial terms or better; and
- according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

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

於釐定年內所進行交易之價格及條款時已遵從上述關連交易及持續關連交易的相關公告及通函(如適用)內所載的定價政策。

除上文所載的關連交易及持續關連交易(已就此遵守上市規則第14A章的披露規定)外,本公司或其任何子公司與控股股東於截至2022年12月31日止年度內概無訂立重大合約。

本公司的獨立非執行董事已審閱該等關連交易,並確認該等關連交易乃:

- 於本集團一般及日常業務過程中進行;
- 按正常或較佳的商業條款訂立;以及
- 按照規管彼等的協議進行,而有關條款屬公平合理,並符合本公司股東的整體利益。

本公司的核數師接受委任,按照香港會計師公會頒佈的《香港鑒證業務準則》第3000號(經修訂)「歷史財務信息審核或審閱以外的鑒證」,並參考《應用指引第740號》「關於香港《上市規則》所述持續關連交易的核數師函件」,就本集團的持續關連交易作出報告。畢馬威已按照主板上市規則第14A.56條出具無保留意見函件,列載核數師關於本年報中所披露的本集團持續關連交易的發現和結論。本公司已向香港聯合交易所有限公司提交核數師函件。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

Save as disclosed above, none of the related party transactions as disclosed in note 35 to the consolidated financial statements constitutes non-exempt connected transaction or non-exempt continuing connected transaction under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

DIRECTORS' INTEREST IN COMPETING BUSINESS

The Directors named in the paragraphs below held offices in businesses, which are considered to compete or likely to compete, either directly or indirectly, with the businesses of the Group during the year ended 31 December 2022.

Each of Mr. Jeffrey, Minfang Lu and Mr. Zhang Ping held offices in the Mengniu Group during the year ended 31 December 2022. Mengniu Dairy is a substantial shareholder of the Company. Bellamy's Australia Limited, which is an Australian organic infant formula and baby food provider, acquired by the Mengniu Group in 2019, is engaged in, among others, manufacturing and distribution of milk formula. Each of Mr. Qin Peng and Mr. Gu Peiji (alias Philip Gu) held offices in Danone. Danone Asia, a member of the Danone Group, was a substantial shareholder of the Company. Danone is engaged in, among others, manufacturing and distribution of milk formula.

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

Save as disclosed above, none of the Directors or their respective associates had any interest in any company or business which competes or may compete with the business of the Group during the year ended 31 December 2022.

除上文所披露者外，概無「關聯方交易」(於合併財務報表附註35披露)構成上市規則第14A章下的非豁免關連交易或非豁免持續關連交易。公司確認已遵守上市規則第14A章的披露規定。

董事於競爭性業務的權益

於截至2022年12月31日止年度內，下段所列董事於業務中任職，該等業務被視為與本集團業務直接或間接構成或可能構成競爭。

盧敏放先生及張平先生各自於截至2022年12月31日止年度內在蒙牛集團任職。蒙牛乳業為本公司的主要股東。蒙牛集團於2019年收購了澳洲有機嬰幼兒配方奶粉及嬰兒食品廠商Bellamy's Australia Limited，其從事(其中包括)生產及銷售配方奶粉。秦鵬先生及顧培基(又名Philip Gu)先生各自在達能任職。達能集團的成員公司達能亞洲是本公司的主要股東。達能從事(其中包括)生產及銷售配方奶粉。

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

除上文所披露者外，於截至2022年12月31日止年度內概無董事或其各自的聯繫人在與本集團業務構成或可能構成競爭的任何公司或業務中擁有任何權益。

MANAGEMENT CONTRACTS

Other than the service contracts disclosed in the paragraph headed “Directors’ service Contracts” above, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2022.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s Articles of Association or the laws of Cayman Islands where the Company is incorporated applicable to the Company.

EMOLUMENT POLICY

The Group’s emolument policies are based on the merit, qualifications and competence of individual employees and are reviewed by the Remuneration Committee periodically. The emoluments of the Directors are recommended by the Remuneration Committee and are decided by the Board, having regard to the Group’s operating results, individual performance and comparable market statistics.

The Company has previously adopted two share option schemes and one Phantom Share Incentive Scheme to motivate and reward its Directors and eligible employees. Details of the schemes are set out in the paragraphs headed “Share Option Schemes” and “Phantom Share Incentive Scheme” above.

None of the Directors waived any emoluments during the year ended 31 December 2022.

RETIREMENT BENEFITS SCHEMES

The employees of the PRC subsidiaries of the Company are members of the state-managed retirement benefits scheme operated by the PRC government. The PRC subsidiaries are required to contribute certain percentages of basic salaries of the employees to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme. The contributions are charged to the consolidated income statements as they become payable in accordance with the rules of the state-managed retirement benefits scheme. The Group has no other material obligation for the payment of pension benefits beyond the annual contributions described above.

管理合約

除上文「董事服務合約」一段所披露的服務合約外，於截至2022年12月31日止年度內概無訂立或存在有關本公司業務整體或任何重大部分的管理及行政合約。

優先權

本公司組織章程細則或開曼群島(本公司註冊成立所在地)法例項下概無任何優先權條文適用於本公司。

薪酬政策

本集團的薪酬政策乃按個別僱員的優點、資歷及能力為基礎，並定期由薪酬委員會審閱。董事薪酬乃經參考本集團的經營業績、個別表現及可比較的市場統計數字後由薪酬委員會建議，並由董事會決定。

本公司過往已採納兩項購股權計劃以及一項虛擬股票激勵計劃以推動及獎勵其董事及合資格僱員。該等計劃的詳情載於上文「購股權計劃」及「虛擬股票激勵計劃」各段。

概無董事於截至2022年12月31日止年度內放棄任何酬金。

退休福利計劃

本公司於中國的子公司的僱員為由中國政府運作的國家管理退休福利計劃的成員。中國子公司須按僱員基本薪金的若干百分比向退休福利計劃供款以撥付該等福利。本集團有關退休福利計劃的唯一責任為根據計劃作出所需供款。該等供款於根據國家管理退休福利計劃的規則成為應付時於合併收益表內扣除。本集團並無有關上述年度供款以外的任何其他重大退休福利付款責任。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

For the year ended 31 December 2022, the Group's total contributions to the retirement benefits schemes charged in the income statement amounted to RMB37.8 million. There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. Details of the Group's retirement benefits scheme and the basis of calculation are set out in notes 2.4 and 7 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate sales attributable to the Group's largest and five largest customers were 5.8% and 14.8% of the Group's total sales respectively. Aggregate sales attributable to the Group's five largest customers combined were less than 30% of the Group's total sales. Aggregate purchases attributable to the Group's largest and five largest suppliers were 13.8% and 50.5% of the Group's total purchases respectively. At no time during the year ended 31 December 2022 did a Director, his/her associate(s) or a shareholder, which to the knowledge of the Directors owns more than 5% of the Company's share capital, have an interest in any of the Group's five largest suppliers.

AUDIT COMMITTEE

The audit committee of the Company has reviewed, with the Company's management and the external auditors, the accounting principles and practices adopted by the Company and discussed auditing, risk management, internal control, whistleblowing policy and system and financial reporting matters, including the review of the Group's financial statements' for the year ended 31 December 2022.

截至2022年12月31日止年度，本集團於收益表內扣除的退休福利計劃總供款為人民幣37.8百萬元。本集團作為僱主並無任何沒收供款可動用以減低現有的供款水平。本集團的退休福利計劃及計算基準的詳情載於合併財務報表附註2.4及7。

主要客戶及供應商

本集團最大及五大客戶所佔的銷售總額分別佔本集團銷售總額的5.8%及14.8%。本集團前五大客戶所佔的銷售總額低於本集團銷售總額的30%。本集團最大及五大供應商所佔的採購總額分別佔本集團採購總額的13.8%及50.5%。於截至2022年12月31日止年度內任何時間，概無董事、其聯繫人或據董事所知擁有本公司股本超過5%的股東於本集團任何五大供應商中擁有權益。

審核委員會

本公司審核委員會與本公司管理層以及外部核數師審閱本公司採納的會計原則與慣例，並討論審核、風險管理、內部監控、舉報政策及系統以及財務報告事宜，其中包括審閱本集團截至2022年12月31日止年度的財務報表。

AUDITORS

On 3 May 2022, the Board announced that (i) Ernst & Young would retire as the auditors of the Company upon expiration of its current term of office at the conclusion of the annual general meeting of the Company held on 8 June 2022 (the “2022 AGM”) and (ii) the Board has resolved, with recommendation from the audit committee of the Company, to propose the appointment of KPMG as the new auditors of the Company following the retirement of Ernst & Young, subject to the approval of the Shareholders at the 2022 AGM. On 8 June 2022, the Shareholders approved the appointment of KPMG as the auditors of the Company to hold office with effect immediately after the conclusion of the 2022 AGM until the conclusion of the next annual general meeting of the Company.

As a result, the consolidated financial statements for the year ended 31 December 2022 have been audited by KPMG.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this Annual Report, the Company has maintained the prescribed public float of not less than 23.42% of the Company’s issued shares pursuant to a waiver granted to the Company by the Stock Exchange for the period from the Listing Date.

TAX RELIEF

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

BANK LOANS AND OTHER BORROWINGS

Particulars of short-term and long-term bank loans of the Group as at 31 December 2022 are set out in note 30 to the consolidated financial statements. Other than such bank loans, the Group had no other bank loans.

FOREIGN CURRENCY RISK

Details of foreign currency risk are set out in note 38(b) to the consolidated financial statements.

核數師

於2022年5月3日，董事會宣佈，(i)安永會計師事務所將於現任任期屆滿時退任本公司核數師，其任期將於本公司即將於2022年6月8日舉行的股東周年大會（「2022年股東周年大會」）結束時屆滿；及(ii)董事會議決，根據本公司審核委員會的推薦建議，建議在安永會計師事務所退任後委聘畢馬威會計師事務所為本公司的新核數師，須待股東於2022年股東周年大會批准，方可作實。於2022年6月8日，股東批准委任畢馬威會計師事務所為本公司的核數師，其任期在2022年股東周年大會結束後立即生效，直至本公司下屆股東周年大會結束為止。

因此，截至2022年12月31日止年度的綜合財務報表已由畢馬威會計師事務所審計。

充足公眾持股量

根據本公司可取得的公開資料及據董事於本年報日期所知，自上市日期以來期間，本公司已根據聯交所授予本公司的豁免，維持不低於本公司已發行股份23.42%的指定公眾持股量。

稅務減免

本公司並不知悉股東因持有股份而可享有任何稅務減免。

銀行貸款及其他借貸

本集團於2022年12月31日的短期及長期銀行貸款的詳情載於合併財務報表附註30。除該等銀行貸款外，本集團並無其他銀行貸款。

外幣風險

外幣風險的詳情載於合併財務報表附註38(b)。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 42 to 81 of this Annual Report.

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the five financial years ended 31 December 2022 is set out on pages 241 to 242 of this Annual Report.

PROPOSED PRIVATISATION OF THE COMPANY AND EVENTS AFTER THE REPORTING PERIOD

A discussion of the proposed privatisation of the Company and the events after the reporting period is provided under the paragraphs headed "Proposed Privatisation of the Company" and "Events After the Reporting Period" in the section headed "Management Discussion and Analysis" on pages 32 to 33 of this Annual Report.

On behalf of the Board

Jeffrey, Minfang Lu
Chairman

Hong Kong, 29 March 2023

企業管治

本公司的企業管治原則及常規載於本年報第42至81頁的企業管治報告。

財務資料概要

本集團截至2022年12月31日止五個財政年度的業績以及資產及負債概要載於本年報第241至242頁。

本公司的建議私有化及報告期後事項

有關本公司的建議私有化及報告期後事項的討論載列於本年報第32頁至第33頁標題為「管理層討論與分析」部分的標題為「本公司的建議私有化」及「報告期後事項」段落中。

代表董事會

盧敏放
主席

香港，2023年3月29日



To the shareholders of
Yashili International Holdings Ltd
(Incorporated in the Cayman Islands with limited liability)

致雅士利國際控股有限公司股東

(於開曼群島註冊成立的有限責任公司)

OPINION

意見

We have audited the consolidated financial statements of Yashili International Holdings Ltd (“the Company”) and its subsidiaries (“the Group”) set out on pages 129 to 240, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計列載於第129至240頁的雅士利國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的合併財務報表，此財務報表包括於2022年12月31日的合併財務狀況表與截至該日止年度的合併損益表、合併綜合收益表、合併權益變動表及合併現金流量表，以及合併財務報表附註，包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等合併財務報表已根據國際會計準則理事會頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映了貴集團於2022年12月31日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的相關披露要求妥為擬備。

BASIS FOR OPINION

意見的基礎

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

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表須承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

KEY AUDIT MATTERS

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

Impairment testing of goodwill

Refer to note 18 to the consolidated financial statements and the accounting policies in note 2.4 Impairment of non-financial assets.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

商譽減值測試

參見合併財務報表附註18和附註2.4非金融資產減值中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	該事項在審計中是如何應對的
<p>Goodwill amounting to RMB802,236,000 represented 11.32% of the Group's total assets as at 31 December 2022.</p> <p>Goodwill is allocated to the cash generating unit ("CGU") group and impairment test of goodwill is performed by management at least annually by comparing the carrying value with the recoverable amount of the CGU group, which is the higher of value in use and fair value less costs of disposal. The value in use of the CGU group was determined by management using a discounted cash flow forecast.</p> <p>We identified assessing impairment of goodwill as a key audit matter because of the magnitude of the goodwill and because the preparation of discounted cash flow forecast involves the exercise of significant management judgement in determining key assumptions, particularly the future sales growth rates, corresponding gross margin rates and the discount rate applied, which could be subject to management bias.</p>	<p>Our audit procedures to assess the impairment of goodwill included the following:</p> <ul style="list-style-type: none"> understanding and evaluating the design and implementation of key internal controls over the impairment assessment; assessing management's identification of the CGU group to which goodwill is allocated and the allocation of assets and liabilities to the CGU group with reference to the requirements of the prevailing accounting standards; discussing future operating plans with management and comparing key assumptions in the discounted cash flow forecast, such as the future sales growth rates, and corresponding gross margin rates with the approved budget and with reference to historical sales growth rates and corresponding gross margin rates; 	<p>於2022年12月31日，商譽為人民幣8.02億元，佔雅士利集團總資產的11.32%。</p> <p>商譽被分配至現金產出單元組，管理層至少每年通過將賬面價值與CGU組的可收回金額(使用價值和公允價值減去處置成本兩者孰高)進行一次商譽減值測試。現金產出單元組的使用價值由管理層使用貼現現金流預測確定。</p> <p>我們將商譽減值評估確定為一項關鍵審計事項，因為商譽的重要性，並且因為編製貼現現金流預測中確定關鍵假設涉及重大管理判斷，特別是未來收入增長率、相應毛利率和適用的折現率，這可能受到管理偏見所限。</p>	<p>我們關於評價商譽減值的審計程序包括以下：</p> <ul style="list-style-type: none"> 了解並評價與雅士利商譽減值評估相關的關鍵內部控制的設計和實施； 參考現行會計準則規定，評價管理層對於分配商譽的現金產出單元組的認定，以及如何將資產及負債分配予現金產出單元組； 與管理層討論，結合歷史經營業績，將貼現現金流量預測過程中的關鍵假設，例如未來收入增長率、相應毛利率，與董事會批准的預算進行對比；

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	該事項在審計中是如何應對的
	<ul style="list-style-type: none"> with the assistance of our internal valuation specialists, evaluating the methodology adopted with reference to the requirements of the prevailing accounting standards; and assessing the discount rate used in the discounted cash flow forecast by comparing with range of discount rates adopted by companies in the similar industries; evaluating the sensitivity analysis prepared by management for each of the key assumptions, including future sales growth rates, corresponding gross margin rates and discount rate adopted in the discounted cash flow forecast and considering whether there are any indicators of management bias; performing a retrospective review of last year's impairment assessment and comparing the forecast data with the current year's results to assess the reasonableness of the prior year's discounted cash flow forecast and making enquiries of management as to the reasons for any significant variations identified and whether these have been considered in the forecast of the current year; and assessing the disclosures in the consolidated financial statements in respect of the impairment assessment with reference to the requirements of the prevailing accounting standards. 		<ul style="list-style-type: none"> 邀請內部估值專家，參考現行會計準則規定，協助我們評價減值方法；通過參考同行業的貼現率區間，評價在貼現現金流量預測過程中所應用的貼現率； 評價管理層編製的每個關鍵假設的敏感性分析，包括貼現現金流量預測過程中所應用的未來收入增長率、毛利率和折現率，考慮是否存在任何管理層偏見的跡象； 對上年度減值評估執行追溯覆核，將預測數據與本年實際結果進行對比，評價上年度貼現現金流預測的合理性，就識別出的重大差異，詢問管理層原因以及是否在本年度預測中予以考慮； 參考現行會計準則規定，評價合併財務報表中有關減值評估的披露。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

年報所載其他資料

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括合併財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事對合併財務報表的責任

董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港《公司條例》的披露要求擬備真實而中肯的合併財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會協助董事履行監督貴集團財務報告過程的責任。

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

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

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

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

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

核數師就審計合併財務報表須承擔 的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。本報告僅為全體股東編製，並不能作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施(若適用)。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

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

The engagement partner on the audit resulting in this independent auditor's report is Yu Wai Sum.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

29 March 2023

從與審計委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人為余慧心。

畢馬威會計師事務所

執業會計師

香港中環
遮打道10號
太子大廈8樓

2023年3月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

合併損益表

Year ended 31 December 2022 截至2022年12月31日止年度

		Notes	2022	2021
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	5	3,738,212	4,434,700
Cost of sales	銷售成本	7	(2,687,867)	(2,974,679)
Gross profit	毛利		1,050,345	1,460,021
Other income and gains	其他收入及收益	5	125,149	59,461
Selling and distribution expenses	銷售及經銷開支		(1,088,206)	(1,146,819)
Administrative expenses	行政開支		(233,132)	(239,301)
Provision of impairment of financial assets, net	金融資產減值淨損失		(153)	(2,669)
Other expenses and losses	其他開支和損失	6	(83,432)	(275,542)
Finance income	財務收入	7	50,054	72,948
Finance costs	財務成本	8	(23,528)	(21,181)
LOSS BEFORE TAX	除稅前虧損	7	(202,903)	(93,082)
Income tax (expense)/credit	所得稅(費用)/抵減	11	(27,814)	11,719
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT	本年度歸屬於母公司股權持有人的虧損		(230,717)	(81,363)
Loss per share	每股虧損			
Basic and diluted	基本和攤薄			
(RMB cents)	(人民幣分)	12	(4.9)	(1.7)

The notes on pages 136 to 240 form part of these financial statements.

第136至第240頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

Year ended 31 December 2022 截至2022年12月31日止年度

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
LOSS FOR THE YEAR	年度虧損	(230,717)	(81,363)
OTHER COMPREHENSIVE INCOME FOR THE YEAR (AFTER TAX)	年度其他綜合收益 (除稅後)		
Items that may be reclassified to profit or loss in subsequent periods:	其後可重新分類至損益的項目：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	18,393	(114,335)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	年度稅後其他綜合收益	18,393	(114,335)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年度綜合收益總額	(212,324)	(195,698)

The notes on pages 136 to 240 form part of these financial statements.

第136至第240頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

At 31 December 2022 2022年12月31日

		Notes	2022	2021
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	1,417,293	1,538,718
Construction in progress	在建工程	14	166,583	20,318
Investment properties	投資物業	15	61,067	62,508
Right-of-use assets	使用權資產	16	53,309	93,165
Intangible assets	無形資產	17	58,867	145,532
Goodwill	商譽	18	802,236	991,236
Deferred tax assets	遞延稅項資產	20	283,224	382,369
Long-term bank deposits	長期銀行存款	26	245,124	370,558
Debt investments measured at amortised cost	以攤餘成本計量的債權投資	19	—	24,532
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	23	786	1,011
Total non-current assets	非流動資產總額		3,088,489	3,629,947
CURRENT ASSETS	流動資產			
Inventories	存貨	21	1,074,443	815,970
Trade receivables	貿易應收款	22	409,212	414,730
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	23	104,262	107,519
Other current financial assets	其他流動金融資產	24	—	93,865
Derivative financial assets	衍生金融工具	25	—	1,901
Pledged deposits	保證金存款	26	98,840	90,354
Cash and bank balances	現金及銀行結餘	26	1,791,001	2,125,047
Assets held for sale	持作出售資產	27	521,675	—
Total current assets	流動資產總額		3,999,433	3,649,386
CURRENT LIABILITIES	流動負債			
Trade and bills payables	貿易應付款及票據	28	627,306	813,885
Other payables and accruals	其他應付款及應計費用	29	509,107	569,228
Interest-bearing bank and other borrowings	計息銀行及其他借款	30	479,742	320,758
Derivative financial liabilities	衍生金融負債	25	5,686	407
Lease liabilities	租賃負債	16	7,297	6,575
Tax payable	應付稅項		3,109	92
Liabilities held for sale	持作出售負債	27	23,850	—
Total current liabilities	流動負債總額		1,656,097	1,710,945
NET CURRENT ASSETS	流動資產淨值		2,343,336	1,938,441
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,431,825	5,568,388

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

合併財務狀況表(續)

At 31 December 2022 2022年12月31日

		Notes	2022	2021
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借款	30	99,000	—
Deferred income	遞延收益	31	13,932	10,074
Lease liabilities	租賃負債	16	2,885	7,220
Deferred tax liabilities	遞延所得稅負債	20	—	23,035
Total non-current liabilities	非流動負債總額		115,817	40,329
NET ASSETS	資產淨值		5,316,008	5,528,059
EQUITY	權益			
Equity attributable to owners of the parent	歸屬於母公司股權持有人			
Share capital	股本	32	399,352	399,352
Reserves	儲備		4,916,656	5,128,707
TOTAL EQUITY	權益總額		5,316,008	5,528,059

Approved and authorised for issue by the board of directors on 29 March 2023.

於2023年3月29日獲董事會批准及授權刊發。

Mr. Yan Zhiyuan
閔志遠先生
Director
董事

Mr. Zhang Ping
張平先生
Director
董事

The notes on pages 136 to 240 form part of these financial statements.

第136至第240頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

Year ended 31 December 2022 截至2022年12月31日止年度

		Attributable to owners of the parent 歸屬於母公司股權持有人										
		Capital			PRC		Share option					
		Share	redemption	statutory	Other capital	reserve/share	Translation	Contributed	Merger	Retained	Total	
		premium	reserve	reserve	reserve	award reserve	reserve	surplus	reserve	earnings	Equity	
		股份溢價	股份回購	中國法定	其他資本	購股權儲備/	匯兌儲備	實繳盈餘	合併儲備	保留盈利	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
		(note 32)	(note 40(i))	(note 40(ii))	(note 40(iii))	(note 40(iii))	(note 40(iii))	(note 40(iii))	(note 40(iii))	(note 40(iii))	(note 40(iii))	
		(附註32)	(附註40(i))	(附註40(ii))	(附註40(iii))	(附註40(iii))	(附註40(iii))	(附註40(iii))	(附註40(iii))	(附註40(iii))	(附註40(iii))	
As at 1 January 2021	於2021年1月1日	399,352	3,845,616*	818*	187,901*	(44,615)*	18,922*	21,261*	1,367,204*	(850,504)*	777,162*	5,723,117
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	-	(81,363)	(81,363)
Other comprehensive income for the year:	年度其他綜合收益											
Exchange differences on translation of financial statements	外幣報表折算差額	-	-	-	-	-	(114,335)	-	-	-	-	(114,335)
Total comprehensive income for the year	年度綜合收益總額	-	-	-	-	-	(114,335)	-	-	-	(81,363)	(195,698)
Statutory reserves appropriated	撥入法定儲備	-	-	-	6,789	-	-	-	-	-	(6,789)	-
Share option and share award arrangements**	股票期權及股權激勵計劃**	-	-	-	-	-	640	-	-	-	-	640
As at 31 December 2021	於2021年12月31日	399,352	3,845,616	818	194,690	(44,615)	19,562	(93,074)	1,367,204	(850,504)	689,010	5,528,059
As at 1 January 2022	於2022年1月1日	399,352	3,845,616*	818*	194,690*	(44,615)*	19,562*	(93,074)*	1,367,204*	(850,504)*	689,010*	5,528,059
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	-	(230,717)	(230,717)
Other comprehensive income for the year:	年度其他綜合收益											
Exchange differences on translation of financial statements	外幣報表折算差額	-	-	-	-	-	18,393	-	-	-	-	18,393
Total comprehensive income for the year	年度綜合收益總額	-	-	-	-	-	18,393	-	-	-	(230,717)	(212,324)
Statutory reserves appropriated	撥入法定儲備	-	-	-	6,896	-	-	-	-	-	(6,896)	-
Share option and share award arrangements**	股票期權及股權激勵計劃**	-	-	-	-	-	273	-	-	-	-	273
As at 31 December 2022	於2022年12月31日	399,352	3,845,616*	818*	201,586*	(44,615)*	19,835	(74,681)*	1,367,204*	(850,504)*	451,397*	5,316,008

* These reserve amounts comprise the consolidated reserves of RMB4,916,656,000, (2021: RMB5,128,707,000) in the consolidated statement of financial position.

** The amount represented the fair value amortisation of share options and share awards, which were granted by China Mengniu Dairy Company Limited ("Mengniu Dairy"), the Company's ultimate holding company, to the Group's eligible directors and management under Mengniu Dairy's share award scheme and share option scheme, for the year ended 31 December 2022.

* 該等儲備金額組成2022年合併財務狀況表中的儲備人民幣4,916,656,000元(2021年: 人民幣5,128,707,000元)。

** 列示金額為截至2022年12月31日止年度中國蒙牛乳業有限公司(「蒙牛乳業」)·本公司之最終控股公司·根據其股票期權及股權激勵計劃向集團符合條件的董事和管理層授予的股票和期權的公允價值攤銷。

The notes on pages 136 to 240 form part of these financial statements.

第136至第240頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

Year ended 31 December 2022 截至2022年12月31日止年度

		Notes 附註	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生的現金流量			
Loss before tax	稅前虧損		(202,903)	(93,082)
Adjustments for:	調整項目：			
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7	108,454	127,230
Depreciation of investment properties	投資物業折舊	7	5,019	4,567
Amortisation of intangible assets	無形資產攤銷	7	19,774	19,306
Amortisation of right-of-use assets	使用權資產攤銷	7	10,862	11,430
Amortisation of other non-current assets	其他非流動資產攤銷	7	3,828	2,045
Amortisation of deferred income	遞延收益攤銷	31	(1,142)	874
Net loss on disposal of inventories	存貨報廢淨損失		5,421	10,604
Net (gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備的淨(收益)/損失	5,6	(2,277)	3,065
Net gain from transactions related to Arla business	與Arla業務相關交易的淨收益	5	(55,750)	—
Impairment of trade and other receivables, net	貿易及其他應收款的減值淨損失	7	153	2,669
Impairment of trademarks	商標減值	6	—	200,000
Net gain on disposal of debt investments measured at amortised cost	處置按攤餘成本計量的債權投資淨收益		(2,288)	—
Impairment of inventories	存貨跌價準備	6	39,960	48,078
Interest income	利息收入		(23,850)	(57,148)
Interest expense	利息開支	8	23,528	21,181
Foreign exchange differences, net	匯兌損益淨額	5,6	24,167	(14,614)
Expenses of equity-settled share-based payment	股權結算股份支付開支		273	640
CHANGES IN WORKING CAPITAL:	營運資本變動			
(Increase)/decrease in inventories	存貨(增加)/減少		(334,250)	97,642
Decrease/(increase) in trade receivables	貿易應收賬款減少/(增加)		17,401	(433,117)
Decrease in other current financial assets	其他流動資產的減少		93,865	—
(Increase)/decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產(增加)/減少		(2,384)	58,730
Increase in pledged deposits	保證金存款增加		(666)	(40,354)
Decrease in trade and bills payables, other payables and accruals	貿易應付賬款、其他應付款項和應計費用減少		(219,166)	(228,756)
CASH FLOWS USED IN OPERATING ACTIVITIES	經營活動所用的現金流量		(491,971)	(259,010)
Income tax	所得稅		(3,384)	(5,392)
CASH FLOWS USED IN OPERATING ACTIVITIES	經營活動所用的現金流量淨額		(495,355)	(264,402)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

合併現金流量表(續)

Year ended 31 December 2022 截至2022年12月31日止年度

	Notes 附註	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生的現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備	(7,118)	(50,012)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項	10,816	15,763
Government grants received	收到的政府補助	5,000	—
Net cash inflow on disposal of businesses	業務處置淨現金流入	55,909	—
Additions to construction in progress	在建工程項目的增加	(177,839)	(170,008)
Purchases of intangible assets	購買無形資產	(22,493)	(17,935)
Decrease/(increase) in long-term bank deposits	長期銀行存款的減少/(增加)	125,434	(104,554)
Proceeds from disposal of debt investments measured at amortised cost	出售以攤餘成本計量的債權投資所得款項	25,600	—
Purchases of other financial assets and derivative financial instruments	購買其他金融資產和衍生金融工具	(15,578)	(713,035)
Proceeds from disposal of other financial assets and derivative financial instruments	出售其他金融資產和衍生金融工具所得款項	16,430	810,686
New time deposits with original maturity of more than three months	原到期日為三個月以上的銀行存款的增加	(35,794)	(164,224)
Receipts of time deposits with original maturity of more than three months	原到期日為三個月以上的銀行存款到期的收款	488,549	262,630
Decrease in pledged time deposits	已抵押定期存款的減少	—	9,108
Interest received	已收利息	23,850	55,933
Net cash flows from/(used in) investing activities	投資活動產生/(所用)的現金淨額	492,766	(65,648)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生的現金流量		
Proceeds from bank loans	銀行貸款所得款項	786,623	838,758
Repayment of bank loans	償還銀行貸款	(549,046)	(883,483)
New bank deposits pledged for bank loans	與銀行貸款相關的抵押存款的增加	(78,174)	(20,000)
Release of bank deposits pledged for bank loans	與銀行貸款相關的到期抵押存款收款	70,354	150,261
Principal portion of lease payments	租賃付款的本金部分	(7,907)	(8,892)
Interest paid	已付利息	(48,145)	(22,963)
Net cash flows from financing activities	融資活動產生的現金流量淨額	173,705	53,681
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	171,116	(276,369)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	1,529,931	1,818,288
Effect of foreign exchange rate changes, net	匯率變動對現金及現金等價物的影響淨額	6,802	(11,988)
Cash at bank and on hand classified as held for sale	分類為持作出售的銀行存款及現金	(59,209)	—
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	1,648,640	1,529,931

The notes on pages 136 to 240 form part of these financial statements.

第136至第240頁的附註屬本財務報表的一部分。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

Year ended 31 December 2022 截至2022年12月31日止年度

1. CORPORATE AND GROUP INFORMATION

Yashili International Holdings Ltd. (the “Company”) was incorporated in the Cayman Islands on 3 June 2010 as an exempted company with limited liability under the Companies Law, Chapter 22, (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Group is primarily engaged in the manufacture and sale of dairy and nourishment products.

In the opinion of the directors, the holding company is China Mengniu International Company Limited (BVI). The ultimate holding company of the Company is China Mengniu Dairy Company Limited (Cayman).

Information about subsidiaries

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

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Particulars of issued and paid up capital 已發行股本/ 註冊資本詳情	Percentage of equity attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Yashili International Ltd. (“Yashili (BVI)”) 雅士利國際有限公司 (“Yashili (BVI)”)		BVI 英屬處女群島	1 share 1股	100%	—	Investment holding 投資控股
Yashili International Group Limited (“Yashili (HK)”) 雅士利國際集團有限公司 (“雅士利(香港)”)		Hong Kong 香港	1 share 1股	—	100%	Investment holding 投資控股
Newou Hong Kong International Co., Limited (“Newou Hong Kong”) 新歐香港國際有限公司 (“新歐香港)”)		Hong Kong 香港	1 share 1股	—	100%	Import and export of dairy products and related materials 進出口乳製品及相關 材料

1. 公司及集團資料

雅士利國際控股有限公司(「本公司」)於2010年6月3日根據開曼群島公司法第22(1961年第三號法例，經合併及修訂)在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本集團主要從事製造及銷售乳製品及營養品。

董事認為，集團控股公司為中國蒙牛國際有限公司(BVI)。集團最終控股公司為中國蒙牛乳業有限公司(開曼)。

子公司信息

本公司主要子公司的詳情如下：

1. CORPORATE AND GROUP INFORMATION
(Continued)

1. 公司及集團資料(續)

Information about subsidiaries (Continued)

子公司信息(續)

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Particulars of issued and paid up capital 已發行股本/ 註冊資本詳情	Percentage of equity attributable to the Company		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Yashili New Zealand Dairy Co., Limited ("Yashili New Zealand") 新西蘭雅士利乳業有限公司 (「新西蘭乳業」)		New Zealand 新西蘭	NZD287,032,059 新西蘭元287,032,059元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu") 內蒙古歐世蒙牛乳製品有限責任公司(「歐世蒙牛」)	(ii)	The People's Republic of China ("PRC")/The PRC except for Hong Kong ("Mainland China") 中華人民共和國(「中國」)/中國香港除外(「中國大陸」)	RMB470,000,000 人民幣470,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Yashili International Baby Nourishment Co., Ltd. ("Yashili Nourishment") 雅士利國際嬰幼兒營養品有限公司(「雅士利營養品」)	(i) & (ii)	PRC/Mainland China 中國/中國大陸	RMB531,815,600 人民幣531,815,600元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Yashili Dairy (Maanshan) Trading Limited ("Maanshan Trading") 雅士利乳業(馬鞍山)銷售有限公司(「馬鞍山銷售」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB1,320,000,000 人民幣1,320,000,000元	—	100%	Wholesale and retail of dairy products 乳製品批發兼零售
Yashili International Group Ltd. ("Yashili (Guangdong)") 雅士利國際集團有限公司(「雅士利(廣東)」)	(i) & (ii)	PRC/Mainland China 中國/中國大陸	RMB2,176,105,300 人民幣2,176,105,300元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Shanxi Yashili Dairy Co., Ltd. ("Yashili (Shanxi)") 山西雅士利乳業有限公司(「雅士利(山西)」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB300,000,000 人民幣300,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

1. CORPORATE AND GROUP INFORMATION (Continued)

1. 公司及集團資料(續)

Information about subsidiaries (Continued)

子公司信息(續)

Company name 公司名稱	Notes 附註	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Particulars of issued and paid up capital 已發行股本/ 註冊資本詳情	Percentage of equity attributable to the Company		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Dumex Baby Food Co., Ltd. ("Dumex") 多美滋嬰幼兒食品有限公司 (「多美滋」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB2,226,000,000 人民幣2,226,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Yashili (Inner Mongolia) Nutrition Co., Ltd. ("Yashili (Inner Mongolia)") 內蒙古雅士利營養品有限公司 (「雅士利(內蒙古)」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Mengniu Oushi Nutritional Food Co., Ltd. ("Mengniu Oushi") 蒙牛歐世營養食品有限公司 (「蒙牛歐世」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB50,000,000 人民幣50,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品
Niuyaniu (Inner Mongolia) Dairy Products Co., Ltd. ("Niuyaniu") 內蒙古牛雅牛乳製品有限責任 公司(「牛雅牛」)	(ii)	PRC/Mainland China 中國/中國大陸	RMB400,000,000 人民幣400,000,000元	—	100%	Production and sale of dairy products 生產及銷售乳製品

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

- (i) These companies are registered as wholly-foreign-owned enterprises under PRC law.
- (ii) These companies are limited liability companies established in the PRC. The official names of these companies are in Chinese and the English names are for reference only.

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

2.1 BASIS OF PRESENTATION

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

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2022.

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee [i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee].

1. 公司及集團資料(續)

子公司信息(續)

- (i) 該等公司為於中國成立的外資企業。
- (ii) 該等公司為於中國成立的有限責任公司。該等公司的正式名稱為中文，而其英文譯名則僅供參考。

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

2.1 呈列基準

該等合併財務報表乃根據由國際會計準則理事會發佈的國際財務報告準則(其中包括全部國際會計報告準則、國際會計準則及其詮釋)的披露規定以及香港公司法編製。除其他流動金融資產和結構性銀行存款以公允價值計量外，該等財務報表已根據歷史成本慣例編製。該等合併財務報表以人民幣(「人民幣」)呈列，除另有指明外，所有數值均調整至最接近的千位數。

合併基準

合併財務報表包括本公司及其子公司(統稱為「本集團」)於截至2022年12月31日止年度的財務報表。

子公司是指由本公司直接或間接控制的實體(包括結構化實體)。當本集團因參與被投資企業的活動而承擔或有權獲得可變回報，且有能力通過對被投資企業行使權力影響所得到回報的金額(即本集團有對被投資企業相關活動施加影響的現時權利)，視為本集團能夠控制該被投資企業。

2.1 BASIS OF PRESENTATION (Continued)

Basis of consolidation (Continued)

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

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

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

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

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

2.1 呈列基準(續)

合併基準(續)

當本公司直接或間接擁有被投資企業半數或半數以下的表決權，本集團會考慮以下相關事實來確定其是否對被投資企業擁有控制：

- (a) 與被投資企業其他投票權持有者之間的協議；
- (b) 因其他協議而擁有的權利；及
- (c) 本集團的投票權和潛在投票權。

子公司的財務報表乃使用一致的會計政策，並按與本公司相同的報告期間編製。子公司的業績由收購日期(即本集團取得控制權之日)起合併於賬目內，並將繼續合併直至該控制終止之日。

損益和其他綜合收益的各個組成部分均於本集團母公司的所有者和非控股權益之間進行分配，即使這樣會導致非控股權益產生赤字。所有集團內成員之間發生的資產、負債、權益、收入、開支及現金流相關的交易均在合併層面予以抵銷。

倘事實和情況表明以上所描述的三項控制條件中的一項或多項發生了改變，集團將會對是否控制以下子公司進行重評估。在不失去對子公司控制權情況下的所有者權益的改變被列賬為權益性交易。

2.1 BASIS OF PRESENTATION (Continued)

Basis of consolidation (Continued)

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has applied the following amendments to IFRSs issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 16, *Property, plant and equipment: Proceeds before intended use*
- Amendments to IAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts-cost of fulfilling a contract*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

2.1 呈列基準(續)

合併基準(續)

倘本集團失去對一間子公司的控制權，則其撤銷確認(i)該子公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計折算差額；及確認(ii)所收代價的公允價值；(ii)所保留任何投資的公允價值及(iii)損益賬中任何因此產生的盈餘或虧損。先前於其他綜合收益內確認的本集團應佔部份重新分類為損益或保留利潤，在集團直接處置相關資產和負債的情況下也應作相同的考慮。

2.2 會計政策及披露事項的變動

本集團已對國際會計準則理事會(IASB)發佈的《國際財務報告準則》的下列修訂應用於本會計期間的財務報表：

- 國際會計準則第16號 — 物業、廠房及設備：未作擬定用途前之所得款項之修訂
- 國際會計準則第37號 — 準備金、或有負債和或有資產：虧損合同 — 達成合約之成本之修訂

本集團在編製該等財務報表時並未採用下列已頒佈但尚未生效的新訂及經修訂

這些情況對本集團當前或以往期間的業績和財務狀況的編製或列報均未產生實質性影響。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARD

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standard, which are not yet effective for the year ended 31 December 2022 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

2.3 已公佈未生效的國際財務報告準則

截至本財務報表發佈之日，IASB已發佈多項新準則或經修訂準則，這些準則尚未對截至2022年12月31日止年度生效，且尚未在本財務報表中採用。這些修訂包括以下可能與本集團相關的修訂。

		Effective for accounting periods beginning on or after 有效期為會計期間 開始於或之後
IFRS 17, <i>Insurance contracts</i>	國際財務報告準則第17號 保險合同	1 January 2023
Amendments to IAS 1, <i>Presentation of financial statements: Classification of liabilities as current or non-current</i>	國際會計準則第17號之修訂：負 債分類為即期或非即期	1 January 2024
Amendments to IAS 1, <i>Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies</i>	國際會計準則第1號財務 報表列報和香港財務報告準則 第2號實務報錶之修訂，作出 實質性判斷：會計政策的披露	1 January 2023
Amendments to IAS 8, Accounting policies, changes in accounting estimates and errors: <i>Definition of accounting estimates</i>	國際會計準則第8號之修訂會計 政策、會計估計變更和差錯： 會計估計之定義	1 January 2023
Amendments to IAS 12, <i>Income taxes: Deferred tax related to assets and liabilities arising from a single transaction</i>	國際會計準則第12號之修訂 所得稅：與單一交易產生的 資產和負債相關之遞延稅項	1 January 2023

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正評估該等發展情況於首次應用期間預期產生之影響。迄今，本集團認為採納有關準則不會對綜合財務報表產生重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations and goodwill

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

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

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

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

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

2.4 主要會計政策摘要

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團自被收購方之前任擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公允價值或被收購方可識別資產賬面淨值的應佔比例，計算被賦予現時擁有人權利並將於清盤時按比例分佔實體的淨資產的非控股股東權益。非控股股東權益的一切其他成分乃按公允價值計量。收購成本於產生時列為開支。

當所購入的一系列活動及資產，包括一項投入及一項實質性流程，其共同促成創造產出的能力，則本集團認定其已收購一項業務。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示。其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘企業合併分階段進行，收購方先前持有的被收購方股權於收購日期的權益價值應按收購日期的公允價值以及透過損益賬確認的損益重新計量。

由收購方將予轉讓的任何或然代價將於收購日期按公允價值確認。或然代價(被視為一項資產或負債)公允價值的其後變動確認為損益。倘將或然代價分類為權益，則其毋須重新計量。後續結算計入權益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

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

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

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

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

2.4 主要會計政策摘要(續)

業務合併及商譽(續)

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

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽的年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額來確定。如果現金產生單位(或現金產生單位組別)的可收回金額低於賬面值，則確認減值損失。已確認的商譽減值損失不在後續期間內回撥。

如果商譽構成現金產生單位(或現金產生單位組別)的一部分，該單位的部分業務出售時，則在確定所出售業務的盈虧時，與所出售的業務相關的商譽計入該業務的賬面值。在這種情況下出售的商譽根據所出售業務的相對價值和現金產生單位的保留份額進行計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement

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

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

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

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

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

2.4 主要會計政策摘要(續)

公允價值計量

主體在每個報告期末對其衍生金融工具採用公允價值計量。公允價值為市場參與者之間在計量日發生的有序交易中，出售一項資產所能收到或轉移一項負債所需支付的價格。公允價值計量假設出售資產或者轉移負債發生在主要市場，或者在主要市場不存在的情況下，能夠在最有利的市場上進行資產和負債的交易。並且主體可以在主要市場或者有利市場上進行交易。對資產和負債採用公允價值計量假定市場參與者以符合其經濟利益的最優價格，對資產和負債進行定價。

以公允價值計量非金融資產，應當考慮市場參與者通過直接將該資產用於最佳效用的方式產生經濟利益的能力，或者通過將該資產出售給能夠使其用於最佳效用的其他市場參與者的方式產生經濟利益的能力。

主體在計量公允價值時，應當採用在當前情況下適用並且有足夠可利用數據支持的估值技術，應當盡可能多地使用相關可觀察輸入值，盡可能少地使用不可觀察輸入值。

所有在財務報表上以公允價值計量和披露的資產和負債，基於對公允價值計量整體而言重要的輸入值所屬的最低層次，分為以下層級：

第1層次 — 以在活躍市場中相同資產或負債的未經調整的報價來確定公允價值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets, investment properties and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

2.4 主要會計政策摘要(續)

公允價值計量(續)

第2層次 — 以使用輸入數據為可直接或間接觀察的及對公允價值計量有重要影響的市場信息的估值技術來確定公允價值。

第3層次 — 以使用輸入數據是對公允價值計量有重大影響，而並非可觀察的市場信息的估值技術來確定公允價值。

資產和負債基於連續性原則在財務報表上進行確認，集團根據在每個報告結束時的重新評估分類(根據最低水準的輸入值對作為整體的公允價值計量有重大影響)來決定是否在層級上發生轉移。

非金融資產減值

當有跡象顯示出現減值，或當須進行資產年度減值測試(存貨、合同資產、遞延所得稅資產、金融資產、投資性房地產、以及非流動資產或持有待售資產除外)，則估計資產的可收回金額。資產的可收回金額乃選取資產或現金產生單位的使用價值及其公允值減處置成本的較高者，並對個別資產釐定，惟倘資產並無產生大致獨立於其他資產或資產組別的現金流入，則可收回金額在該資產所屬的現金產生單位基礎上確定。在測試現金產出單元減值時，公司資產如(總部大樓)賬面價值的一部分分配給單個現金產出單元，前提是在合理和一致的基礎上進行分配，或者，在其他情況下，分配給最小的現金產出單元組。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (Continued)

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

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

Related parties

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

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

or

2.4 主要會計政策摘要(續)

非金融資產減值(續)

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

於各報告期末，本集團評估是否有跡象顯示先前確認的減值損失可能不再存在或已經減少。如有該等跡象，本集團會估計可收回金額。僅若用以釐定商譽除外資產的可收回金額的估計有變動，方會撥回先前確認該資產的減值損失，惟金額不得超過假使該資產在過往年度並無確認減值損失時，原應釐定的賬面值(扣減任何折舊／攤銷後)。減值損失轉回計入減值產生期間的損益表中。

關聯人士

一方被視為與本集團有關聯，倘：

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

或

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

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

2.4 主要會計政策摘要(續)

關聯人士(續)

(b) 該方為符合下列任何條件的實體：

(i) 該實體與本集團屬同一集團的成員公司；

(ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體的母公司、子公司或同系子公司之旗下)；

(iii) 該實體及本集團均為同一第三方的合營企業；

(iv) 一間實體為第三方實體的企業，而另一實體為該方實體的聯營公司；

(v) 該實體為離職後福利計劃，計劃的受益人為本集團或與本集團有關的實體僱員；以及退休福利計劃的僱主；

(vi) 該實體由(a)項所述人士控制或共同控制；

(vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理人員的成員；及

(viii) 該實體或集團內的任意一個部分其主要管理人員服務於本集團或者本集團的母公司。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

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

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

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

2.4 主要會計政策摘要(續)

物業、廠房及設備以及折舊

物業、廠房及設備，在建工程除外，是按成本值減去累計折舊及任何減值損失後列賬。當一項物業、廠房及設備被分類為持有待售或作為被分類為持有待售的處置資產組的組成部分，並且根據國際財務報告準則第5號，將不做折舊處理，在之後分類為「持有待售的非流動資產和終止經營」中有相關解釋。物業、廠房及設備項目成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接應佔成本。

成本還可能包括使用外幣購買物業、廠房和設備的合規現金流量對沖中的任何收益或損失的權益轉移。

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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

Freehold land	Not depreciated
Plant and buildings	13-47 years
Machinery and equipment	5-10 years
Motor vehicles	4-5 years
Office equipment and others	3-5 years

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

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

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

2.4 主要會計政策摘要(續)

物業、廠房及設備以及折舊(續)

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

自有土地	不提折舊
廠房及樓宇	13-47年
機器及設備	5-10年
機動車	4-5年
辦公室設備及其他設備	3-5年

倘一項物業、廠房及設備的各部分有著不同可使用年期，則有關項目的成本以合理基準分配於各部分，而每部分將作獨立折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度結算日審閱及調整。

物業、廠房及設備項目(包括經初步確認為資產的任何重要部件)乃在處置時或在預計未來不可從其使用或處置中獲得經濟利益時終止確認。於終止確認資產當年的損益表中確認的處置或廢棄而產生的任何收益或虧損乃銷售所得款項淨額與相關資產賬面值之間的差額。

在建工程是指正在興建的廠房及物業，乃以成本值減任何減值損失列賬，在建工程不計提折舊。成本值包括在建期間的直接建築成本以及已借相關資金所屬已撥充資本的借貸費用。當在建工程竣工、隨時可供使用時，在建工程重新分類歸入物業、廠房及設備內的適當類別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are interests in buildings (including the leasehold property held as right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of investment properties. The estimated useful lives are 50 years. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

Non-current assets held for sale and discontinued operations

(i) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

2.4 主要會計政策摘要(續)

投資物業

投資物業指為賺取租賃收入及／或資本增值而持有的樓宇(包括符合投資物業定義持作使用權資產的租賃物業)，而非用作生產或提供商品或服務，或用作行政用途，或屬於在日常業務過程中出售的土地及樓宇。該等物業初始確認時按成本(包括交易成本)計量。初始確認之後，投資物業按成本減去累計折舊和任何減值損失列賬。

折舊根據資產成本減去剩餘價值計量。折舊是在投資物業的估計可使用年期內，以直線法在損益中確認。估計可使用年期為50年。折舊方法、可使用年期及剩餘價值於各報告日重新審核。

在資產退役或處置時所產生的任何損益會在該項目被取消確認的年度內計入損益。

非流動資產和持有待售的處置組

(i) 非流動資產持有待售

當非流動資產(或出售組別)之賬面值很有可能是通過銷售交易而非通過持續使用收回而該資產(或出售組別)之現況屬可供出售，則會分類為持作出售。出售組別指在一次交易中一併出售及於該交易中與該等資產直接相關之負債一併轉出之一組資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale and discontinued operations (Continued)

(i) Non-current assets held for sale (Continued)

When the group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 2.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

2.4 主要會計政策摘要(續)

非流動資產和持有待售的處置組(續)

(i) 非流動資產持有待售(續)

倘本集團承諾進行涉及失去一間附屬公司控制權之出售計劃時，不論本集團是否將於出售後保留該附屬公司之非控股權益，該附屬公司的所有資產及負債於符合上述有關分類為持作出售之條件時會分類為持作出售。

緊接分類為持作出售之前，非流動資產(及出售組別中所有的個別資產及負債)之計量均已根據被分類前所採用之會計政策更新。初次分類為持作出售後直至出售期間，非流動資產(下文闡述之若干資產除外)或出售組別按其賬面值及公允價值減銷售成本中的較低者確認。此計量政策主要對與本集團之財務報表中有關者例外，當中包括遞延稅項資產、僱員福利產生資產、除附屬公司、聯營公司及合營企業投資之外的金融資產及投資物業。該等資產即使持作出售，也繼續依照附註2中所述的會計政策計量。

初次分類為持作出售及其後持作出售之重新計量而產生之減值虧損均於損益確認。一旦一項非流動資產被分類為持作出售或包含在分類為持作出售之出售組別中，該項非流動資產將不再計提折舊或攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale and discontinued operations (Continued)

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above), if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 主要會計政策摘要(續)

非流動資產和持有待售的處置組(續)

(ii) 已終止經營業務

已終止經營業務為本集團業務之組成部分，其營運及現金流量可與本集團其餘業績清楚區分，並為按業務或經營地區劃分之獨立主要業務，或屬於出售按業務或經營地區劃分之獨立主要業務之單一統籌計劃之一部分，或屬於僅為轉售而購入之附屬公司。

一項業務於出售時或符合條件分類為持作出售時(見上文(i))，以較早者為準)，或被廢止時分類為已終止經營業務。

當一項業務分類為已終止經營，則會以單一金額於損益表內呈列，當中包括：

- 已終止經營業務之除稅後溢利或虧損；及
- 於計量已終止經營業務之公允價值減銷售成本，或於出售構成已終止經營業務之資產或出售組別時確認之除稅後盈虧。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併時所收購無形資產的成本相等於收購日期的公允值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度結算日覆核一次。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Office software

Office software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 5 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

2.4 主要會計政策摘要(續)

無形資產(商譽除外)(續)

年期無限的無形資產每年將單獨或以現金組的形式進行測試。該無形資產不進行攤銷。年期無限的無形資產每年將進行使用年期測試以確定其是否繼續符合年期無限的條件。如果不符合，使用年限從無限到有限的改變將採用未來適用法核算。

辦公軟件

所購買的軟件按成本減任何減值損失列賬，並於5年期內按直線法攤銷。

研發成本

所有研究成本均於產生時計入損益。

當本集團可證明完成無形資產以供使用或出售在技術上屬可行，且有意完成並有能力使用或出售該資產，能明確資產產生未來經濟利益的方法及擁有足夠的資源以完成專案，並能夠可靠衡量開發期間的開支時，方會將開發新產品的項目開支資本化並遞延處理。不符合上述條件的產品開發支出於產生時列作費用開支。

遞延開發成本按成本減任何減值損失入賬，並於有關產品投入商業生產之日起在其商業年期內以直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Land use right	50 years
Plant and building	3 to 6 years
Machinery and equipment	5 years
Motor vehicles	2 to 4 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策摘要(續)

租賃

集團在合同開始日評估該合同是否為或包含租約。若該合同在一段時間內轉移了對某一特定資產的使用控制權以換取對價，則該合同即為或包含租約。

作為承租人

除短期租賃和低價值租賃外，集團對所有租賃均採用單一的確認和計量方法。集團確認租賃負債表示支付租賃費用的義務，以及確認使用權資產表示對相關資產所擁有的使用權。

(a) 使用權資產

使用權資產於租賃開始日(即標的資產達到可供使用的當天)確認。使用權資產按成本減去所有累計折舊及減值損失計量，並就任何重新計量租賃負債做出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及在開始日期或之前做出的租賃付款減去收到的任何租賃激勵。使用權資產按如下估計可使用年限和租賃期較短者以直線法折舊。

土地使用權	50年
廠房和建築物	3至6年
機械和設備	5年
機動車輛	2至4年

如若在租賃期結束時租賃資產的所有權將會轉移至集團或租賃成本體現了購買選擇權的行使，則折舊應按該資產的預計可使用年限進行折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the commencement date, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2.4 主要會計政策摘要(續)

租賃(續)

作為承租人(續)

(b) 租賃負債

租賃負債於租賃開始日按租賃期內租賃付款額的現值確認。租賃付款額包括固定付款額(包括實質固定付款額)減去應收租賃獎勵,取決於某指數或比率的可變租賃付款額,以及根據擔保餘值預計需支付的款項金額。如果租賃期反映出本集團將行使終止租賃選擇權,租賃付款額亦包括本集團合理確定將行使的購買選擇權的行使價格及支付終止租賃的罰款。不依賴於指數或比率的可變租賃付款額在觸發付款的事件或條件發生的期間內確認為費用。

在對租賃費用現值進行計算時,本集團使用租賃開始日的增量借款利率計算租賃付款額,因租賃內含利率並未決定。在租賃開始日之後,租賃負債的金額隨著利息的增加而增加,隨著支付租賃款項而減少。此外,如果由於指數或利率變化引起未來租賃付款額變動(如:因利率變動所引起的未來租賃費用變動),租賃期限變動,實質固定租賃付款額變動或購買相關資產的評估變動等,本集團將重新計量租賃負債的賬面金額。

集團的租賃負債將被包括於計息銀行及其他借款中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset are accounted for as finance leases.

2.4 主要會計政策摘要(續)

租賃(續)

作為承租人(續)

(c) 短期租賃和低價值租賃

集團對其機械及設備的短期租賃(即自生效日起租賃期為12個月或更短,且不包括購買選擇權的租賃)應用短期租賃確認豁免。此外,對辦公設備以及筆記本電腦等被視為低價值的低價資產租賃亦適用於租賃確認豁免。

短期租賃以及低價值租賃在租賃期內,按照直線法基礎對租賃費用進行確認。

作為出租人

集團作為出租人,需在租賃開始時(或租賃條款變更時),將其每一項租賃劃分為經營租賃或融資租賃。

對於所有權所附的所有風險及報酬未轉移的租賃歸為經營租賃。若一個合同包含租賃部分與非租賃部分時,集團將合同中的對價按獨立的銷售價格分配至租賃部分與非租賃部分。租金收入按照直線法在租賃期內入賬,並根據其經營性質計入損益。在談判與協調經營租賃的過程中所產生的直接成本應計入租賃資產的賬面價值,並在租賃期內按與租賃收入相同的基礎予以確認。或有租金應當在其取得的期間確認為收入。

對於所有權所附的所有風險及報酬轉移的租賃歸為融資租賃。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策摘要(續)

投資及其他金融資產

初始確認和計量

金融資產於初步確認時分類為後續計量按攤銷成本、公允價值按其他綜合收益及公允價值按損益的方式計量。

初始確認時的金融資產分類取決於金融資產的合約現金流量特徵以及本集團管理這些金融資產的業務模式。除貿易應收款項不包含重大融資成分或本集團已採用不調整重大融資成分影響的實際權宜方式之外，本集團初步以公允價值計量金融資產，加上金融資產不以公允價值計量且其變動計入損益的交易費用。不包含重大融資成分或本集團已採用實際權宜方式按國際財務報告準則第15號所確定的交易價格確定，參見下文「收入確認」所載政策計量。

為了使金融資產歸類於按攤餘成本或以公允價值計量且其變動計入其他綜合收益核算損益的金融資產，該金融資產應當滿足產生現金流量，這些現金流量僅用於支付未償還本金的本金及利息（「SPPI」）。無論採用何種商業模式，非現金流僅用於支付未償還本金的本金及利息的金融資產都按照公允價值進行分類與計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

初始確認和計量(續)

本集團管理金融資產的業務模式是指其如何使用金融資產以產生現金流量。業務模型確定現金流量是否來自收穫合同現金流量，出售金融資產，或兩者兼而有之：以攤餘成本計量的金融資產，其持有商業目的為獲取合同現金流，以公允價值計量且其變動計入其他綜合收益的金融資產，其持有商業目的為獲取合同現金流以及出售該金融資產。除上述金融資產外，剩餘資產為以公允價值計量及其變動計入損益的金融資產。

所有常規方式的金融資產購買和出售均在交易日確認，即本集團承諾購買或出售資產的日期。定期購買或出售的方式是購買或出售哪些需要在市場規則或慣例規定的期限內交付的金融資產。

後續計量

金融資產的後續計量取決於其如下分類：

以攤餘成本計量的金融資產(債務工具)

按攤餘成本計算的金融資產後續計量採用實際利率法，並減去可能出現的減值。當資產終止計量，修改或減值時，損益在損益表中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

後續計量(續)

以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)

就以公允價值計量且其變動計入其他綜合收益的債務投資而言，利息收入，外匯重估及於損益表中確認的減值虧損或撥回並按與按攤餘成本計量的金融資產相同的方式計算。其餘公允價值變動確認為其他綜合收益。終止確認後，去認為其他綜合收益的累計公允價值變動將轉回損益表。

以公允價值計量且變動計入其他綜合收益(股權投資)的金融資產

本集團在符合國際會計準則第32號披露財務資產的權益定義且不用於交易時，可在初始確認時選擇直接指定為不可撤銷地將其股權投資分類為以公允價值計量且其變動計入其他綜合收益的股權投資。分類是根據工具的不同分別確定的。

這些金融資產的收益和損失將不會轉回到損益表當中。當支付權確立時股息在損益表中確認為其他收入，與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠地計量，除非當本集團從收益中獲益時，即收回部分金融資產成本，在此情況下，該等收益計入其他綜合收益。以公允價值計量且其他綜合收益的股權投資不需要接受減值評估。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

以公允價值計量且其變動計入損益的金融資產

以公允價值計量且其變動計入損益的金融資產在財務狀況表中按公允價值列賬，公允價值變動淨額在損益表中確認。

此類別包括衍生工具及股本投資，本集團並無不可撤銷地選擇按公允價值透過其他綜合收益分類。當與股息相關的經濟利益很可能流入本集團及股息金額可以可靠地計量，分類為以公允價值計量且其變動計入損益的金融資產的股權投資股息也在確認支付權時在損益表中確認為其他收益。

如果經濟特徵和風險與持有沒有密切關係，則混合合同中包含金融負債或非金融主體的衍生工具與持有分離，並作為單獨衍生工具入賬；若與嵌入衍生工具有相同條款的單獨工具符合衍生工具的定義；而混合合約並非按公允價值計入損益。嵌入式衍生工具按公允價值計量，公允價值變動計入損益表。只有在合同條款發生變化時才需要重新評估，這些變更會顯著改變原本需要的現金流量或將金融資產重新分類為以公允價值計量且其變動計入損益類別。

嵌入式衍生工具包含在混合合同中不會單獨計算。金融信託與嵌入式衍生工具必須全部分類為以公允價值計量且其變動計入損益的金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策摘要(續)

金融資產終止確認

在下列情況下，一項金融資產(或在適用情況下，一項金融資產的一部分或一組類似金融資產的一部分)主要終止確認(即從本集團的綜合財務狀況表中刪除)：

- 通過該項資產收取現金流量的權利已逾期；或
- 本集團已轉讓其收取該項資產現金流量的權利，或已承擔按「過手」合同向第三方全額支付已收現金流量的責任；(a) 本集團已將該資產的絕大部分風險及報酬轉移，或 (b) 本集團並未轉移或保留該資產的絕大部分風險及報酬，但已轉讓該資產的控制權。

當本集團已轉讓其從資產收取現金流量或已訂立轉讓安排的權利時，其會評估其是否以及在多大程度上保留該資產所有權的風險及回報。當既未轉讓或保留資產的絕大部分風險及報酬或轉讓資產控制權時，本集團繼續在本集團持續參與的範圍內確認轉讓資產。在該情況下，本集團亦確認相關負債。轉讓資產及相關負債按反映本集團所保留權利及責任的基準計量。

以擔保形式的持續參與按資產原始賬面金額與本集團可能需要償還的最高代價金額中的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

2.4 主要會計政策摘要(續)

金融資產減值

本集團針對所有未按公允價值計量且其變動計入損益的債務工具按預期信用損失(「ECLs」)計提了撥備。預期信用損失基於到期的合同現金流量與本集團預期收到的所有現金流量之間的差額，以原始實際利率的近似值貼現。預期現金流量將包括出售所持有抵押品的現金流量或其他合同條款的組成部分中的信貸增強。

一般方式

預期信用損失分兩階段進行確認。對於自初始確認以來信用風險沒有顯著增加的信用風險敞口，預期信用損失提供了由未來12個月(12個月ECL)內可能發生的違約事件而導致的信用損失。對於自初始確認以來信用風險顯著增加的信用風險敞口，無論違約時間(終身ECL)如何，預計在風險的剩餘期限內預計的信用損失均需要損失準備金。

於各報告日期，本集團評估自初步確認後金融工具的信貸風險是否大幅增加。在進行評估時，本集團將金融工具在報告日發生的違約風險與初始確認日期金融工具發生違約的風險進行比較，並考慮在沒有不必要的成本或精力下可用的合理且可支持的信息，包括歷史和前瞻性信息。

對於以公允價值計量且變動計入其他綜合收益的債務投資，本集團採用低信用風險簡化。於各報告日期，本集團會使用所有合理及可支持且無需過多的成本或努力的資料評估債務投資是否被視為低信貸風險。在進行評估時，本集團重新評估債務投資的外部信用評級。此外，本集團認為，合約付款超過30天後，信貸風險大幅增加。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs;

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs;

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

2.4 主要會計政策摘要(續)

金融資產減值(續)

一般方式(續)

合約付款逾期90天時，本集團認為金融資產違約。然而，在若干情況下，當內部或外部資料顯示本集團無法考慮本集團持有的任何信貸增強前已經不可能全數收取未償還合同金額時，本集團亦可能認為金融資產違約。當沒有合理預期收回合約現金流量時，會撤銷金融資產。

以公允價值計量且其變動計入其他綜合收益的債務工具和金融資產和按攤銷成本計量的金融資產在一般方法下可能會發生減值，並且除採用簡化方法的合同資產(以下詳述)外，它們在以下階段分類用於計量預期信用損失。

第1階段 — 自初始確認以來信用風險未顯著增加且其損失準備金等於12個月預期信用損失的金融工具；

第2階段 — 自初始確認以來信用風險顯著增加但不是信用減值金融資產且其損失準備金等於終身預期信用損失的金融工具；

第3階段 — 報告日信用減值的金融資產(但不是購買或原始信用減值)，其損失準備金的金額等於終身預期信用損失。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and interest-bearing bank and other borrowings.

2.4 主要會計政策摘要(續)

金融資產減值(續)

簡化方法

對於不包含重大融資成分的貿易應收款項，或本集團採用不調整重大融資成分影響的實際權宜方式，本集團採用簡化方法計算預期信用損失。根據簡化方法，本集團不會追蹤信用風險的變化，而是根據每個報告日的終身ECL確認損失準備。本集團已根據其歷史信用虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

金融負債

初始確認和計量

金融負債於初始確認時分類為以公允值計量且其變動計入損益的金融負債，貸款及借款，應付賬款或指定為有效對沖的對沖工具的衍生工具(如適用)。

所有金融負債初始時均按公允值確認，而貸款和借款和應付賬款則須在此基礎上扣除直接應佔交易成本。

本集團的金融負債包括貿易應付賬款、其他應付款項、計息銀行及其他借款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 主要會計政策摘要(續)

金融負債(續)

後續計量

金融負債的後續計量取決於其分類如下：

按攤餘成本計量的金融負債(貸款和借款)

於初始確認後，計息貸款和借款其後採用實際利率法以攤銷成本計量，除非折現影響非屬重大，在此情況下，則按成本列賬。當負債終止確認並透過以實際利率法攤銷時，收益及虧損於綜合損益表確認。

攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入綜合損益表的融資成本中。

金融負債終止確認

當責任義務解除或取消或到期時，金融負債終止確認。

如果現有金融負債由同一貸款人以實質上不同的條款替換為現有金融負債，或者現有負債的條款被大幅修改，則此類交換或修改被視為終止確認原始責任並確認新的負債，前後負債賬面價值之間的差額於損益表確認損益。

金融工具的抵銷

倘目前有強制執行的法律權力要求抵銷已確認的金額且有按照淨額結清，或同時變現資產和結清負債的意圖，金融資產和金融負債可抵銷並按淨值列報於財務狀況表中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IFRS 9 is recognised in the statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis and in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 主要會計政策摘要(續)

衍生金融工具及對沖會計處理

初始確認及其後計量

本集團利用衍生金融工具，如外幣合約及利率掉期，以分別對沖其外幣風險及利率風險。該等衍生金融工具乃按訂立衍生工具合約當日的公允值初步確認，其後按公允值重新計量。當公允值為正數時，該等衍生工具入賬列為資產，當公允值為負數時，則列為負債。

符合國際財務報告準則第9號定義的衍生工具定義的商品購買合同的公允價值在損益表中確認為銷售成本。根據集團的預期購買、銷售或使用要求，為接收或交付非金融項目而簽訂並繼續持有的商品合同按成本持有。

衍生工具公允值變動所產生的任何收益或虧損，直接列入損益表內，惟現金流量對沖的有效部分則於其他綜合收益內確認，且於之後該對沖項目影響損益時重新分類至損益。

存貨

存貨按成本與可變現淨值兩者中較低者入賬。成本按加權平均法計算，就在產品及製成品而言，其成本包括直接原料成本、直接勞工及按適當比例分攤的間接成本。可變現淨值根據估計售價減去預計至完工及出售將產生的任何估計成本計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

2.4 主要會計政策摘要(續)

現金及現金等價物

就現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月或三個月內到期的短期高流動性投資，扣減須應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就合併財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款)及與現金性質相似的資產。

撥備

本集團若因過往事項而現時有法定或推定債務，而且可能需要有涉及經濟利益的資源外流以償付這些債務，並能對債務數額作出可靠估計，便確認撥備。

如折現的影響重大，則確認的撥備額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而增加的折現現值，列作融資成本計入損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策摘要(續)

所得稅

所得稅包括即期及遞延稅項。損益賬外確認的相關所得稅項目，計入損益賬外的其他綜合收益或直接計入權益。

當期或前期的即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期可收回的數額或支付予稅務機關數額計算，並考慮本集團經營所在國家的現行詮釋及慣例。

於報告期末的資產及負債的稅基與其就財務報告而言的賬面值之間的暫時性差異，須按債務法計提遞延稅項撥備。

所有應課稅暫時性差異均會確認遞延稅項負債，惟下列各項除外：

- 倘若遞延稅項負債的起因，是產生於商譽或非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司的投資的應課稅暫時性差異，倘若撥回暫時性差異的時間可以控制，且該暫時性差異在可預見的將來很可能不會撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 主要會計政策摘要(續)

所得稅(續)

對於所有可扣減暫時性差異及結轉的未用稅項抵免及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、且結轉的未用稅項抵免及未用稅項虧損的，則遞延稅項資產一律確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是產生於非業務合併交易中資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司的投資的可扣減暫時性差異，只有在暫時性差異有可能在可預見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在報告期末予以審閱。若不再可能有足夠應課稅利潤用以抵扣遞延稅項資產的全部或部分金額，則扣減遞延稅項資產賬面值。並無確認的遞延稅項資產，在報告期末重新評估，若日後可能有應課稅利潤將可收回遞延稅項資產，則予確認。

變現資產或清償負債的年度預期適用的稅率，會用作計量遞延稅項資產及負債，並以報告期末已經頒佈或實質上已經頒佈的稅率(及稅法)為基準。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

2.4 主要會計政策摘要(續)

所得稅(續)

當且僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應課稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同稅務實體徵收的所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補助金

當有相當把握將會收到補助金及將符合所有附帶條件時，政府補助金即按公允價值確認入賬。若補助金與支出項目有關，即於所擬補償的成本的支銷期間內有系統地確認為收入。

若補助金與資產有關，即將其公允價值計入遞延收益賬戶，並於有關資產的預計可使用年期內，以等額年金調撥往損益表或從資產賬面值中扣減並以經扣減折舊開支調撥往損益表。

對於集團獲取的非貨幣性的資產補助，將會按照該非貨幣性資產的公允價值進行入賬，並在其預期使用年限內進行折舊至損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants (Continued)

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for “Financial liabilities” above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策摘要(續)

政府補助金(續)

對於集團獲取因建造符合條件的資產而獲取的利息低於市場利率的低息或無息政府貸款，該政府貸款的初始入賬金額將根據實際利率法進行計算，更多解釋詳見上述「金融負債」。政府貸款初始入賬價值與實際收取金額的差額計入損益，並在相關資產的預期可使用年限內進行直線攤銷。

收入確認

與客戶簽訂合同的收入

與客戶簽訂合同的收入在商品控制權轉移時確認，金額為交換該等貨品或服務而有權獲得的代價。

當合約中的代價包括可變金額時，交易對價將由本集團以轉移貨品或服務有權獲取的金額估計。可變對價在合約開始時估計並被抵減，直至很可能在隨後解決與可變對價的相關不確定性時，未確認累計收入金額隨後轉回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

The Group takes advantage of practical expedient in IFRS 15 and does not disclose the remaining performance obligation as all the Group's sale contracts have an original expected duration of less than one year.

(a) Sale of dairy and nourishment products

Revenue from the sale of dairy and nourishment products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the dairy and nourishment products.

Some contracts for the sale of dairy and nourishment products provide customers with rights of return. The rights of return give rise to variable consideration.

2.4 主要會計政策摘要(續)

收入確認(續)

與客戶簽訂合同的收入(續)

如果合同中包含一個融資部分，即為客戶提供轉移貨物或服務的同時還獲得超過一年的重大金融收益時，收入應按應收金額的現值計量，並使用在合約開始時反映在本集團與客戶之間的獨立融資交易中的貼現率貼現。當合約包含為本集團提供超過一年的重大財務利益的融資部分時，根據合約確認的收入應去除按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與承諾商品或服務轉讓之間的期限為一年或一年以下的合同，交易價格不會根據國際財務報告準則第15號的實際權宜方式根據重大融資成分的影響進行調整。

由於本集團所有的銷售合同初始的預期履約期間均不超過一年，因此本集團採用國際財務報告準則第15號中的實際權宜方式，未披露剩餘的履約義務。

(a) 銷售乳製品和營養品

銷售乳製品和營養產品的收入在資產控制權轉移給客戶的時間點確認，通常是在交付乳製品和營養品時。

一些乳製品和營養產品銷售合同為客戶提供了退貨權。退貨權會產生可變對價。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

(a) Sale of dairy and nourishment products (Continued)

Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(b) Consigned processing service

Revenue from the consigned processing service is recognised when dairy and nourishment products is delivered.

Rental income

Revenue is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income

Revenue is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.4 主要會計政策摘要(續)

收入確認(續)

與客戶簽訂合同的收入(續)

(a) 銷售乳製品和營養品(續)

退貨權

對於為客戶提供在指定期限內退貨權的合同，預期價值法會被用於估計不會被退回的貨物，因為該方法是預測本集團的可變對價金額的最好之方法。國際財務報告準則第15號有關限制可變代價估計的規定適用於確定可計入交易價格的可變對價金額。對於預計將退回的貨物而非收入，需要確認退貨負債。對於從客戶處收回商品的權利，還需要確認應收退貨成本(銷售成本也應當調整)。

(b) 受託代加工服務

受託代加工服務的收入在乳製品和營養產品交付時確認。

租金收入

收入乃按租期的時間比例確認。不由指數或比率所決定的變動租賃費用應當在其發生的會計期間計入損益。

利息收入

在利息收入產生時預先確認為收入，採用實際利率法計算，該比率為將金融工具估計未來收回現金按金融工具的估計年期或更短期間，如適用，折現至金融資產賬面淨值的折現率。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Dividend income

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Service income

The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of customer acceptance. Revenues from services rendered are derived principally from the testing service performed by the Group. Revenue is recognised when the services are rendered.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 主要會計政策摘要(續)

收入確認(續)

股息收入

股息收入於作為股東獲得收取款項的權利後確認，並且與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠地計量。

服務收入

隨著時間的推移，履行義務會隨著提供服務而逐漸履行，付款通常應在客戶驗收完成後支付。服務提供收入主要來自集團提供的檢測服務。收入在服務提供時確認。

合同資產

合同資產是轉移給客戶的商品或服務以獲取交易對價的權利。如果本集團在客戶支付對價之前或在付款到期之前將貨物交付給客戶或執行了相關服務，則合同資產的確認存在不確定性。關於對合同資產進行減值測試的細節，其內容詳見金融資產減值會計政策。

合同負債

合約負債是指本集團已收到客戶對價或應付款項(兩者較早者)後所需要交付的商品或提供服務。合約負債於本集團履行合約時確認為收入。(如，相關商品或服務的控制權轉移至客戶時)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Right-of-return assets

A right-of-return asset is recognized for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods, and any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to the expected level of returns, and any additional decreases in the value of the returned goods.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.4 主要會計政策摘要(續)

合同成本

除作為存貨、物業、廠房及設備以及無形資產資本化的成本外，與客戶履行合同所發生的成本在符合以下所有條件的情況下可以資本化：

- (a) 費用直接與合同或企業可以確定的預期合同有關。
- (b) 成本產生或增加企業資源以用於滿足(或繼續履行)履約義務。
- (c) 費用預計可以收回。

資本化合同成本攤銷及計入損益表並按資產相關的商品或服務向客戶的轉移一致的攤銷方式攤銷。其他合約成本於產生時費用化。

應收退貨成本

應收退貨成本是指本集團收回客戶預期退回的貨物的權利。資產按之前退回貨物的賬面金額減去收回貨物的預期成本(包括退回貨物價值的任何可能減損)計量。本集團會基於對其預期回報水平的修訂以更新相關資產的計量，以及退回貨物價值的任何額外減損。

預計負債 — 應付退貨款

退款債務是指退還部分或全部客戶對價的義務，並按本集團最終預期需要返還給客戶的金額計量。本集團於各報告期末更新其退款負債估計(及交易價格的相應變動)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Defined contribution plans

The Group's subsidiaries operating in Mainland China participate in a central defined contribution retirement benefit plan managed by the local municipal government in the locations in which they operate. Contributions are made based on a percentage of the companies' payroll costs and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central defined contribution retirement benefit plan. Contributions to the plan vest immediately, there are no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

2.4 主要會計政策摘要(續)

僱員福利

界定供款計劃

本集團在中國大陸營運的子公司，參與其營業所在地的地方政府管理的中央界定供款退休福利計劃，有關供款乃根據公司薪金費用的某百分比計算，並根據中央界定供款退休福利計劃的規則，應付時在合併損益表內支銷。退休福利計劃供款即時歸屬，概無貴集團可用於降低現有供款水準的被沒收供款。

短期僱員福利

短期僱員福利責任乃按未折現基準計算，並於提供有關服務時列為開支。

倘本集團就僱員過去提供的服務而擁有現有法定或推定責任支付有關金額，且該責任能可靠估計，則就預期根據短期現金獎金或分紅計劃將予支付的金額確認準備。

辭退福利

辭退福利於本集團不能撤回該等福利要約時或本集團確認涉及支付辭退福利的重組成本時兩者中較早的時點確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments

The Group operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using a binomial model.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

2.4 主要會計政策摘要(續)

股權支付

本集團採納股權支付計劃，藉此對集團業務有貢獻的合資格參與者作出鼓勵及獎賞。本集團僱員(包括董事)會收取以股份為基礎的支付形式的酬金，而僱員會提供服務作為換取股本工具(「權益結算的交易」)的代價。

與僱員進行的股權結算交易乃參考授出權利當日的公允值計算成本。公允值乃由外聘估值師按二項式計價模式釐定。

在員工福利費中，權益結算交易的成本連同權益的相應增加會於業績及／或服務條件達到的期間內確認。歸屬日之前的各報告期末就權益結算交易確認的累計支出反映歸屬期屆滿的部分以及本集團對最終將歸屬的股本工具數目的最佳估計。期間內於損益表扣除或計入的數額指於該期間初及終已確認累計支出的變動。

釐定獎勵的授出日期公允值時並不計及服務和非市況表現條件，但將評估條件獲達成的機會率，作為本集團對最終將歸屬的股權工具數目的最佳估計一部分。市況表現條件在授出日期公允值內反映。在一項獎勵上附加但不設相關服務要求的任何其他條件被視為非歸屬條件。非歸屬條件在一項獎勵的公允值內反映，並導致一項獎勵的即時支銷，除非同時有其他服務及／或表現條件。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the equity-settled transactions or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 主要會計政策摘要(續)

股權支付(續)

對因非市場表現及／或服務條件未達成而最終未有歸屬的獎勵而言，將不會確認開支。如獎勵附帶市況或非歸屬條件，則該情況下不論是否達到該市況或非歸屬條件，該交易均會視作歸屬處理，惟其他所有業績及／或服務條件必須達成。

當權益結算報酬條款修訂時，倘報酬的原條款達到，需按條款並無進行修訂的情形確認最少的支出。此外，倘任何修訂導致於修訂日期所計量的以股份為基礎的支付的總公允值增加或以其他方式令僱員受惠，則所產生的任何額外支出予以確認。

當股權結算報酬註銷時，視作報酬於註銷當日已經歸屬，而報酬尚未確認的任何支出會即時確認。此包括本集團或僱員並未達致其可控制的非歸屬條件的任何報酬。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為對原有報酬的修訂處理。

尚未行使購股權的攤薄影響應通過計算每股盈利時的額外股份攤薄反映。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. The directors did not recommend the payment of dividend.

Interim dividends are simultaneously proposed and declared. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Each entity in the Group determines its own functional currency based on the assessment of its specific facts and circumstances. Once the functional currency is determined, it can be changed only if there is a change to the underlying transactions, events and conditions. As the Group mainly operates in Mainland China, RMB is used as the presentation currency of the Group. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2.4 主要會計政策摘要(續)

借貸費用

若借貸費用直接屬於購買、興建或生產合資格資產(即需要相當長時間才可擬定用途的資產),即撥充資本作為該等資產成本的一部分,而當相關資產大致達到擬定用途時,即不再把該等借貸費用撥充資本。用以支付合資格資產的特定借款的臨時投資所賺取的投資收益從撥充資本的借貸費用中扣除。所有其他借貸費用皆於產生期間支銷。借貸費用包括利息及實體因資金借貸而產生的其他成本。

股息

期末股息一經股東大會批准,即確認為負債。董事不建議派發本年股息。

中期股息同時建議及宣派。因此,中期股息在建議及宣派時直接確認為負債。

外幣

本集團各實體按其特定事實及情況釐定其功能貨幣。只有當基礎交易,事件和條件發生變化時,實體才能改變已確定的功能貨幣。由於本集團主要於中國大陸營業,故使用人民幣作為本集團的呈列貨幣。由本集團實體記錄的外幣交易最初以交易當日各通行功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債,則按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生的差額於損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

2.4 主要會計政策摘要(續)

外幣(續)

當外幣貨幣性項目是由於管理層對於國外業務淨投資特定套期保值的一部份時，以外幣為單位的貨幣資產及負債按報告期末的適用功能貨幣匯率重新換算的差額不撥入損益，而計入其他綜合收益，直到在這些國外投資項目處置時，此前累計記錄的差額將重分類至損益。因這些貨幣性項匯率差異造成的稅務收入及費用也計入其他綜合收益中。

以外幣列值及按歷史成本計量的非貨幣項目，乃按最初進行交易當日的匯率換算。以外幣列值及按公允值計量的非貨幣項目，須按釐定公允值當日的匯率換算。換算按公允值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公允值變動的收益或虧損一致的方法處理(即其他綜合收益或合併損益表已確認的項目的公允值收益或虧損，其換算差額亦分別於其他綜合收益或損益表確認)。

於釐定用於相關資產，或終止確認非貨幣資產或非貨幣負債的預付對價產生的費用或收入初始確認的匯率時，初始交易日期為本集團初步確認因預付代價產生的非貨幣性資產或非貨幣性負債的日期。如果提前有多筆付款或收據，則本集團會確定每筆付款或收到預付代價的交易日期。

若干集團內境外子公司的功能貨幣并非人民幣。於報告期末，該等實體的資產及負債按報告期末的匯率換算為本集團的列報貨幣，該等實體的損益表按與交易日現行匯率近似的匯率換算為人民幣。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 主要會計政策摘要(續)

外幣(續)

產生的匯兌差額於其他綜合收益中確認併計入外幣變動儲備中。在出售海外業務時，與該特定海外業務相關的其他綜合收益組成部分確認於損益中。

就合併現金流量表而言，海外子公司的現金流量按產生現金流量當日的適用匯率換算為人民幣。海外子公司全年經常產生的現金流量則按當年的加權平均匯率換算為人民幣。

3. 重大會計判斷及估計

管理層於編製本集團的財務報表時，須對收入、開支、資產及負債及其隨附披露事項，以及或然負債的披露作出判斷、估計及假設。由於該等假設及估計具有不確定性，可能導致資產或負債的賬面值須於未來作出重大調整。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the method to estimate variable consideration and assessing the constraint for the sale of dairy and nourishment products

- Certain contracts for the sale of dairy and nourishment products include a right of return that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.
- Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 重大會計判斷及估計(續)

判斷

於應用本集團的會計政策的過程中，除了與之關聯的估計，管理層已作出以下判斷，乃對合併財務報表內已確認金額構成最重大影響：

與客戶訂立合同獲取的收入

本集團採用的以下判斷顯著影響與客戶合約收入金額及時間的確定：

確定估算可變對價和評估銷售乳製品和營養品的限制的方法

- 某些乳製品和營養品銷售合同包括產生可變對價的退貨權。在估計可變對價時，本集團將使用預期價值法或最佳估計法對可變對價進行預估。
- 在將任何數額的可變對價納入交易價格之前，本集團會考慮可變對價的金額是否受到限制。本集團根據其歷史經驗，業務預測及當前經濟狀況確定可變對價的估計是否不受限制。此外，可變對價的不確定性將在短時間內得到解決。

估計的不確定性

對未來事項的主要假設及於報告期末估計的不確定性的其他主要來源(存有重大風險可能導致資產及負債賬面值須於下一財政年度內作出重大調整者)於下文論述。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units ("CGU"s) and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2022 was RMB802,236,000 (2021: RMB991,236,000). Further details are given in note 18.

4. OPERATING SEGMENT INFORMATION

The Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) Milk powder products — this segment includes the development, manufacture and sale of milk powder products in the PRC and overseas.
- (b) Other milk powder products — this segment includes the production and sale of base powder.
- (c) Dissolvable products — this segment includes the development, manufacture and sale of soymilk powder, rice flour and cereal products.
- (d) Other operations mainly include the sale of surplus raw materials, and consigned processing operation. The results of these operations are included in the "others" column.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

商譽減值

本集團每年最少一次釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽的現金產生單位的使用價值作出估計。估計使用價值時，本集團須估計預期來自現金產生單位之日後現金流量，並挑選合適的折現率以計算該等現金流量的現值。2022年12月31日商譽賬麵價值為人民幣802,236,000元(2021年：人民幣991,236,000元)更細節的信息將會在附註18中闡述。

4. 經營分部資料

本集團根據產品和服務對經營分部進行分類，共有下列四個可報告經營分部：

- (a) 奶粉產品 — 該分部包括在中國及海外開發、製造及銷售奶粉產品。
- (b) 其他奶粉產品 — 該分部包括生產和出售基粉。
- (c) 沖調產品 — 該分部包括開發、製造及銷售豆奶粉、米粉及麥片產品。
- (d) 其他業務主要包括銷售盈餘原材料及受託加工。該等業務的業績載於「其他」一欄。

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

For the purpose of assessing segment performance and allocating resources among segments, the senior executive management team assesses the performance of the operating segments based on a measure of “reportable segment profit”, i.e., “revenue less cost of sales and allocated selling and distribution expenses”. The Group does not allocate other income and gains, net finance costs, unallocated other expenses to its segments, as the senior executive management does not use such information to allocate resources to or evaluate the performance of the operating segments. Segment assets and liabilities are not regularly reported to the Group’s senior executive management and therefore information of reportable segment assets and liabilities is not presented in these financial statements.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

為便於在分部之間評估分部表現及分配資源，高級行政管理團隊會根據「可呈報分部溢利」的計量(即「收入減去銷售成本和可分攤的銷售及經銷開支」)來評估經營分部的表現。本集團不會把其他收入及收益、財務成本淨額、不可分攤的其他開支等開支分配至分部中，原因是高級行政管理人員並不會使用上述資料分配資源至經營分部或評估其表現。由於本集團不會定期向高級行政管理人員匯報分部資產及負債，因此，此等財務報表內並無呈列可呈報分部資產及負債的資料。

分部間銷售及轉讓是參考以當時市價向第三者銷售所採用的售價進行交易。

		Year ended 31 December 2022 截至2022年12月31日止年度				
		Milk powder products	Other milk powder products	Dissolvable products	Others	Total
		奶粉產品	其他奶粉產品	沖調產品	其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment revenue (note 5)	分部收入(附註5)					
Sales to external customers	銷售予外部客戶	2,968,217	511,750	195,004	63,241	3,738,212
Intersegment sales	分部間銷售	—	156,964	—	—	156,964
		2,968,217	668,714	195,004	63,241	3,895,176
Elimination of intersegment sales	抵銷分部間銷售	—	(156,964)	—	—	(156,964)
Revenue	總收入					3,738,212
Segment results	分部業績	(72,992)	(15,951)	46,074	5,008	(37,861)
Finance income	財務收入					50,054
Finance costs (other than interest on lease liabilities)	財務成本(不包括租賃負債的利息支出)					(22,866)
Other income and gains	其他收入及收益					125,149
Unallocated other expenses	未分配的其他支出					(317,379)
Loss before tax	除稅前虧損					(202,903)
Other segment information	其他分部資料					
Total depreciation and amortisation	折舊及攤銷總額	117,836	20,316	7,741	2,044	147,937

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

4. OPERATING SEGMENT INFORMATION (Continued) 4. 經營分部資料(續)

		Year ended 31 December 2021 截至2021年12月31日止年度				
		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 5)	分部收入(附註5)					
Sales to external customers	銷售予外部客戶	3,650,352	438,353	221,221	124,774	4,434,700
Intersegment sales	分部間銷售	—	37,800	—	—	37,800
		3,650,352	476,153	221,221	124,774	4,472,500
Elimination of intersegment sales	抵銷分部間銷售	—	(37,800)	—	—	(37,800)
Revenue	總收入					4,434,700
Segment results	分部業績	260,532	(507)	12,725	40,452	313,202
Finance income	財務收入					72,948
Finance costs (other than interest on lease liabilities)	財務成本(不包括租賃負債的利息支出)					(20,587)
Other income and gains	其他收入及收益					59,461
Unallocated other expenses	未分配的其他支出					(518,106)
Loss before tax	除稅前虧損					(93,082)
Other segment information	其他分部資料					
Total depreciation and amortisation	折舊及攤銷總額	86,433	32,369	14,776	31,000	164,578

4. OPERATING SEGMENT INFORMATION (Continued) 4. 經營分部資料(續)

Geographical information

地區資料

		Revenues from external customers		Specified non-current assets	
		外部客戶銷售收入	特定非流動資產	外部客戶銷售收入	特定非流動資產
		2022	2021	2022	2021
		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
Mainland China	中國內陸	3,429,359	4,106,570	1,588,635	1,871,665
Overseas	海外地區	308,853	328,130	971,506	980,823
		3,738,212	4,434,700	2,560,141	2,852,488

The revenue information above is based on the locations of the customers.

上述收入信息以客戶所在地區劃分。

Information about a major customer

主要客戶的信息

Revenue of approximately RMB177,482,000 (2021: RMB228,693,000) was derived from sales by other milk powder products segment to a single customer, including sales to a group of entities which are known to be under common control with that customer.

總收入中約人民幣177,482,000元(2021年: 人民幣228,693,000元)乃來自其他奶粉產品分部向單一客戶的銷售, 包括向已知與該客戶共同控制的一組實體的銷售。

5. REVENUE, OTHER INCOME AND GAINS

5. 收入、其他收入及收益

An analysis of revenue is as follows:

收入分析如下:

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue from contracts with customers	依據與客戶訂立合同收入		
Sale of goods	銷售產品	3,736,166	4,385,818
Consigned processing services	受託代加工服務	2,046	48,882
		3,738,212	4,434,700

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

5. REVENUE, OTHER INCOME AND GAINS (Continued)

Revenue from contracts with customers

(i) Disaggregated revenue information:

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

5. 收入、其他收入及收益(續)

依據與客戶訂立合同收入

(i) 收入信息明細：

以下列出的是本集團依據與客戶訂立合同收入分部間信息明細：

		For the year ended 31 December 2022 截至2022年12月31日止年度				
		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segments	分部					
Types of goods or services	產品服務類別					
Sale of goods	銷售產品	2,968,217	511,750	193,872	62,327	3,736,166
Consigned processing services	受託代加工服務	—	—	1,132	914	2,046
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,968,217	511,750	195,004	63,241	3,738,212
Geographical markets	地區市場					
Mainland China	中國大陸	2,961,780	209,334	195,004	63,241	3,429,359
Overseas	海外	6,437	302,416	—	—	308,853
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,968,217	511,750	195,004	63,241	3,738,212
Timing of revenue recognition	收入確認時點					
Goods transferred at a point in time	於時點交接貨物	2,968,217	511,750	193,872	62,327	3,736,166
Services transferred at a point of time	於時點完成服務	—	—	1,132	914	2,046
Total revenue from contracts with customers	依據與客戶訂立合同總收入	2,968,217	511,750	195,004	63,241	3,738,212

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

5. 收入、其他收入及收益(續)

Revenue from contracts with customers (Continued)

依據與客戶訂立合同收入(續)

(i) Disaggregated revenue information: (Continued)

(i) 收入信息明細：(續)

For the year ended 31 December 2021

截至2021年12月31日止年度

		Milk powder products 奶粉產品 RMB'000 人民幣千元	Other milk powder products 其他奶粉產品 RMB'000 人民幣千元	Dissolvable products 沖調產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segments	分部					
Types of goods or services	產品服務類別					
Sale of goods	銷售產品	3,650,352	438,353	221,221	75,892	4,385,818
Consigned processing services	受託代加工服務	—	—	—	48,882	48,882
Total revenue from contracts with customers	依據與客戶訂立合同總收入	3,650,352	438,353	221,221	124,774	4,434,700
Geographical markets	地區市場					
Mainland China	中國大陸	3,611,723	228,698	221,221	44,928	4,106,570
Overseas	海外	38,629	209,655	—	79,846	328,130
Total revenue from contracts with customers	依據與客戶訂立合同總收入	3,650,352	438,353	221,221	124,774	4,434,700
Timing of revenue recognition	收入確認時點					
Goods transferred at a point in time	於時點交接貨物	3,650,352	438,353	221,221	75,892	4,385,818
Services transferred at a point of time	於時點完成服務	—	—	—	48,882	48,882
Total revenue from contracts with customers	依據與客戶訂立合同總收入	3,650,352	438,353	221,221	124,774	4,434,700

**5. REVENUE, OTHER INCOME AND GAINS
(Continued)**

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information: (Continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	年初合同負債中在報告期內確認的收入：		
Sale of goods	銷售產品	160,033	220,522

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of dairy and nourishment products

Revenue from the sale of dairy and nourishment products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the dairy and nourishment products.

Consigned processing services

Revenue from the provision of consigned processing service is recognised when dairy and nourishment products are delivered.

5. 收入、其他收入及收益(續)

依據與客戶訂立合同收入(續)

(i) 收入信息明細：(續)

下表顯示本報告期內確認的、被包括在年初合同負債中及以前期間滿足的履約義務的收入金額：

(ii) 履約義務

本集團的履約義務如下：

銷售乳製品和營養品

銷售乳製品和營養產品的收入在資產控制權轉移給客戶的時間點確認，通常是在交付乳製品和營養品時。

受託代加工服務

受託代加工服務的收入在乳製品和營養產品交付時確認。

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

5. 收入、其他收入及收益(續)

An analysis of other income and gains is as follows:

其他收入及收益的分析如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Other income and gains	其他收入及收益		
Gross rental income from investment property operating leases	投資性房地產經營租賃租金收入		
— Income relating to fixed lease payments	— 固定租賃收入	11,737	11,234
Write back payable of accounts	減記應付賬款	1,998	7,998
Government grants	政府補助		
— Compensation for expenses incurred	— 對已產生支出的補償	12,866	1,573
— Compensation for acquisition of assets	— 對購買資產的補償	1,142	240
— Taxes refunded	— 退稅	994	778
Net gain on disposal of property, plant and equipment	處置物業、廠房和設備淨收益	2,277	—
Foreign exchange gains, net	匯兌收益淨額	—	14,614
Investment income	投資收益	2,236	865
Service income (Note(i))	服務收入(註(ii))	18,044	3,512
Net gain from transactions related to Arla business (Note(iii))	與Arla業務相關交易的淨收益(註(ii))	55,750	—
Others	其他	18,105	18,647
		125,149	59,461

Note(i): The Group entered into service contracts with subsidiaries of Mengniu Dairy to provide a series of services.

註(i)：本集團與蒙牛乳業的子公司訂立服務合約，提供一系列服務。

Note(iii): On 30 September 2022, the Group, entered into the Business Transfer Agreements ("the Disposal") with Arla Foods amba ("Arla") and Arla Foods Dairy Products Technical Service (Beijing) Co., Ltd., ("Arla Beijing", a wholly owned subsidiary of Arla), collectively as the Buyers, to sell the distribution business of Arla brand infant milk formula products and other products manufactured by Arla and its affiliates in Mainland China and Hong Kong (the "Arla Business") and all right, title and interest in and to the assets primarily used in Arla Business, including certain tangible and intangible assets such as inventories, intellectual property rights, books and records, contracts and certain employees working with the Arla Business (the "Arla Assets"). The Disposal was completed on 30 September 2022 and the consideration has been settled during the year. The cash consideration received less of cash disposed as part of the disposal is recorded as "net cash inflow on disposal of business" in the investing activities in the consolidated statement of cash flows.

註(ii)：2022年9月30日，本集團與Arla Foods amba (「Arla」)和Arla食品乳製品技術服務(北京)有限公司(「Arla北京」，Arla的全資子公司)，共同作為買方，訂立業務轉讓協議(「出售」)，出售Arla品牌嬰幼兒配方奶粉產品和Arla及其關聯公司在中國大陸和香港生產的其他產品的分銷業務(「Arla業務」)以及主要用於Arla業務的資產的所有權利、所有權和利益，包括某些有形和無形資產，如存貨、知識產權、賬簿和記錄、合同以及從事Arla業務工作的某些僱員(「Arla資產」)。本次處置於2022年9月30日完成，對價已於年內結清。收到的現金對價，減去作為處置一部分的處置現金後，在合併現金流量表的投資活動中記錄為「業務處置淨現金流入」。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

5. REVENUE, OTHER INCOME AND GAINS (Continued)

The consideration for the Disposal comprises EUR15,000,000 and the cost price for the Arla Assets approximately EUR 3,000,000, which resulted in a total of RMB123,506,000.

For the year ended 31 December 2022, taking into account of the Disposal and other transactions related the Arla Business, the net gain to the profit or loss related to the Arla Business for the year amounted to RMB55,750,000.

5. 收入、其他收入及收益(續)

此次業務出售的對價包括15,000,000歐元和Arla資產的成本價格約3,000,000歐元，總價合計為人民幣123,506,000元。

截至2022年12月31日止年度，考慮到此次出售和與Arla業務相關的其他交易，本年度損益中與阿拉業務相關的淨收益為人民幣55,750,000元。

6. OTHER EXPENSES AND LOSSES

6. 其他開支和損失

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Impairment of trademarks	商標減值	—	200,000
Write down of inventories	存貨跌價準備	39,960	48,078
Donations	捐贈	970	1,934
Net Loss on disposal of inventories	存貨報廢淨損失	5,421	10,604
Net loss on disposal of property, plant and equipment	處置非流動資產淨損失	—	3,065
Foreign exchange losses, net	匯兌損失淨額	24,167	—
Others	其他	12,914	11,861
		83,432	275,542

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

7. LOSS BEFORE TAX

7. 除稅前虧損

The Group's loss before tax is arrived at after charging/ (crediting):

本集團的稅前虧損乃經扣除/(增加)下列各項後計算所得：

		Notes	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
		附註		
Cost of goods sold	貨品銷售成本		2,686,321	2,932,606
Cost of consigned processing services	受託加工成本		1,546	42,073
			2,687,867	2,974,679
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊		108,454	127,230
Depreciation of investment properties	投資物業折舊		5,019	4,567
Depreciation of right-of-use assets	使用權資產攤銷		10,862	11,430
Amortisation of other non-current assets	其他非流動資產攤銷		3,828	2,045
Amortisation of intangible assets	無形資產攤銷		19,774	19,306
Total depreciation and amortisation	折舊及攤銷總額		147,937	164,578
Impairment of trademarks	商標減值		—	200,000
Lease payments not included in the measurement of lease liabilities	租賃負債外的租賃費用		38,654	49,803
Auditor's remuneration	核數師酬金		3,980	3,113
Employee benefit expense (excluding directors' and chief executive's remuneration (note 9)):	僱員福利費(不包括董事及主要行政人員薪酬(附註9)):			
Wages, salaries and allowances	工資、薪金及津貼		464,642	499,342
Expense of termination benefits	離職補償		10,833	14,012
Pension scheme contributions	退休金計劃供款*		37,823	36,027
Expenses of equity-settled share-based payment expenses	股權結算股份支付開支		273	640
			513,571	550,021
Interest income	利息收入		(50,054)	(63,285)
Other investment income	其他投資收益		—	(9,588)
Fair value gains on derivative instruments, net	衍生金融工具公允價值變動收益		—	(75)
Total financial income	財務收入總額		(50,054)	(72,948)
Impairment of trade and other receivables, net	貿易及其他應收款減值淨損失		153	2,669
Write down of inventories	存貨跌價準備	6	39,960	48,078
Net loss on disposal of inventories	存貨報廢淨損失	6	5,421	10,604

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

* 本集團並無任何重大沒收供款可用作扣減其於未來年度向退休金計劃作出之供款。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

8. FINANCE COSTS

8. 財務成本

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款的利息	15,553	20,587
Interest on lease liabilities	租賃負債的利息	662	594
Fair value losses on derivative instruments, net	衍生金融工具公允價值變動損失	7,313	—
		23,528	21,181

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

9. 董事及首席執行官薪酬

The Directors' and chief executive's remuneration for the years, disclosed pursuant to the Listing Rules, section 383(1) (a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

根據香港公司條例第383條(1)(a)、(b)、(c)和(f)及第二部分(關於董事及總裁薪酬的披露),如下:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Fees	袍金	750	750
Other emoluments	其他酬金		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	6,582	3,889
Performance related bonuses	與業績有關的獎金	5,403	6,968
Pension scheme contributions	退休金計劃供款	44	53
		12,029	10,910
		12,779	11,660

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9. 董事及首席執行官薪酬(續)

(a) Independent non-executive directors

(a) 獨立非執行董事

The fees paid to independent non-executive directors during the year were as follows:

本年度支付給獨立非執行董事的費用如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
— Mr. Mok Wai Bun Ben	— 莫衛斌先生	250	250
— Mr. Cheng Shoutai	— 程守太先生	250	250
— Mr. Lee Kong Wai Conway	— 李港衛先生	250	250
		750	750

There were no other emoluments payable to the independent non-executive directors during the year (2021: nil).

本年度無應支付給獨立非執行董事的其他薪酬(2021年：無)。

(b) Executive directors, non-executive directors and the chief executive

(b) 執行董事、非執行董事和首席執行官

		Fees 袍金 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼及實物利益 RMB'000 人民幣千元	Performance related bonuses 與業績有關的獎金 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total remuneration 薪酬總額 RMB'000 人民幣千元
2022						
Executive directors	執行董事					
— Mr. Yan Zhiyuan (i)	— 閻志遠(i)	—	6,582	5,403	44	12,029
Non-executive directors	非執行董事					
— Mr. Jeffrey, Minfang Lu	— 盧敏放先生	—	—	—	—	—
— Mr. Qin Peng	— 秦鵬先生	—	—	—	—	—
— Mr. Zhang Ping	— 張平Peter先生	—	—	—	—	—
— Mr. Gu Peiji	— 顧培基先生	—	—	—	—	—
		—	6,582	5,403	44	12,029

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9. 董事及首席執行官薪酬(續)

(b) Executive directors, non-executive directors and the chief executive (Continued)

(b) 執行董事、非執行董事和首席執行官(續)

		Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
		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
2021						
Executive directors	執行董事					
– Mr. Yan Zhiyuan (i)	– 閻志遠 (i)	–	3,889	6,968	53	10,910
Non-executive directors	非執行董事					
– Mr. Jeffrey, Minfang Lu	– 盧敏放先生	–	–	–	–	–
– Mr. Qin Peng	– 秦鵬先生	–	–	–	–	–
– Mr. Zhang Ping	– 張平 Peter 先生	–	–	–	–	–
– Mr. Gu Peiji	– 顧培基先生	–	–	–	–	–
		–	3,889	6,968	53	10,910

(i) On 8 January 2020, Mr. Yan Zhiyuan was appointed as the chief executive officer.

(i) 於2020年1月8日，閻志遠先生擔任首席執行官。

10. FIVE HIGHEST PAID EMPLOYEES

10. 五名最高酬金僱員

The five highest paid employees during the year included one director (2021: one), details of whose remuneration are set out in note 9(b) above. Details of the remuneration for the year of the remaining four (2021: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

本年度五位最高薪人士中包括一位(2021年：一位)董事，有關彼等的酬金資料已於上文附註9(b)披露。本年度支付予四位(2021年：四位)非董事、非首席執行官的最高薪高級行政人員的酬金如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	9,641	10,414
Performance related bonuses	與業績有關的獎金	8,102	7,993
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(定額供款計劃)	169	145
		17,912	18,552

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

10. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of the non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

10. 五名最高酬金僱員(續)

酬金列入以下組別的非董事及非首席執行官的最高薪酬的僱員數目如下：

		Number of employees 僱員數目	
		2022	2021
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	2	1
HK\$4,500,001 to HK\$5,000,000	港幣4,500,001元至 港幣5,000,000元	1	—
HK\$5,000,001 to HK\$5,500,000	港幣5,000,001元至 港幣5,500,000元	—	2
HK\$8,000,001 to HK\$8,500,000	港幣8,000,001元至 港幣8,500,000元	1	1
		4	4

11. INCOME TAX

PRC income tax has been provided at the rate of 25% (2021: 25%) on the estimated assessable profits arising in the PRC during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries (or jurisdictions) in which the Group operates.

11. 所得稅

中國大陸所得稅已按年內在中國產生的估計應課稅溢利按25%(2021年: 25%)的稅率計算。其他地區應課稅溢利的稅項乃按本集團經營所在國家(或司法權區)的現行稅率計算。

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Current income tax	即期所得稅	10,297	(4)
Deferred income tax	遞延所得稅	17,517	(11,715)
Tax charge/(credit) for the year	本年度稅項費用/(抵減)	27,814	(11,719)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

11. INCOME TAX (Continued)

A reconciliation of the income tax charge/(credit) applicable to loss before tax at the PRC statutory income tax rate and the income tax charge/(credit) at the Group's effective income tax rate for the year is as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Loss before tax	除稅前(虧損)	[202,903]	[93,082]
At the PRC statutory tax rate of 25% (2021: 25%) (i)	按中國法定稅率25% (2021年: 25%) (i)	(50,726)	(23,271)
Effect of non-deductible expenses	不可扣稅開支的影響	3,252	1,242
Effect of tax rate differences (i)	不同稅率的影響(i)	(767)	(18,009)
Tax losses not recognised	未確認稅項虧損	81,661	50,994
Utilisation of tax losses and temporary differences previously not recognised	動用以往未確認虧損和暫時性差異	(2,383)	(14,166)
Effect of super tax deduction on research and development expenses	研發開支超額抵扣的影響	(2,805)	(1,925)
Reversal of tax losses previously recognised	轉回先前確認的稅務損失	6,396	—
Effect of non-taxable income	不徵稅收入的影響	(6,814)	(6,584)
Tax charge/(credit) for the year	本年度稅項費用／(抵減)	27,814	(11,719)

(i) Pursuant to the Corporate Income Tax Law of the PRC passed by the Tenth National People's Congress on 16 March 2007 (the "Income Tax Law"), the statutory income tax rate of the Group's subsidiaries located in Mainland China is 25%, except for Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. ("Oushi Mengniu") which is subject to a preferential tax rate of 15% in accordance with "The Notice of Tax Policies Relating to The Implementation of Western China Development Strategy", and Ya Ou Duo (Inner Mongolia) Nutrition & Food Co., Ltd. ("Ya Ou Duo") which is subject to a preferential tax rate of 20% in accordance with "The Notice of Preferential Policies Relating to The Taxation of Small and Low-profit Enterprise".

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The provision for Hong Kong profits tax for 2022 is calculated at 16.5% (2021: 16.5%) of the estimated assessable profit for the year.

Pursuant to the rules and regulations of New Zealand, Yashili New Zealand is subject to income tax at a rate of 28% (2021: 28%) in New Zealand.

11. 所得稅(續)

在年度內，就除稅前虧損按中國法定所得稅稅率計算的所得稅費用／(抵減)，與按照本集團實際所得稅稅率計算的所得稅費用／(抵減)，對賬如下：

(i) 根據第十屆全國人民代表大會於2007年3月16日通過的《中華人民共和國企業所得稅法》(「所得稅法」)，本集團位於中國大陸的附屬公司的法定所得稅稅率為25%。根據「關於深入實施西部大開發戰略有關稅收政策問題的通知」，內蒙古歐世蒙牛乳製品有限責任公司(「歐世蒙牛」)享有15%的優惠稅率，以及根據「關於對小型微利企業徵稅的優惠政策通知」，內蒙古雅歐多營養食品有限責任公司(「雅歐多」)享有20%的優惠稅率。

根據開曼群島及英屬處女群島(「英屬處女群島」)的規定及法規，本集團無須在開曼群島及英屬處女群島繳納任何所得稅。

本集團2022年香港利得稅撥備是以本年度的估計應課稅溢利，按照16.5% (2021年: 16.5%) 的稅率計提。

根據新西蘭國家的規定及法規，新西蘭乳業在新西蘭採納法定28% (2021年: 28%) 的所得稅稅率。

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the losses for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 4,745,560,296 (2021: 4,745,560,296) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2022 (31 December 2021: nil).

The calculations of basic and diluted loss per share are based on:

12. 母公司普通權益持有人應佔的每股虧損

每股基本虧損乃根據年內母公司普通權益持有人應佔虧損除以年內已發行普通股的加權平均數4,745,560,296股(2021年: 4,745,560,296股)計算。

本集團截至2022年12月31日止，無潛在稀釋性普通股發行(2021年12月31日: 無)。

計算每股基本和攤薄虧損金額基於如下:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Losses:	虧損:		
Losses attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculations	用於計算每股基本和攤薄虧損的母公司普通權益持有人應佔虧損	(230,717)	(81,363)
		Number of shares 股份數目	
		2022 '000 千股	2021 '000 千股
Shares:	股份:		
Weighted average number of ordinary shares for the purpose of the basic and diluted loss per share calculations	計算每股基本和攤薄虧損所用的普通股加權平均數	4,745,560	4,745,560

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Freehold land	Plant and buildings	Machinery and equipment	Motor vehicles	Office equipment and others	Total
		自有土地 RMB'000 人民幣千元	廠房及樓宇 RMB'000 人民幣千元	機器及設備 RMB'000 人民幣千元	機動車 RMB'000 人民幣千元	辦公室及 其他設備 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
2022	2022年						
Cost:	成本:						
At 1 January 2022	於2022年1月1日	49,163	918,866	1,777,097	8,662	85,435	2,839,223
Additions	添置	—	—	956	—	6,162	7,118
Transfer from construction in progress (note 14)	轉撥自在建工程 (附註14)	—	1,707	35,650	—	4,829	42,186
Transfer to investment properties (note 15)	轉撥至投資物業 (附註15)	—	(3,789)	—	—	—	(3,789)
Disposals	處置	—	(1,747)	(1,077)	(1,019)	(6,132)	(9,975)
Reclassification to assets classified as held for sale	重分類為持有待售資產	—	(351,501)	(286,723)	(87)	(61,342)	(699,653)
Exchange realignment	匯率調整	717	5,076	12,287	—	231	18,311
At 31 December 2022	於2022年12月31日	49,880	568,612	1,538,190	7,556	29,183	2,193,421
Accumulated depreciation and impairment:	累計折舊及減值:						
At 1 January 2022	於2022年1月1日	—	(342,788)	(891,554)	(7,156)	(59,007)	(1,300,505)
Depreciation provided during the year (note 7)	年內計提的折舊 (附註7)	—	(31,604)	(64,912)	(29)	(11,909)	(108,454)
Transfers to investment properties (note 15)	轉撥至投資物業 (附註15)	—	211	—	—	—	211
Disposals	處置	—	1,334	1,003	960	4,765	8,062
Reclassification to assets classified as held for sale	重分類為持有待售資產	—	345,415	225,507	86	58,967	629,975
Exchange realignment	匯率調整	—	(758)	(4,553)	—	(106)	(5,417)
At 31 December 2022	於2022年12月31日	—	(28,190)	(734,509)	(6,139)	(7,290)	(776,128)
Net carrying amount:	賬面淨值:						
At 31 December 2022	於2022年12月31日	49,880	540,422	803,681	1,417	21,893	1,417,293

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

13. PROPERTY, PLANT AND EQUIPMENT (Continued) 13. 物業、廠房及設備(續)

2021	2021年	Freehold land 自有土地 RMB'000 人民幣千元	Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 機動車 RMB'000 人民幣千元	Office equipment and others 辦公室及 其他設備 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost:	成本:						
At 1 January 2021	於2021年1月1日	53,108	973,941	1,663,976	14,305	71,438	2,776,768
Additions	添置	—	5,237	34,059	326	12,102	51,724
Transfer from construction in progress (note 14)	轉撥自在建工程(附註14)	—	17,954	157,366	—	4,651	179,971
Transfers to investment properties (note 15)	轉撥至投資物業(附註15)	—	(13,052)	—	—	—	(13,052)
Disposals	處置	—	(36,146)	(16,728)	(5,933)	(2,251)	(61,058)
Exchange realignment	匯率調整	(3,945)	(29,068)	(61,576)	(36)	(505)	(95,130)
At 31 December 2021	於2021年12月31日	49,163	918,866	1,777,097	8,662	85,435	2,839,223
Accumulated depreciation and impairment:	累計折舊及減值:						
At 1 January 2021	於2021年1月1日	—	(344,431)	(841,223)	(12,089)	(48,558)	(1,246,301)
Depreciation provided during the year (note 7)	年內計提的折舊(附註7)	—	(35,158)	(78,251)	(542)	(13,279)	(127,230)
Transfers to investment properties (note 15)	轉撥至投資物業(附註15)	—	9,901	—	—	—	9,901
Disposals	處置	—	21,824	10,290	5,441	2,557	40,112
Exchange realignment	匯率調整	—	5,076	17,630	34	273	23,013
At 31 December 2021	於2021年12月31日	—	(342,788)	(891,554)	(7,156)	(59,007)	(1,300,505)
Net carrying amount:	賬面淨值:						
At 31 December 2021	於2021年12月31日	49,163	576,078	885,543	1,506	26,428	1,538,718

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

14. CONSTRUCTION IN PROGRESS

14. 在建工程

			2022	2021
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Cost	成本			
At beginning of the year	於年初		20,318	49,199
Additions	增加		188,468	151,403
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	13	(42,186)	(179,971)
Exchange realignment	匯率調整		(17)	(313)
At end of the year	於年末		166,583	20,318
Carrying amount at 31 December	於12月31日的賬面值		166,583	20,318

15. INVESTMENT PROPERTIES

15. 投資物業

			2022	2021
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Cost:	成本：			
At beginning of the year	於年初		85,317	72,265
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	13	3,789	13,052
At end of the year	於年末		89,106	85,317
Accumulated depreciation:	累計折舊：			
At beginning of the year	於年初		(22,809)	(8,341)
Depreciation charge for the year	年內折舊	7	(5,019)	(4,567)
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	13	(211)	(9,901)
At end of the year	於年末		(28,039)	(22,809)
Carrying amount at end of the year	於年末的賬面價值		61,067	62,508

The Group's investment properties consist of several units and car parking slots in a commercial building in Mainland China. As at 31 December 2022, the fair value of the investment properties was approximately RMB183,308,000 (2021: RMB185,160,000) estimated based on income method. The fair value measurement falls into level 3 of the fair value hierarchy.

本集團的投資物業由位於中國大陸一幢商業大廈的數個單位及停車位。截至2022年12月31日，該投資物業根據收益法估算的公允價值約為人民幣183,308,000元(2021年：人民幣185,160,000元)。公允價值計量屬於公允價值層次的第3層級。

16. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and buildings, machinery and equipment, motor vehicles used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of plant and buildings generally have lease terms between 3 and 6 years. Leases of machinery and equipment generally have lease terms of 5 years, while motor vehicles generally have lease terms between 2 and 4 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. The lease contracts of buildings and machinery include extension and termination options. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 運輸設備 RMB'000 人民幣千元	Land use rights 土地使用權 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2021	截至2021年1月1日	16,931	586	649	83,254	101,420
Additions	本年增加	3,420	—	—	—	3,420
Depreciation charge	本年攤銷	(7,971)	(488)	(597)	(2,374)	(11,430)
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(95)	(98)	(52)	—	(245)
As at 31 December 2021 and 1 January 2022	截至2021年12月31日及2022年1月1日	12,285	—	—	80,880	93,165
Additions	本年增加	3,175	2,350	90	—	5,615
Disposals	處置	(1,426)	—	—	—	(1,426)
Depreciation charge	本年攤銷	(7,906)	(912)	(35)	(2,009)	(10,862)
Early termination of lease contract	租約提前結束	1,390	—	—	—	1,390
Reclassification to assets classified as held for sale	重分類為持有待售資產	—	—	—	(34,647)	(34,647)
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	23	48	3	—	74
As at 31 December 2022	截至2022年12月31日	7,541	1,486	58	44,224	53,309

16. 租賃

作為承租人

本集團擁有廠房及樓宇、機器及設備、運輸設備多項租賃合同。通過一次性支付，購買租賃期為50年的租賃土地使用權，根據土地使用權條款，將不會再進行付款。廠房及樓宇的租賃期限通常為3至6年，機器及設備的租賃期限通常為5年，運輸設備的租賃期限通常為2至4年。其他設備通常租賃期限小於12個月並且／或者單個價格較低。對於樓宇及機械的租賃具有延期或終止選擇權。通常，集團被限制在集團之外轉讓和轉租已租賃的資產。

(a) 使用權資產

本集團的使用權資產的賬面金額以及本期的變動情況如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

16. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Carrying amount at 1 January	年初賬面價值	13,795	19,539
New leases	新增租賃	5,615	3,379
Accretion of interest recognised during the year	本年確認利息	662	594
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	25	(231)
Payments	支付	(8,569)	(9,486)
Early termination of lease contract	租約提前結束	(1,346)	—
Carrying amount at 31 December	年末賬面價值	10,182	13,795
Current portion	計入流動負債	7,297	6,575
Non-current portion	計入非流動負債	2,885	7,220

The maturity analysis of lease liabilities is disclosed in note 38 to the financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債計提利息	662	594
Depreciation of right-of-use assets	使用權資產折舊	10,862	11,430
Expense relating to short-term leases	短期租賃的租賃費用	37,034	48,175
Expense relating to leases of low-value assets	低值租賃的租賃費用	1,620	1,628
Total amount recognised in profit or loss	費用總計	50,178	61,827

(d) The total cash out flow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in note 33 and note 34 respectively, to the financial statements.

16. 租賃(續)

作為承租人(續)

(b) 租賃負債

本集團的租賃負債的賬面金額以及本年的變動情況如下：

	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Carrying amount at 1 January	13,795	19,539
New leases	5,615	3,379
Accretion of interest recognised during the year	662	594
Exchange differences on translation of foreign operations	25	(231)
Payments	(8,569)	(9,486)
Early termination of lease contract	(1,346)	—
Carrying amount at 31 December	10,182	13,795
Current portion	7,297	6,575
Non-current portion	2,885	7,220

租賃負債的到期分析於財務報表附註38披露。

(c) 本集團確認的租賃費用情況如下：

	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Interest on lease liabilities	662	594
Depreciation of right-of-use assets	10,862	11,430
Expense relating to short-term leases	37,034	48,175
Expense relating to leases of low-value assets	1,620	1,628
Total amount recognised in profit or loss	50,178	61,827

(d) 租賃相關的現金流流出以及尚未開始的租賃的未來現金流出分別詳見附註33和附註34。

16. LEASES (Continued)**The Group as a lessor**

The Group leases its investment properties (note 15) of commercial properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB11,737,000 (2021: RMB11,234,000).

At 31 December 2022, the undiscounted minimum lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

16. 租賃(續)**作為出租人**

集團將其投資性房地產中的商業物業(附註15)對外進行經營租賃。該租賃條款要求承租人繳付押金，並根據市場情況定期調整租金。集團本年確認的出租收入為人民幣11,737,000元(2021: 人民幣11,234,000元)。

截至2022年12月31日，本集團與租戶簽訂的不可撤銷經營租賃的未折現最低租賃費用應收款如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within one year	一年以內	3,877	8,497
After one year but within two years	一年以上兩年以內	2,027	6,451
After two years but within three years	兩年以上三年以內	862	1,856
After three years but within four years	三年以上四年以內	408	1,262
After four years but within five years	四年以上五年以內	—	920
After five years	五年以上	—	371
		7,174	19,357

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

17. INTANGIBLE ASSETS

17. 無形資產

31 December 2022	2022年12月31日	Note	Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost at 1 January 2022, net of accumulated amortisation	年初淨值		62,485	83,047	145,532
Purchased	購置		22,493	—	22,493
Disposals	處置		(6,749)	—	(6,749)
Amortisation provided during the year	本年攤銷	7	(19,774)	—	(19,774)
Reclassification to assets classified as held for sale	重分類為持有 待售資產		(110)	(83,047)	(83,157)
Exchange realignment	匯率變動		522	—	522
At 31 December 2022	年末淨值		58,867	—	58,867
At 31 December 2022 Cost	年末 成本		125,741	—	125,741
Accumulated amortisation and impairment	累計攤銷及減值		(66,874)	—	(66,874)
Net carrying amount	年末淨值		58,867	—	58,867

31 December 2021	2021年12月31日	Note	Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost at 1 January 2021, net of accumulated amortisation	年初淨值		62,494	283,047	345,541
Purchased	購置		19,518	—	19,518
Disposals	處置		—	—	—
Amortisation provided during the year	本年攤銷	7	(19,306)	—	(19,306)
Impairment during the year	年內減值		—	(200,000)	(200,000)
Exchange realignment	匯率變動		(221)	—	(221)
At 31 December 2021	年末淨值		62,485	83,047	145,532
At 31 December 2021 Cost	年末 成本		132,457	283,047	415,504
Accumulated amortisation and impairment	累計攤銷及減值		(69,972)	(200,000)	(269,972)
Net carrying amount	年末淨值		62,485	83,047	145,532

Amortisation of the intangible assets is included in "Administrative expenses", "Selling and distribution expenses" and "Cost of sales".

無形資產的攤銷包括在「行政開支」、「銷售及經銷開支」和「銷售成本」中。

18. GOODWILL

18. 商譽

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面價值	991,236	991,236
Reclassified as assets held-for-sale	重分類為持作待售資產	(189,000)	—
Carrying amount at 31 December	於12月31日的賬面價值	802,236	991,236

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating unit for impairment testing which is in line with the way in which the Company manages its business:

- Milk powder products cash-generating unit group

The carrying amount of goodwill allocated to the milk powder products cash-generating unit group is RMB802,236,000.

The recoverable amount of the milk powder products cash-generating unit group has been determined based on value in use calculation using cash flow projection by reference to a five-year-period financial budget prepared by management. The discount rate applied to the cash flow projection is 15.06% (2021: 15.90%). The growth rate used to extrapolate the cash flows of the milk powder products CGU group beyond the five-year period is 2% (2021: 3%).

Assumptions were used in the value in use of calculation as at 31 December 2022 and 2021. The following describes the key assumptions, based on which management prepared cash flow projections to undertake impairment testing of goodwill:

- Gross margin — The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in prior historical years, adjusted for the expected efficiency improvements and expected increase in production costs.

商標減值測試

通過業務合併產生的商譽根據管理業務的方式被分配到以下現金產出單元組合以做減值測試：

- 奶粉產品現金產出單位組合

被分配到奶粉產品現金產生單位組合的商譽為人民幣802,236,000元。

奶粉產品現金產出單位組合可收回金額乃以經管理層編制的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。現金流量預測的貼現率為15.06% (2021年：15.9%)。用於推算五年期之後現金流量的增長率為2% (2021年：3%)。

在計算2022年及2021年12月31日的使用價值時採用若干假設。管理層準備現金流量預測進行商譽減值測試所依據的主要假設詳述如下：

- 毛利率 — 用於釐定預算毛利率價值的基準乃緊接考慮預算年度前之歷史平均毛利率，並因應預計效能提升及預期生產成本增加而予以調整。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

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18. GOODWILL (Continued)

- b) Discount rate — The discount rate used is before tax and reflects specific risks relating to the relevant group of CGU.
- c) Growth rate — The growth rate used to extrapolate the cash flows beyond the five-year period is based on the estimated growth rate taking into account the industry growth rate, past experience and the medium or long term growth target of the relevant group of CGU.

The values assigned to the key assumptions on market development of dairy products, discount rates and raw materials' price inflation are consistent with external information sources.

18. 商譽(續)

- b) 折現率 — 所用折現率乃稅前並反映有關現金產出單位的特定風險。
- c) 增長率 — 用於推算五年期以後現金流量的增長率，乃以估計增長率為基準，並考慮行業增長率、過往經驗及有關現金產生單位中長期增長目標計算所得。

基於乳製品市場發展情況、折現率和原材料價格變動的主要假設的價值與外部數據來源一致。

19. DEBT INVESTMENTS AT AMORTISED COST

19. 以攤餘成本計量的債權投資

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Debt investments	債權投資	—	24,532

20. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

20. 遞延稅項

年內遞延所得稅資產項和負債項的變動如下：

		Impairment	Tax losses	Accruals	Accelerated depreciation of property, plant and equipment	Others	Total
		資產減值	稅務虧損	預提費用	速折舊	其他	合計
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於2022年1月1日	10,794	277,889	76,706	(18,954)	12,899	359,334
Deferred tax (charged)/credited to the statement of profit or loss during the year	年內於損益表(扣除)/抵免的遞延稅項	11 (672)	(36,488)	18,909	141	593	(17,517)
Charged to other comprehensive income	其他綜合收益內支賬	—	1,504	—	—	—	1,504
Reclassification to assets held for sale	重新分類至持作待售資產	(937)	—	(58,985)	—	(175)	(60,097)
At 31 December 2022	於2022年12月31日	9,185	242,905	36,630	(18,813)	13,317	283,224
At 1 January 2021	於2021年1月1日	9,221	224,449	118,020	(9,406)	8,636	350,920
Deferred tax credited/(charged) to the statement of profit or loss during the year	年內於損益表抵免/(扣除)的遞延稅項	11 1,573	56,741	(41,314)	(9,548)	4,263	11,715
Charged to other comprehensive income	其他綜合收益內支賬	—	(3,301)	—	—	—	(3,301)
At 31 December 2021	於2021年12月31日	10,794	277,889	76,706	(18,954)	12,899	359,334

Management expects that it is probable that taxable profits will be available against which the above tax losses and deductible temporary differences can be utilised in the coming years.

管理層預期未來年度有可能出現應課稅利潤，可用以抵扣上述稅項虧損及可扣減暫時性差異。

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合併財務報表附註(續)

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20. DEFERRED TAX (Continued)

The Group has tax losses arising in New Zealand of RMB131,629,000 on which deferred tax assets have been recognised (31 December 2021: RMB129,814,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses arising in China of RMB848,406,000 on which deferred tax assets have been recognised (31 December 2021: RMB998,330,000). The tax losses arising in Mainland China will expire in one to five years for offsetting against future taxable profits. The tax losses arising in Hong Kong are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the following items:

20. 遞延稅項(續)

本集團於新西蘭產生的稅項虧損人民幣131,629,000元已確認遞延稅項資產(2021年12月31日: 人民幣129,814,000元), 可無限期抵銷虧損公司的未來應稅溢利。

本集團於中國產生的稅項虧損為人民幣848,406,000元已確認遞延稅項資產(2021年12月31日: 人民幣998,330,000元)。於中國大陸產生的稅項虧損將於一至五年屆滿, 以抵銷未來應稅溢利。於香港產生的稅項虧損可無限期用作抵銷產生虧損的公司的未來應課稅溢利。

遞延稅項資產並未就下列項目確認:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Tax losses arising in China (i)	於中國產生的稅項虧損(i)	406,150	1,169,740
Tax losses arising in New Zealand (ii)	於新西蘭產生的稅項虧損(ii)	524,583	398,021
		930,733	1,567,761

(i) The above tax losses arising in Mainland China are available for a maximum of five years to offset against future taxable profits of the companies in which the losses arose. The above tax losses arising in Hong Kong, are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the above item as it is not considered probable that there will be taxable profit available to offset against the tax losses in the future.

(i) 上述稅項虧損中於中國大陸產生的稅項虧損可用以抵銷公司產生虧損日後應課稅利潤最多五年。上述稅項虧損於香港產生的稅項虧損可無限期抵銷虧損公司的未來應稅溢利。

就上述各項的遞延稅項資產並未予以確認, 原因是本集團不大可能擁有未來應課稅利潤用以抵銷未動用稅項虧損。

20. DEFERRED TAX (Continued)

- (ii) The above tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of the above item as it is not considered probable that there will be taxable profit available to offset against the tax losses in the future.

The following deferred tax liabilities have not been recognised in respect of the following item:

At 31 December 2022, temporary differences relating to the undistributed profits of the subsidiaries established in Mainland China amounted to RMB1,267,822,000 (31 December 2021: RMB906,313,000). Deferred tax liabilities have not been recognised in respect of the withholding tax that would be payable on the distribution of these retained earnings, as the Company controls the dividend policy of these subsidiaries in Mainland China and the directors have determined that these profits are not likely to be distributed in the foreseeable future.

21. INVENTORIES**20. 遞延稅項(續)**

- (ii) 上述稅項虧損可以無限期抵銷虧損公司的未來應稅溢利。

就上述各項的遞延稅項資產並未予以確認，原因是本集團不大可能擁有未來應課稅利潤用以抵銷未動用稅項虧損。

未確認的遞延稅項負債：

於2022年12月31日，與在中國大陸成立的子公司的未分配利潤有關之暫時性差異為人民幣1,267,822,000元(2021年12月31日：人民幣906,313,000元)。由於本公司控制此等在中國大陸的子公司的股息政策，並且董事已確定於可見的將來溢利將不會被分配，故未有確認於分配此等留存溢利時須要繳納的預提稅款為遞延稅項負債。

21. 存貨

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Finished goods	成品	266,754	299,925
Work in progress	半成品	475,555	219,108
Raw materials	原材料	289,135	261,370
Packing materials	包裝材料	34,486	32,366
Low-value consumables	低價消耗品	8,513	3,201
		1,074,443	815,970

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合併財務報表附註(續)

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22. TRADE RECEIVABLES

22. 貿易應收款

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Trade receivables	貿易應收款	415,976	426,513
Loss allowance for expected credit losses	預期信用損失減值撥備	(6,764)	(11,783)
		409,212	414,730

The Group normally allows a credit limit and credit term to its customers which are adjustable in certain circumstances. The Group closely monitors overdue balances. The Group's trade receivables relate to a large number of diversified customers, and there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables. Trade receivables are non-interest-bearing.

本集團通常給予客戶特定信貸額度和信貸期限，並可在特定情況下調整。本集團密切監控逾期餘額。本集團的貿易應收款與大量不同類別的客戶有關，故並無重大信貸集中風險。本集團對其貿易應收款不持有任何抵押品或其他信用增級工具。貿易應收款並無附帶利息。

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

於報告期末，經扣除撥備的應收賬款按發票日期的賬齡分析如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Within 3 months	三個月以內	307,500	365,080
3 to 6 months	三至六個月	64,309	46,198
6 months to 1 year	六個月至一年	36,026	2,679
1 to 2 years	一年至兩年	1,377	773
		409,212	414,730

22. TRADE RECEIVABLES (Continued)

22. 貿易應收款(續)

The movements in the loss allowance for impairment of trade receivables are as follows:

貿易應收款減值撥備的變動如下：

		Note	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
		附註		
At beginning of year	於年初		11,783	12,053
Impairment losses, net	減值損失淨額	7	(5,019)	(270)
At end of year	於年末		6,764	11,783

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the ageing of the balances for groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

每個報告日期都會用撥備矩陣進行減值分析，以計量預期信用損失。撥備率基於具有類似損失模式的各個客戶群的分組(如按客戶類型)的賬齡確定。該計算反映了概率加權結果，貨幣時間價值以及報告日期可獲得的關於過去事件，當前狀況和未來經濟狀況預測的合理且可支援的資訊。

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

本集團貿易應收款使用撥備矩陣的信貨風險的信息載列如下：

		Ageing 賬齡				Total 總計
		Less than				
		1 year 一年以內	1 to 2 years 一年至兩年	Over 2 years 兩年以上		
As at 31 December 2022	於2022年12月31日					
Expected credit loss rate	預期信用損失率	1%	67%	100%		
Gross carrying amount (RMB'000)	總賬面價值 (人民幣千元)	411,862	4,114	—	415,976	
Expected credit losses (RMB'000)	預期信用損失 (人民幣千元)	4,027	2,737	—	6,764	

		Ageing 賬齡				Total 總計
		Less than				
		1 year 一年以內	1 to 2 years 一年至兩年	Over 2 years 兩年以上		
As at 31 December 2021	於2021年12月31日					
Expected credit loss rate	預期信用損失率	1%	83%	100%		
Gross carrying amount (RMB'000)	總賬面價值 (人民幣千元)	420,121	4,425	1,967	426,513	
Expected credit losses (RMB'000)	預期信用損失 (人民幣千元)	6,164	3,652	1,967	11,783	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

23. 預付款項、其他應收款項及其他資產

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Tax recoverable	預付及留抵稅款	31,246	29,980
Prepayments of expenses	預付費用款	35,296	24,671
Prepayments for purchase of raw materials	購買原材料的預付款	3,029	23,988
Advances to sales offices	聯絡點備用金	5,777	4,345
Others	其他	29,700	27,683
Less: Non-current prepayments	減：一年以上的長期待攤費用	(786)	(1,011)
Impairment allowance	減值準備	—	(2,137)
		104,262	107,519

Except the non-current portion disclosed above, the prepayments, other receivables and other assets are expected to be recovered or recognised as expenses within one year.

除上述金額外，預付款項、其他應收款項及其他資產預計將在一年內收回或確認為費用。

24. OTHER CURRENT FINANCIAL ASSETS

24. 其他流動金融資產

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Bills receivable	應收票據	—	93,865

At 31 December 2022, the Group's bills receivable amounting to nil (31 December 2021: RMB93,865,000) were measured at fair value through profit or loss.

於2022年12月31日，本集團無應收票據(2021年12月31日：人民幣：93,865,000元)作為以公允價值計量且其變動計入損益的金融資產核算。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS

25. 衍生金融工具

		2022		2021	
		RMB'000		RMB'000	
		人民幣千元		人民幣千元	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
Foreign currency forward contracts	遠期外幣合約	—	5,686	1,901	407

The Group has foreign currency forward contracts with a bank to manage its exchange rate risk. These forward contracts are not designated for hedging purposes and are measured at fair value through profit or loss.

本集團為管理匯率風險，與銀行訂立遠期外幣合約。該遠期合約並非指定對沖用途，並按公允價值計入損益計量。

26. CASH AND BANK BALANCES AND OTHER DEPOSITS

26. 現金及銀行結餘及保證金存款

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents as stated in the consolidated statement of cash flows	合併現金流量表所列現金及現金等價物	1,648,640	1,529,931
Pledged deposits	受限制的銀行存款	98,840	90,354
Time deposits with original maturity of more than three months	原到期日為三個月以上定期存款	387,485	965,674
		2,134,965	2,585,959
Less: Short-term pledged deposits for banking facilities	減：銀行融資之保證金短期存款	98,840	90,354
Less: Long-term bank deposits	減：長期銀行存款	245,124	370,558
Cash and bank balances as stated in the consolidated statement of financial position	合併財務狀況表所列現金及銀行結餘	1,791,001	2,125,047

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

26. CASH AND BANK BALANCES AND OTHER DEPOSITS (Continued)

26. 現金及銀行結餘及保證金存款 (續)

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The above balances denominated in:	以下列貨幣列值的		
	現金及銀行結餘：		
— RMB	— 人民幣	1,993,979	2,499,407
— Hong Kong dollar (“HKD”)	— 港幣	7,883	10,415
— United States dollar (“USD”)	— 美元	98,943	33,332
— New Zealand dollar (“NZD”)	— 紐幣	19,195	30,683
— European dollar (“EUR”)	— 歐元	10,721	1,956
— Australian dollar (“AUD”)	— 澳元	4,244	10,166
		2,134,965	2,585,959

The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at the prevailing market interest rates. As at 31 December 2022, the effective annual interest rates of short-term time deposits within initial maturity of less than one year were approximately 0.3% to 5.29% (31 December 2021: 2.20% to 4.18%). The effective interest rate of long-term deposits was 3.55% to 3.85% (31 December 2021: 3.65% to 3.95%). The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

As at 31 December 2022, the short-term bank deposits of RMB98,840,000 (31 December 2021: the long-term bank deposits amounting to RMB50,000,000 and the short-term bank deposits of RMB40,354,000) were pledged for bank loans amounting to RMB284,200,000 and bank acceptance bills (31 December 2021: bank loans amounting to RMB120,556,000 and bank acceptance bills).

人民幣並非可自由兌換為其他貨幣。然而，根據中國大陸的外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行，將人民幣匯兌為其他貨幣。

銀行現金按通行市場利率計息。於2022年12月31日，短期定期存款的實際年利率約為0.3%至5.29%（2021年12月31日：2.20%至4.18%），並將於一年內到期。長期定期存款的實際存款利率為3.55%至3.85%（2020年12月31日：3.65%至3.95%）。銀行結餘及已抵押存款於近期無違約記錄且信譽良好的銀行儲存。

截至2022年12月31日止，本集團銀行貸款人民幣284,200,000元（2021年12月31日：人民幣120,556,000元及銀行承兌匯票），以銀行短期存款人民幣98,840,000元（2021年12月31日：以銀行長期存款人民幣50,000,000元及銀行短期存款人民幣40,354,000元）為質押。

26. CASH AND BANK BALANCES AND OTHER DEPOSITS (Continued)

As at 31 December 2022, there are no bank deposits pledged for banking facilities (31 December 2021: the long-term bank deposits amounting to RMB20,000,000 and the short-term bank deposits amounting to RMB50,000,000 were pledged for banking facilities).

27. ASSETS AND LIABILITIES HELD FOR SALE

On 6 May 2022, the Group entered into an equity transfer agreement with Danone Asia Pacific Holdings Pte. Ltd. (“Danone APAC”) whereby the Group has agreed to sell and Danone APAC has agreed to purchase 100% equity interest in Dumex Baby Food Co., Ltd. (“Dumex China”) within the “Milk Powder Products” segment, subject to the approval from independent shareholders of the Company and other conditions precedent. On 16 August 2022, the independent shareholders of the Company approved this disposal and the disposal of Dumex China has been completed in March 2023 upon fulfilling other terms and conditions in the equity transfer agreement.

The disposal of Dumex China was contemplated with other transactions that were entered into between Mengniu, as the controlling shareholder of the Company, and Danone Group on 6 May 2022. In particular, Mengniu introduced an upward adjustment to the consideration of its acquisition of the 20% non-controlling interest in the chilled business held by Danone Group, in order to incentivize the counterparties to complete the acquisition of Dumex China. As a result, the see-through amount of approximately RMB470 million (subject to other adjustments), instead of the consideration according to the equity transfer agreement, would be used to calculate the gain or loss upon disposal of Dumex China.

26. 現金及銀行結餘及保證金存款(續)

截至2022年12月31日止，無銀行授信以銀行存款為質押(2021年12月31日：以銀行長期存款人民幣20,000,000元及銀行短期存款人民幣50,000,000元為質押)。

27. 持作出售資產和負債

於2022年5月6日，本集團與Danone Asia Pacific Holdings Pte. Ltd. (「達能亞洲」)訂立股權轉讓協議。本集團已同意出售且達能亞洲同意購買奶粉產品分部的多美滋嬰幼兒食品有限公司「多美滋中國」100%股權，但須經本公司獨立股東批准及其他先決條件。2022年8月16日，本公司獨立股東批准本次出售，在滿足股權轉讓協議的其他條款和條件後，多美滋中國的出售已經於2023年3月完成。

多美滋中國的出售事項與本公司控股股東蒙牛與達能亞洲於2022年5月6日訂立的其他交易進行了考慮。特別是蒙牛對其收購達能集團持有的低溫業務20%非控制性權益的對價進行了上調，以激勵交易對手完成對多美滋中國的收購。因此，約人民幣4.7億元(可進行其他調整)的穿透金額，將用於計算多美滋中國出售時的損益，而不是股權轉讓協議下的對價。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

27. ASSETS AND LIABILITIES HELD FOR SALE (Continued)

Since the disposal of Dumex China was not yet completed as at 31 December 2022, the assets and liabilities of Dumex China are separately presented as assets and liabilities held for sale in the consolidated statement of financial position at 31 December 2022, and no impairment losses are recognised in the consolidated statement of profit or loss for the year ended 31 December 2022.

At 31 December 2022, the assets and liabilities held for sale comprise the following:

27. 持作出售資產和負債(續)

由於多美滋中國的出售於2022年12月31日尚未完成，於2022年12月31日的合併財務狀況表中，多美滋中國的資產和負債單獨列報為持作出售資產和負債，截至2022年12月31日止年度的合併損益表中沒有確認減值損失。

截至2022年12月31日，持作出售資產及負債包括：

		Notes 附註	2022 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	13	69,678
Right-of-use assets	使用權資產	16	34,647
Intangible assets	無形資產	17	83,157
Goodwill	商譽	18	189,000
Deferred tax assets	遞延稅項資產	20	60,097
Inventories	存貨	21	25,678
Trade receivables	貿易應收款	22	156
Prepayments, other receivables	預付款項、其他應收款項及其他資產	23	53
Cash and bank balances	現金及銀行結餘	26	59,209
Assets held for sale	持作出售資產		521,675
Trade and bills payables	貿易應付款及票據	28	(15,997)
Other payables and accruals	其他應付款及應計費用	29	(3,957)
Income tax payable	應付所得稅		(3,896)
Liabilities held for sale	持作出售負債		(23,850)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

28. TRADE AND BILLS PAYABLES

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Within 3 months	三個月以內	524,268	698,714
3 to 6 months	三個月至六個月	54,371	21,143
More than 6 months	六個月以上	48,667	94,028
		627,306	813,885

Trade payables, including amounts due to related parties, are non-interest-bearing and are normally settled within one month to three months.

於報告期末，貿易應付款及票據的賬齡分析如下：

貿易應付款，包括應付關聯方的賬款，為不計息且一般於一至三個月內結算。

29. OTHER PAYABLES AND ACCRUALS

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Accrued expenses	預提費用	139,078	63,516
Contract liabilities	合同負債	56,941	160,033
Accrued payroll	應計薪金	74,377	106,761
Payables for constructions of property, plant and equipment	應付工程款	75,907	65,278
Guarantee deposits from customers	收取客戶的保證金	55,385	75,645
Other tax payables	其他應付稅項	24,231	47,374
Interest payable	應付利息	42	111
Others	其他	83,146	50,510
		509,107	569,228

29. 其他應付款及應計費用

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 計息銀行及其他借款

		As at 31 December 2022 於2022年12月31日			As at 31 December 2021 於2021年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期時間	RMB'000 人民幣千元
Current	流動						
Bank loans – secured	銀行貸款 – 有抵押	1.30 to 5.10	2023	320,530	2.55 to 2.80	2022	120,556
Credit loans	信用貸款	2.30 to 2.95	2023	159,212	3.30	2022	200,202
Subtotal	小計			479,742			320,758
Non-current	非流動						
Credit loans	信用貸款	2.90	2024	99,000			–
Subtotal	小計			99,000			–
Total	合計			578,742			320,758

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Bank loans denominated in	銀行貸款		
– RMB	– 以人民幣計值	542,412	320,758
– USD	– 以美元計值	36,330	–
		578,742	320,758

As at 31 December 2022, the time deposits amounting to RMB98,840,000 were pledged for bank loans amounting to RMB284,200,000 (31 December 2021: time deposits amounting to RMB70,000,000 were pledged for bank loans amounting to RMB120,556,000).

於2022年12月31日，總金額人民幣98,840,000元的定期存款被用於抵押以獲取人民幣284,000,000元的銀行借款(於2021年12月31日：總金額人民幣70,000,000元的定期存款被用於抵押以獲取人民幣120,556,000元的銀行借款)。

As at 31 December 2022, Yashili New Zealand pledged and assigned to the bank the right of all its assets for a loan facility of RMB41,954,000 (NZD9,500,000). As at 31 December 2022, the loan balance for this line of secured loan amounted to RMB36,330,000 (NZD8,227,000).

於2022年12月31日，雅士利新西蘭公司將其所有資產的權利抵押或質押給銀行，以獲得人民幣41,954,000元(紐幣9,500,000)的貸款額度。截至2022年12月31日，該項擔保貸款的貸款餘額為人民幣36,330,000元(紐幣8,227,000)。

31. DEFERRED INCOME

31. 遞延收益

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
As at beginning of the year	年初結餘	10,074	9,200
Received for the year	年內收到	5,000	1,114
Amortisation for the year	年內攤銷	(1,142)	(240)
As at end of the year	年末結餘	13,932	10,074

31. DEFERRED INCOME (Continued)

Deferred income mainly represents government grants relating to construction of property, plant and equipment, which are recognised as income on a straight-line basis over the expected useful life of relevant assets.

31. 遞延收益(續)

遞延收入主要指與物業、廠房和設備建設相關的政府補助，在相關資產的估計可使用年期內按直線法確認收入。

32. SHARE CAPITAL**32. 股本**

		Number of shares 股份數目 '000 千股	Nominal value 面值 RMB'000 人民幣千元
Authorised:	已註冊：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	10,000,000	861,600
Ordinary shares, issued and fully paid:	已發行、已繳足：		
At 31 December 2022 and 2021	於2021年及2022年12月31日	4,745,560	399,352

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**33. 合併現金流量表附註****(a) Major non-cash transactions**

In 2022, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB5,615,000 and RMB5,615,000 (2021: RMB3,420,000 and RMB3,379,000), respectively, in respect of lease arrangements for plant and equipment.

(a) 主要非現金交易

2022年，本集團發生使用權資產和租賃負債的非現金交易人民幣5,615,000元和人民幣5,615,000元(2021：人民幣3,420,000和人民幣3,379,000)分別是關於廠房和設備的租賃安排。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

33. 合併現金流量表附註(續)

(b) Changes in liabilities arising from financing activities

(b) 融資活動引起的負債變動如下

		Bank loans 銀行借款 RMB'000 人民幣千元 (Note 30) (附註30)	Lease liabilities 租賃負債 RMB'000 人民幣千元 (Note 16) (附註16)
At 1 January 2022	於2022年1月1日	320,758	13,795
Changes from financing cash flows	融資現金流量的變動		
Proceeds from bank loans	貸款所得款項	1,805,501	—
Repayment of bank loans	償還計息貸款	(1,567,924)	—
Principal portion of lease payments	租賃付款的本金部分	—	(7,907)
Total changes from financing cash flows	融資現金流的總變動	237,577	(7,907)
Other changes:	其他變動:		
New leases	新增租賃	—	5,615
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	20,407	25
Interest expense	利息費用	—	662
Interest paid classified as operating cash flows	經營現金流量中的利息支付	—	(662)
Early termination of lease contract	租約提前結束	—	(1,346)
Total other changes	其他變動合計	20,407	4,294
At 31 December 2022	於2022年12月31日	578,742	10,182
At 1 January 2021	於2021年1月1日	365,857	19,539
Changes from financing cash flows	融資現金流量的變動		
Proceeds from bank loans	貸款所得款項	838,758	—
Repayment of bank loans	償還計息貸款	(883,483)	—
Principal portion of lease payments	租賃付款的本金部分	—	(8,892)
Total changes from financing cash flows	融資現金流量的總變動	(44,725)	(8,892)
Other changes:	其他變動		
New leases	新增租賃	—	3,379
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(374)	(231)
Interest expense	利息費用	—	594
Interest paid classified as operating cash flows	經營現金流量中的利息支付	—	(594)
Total other changes	其他變動合計	(374)	3,148
At 31 December 2021	於2021年12月31日	320,758	13,795

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

33. 合併現金流量表附註(續)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Within operating activities	包含在經營活動	(662)	(594)
Within financing activities	包含在融資活動	(7,907)	(8,892)
		(8,569)	(9,486)

(c) 租賃產生的現金流出

現金流量表中包含的租賃的現金流出總額如下：

34. COMMITMENTS

34. 承擔

(a) The Group had the following capital commitments at the end of the reporting period:

(a) 截至本報告期末，本集團資本承擔情況如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但未撥備：		
Housing and buildings	房屋及建築物	21,296	—
Intangible assets	無形資產	100	671
Plant and machinery	機械設備	130,480	556
		151,876	1,227

(b) The Group has various lease contracts that have not yet commenced as at 31 December 2022. The future lease payments for these non-cancellable lease contracts are RMB4,040,000 due within one year (31 December 2021: RMB1,251,000 due within one year and RMB350,000 due in the second to fifth years).

(b) 於2022年12月31日本集團存在已簽訂但尚未開始的租賃合同。未來所需支付的不可撤銷租賃合同一年內的租賃費用為人民幣4,040,000元(2021年12月31日：人民幣1,251,000元在一年內到期，人民幣350,000元在第二至第五年內到期)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

35. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

35. 關聯方交易

(a) 除去在本財務報表其他附註中提及的關聯交易，本集團曾與關聯方進行以下重大交易：

			2022	2021
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Transactions with subsidiaries of the ultimate holding company	與最終控股公司的子公司的關聯方交易			
Purchase of goods*	採購商品*	(i)	629,262	374,385
Sale of goods*	銷售商品*	(i)	179,591	282,711
Service income*	服務收入*	(i)	18,960	45,570
Service fee*	服務費用*	(i)	27,150	11,720
Share option and share award arrangements*	股票期權及股權激勵計劃*	(i)	329	732
Transactions with subsidiaries of the ultimate holding company's main shareholder	與最終控股公司的主要股東的附屬公司的關聯方交易			
Purchase of packing materials	購買包裝材料	(i)	85,522	92,534
Purchase of raw materials	購買原料	(i)	2,969	25,389
Sale of goods	銷售商品	(i)	—	12
Transactions with a substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司			
Sale of base powder*	銷售基粉*	(i)	122,170	142,223
Purchase of raw materials*	購買原料*	(i)	—	507
Income from consigned processing*	委託加工奶粉產品收入*	(i)	1,132	1,062
Consulting service expense*	顧問服務費*	(i)	—	1,330
Testing service income*	檢測服務收入*	(i)	—	47

(i) The above related party transactions were conducted in accordance with the terms mutually agreed between the parties.

* The above transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(i) 上述關聯交易乃根據雙方共同同意之條款進行。

* 上述交易也構成上市規則14A章所界定的關連交易或持續關連交易。

35. RELATED PARTY TRANSACTIONS (Continued)

35. 關聯方交易(續)

(b) Outstanding balances with related parties

(b) 與關聯方的未償還結餘

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
TRADE RECEIVABLES	貿易應收款		
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	30,566	12,253
Subsidiaries of the ultimate holding company	最終控股公司的子公司	19,399	37,253
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	—	340
		49,965	49,846
PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS	預付款項、其他應收款項及其他資產		
Subsidiaries of the ultimate holding company	最終控股公司的子公司	126	2,805
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	—	27
		126	2,832
TRADE AND BILLS PAYABLES	貿易應付款及票據		
Subsidiaries of the ultimate holding company's main shareholder	最終控股公司的主要股東的附屬公司	33,097	47,514
Subsidiaries of the ultimate holding company	最終控股公司的子公司	160,556	168,694
		193,653	216,208
OTHER PAYABLES AND ACCRUALS	其他應付款及應計費用		
Subsidiaries of the ultimate holding company	最終控股公司的子公司	9,307	13,257
A substantial shareholder and its subsidiaries	對本集團有重大影響的投資方及其附屬公司	1,885	616
		11,192	13,873

As at 31 December 2022, the above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to or by independent third parties.

於2022年12月31日，上述餘額為無擔保、無息餘額，應按照類似於向獨立第三方提供或由獨立第三方提供的信貸條款償還。

(c) Compensation of key management personnel of the Group

(c) 本集團主要管理人員的酬金

Key management compensation is detailed in notes 9 and 10 to the financial statements.

主要管理人員的報酬詳載於財務報表附註9及10。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

36. 按類別劃分的金融工具

截至報告期末，各類金融工具的賬面價值如下：

Financial assets	金融資產	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元	31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Financial instruments at amortised cost	以攤餘成本計量的金融工具		
Trade receivables	貿易應收款	409,212	414,730
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	5,777	7,116
Pledged deposits	受限制銀行存款	98,840	90,354
Long-term bank deposits	長期銀行存款	245,124	370,558
Cash and bank balances	現金及銀行結餘	1,791,001	2,125,047
Debt investments at amortised cost	以攤餘成本計量的債權投資	—	24,532
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產		
Other current financial assets	其他流動金融資產	—	93,865
Derivative financial instruments	衍生金融工具	—	1,901

Financial liabilities	金融負債	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元	31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Financial liabilities at amortised cost	以攤餘成本計量的金融負債		
Trade and bills payables	貿易應付款及票據	627,306	813,885
Other payables and accruals	其他應付款及應計費用	326,736	255,060
Interest-bearing bank borrowings	計息銀行借款	578,742	320,758
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債		
Derivative financial instruments	衍生金融工具	5,686	407

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

37. 金融工具之公允值及公允值層級

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

本集團的金融工具的賬面值及公允價值，不包括近似於公允價值的賬面值，詳情如下：

		Carrying amounts		Fair values	
		賬面價值		公允價值	
		2022	2021	2022	2021
		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
Financial assets	金融資產				
Long-term bank deposits	長期銀行存款	245,124	370,558	224,626	364,595
Other current financial assets	其他流動金融資產	—	93,865	—	93,865
Derivative financial instruments	衍生金融工具	—	1,901	—	1,901
		245,124	466,324	224,626	460,361

		Carrying amounts		Fair values	
		賬面價值		公允價值	
		2022	2021	2022	2021
		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
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	5,686	407	5,686	407
Interest-bearing bank borrowings	計息銀行借款	578,742	320,758	519,676	320,758
		584,428	321,165	525,362	321,165

Management has assessed that the fair values of cash and cash equivalents, the current portion of pledged deposits, trade receivables, other current financial assets, derivative financial instruments, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, derivative financial instruments and short-term interest-bearing bank loans approximate to their carrying amounts largely due to the short-term maturities of these instruments.

管理部門已評估現金和現金等價物、計入流動資產部分的抵押存款、貿易應收款、其他流動金融資產、衍生金融工具、貿易應付款項、計入預付款項、其他應收款項及其他資產的金融資產、計入其他應付款及應計費用的金融負債、衍生金融工具、短期計息銀行借款的公允價值與其賬面價值相同，由於這些金融工具的大部分將在短期內到期。

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to management. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by management. The valuation process and results are discussed with management twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption were used to estimate the fair values:

The fair values of long-term bank deposits, other current financial assets, structural bank deposits, derivative financial instruments and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2022 were assessed to be insignificant.

37. 金融工具之公允值及公允值層級(續)

本集團由財務經理負責的財務團隊負責確定金融工具公允價值計量的政策和程序。財務團隊直接向管理層報告。在每個報告日，公司財務團隊分析金融工具價值的變動並確定應用於估值的主要輸入值。該估值由管理層審核與批准。為了中期和年度財務報告，估值過程和結果與管理層每年討論兩次。

金融資產及負債的公允價值以該工具自願交易方(強迫或清盤出售除外)當前交易下之可交易金額入賬。

估計公允價值的方式以及假設如下：

長期銀行存款、其他流動金融資產、結構性銀行存款、衍生金融工具和計息銀行和其他借款的公允價值是通過使用具有類似條款，信用風險和剩餘到期日的金融工具的當前可用利率折現預期的未來現金流量來計算的。於2022年12月31日，由於本集團對計息銀行及其他借貸自身的非履約風險而導致的公允價值變動被評估為並不重大。

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2022 於2022年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2021 於2021年12月31日 RMB'000 人民幣千元
Other current financial assets	其他流動金融資產	—	93,865
Derivative financial instruments	衍生金融工具	—	1,901
		—	95,766

Liabilities measured at fair value:

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2022 於2022年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2021 於2021年12月31日 RMB'000 人民幣千元
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	5,686	407

37. 金融工具之公允值及公允值層級(續)

公允值層級

本集團採用以下層級以說明金融工具的公允值計量：

按公允值計量的資產：

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2022 於2022年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2021 於2021年12月31日 RMB'000 人民幣千元
Other current financial assets	其他流動金融資產	—	93,865
Derivative financial instruments	衍生金融工具	—	1,901
		—	95,766

按公允值計量的負債：

		Fair value measurement using 公允值計量的應用	
		Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2022 於2022年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2021 於2021年12月31日 RMB'000 人民幣千元
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	5,686	407

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

During 2022, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets and financial liabilities (2021: nil).

37. 金融工具之公允值及公允值層級(續)

公允值層級續)

2022年金融資產及金融負債並無第一等級與第二等級之間的公允價值轉移，且無自第三等級的轉入或轉出(2021年：無)。

Assets for which fair values are disclosed

有披露公允值的資產

Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2022 於2022年12月31日 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二等級) As at 31 December 2021 於2021年12月31日 RMB'000 人民幣千元
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Long-term bank deposits	長期銀行存款	224,626	364,595
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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise interest-bearing bank loans and other borrowings, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are fair value and cash flow interest rate risks, foreign currency risk, credit risk and liquidity risk. Generally, the senior management of the Company meets regularly to analyse and formulate measures to manage the Group's exposure to these risks. In addition, the board of directors of the Company holds meetings regularly to analyse and approve the proposals made by the senior management of the Company. Generally, the Group introduces conservative strategies on its risk management. The Group's accounting policies in relation to derivative financial instruments are set out in note 2.4 above.

(a) Fair value and cash flow interest rate risks

The Group regularly reviews and monitors the fixed interest rate borrowings in order to manage its interest rate risk. The Group's interest-bearing bank loans and short-term deposits are stated at amortised cost and not revalued on a periodic basis. Floating rate interest income is credited to profit as earned.

If there was a general increase/decrease in the interest rates of deposit and financial products with floating interest rates by one percentage point, with all other variables held constant, the consolidated pre-tax profit would have no changes for the year ended 31 December 2022 (2021: nil), with no impact on other components of the consolidated equity, except for retained earnings of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and the Group has applied the exposure to interest rate risk to those financial instruments in existence at those dates. The estimated one percentage point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period.

38. 財務風險管理目標及政策

本集團除衍生工具外的主要金融工具包括計息銀行貸款、現金及現金等價物及已抵押存款。該等金融工具的主要目的乃為本集團運營籌措資金。本集團擁有多種由其運營直接產生的其他金融資產及負債，如貿易應收款項及應收票據及貿易應付款項。

本集團金融工具產生的主要風險為公允價值及現金流量利率風險，外幣風險，信貸風險及流動資金風險。一般而言，本公司高級管理層會定期召開會議分析及制定政策，管理本集團面臨的該等風險。此外，本公司董事會定期召開會議分析及批准本公司高級管理層提呈的建議。一般而言，本集團於其風險管理中採取保守策略。本集團有關衍生金融工具的會計政策載於上文附註2.4。

(a) 公允價值及現金流量利率風險

本集團定期審查並監督固定利率的借款，以管理其利率風險。本集團計息銀行貸款及短期存款按攤銷成本列支，而不會定期重估。浮動利率利息收入按賺取的收入計入損益。

倘按浮動利率計算的存款及理財產品的利率整體加息／減息一個百分點，而所有其他變量不變，則截至2022年12月31日止年度，合併稅前利潤將無變化(2021年無變化)，其對本集團合併權益的其他部分並無影響，惟未分配利潤除外。上述敏感度分析是假設利率變動已於各報告期末發生而釐定，本集團已將面臨的利率風險應用於該等日期存在的金融工具。估計一個百分點的增減是管理層對期內直至下一個報告期末為止利率能合理變動的評估。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Foreign currency risk

The Group is exposed to foreign currency risk primarily on bank deposits, other receivables, trade payables and bank loans of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HKD, USD, NZD and EUR.

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure. During the year, certain currency forward contracts had been entered into by the Group.

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rates to HKD, USD, NZD and EUR with all other variables held constant, of the Group's loss before tax (due to changes in the fair value of monetary assets and liabilities):

		Increase/ (decrease) in RMB exchange rate % 人民幣匯率 上升/(下降)%	Increase/(decrease) in loss before tax 稅前虧損 上升/(下降)	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
If RMB weakens against the USD	倘人民幣兌美元貶值	(5)	4,563	833	
If RMB strengthens against the USD	倘人民幣兌美元升值	5	(4,563)	(833)	
If RMB weakens against the HKD	倘人民幣兌港元貶值	(5)	3,082	693	
If RMB strengthens against the HKD	倘人民幣兌港元升值	5	(3,082)	(693)	
If RMB weakens against the NZD	倘人民幣兌紐元貶值	(5)	(2,749)	101	
If RMB strengthens against the NZD	倘人民幣兌紐元升值	5	2,749	(101)	
If RMB weakens against the EUR	倘人民幣兌歐元貶值	(5)	(1,193)	(826)	
If RMB strengthens against the EUR	倘人民幣兌歐元升值	5	1,193	826	

38. 財務風險管理目標及政策(續)

(b) 外幣風險

本集團的外匯風險主要來自以外幣計價之銀行存款、其他應收款、貿易應付款項以及銀行貸款，即與營運相關交易之功能貨幣以外的貨幣。引致風險之貨幣主要為港幣、美元、紐幣以及歐元。

本集團通過定期審查本集團的淨外匯風險來管理其外匯風險，必要時可簽訂貨幣遠期合約，以管理其外匯敞口。年內，本集團已訂立若干貨幣遠期合約。

下表列示在所有其他變數維持不變的情況下，人民幣與港幣、美元、紐幣、以及歐元的兌換率可能出現的合理變動(因貨幣資產及負債的公允值變動導致)對本集團稅前虧損的影響。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents, bills receivable and derivative financial assets is limited because the counterparties are banks and financial institutions for which the Group considers to have low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 90 to 180 days from the date of billing. Debtors with balances that are more than 12 months past due are requested to settle all outstanding balances before any further credit is granted. Normally, the group does not obtain collateral from customers.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 2 to the financial statements.

38. 財務風險管理目標及政策(續)

(c) 信貸風險

信貸風險指交易對手未能履行其合約義務而使本集團產生財務虧損的風險。本集團的信貸風險主要來自貿易應收款項及應收票據。本集團因現金及現金等價物、應收票據及衍生金融資產而產生的信貸風險敞口有限，因交易對手為本集團認為具有較低信貸風險的銀行及金融機構。考慮到(i)業主的信用評級及(ii)剩餘租期及租金按金所涵蓋的期間，本集團因可退還租賃押金而面臨的信貸風險被認為較低。

貿易應收款

本集團制定了信用風險管理政策，對所有需要一定金額以上信貸的客戶進行個人信用評估。該等評估主要針對客戶過往支付到期款項的記錄以及現時付款能力，並考慮特定於客戶的信息以及與客戶經營的經濟環境有關的信息。貿易應收款項於發票日期起計90日至180日內到期。逾期超過12個月的債務方應在獲得進一步信貸之前結清所有未償餘額。本集團通常並無從客戶取得抵押品。

有關本集團因應收賬款而面臨的信貸風險其他量化數據，披露於財務報表附註2。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

Trade receivables (Continued)

The credit risk of the Group's other financial assets, which comprise time deposits, entrusted loans and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

As at 31 December 2022	於2022年12月31日	12-month	Lifetime ECLs			Total
		ECLs	Simplified			
		12個月預期 信用損失	整個存續期預期信用損失			總計
		Stage 1	Stage 2	Stage 3	approach	
		第一階段	第二階段	第三階段	簡化方法	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade receivables*	貿易應收款*	—	—	—	415,976	415,976
Financial assets included in prepayments, other receivables and other assets	包括預付款項、其他應 收款和其他資產的金 融資產					
— Normal**	— 正常**	5,777	—	—	—	5,777
— Doubtful**	— 存疑**	—	—	—	—	—
Pledged deposits	受限制銀行存款					
— Not yet past due	— 未到期	98,840	—	—	—	98,840
Long-term bank deposits	長期銀行存款					
— Not yet past due	— 未到期	245,124	—	—	—	245,124
Cash and bank balances	現金及銀行結餘					
— Not yet past due	— 未到期	1,791,001	—	—	—	1,791,001
		2,140,742	—	—	415,976	2,556,718

38. 財務風險管理目標及政策(續)

(c) 信貸風險(續)

貿易應收款(續)

本集團其他金融資產(包括定期存款、委託貸款和其他應收款)的信用風險來自交易對手的違約，最大風險敞口等於這些資產的賬面金額。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

38. 財務風險管理目標及政策(續)

(c) Credit risk (Continued)

(c) 信貸風險(續)

Trade receivables (Continued)

貿易應收款(續)

As at 31 December 2021	於2021年12月31日	12-month ECLs	Lifetime ECLs			Total
		12個月預期 信用損失	整個存續期預期信用損失			總計
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡化方法	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade receivables*	貿易應收款*	—	—	—	426,513	426,513
Financial assets included in prepayments, other receivables and other assets	包括預付款項·其他應 收款和其他資產的金 融資產					
— Normal**	— 正常**	7,116	—	—	—	7,116
— Doubtful**	— 存疑**	—	—	—	—	—
Pledged deposits	受限制銀行存款					
— Not yet past due	— 未到期	90,354	—	—	—	90,354
Long-term bank deposits	長期銀行存款					
— Not yet past due	— 未到期	370,558	—	—	—	370,558
Cash and bank balances	現金及銀行結餘					
— Not yet past due	— 未到期	2,125,047	—	—	—	2,125,047
		2,593,075	—	—	426,513	3,019,588

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other interest-bearing loans.

The maturity profile of the Group's financial liabilities as at the reporting period, based on the contractual undiscounted payments, is as follows:

		Within 1 year or on demand 一年內或 按要求 RMB'000 人民幣千元	1 to 2 years 一至兩年 RMB'000 人民幣千元	2 to 5 years 二至五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2022	2022年12月31日				
Derivative financial instruments	衍生金融工具	5,686	—	—	5,686
Lease liabilities	租賃負債	7,587	1,730	1,311	10,628
Interest-bearing bank borrowings	計息銀行借款	479,742	99,000	—	578,742
Trade and bills payables	貿易應付賬款及票據	626,012	812	482	627,306
Other payables and accruals	其他應付款及應計費用	326,736	—	—	326,736
		1,445,763	101,542	1,793	1,549,098
As at 31 December 2021	2021年12月31日				
Derivative financial instruments	衍生金融工具	407	—	—	407
Lease liabilities	租賃負債	6,982	5,601	2,089	14,672
Interest-bearing bank borrowings	計息銀行借款	320,758	—	—	320,758
Trade and bills payables	貿易應付賬款及票據	813,885	—	—	813,885
Other payables and accruals	其他應付款及應計費用	255,060	—	—	255,060
		1,397,092	5,601	2,089	1,404,782

38. 財務風險管理目標及政策(續)

(d) 流動性風險

本集團使用經常性流動資金計劃工具監控資金短缺的風險。該工具考慮其金融工具和金融資產(例如貿易應收賬款)的到期日以及經營活動的預計現金流量。本集團的目標是通過使用銀行透支、銀行貸款和其他計息貸款，在資金連續性和靈活性之間保持平衡。

本集團及本公司金融負債於報告日的到期情況(按合同未折現付款計算)如下：

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2022 (31 December 2021: nil).

The Group uses different measures including an adjusted net debt-to-equity ratio to monitor its capital. Net debt is calculated as interest-bearing bank loans, as shown in the consolidated statement of financial position, less cash and bank deposits. Total capital is calculated as equity holders' funds (i.e., total equity attributable to owners of the parent), as shown in the consolidated statement of financial position. The ratios as at the end of the reporting periods were as follows:

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Interest-bearing bank borrowings (note 30)	計息銀行借款 (附註30)	578,742	320,758
Lease liabilities (note 16)	租賃負債(附註16)	10,182	13,795
Less:	減:		
Cash and cash equivalents (note 26)	現金及現金等價物 (附註26)	1,648,640	1,529,931
Short-term bank deposits	短期銀行存款	142,361	595,116
Long-term bank deposits (note 26)	長期銀行存款 (附註26)	245,124	370,558
Pledged bank deposits (note 26)	受限制銀行存款 (附註26)	98,840	90,354
Net debt	負債淨額	(1,546,041)	(2,251,406)
Total equity attributable to owners of the parent	母公司股權持有人應佔權益總額	5,316,008	5,528,059
Adjusted net debt-to-equity ratio	經調整淨債務權益比率	[29%]	[41%]

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

38. 財務風險管理目標及政策(續)

(e) 資本管理

本集團資本管理的主要目標是保障本集團持續經營及維持健康資本比率的能力，以支持其業務及最大化股東價值。

本集團管理其資本架構，並根據經濟狀況的變化及相關資產的風險特徵作出調整。截至2022年12月31日止年度，資本管理的目標，政策或程序並無變動(2021年12月31日：無)。

本集團使用不同措施，包括經調整淨債務權益比率，以監察其資本。淨債務以合併資產負債表所示的貸款及借款減現金及銀行存款計算得出。總資本以合併資產負債表所示的股權持有人資金(即母公司股權持有人應佔總權益)計算得出。截至報告期末的比率如下：

無論是本公司或其任何子公司概無受限於外部施加的資本要求。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

39. EVENTS AFTER THE REPORTING PERIOD

The disposal of Dumex China as detailed in Note 27 was completed on 2 March 2023 in accordance with the equity transfer agreement. Upon the completion of the disposal, the Company has ceased to hold any interest in Dumex China, and Dumex China has ceased to be a subsidiary of the Company. Since then, the financial results of Dumex China will no longer be consolidated into the consolidated financial statements of the Group.

39. 報告期後事項

本公司於2023年3月2日根據股權轉讓協議完成了附註27中的多美滋中國的處置。處置完成後，本公司不再持有多美滋中國的任何權益，多美滋中國不再是本公司的子公司。自此，多美滋中國的財務業績將不再納入本集團的合併財務報表。

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of reporting period is as follows:

40. 公司財務狀況報表

報表期末本公司的財務狀況信息如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於子公司的權益	5,315,077	5,315,077
Total non-current assets	非流動資產總額	5,315,077	5,315,077
CURRENT ASSETS	流動資產		
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	737,727	257,131
Cash and cash equivalents	現金及現金等價物	2,139	11,798
Total current assets	流動資產總額	739,866	268,929
CURRENT LIABILITIES	流動負債		
Trade payables	貿易應付款	182	1,042
Other payables and accruals	其他應付款項及應計費用	10,836	11,810
Total current liabilities	流動負債總額	11,018	12,852
NET CURRENT ASSETS	流動資產淨額	728,848	256,077
Net ASSETS	資產淨額	6,043,925	5,571,154
EQUITY	權益		
Share capital	股本	399,352	399,352
Reserves	儲備	5,644,573	5,171,802
Total equity	權益總額	6,043,925	5,571,154

40. Statement of financial position of the company (Continued) 40. 公司財務狀況報表(續)

Note:

A summary of the Company's reserves is as follows:

附註:

本公司的儲備變動如下:

		Share premium	Capital redemption reserve	Contributed surplus	Translation reserve	Accumulated losses	Total reserves
		股份溢價	資本回購儲備	實繳盈餘	匯兌儲備	累計虧損	儲備總額
		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
		i	ii	v	iv		
At 1 January 2021	於2021年1月1日的結餘	3,845,616	818	1,449,863	70,617	(41,801)	5,325,113
Total comprehensive income for the year	綜合收益總額	—	—	—	(162,495)	9,184	(153,311)
At 31 December 2021	於2021年12月31日的結餘	3,845,616	818	1,449,863	(91,878)	(32,617)	5,171,802
Total comprehensive income for the year	綜合收益總額	—	—	—	511,591	(38,820)	472,771
At 31 December 2022	於2022年12月31日的結餘	3,845,616	818	1,449,863	419,713	(71,437)	5,644,573

Notes:

(i) Share premium

The excess of the issued price net of any issuance expenses over the par value of the shares issued has been credited to the share premium account of the Company. Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Capital redemption reserve

On 10 June 2011 and 13 June 2011, the Company totally repurchased its own ordinary shares of 10,000,000 at an aggregate price (including transaction fee and commission) of HK\$18,728,000 (equivalent of RMB15,538,000), which was deducted from reserves.

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. An amount equivalent to the par value of the shares cancelled of HK\$1,000,000 (equivalent to RMB818,000) was transferred to the capital redemption reserve. The premium and transaction costs paid on the repurchase and cancellation of the shares of HK\$17,728,000 (equivalent to RMB14,720,000) were charged to reserves.

(iii) PRC statutory reserve

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries in the PRC. Transfers to the reserves were approved by the board of Directors.

附註:

(i) 股份溢價

發行價(扣除任何發行開支)超出已發行股本面值的數額已計入本公司的股份溢價賬。根據開曼群島公司法(經修訂),本公司股份溢價賬的資金可分派予本公司股東,惟緊隨建議分派股息日期後,本公司須有能力償還其於日常業務過程中已到期之債務。

(ii) 資本回購儲備

於2011年6月10日及6月13日,本公司共回購其自身的普通股10,000,000股,總價格(含手續費及佣金)為港幣18,728,000元(相當於人民幣15,538,000元),並已於儲備中扣除。

回購股份已被註銷,而本公司對已發行股本亦已相應減去該等回購股份的面值。註銷股份的面值港幣1,000,000元(等值人民幣818,000元)轉入股份回購儲備中。就回購及註銷股份所支付的溢價及交易成本港幣17,728,000元(等值人民幣14,720,000元)已在儲備中扣除。

(iii) 中國法定儲備

中國法定儲備乃根據相關中國規則及法規以及本公司中國附屬公司的組織章程細則設立。向儲備的轉撥乃經董事會批准。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

合併財務報表附註(續)

Year ended 31 December 2022 截至2022年12月31日止年度

40. Statement of financial position of the company (Continued)

Note: (Continued)

(iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements.

(v) Contributed surplus

As part of the Reorganisation, the shareholders of Yashili (Guangdong) transferred their equity interests in Yashili (Guangdong) to Yashili (HK) on 2 July 2010. A contributed surplus of RMB1,367,204,000 was resulted from these transfers for the purpose of the Group's consolidated financial statements.

In addition, for the purpose of the Company's financial statements, a contributed surplus of RMB1,449,863,000 arose from the issuance of shares by the Company in exchange for the equity interests in the subsidiaries held by the shareholders of these subsidiaries pursuant to the Reorganisation.

(vi) Merger reserve

As part of the Reorganisation, the then shareholders of Yashili (Guangdong) transferred their equity interests in Yashili (Guangdong) to Yashili (HK) on 2 July 2010. A merger reserve of RMB1,367,204,000 was resulted from these transfers for the purposes of the consolidated financial statements.

In 2015, Yashili (Guangdong) (the "acquirer"), a subsidiary of the Group, acquired 100% interest in Oushi Mengniu (the "acquiree"), a subsidiary of China Mengniu Dairy Company Limited, which was accounted for as a business combination under common control, as both the acquirer and acquiree are subsidiaries of China Mengniu Dairy Company Limited. The acquisition also constitutes connected transactions as defined in the Listing Rules. The acquisition was completed on 16 November 2015. The purchase consideration in form of cash amounted to RMB1,050,000,000 has been fully paid as at 31 December 2015.

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2023.

40. 公司財務狀況報表(續)

附註：(續)

(iv) 匯兌儲備

匯兌儲備包括因換算財務報表而產生的所有外匯差額。

(v) 實繳盈餘

於2010年7月2日，作為重組的一部份，雅士利(廣東)當時的股東將其在雅士利(廣東)的權益轉讓於雅士利(香港)。本集團在合併財務報表中因該轉讓產生實繳盈餘人民幣1,367,204,000元。

此外，於本公司財務報表中，因重組本公司發行股票以換取子公司股東在子公司持有的權益產生實繳盈餘人民幣1,449,863,000元。

(vi) 合併儲備

於2020年7月2日，廣東雅士利當時的股東將其在廣東雅士利的權益轉讓於雅士利香港，作為重組的一部分。合併儲備人民幣1,367,204,000元因該轉讓而產生。

於2015年雅士利廣東(「收購方」)，本集團的一家子公司，收購歐世蒙牛(「被收購方」)的100%權益(中國蒙牛乳業有限公司的一家子公司)，因收購雙方均為中國蒙牛乳業有限公司的子公司，該收購構成同一控制企業合併。該交易也構成上市規則所界定的關連交易。該收購於2015年11月16日完成。收購對價為現金人民幣1,050,000,000元，於2015年12月31日已全額付清。

41. 財務報表的核准

董事會已於2023年3月29日批准及授權刊發財務報表。

FIVE-YEAR FINANCIAL SUMMARY 五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

摘自經審核財務報表之本集團過往五個財政年度已公佈之業績、資產及負債概要如下。

The table below sets forth the summary statement of profit or loss information of the Group for the periods indicated:

下表載列本集團於所示期間的損益表概要資料：

RMB million	人民幣百萬元	2018	2019	2020	2021	2022
Revenue	收入	3,011.20	3,412.00	3,649.20	4,434.70	3,738.20
Cost of sales	銷售成本	(1,817.40)	(2,145.20)	(2,315.40)	(2,974.70)	(2,687.90)
Gross profit	毛利	1,193.80	1,266.80	1,333.80	1,460.00	1,050.30
Other revenue	其他收入	91.60	28.90	102.00	59.50	125.20
Selling and distribution expenses	銷售及經銷開支	(1,140.40)	(963.80)	(1,039.10)	(1,146.80)	(1,088.20)
Administrative expenses	行政開支	(208.60)	(223.00)	(186.60)	(239.30)	(233.10)
Impairment losses on financial assets	金融資產減值損失	1.20	(5.80)	(3.80)	(2.70)	(0.20)
Other expenses	其他開支	(69.90)	(84.80)	(151.50)	(275.50)	(83.40)
(Loss)/profit from operations	經營溢利／(虧損)	(132.30)	18.30	54.90	(144.80)	(229.40)
Finance income	財務收入	113.60	94.50	88.50	72.90	50.00
Finance costs	財務成本	(16.10)	(9.80)	(13.70)	(21.20)	(23.50)
Net finance income	淨財務收入	97.50	84.70	74.80	51.70	26.50
(Loss)/profit before income tax	除所得稅前溢利／(虧損)	(34.80)	102.90	129.70	(93.10)	(202.90)
Income tax expense	所得稅開支	87.10	9.40	(28.60)	11.70	(27.80)
Profit/(loss) for the year	年度溢利／(虧損)	52.30	112.40	101.10	(81.40)	(230.70)

FIVE-YEAR FINANCIAL SUMMARY (CONTINUED)

五年財務概要(續)

The table sets forth the summary statement of financial position information as at 31 December 2018, 2019, 2020, 2021 and 2022:

下表載列本集團於2018年、2019年、2020年、2021年及2022年12月31日的資產負債表概要資料：

RMB million	人民幣百萬元	2018	2019	2020	2021	2022
Non-current assets	非流動資產	3,555.60	4,072.80	4,189.20	3,629.90	3,088.50
Current assets	流動資產	4,166.60	3,439.70	3,602.80	3,649.40	3,999.40
Current liabilities	流動負債	2,150.00	1,799.30	2,028.90	1,710.90	1,656.10
Net current assets	流動資產淨額	2,016.60	1,640.40	1,573.90	1,938.50	2,343.30
Total assets less current liabilities	總資產減流動負債	5,572.20	5,713.20	5,763.10	5,568.40	5,431.80
Non-current liabilities	非流動負債	14.40	31.50	40.00	40.30	115.80
Net assets	淨資產	5,557.80	5,681.70	5,723.10	5,528.10	5,316.00



一米八八TM 成长优人一步



高钙

维生素K
维生素D

初乳碱性
蛋白粉

乳铁蛋白

蒙牛儿童奶粉品牌代言人 邓超

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