



中糧
COFCO
自然之源 重塑你我



中期報告
Interim Report
2023

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

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 01610

CONTENTS 目錄

CORPORATE INFORMATION	公司資料	2
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論與分析	4
CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION	企業管治摘要及其他資料	23
REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	簡明綜合財務報表審閱報告	29
CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION:	簡明綜合中期財務資料：	
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	簡明綜合損益及其他全面收益表	31
Condensed Consolidated Statement of Financial Position	簡明綜合財務狀況表	34
Condensed Consolidated Statement of Changes in Equity	簡明綜合權益變動表	36
Condensed Consolidated Statement of Cash Flows	簡明綜合現金流量表	38
Notes to the Condensed Consolidated Financial Statements	簡明綜合財務報表附註	40
GLOSSARY	釋義	74

CORPORATE INFORMATION

公司資料

DIRECTORS

Chairman of the Board and Executive Director

Mr. Jiang Guojin

Non-executive Directors

Mr. Ma Dewei

Dr. Zhao Wei

Mr. Shi Bo

Independent Non-executive Directors

Mr. Fu Tingmei

Mr. Li Michael Hankin

Dr. Ju Jiandong

AUDIT COMMITTEE

Mr. Li Michael Hankin (Chairman)

Mr. Fu Tingmei

Dr. Zhao Wei

NOMINATION COMMITTEE

Mr. Jiang Guojin (Chairman)

Mr. Fu Tingmei

Dr. Ju Jiandong

REMUNERATION COMMITTEE

Mr. Li Michael Hankin (Chairman)

Mr. Jiang Guojin

Dr. Ju Jiandong

FOOD SAFETY COMMITTEE

Mr. Jiang Guojin (Chairman)

Dr. Zhao Wei

JOINT COMPANY SECRETARIES

Dr. Zhang Nan

Ms. Chau Hing Ling

AUDITOR

Baker Tilly Hong Kong Limited

董事

董事會主席兼執行董事

江國金先生

非執行董事

馬德偉先生

趙璋博士

石勃先生

獨立非執行董事

傅廷美先生

李恆健先生

鞠建東博士

審核委員會

李恆健先生(主席)

傅廷美先生

趙璋博士

提名委員會

江國金先生(主席)

傅廷美先生

鞠建東博士

薪酬委員會

李恆健先生(主席)

江國金先生

鞠建東博士

食品安全委員會

江國金先生(主席)

趙璋博士

聯席公司秘書

張楠博士

周慶齡女士

核數師

天職香港會計師事務所有限公司

CORPORATE INFORMATION

公司資料

LEGAL ADVISER

Clifford Chance (*as to Hong Kong law*)

PRINCIPAL BANKS

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

AUTHORISED REPRESENTATIVES

Mr. Jiang Guojin
Ms. Chau Hing Ling

SHARE REGISTRAR AND TRANSFER OFFICE

Principal

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

Hong Kong Branch

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

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

HEAD OFFICE IN THE PRC

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

COMPANY WEBSITE

www.cofcojoycome.com

法律顧問

高偉紳律師行 (有關香港法律)

主要往來銀行

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

授權代表

江國金先生
周慶齡女士

股份過戶登記處

總處

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

香港分處

卓佳證券登記有限公司
香港夏愨道16號
遠東金融中心17樓

註冊辦事處

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

香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈33樓

中國總部

中國
北京市朝陽區
朝陽門南大街8號
中糧福臨門大廈

公司網站

www.cofcojoycome.com

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

I. COMPANY PROFILE

Company Introduction

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

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

Segments Introduction

Hog Production

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

Fresh Pork

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

一、公司概況

公司簡介

本公司為中糧集團有限公司旗下的肉類業務平台，並於二零一六年十一月一日在香港聯合交易所有限公司主板上市（股票代號：1610）。

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

分部業務簡介

生豬養殖

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

生鮮豬肉

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Processed Meat Products

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

Meat Import

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

II. MARKET OVERVIEW

Sufficient hog supply with lower-than-expected demands in China causing hog price to remain low

According to the data from the National Bureau of Statistics, hog production volume in China amounted to 380 million heads in the first half of 2023, representing a year-on-year growth of 2.6%; pork output was 30.32 million tons, representing a year-on-year increase of 3.2%.

Given the abundant supply of pork backed by high production capacity in China, coupled with the effects of the traditional low season for pork consumption after the Chinese New Year, hog price continued its downward trend during the first half of 2023. The average hog price in 22 provinces in China dropped to RMB13.95/kg at the end of June, representing a decrease of 24% as compared to the end of last year. Overall, losses were incurred across the industry.

As hog price remained low, the stock of breeding sows recorded a month-on-month decrease for four consecutive months since the beginning of 2023. According to the National Bureau of Statistics, the stock of breeding sows in China amounted to 42.96 million heads at the end of June, increased by 0.5% year-on-year and reached 105% of the control target for normal production capacity.

肉製品

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

肉類進口

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

二、市場概覽

全國生豬供給充裕，需求不及預期，生豬價格持續低迷

根據國家統計局數據，二零二三年上半年全國生豬出欄量3.8億頭，同比增長2.6%；豬肉產量3,032萬噸，同比增長3.2%。

由於國內產能充裕，豬肉供應充足，疊加春節後進入傳統豬肉消費淡季，二零二三年上半年生豬價格延續回落態勢，六月底全國22省市生豬均價降至人民幣13.95元/公斤，較上年末下跌24%，行業普遍虧損。

豬價低迷形勢下，二零二三年年初至今能繁母豬存欄量連續四個月環比下降，截至六月底，國家統計局公佈全國能繁母豬存欄量4,296萬頭，同比增長0.5%，相當於正常產能調控目標的105%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Relaxation of pandemic control policies boosting the recovery of domestic catering consumption

With the relaxation of pandemic restrictions and the boosting effects of holiday weekends, dine-out consumption increased significantly in China. In the first half of 2023, total retail sales of consumer goods in China grew by 8.2% year-on-year, of which catering revenue rose by 21.4% year-on-year.

Food safety gaining more attention

The COVID-19 pandemic raised public awareness of food safety and convenience. With its strengths in quality, standardization, hygiene and convenience, responding to the channel development and meeting the market demand, the branded small-packed fresh pork products of the Company thereby gained higher brand recognition and consumer loyalty.

Year-on-year rally in meat imports

Driven by the gradual recovery of market demand, the import volume of meat registered a year-on-year rebound in 2023. In the first half of 2023, China's pork imports (excluding by-products) amounted to 0.94 million tons, representing a year-on-year increase of 16.5% and accounting for 3.1% of domestic pork production. Meanwhile, beef imports (excluding by-products) amounted to 1.23 million tons, representing a year-on-year growth of 6.8% and accounting for 39.0% of domestic beef production.

疫情政策放鬆，國內餐飲消費回暖

隨着疫情政策放鬆，疊加小長假提振效應，國內居民外出餐飲消費顯著增長，二零二三年上半年，國內社會消費品零售總額累計同比增長8.2%，其中餐飲收入同比增長21.4%。

食品安全重視程度提升

新冠疫情推升民眾對食品安全性和便利性的重視程度，本公司的品牌盒裝豬肉憑藉其高品質、標準化、衛生便捷等優勢，順應渠道發展，滿足市場需求，獲得更高的品牌認可度和消費者忠誠度。

肉類進口量同比回升

市場需求逐步恢復，二零二三年以來肉類進口量同比回升：二零二三年上半年，全國豬肉進口量（不含副產品）94萬噸，同比增長16.5%，佔全國豬肉產量的3.1%；同期牛肉進口量（不含副產品）123萬噸，同比增長6.8%，佔全國牛肉產量的39.0%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

III. RESULTS OF OPERATION

In view of the sustained low hog price in the first half of 2023, the Company focused on production management, strengthened internal synergy, enhanced operating efficiency and promoted the steady development of all businesses. As the capacity utilization rate of the hog production business further increased, the Company adopted a reasonable operational strategy that combined futures and spot commodities to mitigate the adverse effects of the downturn in the spot market. The Company optimized the fresh pork business team internally and put efforts into brand promotion externally, which led to a year-on-year growth of 13.0% in segment sales during the reporting period. Meanwhile, the processed meat product business and the meat import business created stronger internal synergy. On the basis of stringent risk prevention and control, the Company leveraged its advantage in imported raw materials, intensified the "integration of trading and processing", and enriched the product portfolio, thereby promoting customer stickiness in the catering industry. In addition, benefitting from the fresh product channels, it actively expanded the retail business of the processed meat products.

During the reporting period, the Company reported a total net profit of RMB168 million before biological assets fair value adjustments, which grew by RMB1,568 million as compared with the same period last year.

Hog production business

Actively responded to market downturns by combining futures and spot commodities of the hog production business

In the first half of 2023, the Company's hog production volume grew by 7.9% year-on-year to 2,447 thousand heads, which reflected the continuous increase in capacity utilization rate. In the face of the market downturn, the Company remained committing to refined management for spot commodities. It strengthened the benchmarking among farms and narrowed the gap between internal breeding results. It also optimized the management team and implemented precise incentive to fully boost the enthusiasm and sense of responsibility of employees. Furthermore, it continued to improve the feed formula and explored feeding restriction and compensatory growth technology, while expanding the trial gradually. In respect of futures, the Company reasonably applied strategies to hedge price fluctuation through futures contracts, so as to minimize risks.

三、經營業績

二零二三年上半年，生豬價格持續低迷，本公司聚焦生產管理，強化內部協同，提升經營效率，推進各項業務穩健發展：生豬養殖業務產能利用率進一步提高，本公司合理運用期現結合經營策略，對沖現貨行情低迷帶來的不利影響；本公司生鮮豬肉業務對內優化經營團隊，向外發力品牌推廣，報告期內分部銷量同比增長13.0%；肉製品業務與進口業務深化內部協同，基於嚴格風險防控，本公司發揮進口原料優勢，加強工貿結合，豐富產品品類，餐飲客戶黏性增強，並依託生鮮渠道，積極發展零售業務。

報告期內，本公司整體生物資產公允價值調整前的淨利潤人民幣1.68億元，較上年同期增長人民幣15.68億元。

生豬養殖業務

積極應對低迷行情，養殖業務期現結合

二零二三年上半年，本公司生豬出欄量244.7萬頭，同比增長7.9%，產能利用率繼續提升。面對低迷行情，現貨方面，本公司堅持精細化管理：強化場區間對標，縮小內部養殖成績差距；優化管理團隊，落實精準激勵，充分調動員工的積極性和責任心；持續優化飼料配方，探索限飼補償技術，逐步推廣試驗範圍。期貨方面，本公司合理採取套期保值策略，平滑風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Comprehensive upgrade of breeding system and faster rotation of breeding herd

In March 2023, the Company preliminarily established the standard genome-based breeding process, which formed a closed-loop system of genotyping data collection, analysis, selection and breeding for faster optimization of herd performance. It also expedited the rotation of the breeding herd and increased the share of high-performing breeding hogs gradually. As of the end of June, the Company's stock of breeding and replacement hogs amounted to 326 thousand heads, which helped to safeguard subsequent production.

Fulfilling the responsibilities as a state-owned enterprise and supporting green agriculture

On top of the existed technology for biogas projects and wastewater treatment, the Company developed the recycling technology to "reduce burden and return to farm". It has been stepping up the promotion of the ecological cycle that combines farming and breeding. It actively explored diversified ways to build a green recycling agricultural industry chain, such as growing alfalfa crops in farmlands.

Fresh pork business

Better upstream-downstream alignment and rapid market expansion in South China

After the two slaughtering and processing bases in Jilin and Inner Mongolia were put into production, the upstream-downstream alignment improved significantly in North and Northeast China. During the reporting period, the proportion of internal procurement of hogs continued to increase for the fresh pork segment. The commencement of operation of the cutting center in Guangdong allowed the Company to respond faster to the local market and supported its business expansion in South China. The sales of small-packed fresh pork products reached 1.985 million boxes in South China during the reporting period.

育種體系全面升級，種群輪換加速推進

二零二三年三月，本公司基因組標準化育種流程初步建立，形成從基因分型數據採集、分析到選種、育種的閉環體系，有利於更快實現種群性能優化；並加快推進種群輪換，逐步提升高性能種豬佔比。截至六月底，本公司能繁及後備種豬存欄32.6萬頭，為後續出欄提供保障。

踐行央企責任，助力綠色農業

本公司在傳統沼氣工程和廢水處理工藝的基礎上開發了「減負還田」資源化處理技術，持續加大種養結合生態循環模式的推廣力度，積極探索紫花苜蓿作物種植等多元化還田模式，打造綠色循環農業產業鏈。

生鮮豬肉業務

上下游匹配度提升，華南市場快速發展

隨着吉林、內蒙古兩座屠宰加工基地投產，華北、東北區域上下游匹配度大幅提升，報告期內，生鮮豬肉分部生豬內採比例繼續提高；廣東分割中心的投產加快本公司當地市場響應速度，支持華南區域業務擴張，報告期內華南市場小包裝銷量198.5萬盒。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Steady growth in sales of fresh pork driven by operating team optimization and brand channel streamlining

During the reporting period, the Company put substantial efforts into optimizing the business operating team and streamlining channel operation models. It adopted a systematic approach to enhance service support ability and continued to explore high-quality end customers. In the first half of 2023, the Company's sales volume of fresh pork reached 123 thousand tons, representing an increase of 13.0% year-on-year.

Due to the improving pandemic situation, the rapid recovery of the catering channels had a certain impact on household pork consumption. During the reporting period, the sales of branded small-packed fresh pork of the Company amounted to 20.942 million boxes.

Expanding brand influence of "Joycome" through optimizing product position

In 2023, the Company continued to respond to the consumption trend with more convenient small-packed products, diversified product offerings and a wider range of sales channels. It integrated online and offline marketing campaigns to reinforce the brand image that customers would "love at first bite", while focusing on building a high-end brand that was associated with a "healthier life and good fat". As a "Sports-Training Bureau National Team Preparation Protection Product" authorized by the General Administration of Sport of China Training Bureau, the Company became the official meat supplier of the "2023 Beijing Half Marathon" during the reporting period, which connected "Joycome" closer to the sports market. The Company also promoted its high-end brand image through collaborations with renowned brands such as Tong Ren Tang and Fissler. With a focus on the family market, the Company sponsored and titled a youth golf tournament, and precisely delivered the healthy brand image to mothers, so as to achieve more accurate marketing reach and build a reputation among the target group. Meanwhile, the Company upgraded some of its stores to linseed-fed pork exclusive stores and increased the market share of linseed-fed pork products, which helped further expanded the brand influence.

優化經營團隊，梳理品牌渠道，生鮮豬肉銷量穩步增長

報告期內，本公司大力優化業務經營團隊，梳理渠道運營模式，系統提升服務保障能力，持續開拓優質終端客戶。二零二三年上半年，本公司生鮮豬肉銷量12.3萬噸，同比提升13.0%。

由於疫情形勢好轉，餐飲渠道的快速恢復對居家豬肉消費產生一定影響；報告期內，本公司品牌盒裝豬肉銷量2,094.2萬盒。

優化產品定位，「家佳康」品牌影響力持續擴大

二零二三年，本公司繼續順應消費趨勢，提升小包裝產品便利性，豐富產品品類，拓展銷售渠道；同時，整合線上線下品牌營銷，夯實品牌「一口就愛上」屬性，聚焦打造高端化「優脂更健康」。作為國家體育總局訓練局授權的「體育·訓練局國家隊運動員備戰保障產品」，報告期內，本公司成為「2023北京半程馬拉松」官方指定肉品，強化家佳康體育基因；此外，聯合「同仁堂」「菲仕樂」等知名品牌，借勢傳播品牌高端形象；並針對親子家庭佈局青少年高爾夫賽事，錨定寶媽群體精準傳遞健康品質，提升客群觸達精準度，積累圈層用戶口碑；同時，本公司將部份門店升級為亞麻籽專營店，提升亞麻籽豬肉產品鋪市率，品牌影響力進一步擴大。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Meat import business

Strengthening market analysis and promoting internal synergy to generate segment profit

In the first half of 2023, domestic catering consumption rebounded and beef demand recovered. The Company accurately predicted the procurement trend and accelerated inventory turnover. In the meantime, it enhanced the synergy with the processed meat product business to better serve customers and increase the stickiness of catering clients, which resulted in a year-on-year growth in sales volume of imported beef. As the prices of imported frozen pork products remained inverted, the Company took the initiative to reduce the pork import volume, while focused on pork by-products and fully implemented order locking.

During the reporting period, the segment profit of the import business reached RMB23.52 million.

肉類進口業務

加強行情研判，深化內部協同，分部實現盈利

二零二三年上半年，隨着國內餐飲消費回暖，牛肉需求量回升，本公司準確研判採購行情，加快庫存周轉，並與肉製品業務深化協同，提升客戶服務能力，增強餐飲客戶黏性，進口牛肉銷量同比增長；由於進口豬肉凍品價格繼續倒掛，本公司主動減少豬肉進口量，以豬副產品經營為主，全面實行鎖單採購。

報告期內，進口業務分部盈利人民幣2,352萬元。

IV. FINANCIAL REVIEW

Overall Performance

In the first half of 2023, the revenue of the Group was RMB5,818 million, representing an increase of RMB474 million as compared with RMB5,345 million for the same period in 2022. Prior to biological assets fair value adjustments, the net profit of the Group was a profit of RMB168 million, while the net loss for the same period in 2022 was RMB1,399 million.

Revenue

In the first half of 2023, the revenue of the Group was RMB5,818 million, representing an increase of 8.9% as compared with RMB5,345 million for the same period in 2022, mainly attributable to a year-on-year increase of 14.3% in revenue from the hog production business which benefited from the year-on-year growth in the hog production volume and the selling price of hogs, and a year-on-year increase of 15.6% in revenue from the fresh pork business as a result of the optimization of its operating team and the efforts in brand promotion.

四、財務回顧

整體業績

二零二三年上半年，本集團營業收入為人民幣58.18億元，較二零二二年同期人民幣53.45億元增加人民幣4.74億元。在生物資產公允價值調整前，本集團淨利潤為盈利人民幣1.68億元，二零二二年同期淨虧損人民幣13.99億元。

收入

二零二三年上半年，本集團營業收入為人民幣58.18億元，較二零二二年同期人民幣53.45億元增長8.9%，主要由於，養殖業務受益於出欄量及生豬銷價同比上升，營業收入同比增長14.3%；生鮮豬肉業務優化經營團隊，發力品牌推廣，營業收入同比增長15.6%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Gross Profit Margin

In the first half of 2023, the gross profit margin before biological assets fair value adjustments of the Group was 6.5%, representing a year-on-year increase of 23.4 percentage points, mainly attributable to the year-on-year increase in average selling price of finishing hogs of 7.8%. At the same time, the improvement of production efficiency to control costs through refined management and the adoption of a reasonable operational strategy that combined futures and spot commodities resulted in a better performance of gross profit margin as compared with the corresponding period.

Selling and Distribution Expenses/Administrative Expenses

In the first half of 2023, the total selling and distribution expenses and administrative expenses of the Group amounted to RMB409 million, representing an increase of RMB46.57 million as compared with RMB363 million for the same period last year, mainly due to the rise in selling expenses as a result of the year-on-year increase in fresh pork sales volume.

Finance Costs

In the first half of 2023, the Group's finance costs amounted to RMB71 million, representing a decrease of RMB6.60 million as compared with RMB78 million in the same period of 2022, mainly due to the accelerated cash turnover and reduction of borrowing balances, hence resulting in a decrease in finance costs.

Other Income, Other Gains and Losses

In the first half of 2023, the Group's other income, other gains and losses amounted to a total gain of RMB270 million, representing an increase of RMB238 million as compared with that of the same period in 2022. It was mainly attributable to an exchange gain of RMB136 million for the current period as compared with an exchange loss for the same period last year.

Profit/(Loss) for the Period

For the reasons above, the Group recorded a profit of RMB168 million before biological assets fair value adjustments during the first half of 2023, as compared with the loss of RMB1,399 million before biological assets fair value adjustments in the same period in 2022.

毛利率

二零二三年上半年，本集團毛利率在生物資產公允價值調整前為6.5%，同比上升23.4個百分點，主要為商品大豬銷售均價同比上漲7.8%，同時精進管理提升養殖效率控制成本，合理運用期現結合經營策略，導致毛利率表現優於同期。

銷售及分銷支出／行政支出

二零二三年上半年，本集團銷售及分銷支出、行政支出合計為人民幣4.09億元，較去年同期人民幣3.63億元增加人民幣4,657萬元，主要為生鮮豬肉銷量同比上升帶來銷售費用增加。

融資成本

二零二三年上半年，本集團融資成本為人民幣0.71億元，較二零二二年同期人民幣0.78億元下降人民幣660萬元，主要為加快現金周轉，降低借款餘額，融資成本有所減少。

其他收入、其他收益及虧損

二零二三年上半年，本集團其他收入、其他收益及虧損合計為收益人民幣2.70億元，較二零二二年同期增加人民幣2.38億元，主要是本期匯兌收益人民幣1.36億元，去年同期為匯兌損失。

期內溢利／(虧損)

基於上述各項原因，本集團於二零二三年上半年錄得生物資產公允價值調整前盈利人民幣1.68億元，二零二二年同期生物資產公允價值調整前虧損人民幣13.99億元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Significant Investments and Significant Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this interim report, the Group had neither any other significant investments nor significant acquisitions and disposals of the relevant subsidiaries, associates and joint ventures during the first half of 2023.

Future Plans for Material Investments or Acquisition of Capital Assets

As at June 30, 2023 and up to the date of this interim report, the Group does not have detailed future plans for material investments or acquisition of capital assets.

Analysis on Capital Resources

Liquidity and Financial Policy

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

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

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

持有的重大投資、附屬公司、聯營公司及合營企業的重大收購及出售

除本中期報告所披露者外，本集團於二零二三年上半年概無持有其他重大投資或有關附屬公司、聯營公司及合營企業的重大收購及出售。

重大投資或購入資本資產的未來計劃

於二零二三年六月三十日及至本中期報告日期，本集團並無有關重大投資或購入資本資產的詳細未來計劃。

資本資源分析

流動性及財務政策

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at June 30, 2023, the cash and bank balances owned by the Group amounted to approximately RMB511 million (December 31, 2022: approximately RMB1,040 million). The decrease in cash and bank balances was mainly attributable to the Company's accelerated cash turnover efficiency and appropriate reduction in cash position.

As at June 30, 2023, our current ratio was 0.85 (December 31, 2022: 0.80). As at June 30, 2023, our unused bank credit facilities were RMB14,232 million.

EBITDA and Cash Flow

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

In the first half of 2023, the EBITDA of the Group (before biological assets fair value adjustments)¹ was RMB677 million (same period in 2022: RMB-843 million). The EBITDA of the Group (after biological assets fair value adjustments)² was RMB-101 million (same period in 2022: RMB-21 million).

Notes:

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

於二零二三年六月三十日，本集團擁有現金及銀行結餘約為人民幣5.11億元（二零二二年十二月三十一日：約人民幣10.40億元），現金及銀行結餘減少主要為本公司加快現金周轉效率，適當減少現金頭寸。

我們於二零二三年六月三十日的流動比率為0.85（二零二二年十二月三十一日：0.80）。於二零二三年六月三十日，我們未動用銀行融資額度為人民幣142.32億元。

EBITDA及現金流量

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

二零二三年上半年，本集團EBITDA（生物資產公允價值調整前）¹為人民幣6.77億元（二零二二年同期：人民幣-8.43億元）。本集團EBITDA（生物資產公允價值調整後）²為人民幣-1.01億元（二零二二年同期：人民幣-0.21億元）。

註：

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In the first half of 2023, cash generated from our operating activities was RMB977 million (used during the same period in 2022: RMB1,145 million). Cash used in our investment activities was RMB335 million (used during the same period in 2022: RMB403 million), including RMB418 million for the purchase of property, plant and equipment (same period in 2022: RMB411 million). Cash used in our financing activities was RMB1,193 million (generated during the same period in 2022: RMB1,503 million). The effect of foreign exchange rate changes was a gain of RMB22 million. In summary, in the first half of 2023, our net decrease in cash and bank balances was RMB529 million.

Capital Structure

As at March 24, 2023, the Company allotted and issued 680,000,000 subscription shares to COFCO (Hong Kong) Limited. As at June 30, 2023, the total number of issued shares of the Company was 4,581,998,323 shares.

As at June 30, 2023, the Group had interest-bearing bank loans of approximately RMB4,539 million (December 31, 2022: approximately RMB5,998 million). The annual interest rate on bank loans ranged from 1.90% to 4.00% (December 31, 2022: from 0.91% to 5.14%). Most of the bank loans were based on fixed interest rates.

二零二三年上半年，我們的經營活動所得現金為人民幣9.77億元（二零二二年同期：所用人民幣11.45億元）。我們的投資活動所用現金為人民幣3.35億元（二零二二年同期：所用人民幣4.03億元），包括購買物業、廠房及設備人民幣4.18億元（二零二二年同期：人民幣4.11億元）。我們的融資活動所用現金為人民幣11.93億元（二零二二年同期：所得人民幣15.03億元）。我們的外匯匯率變動的影響為收益人民幣0.22億元。總括而言，我們二零二三年上半年的現金及銀行結餘減少淨額為人民幣5.29億元。

資本結構

於二零二三年三月二十四日，本公司向中糧集團（香港）有限公司配發及發行680,000,000股認購股份。於二零二三年六月三十日，本公司之已發行股份總數為4,581,998,323股股份。

於二零二三年六月三十日，本集團有計息銀行借貸約人民幣45.39億元（二零二二年十二月三十一日：約人民幣59.98億元）。銀行借貸按年利率介乎1.90%至4.00%（二零二二年十二月三十一日：介乎0.91%至5.14%）計息。大部分銀行借貸按固定利率計息。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

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

計息銀行借貸的到期詳情分析如下：

		June 30, 2023 二零二三年 六月三十日	December 31, 2022 二零二二年 十二月三十一日
<i>Unit: RMB in million</i>	<i>單位：人民幣百萬元</i>		
Within 1 year	一年以內	4,446	5,852
1 to 2 years	一年至兩年	30	58
3 to 5 years	三年至五年	63	88
Total	總計	4,539	5,998

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

固定利率借款和浮動利率借款詳情分析如下：

		June 30, 2023 二零二三年 六月三十日	December 31, 2022 二零二二年 十二月三十一日
<i>Unit: RMB in million</i>	<i>單位：人民幣百萬元</i>		
Fixed-rate borrowings	固定利率借款	3,870	4,408
Variable-rate borrowings	浮動利率借款	669	1,590
Total	總計	4,539	5,998

As at June 30, 2023, the Group had loans from related parties of approximately RMB104 million (December 31, 2022: approximately RMB1,103 million).

於二零二三年六月三十日，本集團有來自關聯方的貸款約人民幣1.04億元（二零二二年十二月三十一日：約人民幣11.03億元）。

As at June 30, 2023, the Group had net assets of approximately RMB8,974 million (December 31, 2022: approximately RMB8,263 million). Net debts³ of the Group amounted to approximately RMB4,132 million (December 31, 2022: approximately RMB6,060 million), while the net debt-to-equity ratio was approximately 46.1% (December 31, 2022: approximately 73.3%). As at June 30, 2023, our liability to asset ratio (calculated by dividing the total liabilities by the total assets of the Group) was approximately 45.2% (December 31, 2022: approximately 55.1%).

於二零二三年六月三十日，本集團淨資產約為人民幣89.74億元（二零二二年十二月三十一日：約人民幣82.63億元），本集團淨債務³約為人民幣41.32億元（二零二二年十二月三十一日：約人民幣60.60億元）及淨債務對權益比率約為46.1%（二零二二年十二月三十一日：約73.3%）。我們於二零二三年六月三十日的資產負債率（資產負債率按本集團負債總額除以總資產計算）約為45.2%（二零二二年十二月三十一日：約55.1%）。

Note:

註：

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

3. 本集團淨債務指計息銀行借貸及來自關聯方的貸款減現金及銀行結餘。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Contingent Liabilities and Pledge of Assets

As at June 30, 2023 and December 31, 2022, the Group had no significant contingent liabilities.

As at June 30, 2023 and December 31, 2022, the Group had no bank loans pledged by buildings, land use rights and time deposits of the Group.

Capital Expenditure

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

In the first half of 2023, the Group's capital expenditure was RMB419 million (same period in 2022: RMB411 million). The following table sets forth our capital expenditure for the years indicated:

		Six months ended June 30, 截至六月三十日止六個月	
		2023	2022
Unit: RMB in million	單位：人民幣百萬元	二零二三年	二零二二年
Payments for property, plant and equipment	就物業廠房及設施的付款	418	411
Payments for intangible assets	就無形資產的付款	1	-
Total	合計	419	411

As of the first half of 2023, our capital expenditure was mainly used for the construction of hog farms in the Inner Mongolia Autonomous Region, Henan Province and Jilin Province.

Capital Commitment

Capital commitment of the Group is mainly related to the construction of hog farms and other production and ancillary facilities. As at June 30, 2023, capital commitment of the Group was RMB219 million (December 31, 2022: RMB525 million).

或有負債及資產抵押

於二零二三年六月三十日及二零二二年十二月三十一日，本集團並無任何重大或有負債。

於二零二三年六月三十日及二零二二年十二月三十一日，本集團並無銀行借貸以本集團樓宇、土地使用權和定期存款作抵押。

資本開支

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

二零二三年上半年，本集團的資本開支為人民幣4.19億元（二零二二年同期：人民幣4.11億元）。下表載列所示年度我們的資本開支：

截至二零二三年上半年，我們的資本開支主要用於內蒙古自治區、河南省、吉林省養殖場的建設。

資本承擔

本集團資本承擔主要與建造生豬養殖場以及其他生產及配套設施相關。二零二三年六月三十日，本集團的資本承擔為人民幣2.19億元（二零二二年十二月三十一日：人民幣5.25億元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Biological Assets

Biological assets of the Group primarily consist of commodity pigs at different growth stages and breeding hogs used to give birth to animals in the future. As at June 30, 2023, we owned 326 thousand heads of breeding and replacement hogs in total, representing a decrease of 1.1% as compared with 330 thousand heads as at December 31, 2022. The fair value of our biological assets was RMB2,361 million as at June 30, 2023 and RMB3,063 million as at December 31, 2022. Our results have been and are expected to be affected by changes in fair value of biological assets.

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

During the first half of 2023 and the same period in 2022, such adjustments have resulted in a decrease of RMB227 million and a decrease of RMB317 million in cost of sales, respectively. Additionally, losses arising from fair value less cost of sales of agricultural products at the point of harvest amounted to RMB359 million (the same period in 2022: gains of RMB227 million); losses arising from changes in fair value of biological assets less cost of sales amounted to RMB521 million (the same period in 2022: gains of RMB386 million). In general, the net effect of adjustment in fair value of biological assets on profit was losses of RMB654 million during the current period and gains of RMB930 million during the same period in 2022.

V. HUMAN RESOURCES

The continuing operations of the Group hired 10,029 employees as at June 30, 2023 (June 30, 2022: 9,490 employees). Remuneration for employees was determined according to their job nature, personal performance and the market trends. For the six months ended June 30, 2023, total remuneration of the Group amounted to approximately RMB671 million (the same period in 2022: RMB621 million).

生物資產

本集團生物資產主要包括不同成長階段的商品豬及日後用作生產動物的種豬。於二零二三年六月三十日，我們共擁有能繁及後備種豬合計326千頭，較二零二二年十二月三十一日的330千頭減少1.1%。我們生物資產的公允價值於二零二三年六月三十日為人民幣23.61億元，而於二零二二年十二月三十一日則為人民幣30.63億元。我們的業績一直且預期將繼續受生物資產公允價值變動所影響。

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

二零二三年上半年及二零二二年同期，該等調整令我們的銷售成本分別減少人民幣2.27億元及減少人民幣3.17億元。此外，農產品收獲時的公允價值減銷售成本產生的虧損為人民幣3.59億元（二零二二年同期：收益人民幣2.27億元）；生物資產公允價值變動減銷售成本產生的虧損為人民幣5.21億元（二零二二年同期：收益人民幣3.86億元）。整體而言，當期生物資產公允價值調整對利潤的影響淨額為虧損人民幣6.54億元，二零二二年同期為收益人民幣9.30億元。

五、人力資源

本集團持續經營業務於二零二三年六月三十日僱用10,029名員工（二零二二年六月三十日：9,490名員工）。僱員的薪酬按工作性質、個人表現及市場趨勢而定。截至二零二三年六月三十日止六個月，本集團的薪酬總額約為人民幣6.71億元（二零二二年同期：人民幣6.21億元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

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

VI. SIGNIFICANT RISKS AND UNCERTAINTIES

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

Epidemic Risks

The major threat to the development of animal husbandry is epidemic risks. The common epidemic with significant impact in hog production mainly includes African swine fever, blue ear disease, classical swine fever, porcine epidemic diarrhea, porcine pseudorabies, porcine circovirus, etc. The impacts brought by epidemic risks include: First, the outbreak of epidemic diseases may lead to hog mortalities, resulting in a decrease in the stock of hogs and hog production volume and causing direct economic losses. Second, the outbreak of epidemic may inhibit hogs' growth, reduce the production efficiency, and increase feed and veterinary drug consumption, all of which will result in higher operating costs. Third, the epidemic may lead to phased reduction of production in hog farms, resulting in lower efficiency, higher operating costs, reduced salary of employees and increased workload, which may cause high turnover rate of employees and affect the subsequent production efficiency. Fourth, the large-scale outbreak and spread of epidemic diseases may lead to the spread of the pathogen and thus may affect the water and soil and threaten the safety of animals in the surrounding areas, causing a panic among some consumers and thus lowering the total demand for related products, which adversely affects the sales of hogs.

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

六、重大風險及不確定性

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

疫病風險

疫病風險是畜牧行業發展中面臨的主要風險。生豬養殖過程中常見且影響較大的疫病主要有非洲豬瘟、豬藍耳病、豬瘟、豬流行性腹瀉、豬偽狂犬病、豬圓環病毒病等。疫病風險發生後的影響包括：一是疫病的發生可能導致生豬死亡，致使生豬存欄量、出欄量的降低，造成直接經濟損失；二是疫病的發生可能導致豬群生長速度降低，生產效率降低，飼料、獸藥消耗投入增加，經營成本提高；三是疫情可能導致豬場階段性減產，致使效益降低、經營成本上升、員工收入減少、工作量增加，可能導致人員波動，影響後續生產效益；四是疫病的大規模發生與流行，可能會造成病原擴散，威脅水源土壤以及周邊動物安全，導致部份消費者心理恐慌，降低相關產品的總需求量，對生豬銷售帶來不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

To solve epidemic risks, the Group has formulated regulations such as the Procedure for Biosecurity Control 《生物安全控制程序》, the Procedure for Hogs Introduction Control 《引種控制程序》, the Quality Standard of Breeding Hogs 《種豬質量標準》, the Contingency Plan for Major Animal Disease 《重大動物疫情應急預案》, the Operation Manual of Swine Diseases Prevention and Control in Hog Farms 《養殖場豬病防控操作手冊》, the Prevention and Emergency Response Plan for African Swine Fever 《非洲豬瘟預防及應急處置方案》, the Disease Prevention, Control and Monitoring and Specimen Collection for Virus Testing Plan 《疾病防控監測及病料採樣檢測計劃》, the Standard Operating Procedure for Immunization in Hog Farms 《養殖場免疫接種標準操作程序》, Standards of Hogs Being Sold 《出欄豬標準》, Inspection and Management System for Hog Production 《生豬出欄檢驗管理制度》, Management System for Innocuous Treatment of Sick and Dead Hogs and Medical Waste 《病死豬及醫療廢物無害化處理管理制度》 and Water Sanitation Management System for Hog Farms 《養殖場用水衛生管理制度》, which are optimized and updated annually. The Group has strengthened the management and control over various key aspects such as introduction of breeding hogs as well as hog farming and production to reinforce the prevention and control measures regarding imports, processes and exports, at the same time constantly optimizing the biosecurity control measures, so as to enhance its capability in preventing and curbing major animal diseases such as African swine fever.

Price Risks

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

對於疫病風險，本集團制定了《生物安全控制程序》、《引種控制程序》、《種豬質量標準》、《重大動物疫情應急預案》、《養殖場豬病防控操作手冊》、《非洲豬瘟預防及應急處置方案》、《疾病防控監測及病料採樣檢測計劃》、《養殖場免疫接種標準操作程序》、《出欄豬標準》、《生豬出欄檢驗管理制度》、《病死豬及醫療廢物無害化處理管理制度》、《養殖場用水衛生管理制度》等制度並年度優化更新，加強種豬引入、生豬養殖、出欄等關鍵環節管控，防輸入，管過程，控輸出，不斷優化生物安全控制措施，提升非洲豬瘟等重大動物疫病防控能力。

價格風險

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Food Safety Risks

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

Safe Production Risks

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

食品安全風險

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

安全生產風險

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Environmental Protection Risks

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

VII. OUTLOOK

In the first half of 2023, the domestic economy gradually emerged and recovered from the pandemic. However, there are still uncertainties in the external environment and it still needs time for consumption to fully improve. In the second half of the year, the Company will maintain strategic stability and put efforts into the following tasks:

Firstly, we will seek to attain the production capacity goal for the “14th Five-Year Plan” and accelerate the expansion of core businesses.

Secondly, we will incorporate the prevention and control of African swine fever into routine practices, further improve the level of refined management, narrow the gap of efficiency between farms, and consolidate our core competitive advantages.

Thirdly, we will optimize the futures hedging strategies in a dynamic manner and achieve the organic combination of futures and spot commodities.

環保風險

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

七、展望

二零二三年上半年，疫情陰霾逐步消散，國內經濟運行逐步恢復，但外部環境仍存在不確定性，消費全面好轉仍需時日；下半年，本公司將繼續保持戰略定力，做好以下工作：

第一，錨定「十四五」產能目標，加快核心業務規模擴張。

第二，常態化防控非洲豬瘟，進一步提升精細化管理水平，縮小場區間效率差距，夯實核心競爭優勢。

第三，動態優化期貨套保策略，實現期現有機結合。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Fourthly, we will continue to promote branding and differentiation of the fresh products, gain high-value customers, enhance channel operating efficiency, strengthen brand promotion and product development, and expand brand influence.

Fifthly, we will further optimize the risk control system for the import business, vigorously explore the terminal channels, and enhance customer stickiness. We will also deepen the integration of trading and processing, steadily promote the transformation towards a terminal distributor that integrates trading and processing business, and add value to our business.

第四，繼續推動生鮮品牌化、差異化運作，着力開發價值客戶，提升渠道運營效率，加強品牌推廣與新品研發，擴大品牌影響力。

第五，進一步完善進口業務風控體系，深耕終端渠道，提升客戶黏性；深化工貿結合，穩健推進向工貿一體的終端分銷商的轉型進程，實現業務增值。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE AND USE OF PROCEEDS

In order to expand the Company's production and distribution scale, improve its industry competitiveness, meet the Company's long-term development fund needs, improve the Company's capital structure and reduce its financial risk, on March 24, 2023, 680,000,000 subscription shares at the subscription price of HK\$2.30 per subscription share were allotted and issued to COFCO (Hong Kong) Limited. The closing price of the share of the Company as quoted on the Stock Exchange on the date of the share subscription agreement (i.e. January 11, 2023) was HK\$2.34 per share. The net proceeds (after deducting placing commission and other relevant costs and expenses) from the share subscription was approximately HK\$1,551 million, equivalent to approximately RMB1,353 million. For details, please refer to the Company's announcements dated January 11, 2023 and March 24, 2023 and the circular of the Company dated February 17, 2023.

As at June 30, 2023, the Group had utilized the net proceeds as set out in the table below:

根據特別授權認購股份及所得款項用途

為擴大本公司生產及分銷規模，提高其行業競爭力，滿足本公司長期發展資金需求，改善本公司資本結構，降低財務風險之目的，於二零二三年三月二十四日，認購價為每股認購股份2.30港元之680,000,000股認購股份已配發及發行予中糧集團(香港)有限公司。本公司股份於股份認購協議日期(即二零二三年一月十一日)在聯交所所報之收市價為每股2.34港元。股份認購之所得款項淨額(經扣除配售佣金及其他有關成本及開支後)約為1,551百萬港元，相當於約人民幣1,353百萬元。詳見本公司日期為二零二三年一月十一日及二零二三年三月二十四日的公告以及本公司日期為二零二三年二月十七日的通函。

於二零二三年六月三十日，本集團已動用下表所載的所得款項淨額：

Purpose	% of use of proceeds	Net proceeds	Utilized amount during the six months ended June 30, 2023	Unutilized amount as at June 30, 2023	Expected time frame for unutilized amount
用途	佔所得款項用途的百分比	所得款項淨額 (RMB¥ million) (人民幣百萬元)	截至二零二三年六月三十日止六個月的已動用款項 (RMB¥ million) (人民幣百萬元)	於二零二三年六月三十日的未動用款項 (RMB¥ million) (人民幣百萬元)	未動用款項的預期時間表
(i) Expanding production capabilities and enhancing the branded fresh meat distribution	Approximately 70%	947	495	452	By March 24, 2025
擴大產能及加強品牌生鮮豬肉分銷	約70%	947	495	452	二零二五年三月二十四日前
(ii) Repaying the short term loan and replenishing the general working capital	Approximately 30%	406	406	-	-
償還短期貸款及補充一般營運資金	約30%	406	406	-	-
Total	100%	1,353	901	452	
總計	100%	1,353	901	452	

As at June 30, 2023, all the unutilized net proceeds were placed with other licensed financial institutions by the Company.

於二零二三年六月三十日，未動用所得款項淨額全數由本公司存入持有牌照的其他金融機構。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

As at June 30, 2023, none of the Directors and the chief executive of the Company had or were deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at June 30, 2023, the interests and short positions of substantial Shareholders in the shares and underlying shares of the Company as notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests of the Company kept under Section 336 of the SFO, were as follows:

董事及最高行政人員於股份及相 關股份之權益及淡倉

於二零二三年六月三十日，概無本公司董事及最高行政人員於本公司或其任何關聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有或被視為擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文當作或視為擁有之權益或淡倉），或根據證券及期貨條例第352條須記錄於該條所述之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

主要股東及其他人士於股份及相 關股份之權益及淡倉

於二零二三年六月三十日，根據證券及期貨條例第XV部第2及第3分部而知會本公司；或根據證券及期貨條例第336條記錄於本公司所存置之權益登記冊內，主要股東於本公司股份及相關股份之權益及淡倉如下：

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

Substantial Shareholders and other persons 主要股東及其他人士	Note 附註	Capacity/Nature of Interests 身份／權益性質	Number of ordinary shares of the Company held (long position) 持有本公司普通股數目 (好倉)	Approximate percentage in total issued shares of the Company ⁽²⁾ 佔本公司已發行股份總數的概約百分比 ⁽²⁾
Mainfield 明暉	(1)	Beneficial owner 實益擁有人	1,078,377,782	23.54%
China Foods (Holdings) 中國食品(控股)	(1)	Interest in controlled corporation 於受控法團的權益	1,078,377,782	23.54%
COFCO (HK) 中糧香港	(1)	Interest in controlled corporation 於受控法團的權益	1,078,377,782	23.54%
		Beneficial owner 實益擁有人	768,304,000	16.77%
COFCO 中糧	(1)	Interest in controlled corporation 於受控法團的權益	1,846,681,782	40.30%

Notes:

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

(2) As at June 30, 2023, the total issued shares of the Company were 4,581,998,323.

Save as disclosed herein, as at June 30, 2023, so far as was known to the Directors, no other persons had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of interests kept by the Company under Section 336 of the SFO.

附註：

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

(2) 於二零二三年六月三十日，本公司已發行股份總數為4,581,998,323股。

除本報告披露者外，於二零二三年六月三十日，就董事所知悉，概無其他人士於本公司的股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及第3分部條文的規定向本公司及聯交所披露，或根據證券及期貨條例第336條的規定須記錄於本公司所存置的權益登記冊內。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities for the six months ended June 30, 2023.

CG CODE

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

Save as disclosed below, in the opinion of the Board, the Company has adopted the principles of the CG Code and complied with all the code provisions set out in part 2 therein throughout the six months ended June 30, 2023.

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

購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於截至二零二三年六月三十日止六個月之期間並無購買、出售或贖回其任何上市證券。

企業管治守則

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

除下文所披露者外，董事會認為，本公司於截至二零二三年六月三十日止六個月內一直採用企業管治守則之原則並遵守其第二部分所載的所有守則條文。

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

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. Following specific enquiries by the Company, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended June 30, 2023.

OBLIGATIONS OF ON-GOING DISCLOSURE UNDER THE LISTING RULES

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

SUBSEQUENT EVENT

The Group has no material subsequent events after June 30, 2023 which are required to be disclosed.

CHANGES IN THE BOARD AND DIRECTORS' INFORMATION

The changes in the Board and Director's information since the date of the Company's 2022 annual report are set out below:

1. Mr. Fu Tingmei ceased to be the independent non-executive director of Postal Savings Bank of China Co., Ltd. (中國郵政儲蓄銀行股份有限公司) (a company listed on the Stock Exchange, stock code: 1658; a company listed on the Shanghai Stock Exchange, stock code: 601658) on March 10, 2023. He has served as the independent non-executive director of China Zheshang Bank Co., Ltd. (浙商銀行股份有限公司) (a company listed on the Stock Exchange, stock code: 2016; a company listed on the Shanghai Stock Exchange, stock code: 601916) since April 29, 2023.

董事進行的證券交易

本公司已採納標準守則作為董事進行證券交易之操守守則。經本公司作出具體查詢後，本公司所有董事確認彼等於截至二零二三年六月三十日止六個月整個期間內一直遵守標準守則所載列之規定標準。

根據上市規則持續披露責任

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

期後事項

本集團於二零二三年六月三十日之後並無須予披露的重大期後事項。

董事會及董事資料變更

自本公司二零二二年年報日期以來，董事會及董事資料的變更如下：

1. 傅廷美先生於2023年3月10日不再擔任中國郵政儲蓄銀行股份有限公司(聯交所上市公司，股份代號：1658；上海證券交易所上市公司，股份代號：601658)的獨立非執行董事。彼於2023年4月29日起擔任浙商銀行股份有限公司(聯交所上市公司，股份代號：2016；上海證券交易所上市公司，股份代號：601916)的獨立非執行董事。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

REVIEW OF INTERIM REPORT

The unaudited condensed consolidated interim financial information of the Group for the six months ended June 30, 2023 has been reviewed by the Audit Committee. The Audit Committee is of the view that the interim report of the Group is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended June 30, 2023 have also been reviewed by the auditor of the Company, Baker Tilly Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2023 (for the six months ended June 30, 2022: Nil).

除上文披露者外，根據上市規則第13.51B(1)條，概無資料變更須予披露。

審閱中期報告

本集團截至二零二三年六月三十日止六個月之未經審核簡明綜合中期財務資料已由審核委員會審閱。審核委員會認為，本集團中期報告符合適用會計準則、規則及條例，並已正式作出適當披露。

本集團截至二零二三年六月三十日止六個月的未經審核簡明綜合中期財務報表亦已由本公司核數師天職香港會計師事務所有限公司根據由香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體之獨立核數師審閱中期財務資料」進行審閱。

中期股息

董事會已決議不宣派截至二零二三年六月三十日止六個月的中期股息（截至二零二二年六月三十日止六個月：無）。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表審閱報告



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

INTRODUCTION

We have reviewed the condensed consolidated financial statements of COFCO Joycome Foods Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 31 to 73, which comprise the condensed consolidated statement of financial position as of June 30, 2023 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

致中糧家佳康食品有限公司董事會
(於開曼群島註冊成立的有限公司)

引言

我們已審閱載於第31至73頁的中糧家佳康食品有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的簡明綜合財務報表，包括於二零二三年六月三十日的簡明綜合財務狀況表，以及截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表，以及若干解釋附註。根據香港聯合交易所有限公司證券上市規則規定，中期財務資料報告須按照其相關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)編製。貴公司董事負責按照香港會計準則第34號編製及呈報該等簡明綜合財務報表。我們的責任為根據我們的審閱工作對該等簡明綜合財務報表發表結論，並根據我們受聘的協定條款，僅向閣下全體匯報我們的結論，而不作任何其他用途。我們不會就本報告之內容向任何其他人士承擔或負上任何責任。

審閱範圍

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

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表審閱報告

CONCLUSION

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

Baker Tilly Hong Kong Limited

Certified Public Accountants
Hong Kong, August 24, 2023

Wan Wing Ping

Practising certificate number P07471

結論

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

天職香港會計師事務所有限公司

執業會計師
香港，二零二三年八月二十四日

溫永平

執業證書編號：P07471

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

for the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Six months ended June 30, 截至六月三十日止六個月						
		2023 二零二三年			2022 二零二二年			
		Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	
		生物資產 公允價值 調整前業績	生物資產 公允價值調整	合計	生物資產 公允價值 調整前業績	生物資產 公允價值調整	合計	
Notes 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	
Revenue	收益	3	5,818,410	-	5,818,410	5,344,506	-	5,344,506
Cost of sales	銷售成本		(5,442,033)	226,792	(5,215,241)	(6,247,613)	316,718	(5,930,895)
Gross profit/(loss)	毛利/(毛損)		376,377	226,792	603,169	(903,107)	316,718	(586,389)
Other income	其他收入	5	115,431	-	115,431	86,888	-	86,888
Other gains and losses	其他收益及虧損	6	154,435	-	154,435	(54,629)	-	(54,629)
Selling and distribution costs	銷售及分銷成本		(224,208)	-	(224,208)	(211,107)	-	(211,107)
Administrative expenses	行政開支		(184,925)	-	(184,925)	(151,457)	-	(151,457)
(Loss)/gain arising from agricultural produce at fair value less costs to sell at the point of harvest	按農產品收穫時的公允 價值減銷售成本產生的 (虧損)/收益		-	(359,296)	(359,296)	-	227,491	227,491
(Loss)/gain arising from changes in fair value less costs to sell of biological assets	生物資產公允價值變動 減銷售成本產生的 (虧損)/收益		-	(521,154)	(521,154)	-	385,956	385,956
Finance costs	融資成本	7	(71,044)	-	(71,044)	(77,641)	-	(77,641)
Profit/(loss) before tax	除稅前溢利/(虧損)	8	166,066	(653,658)	(487,592)	(1,311,053)	930,165	(380,888)
Income tax credit/(expense)	所得稅抵免/(開支)	9	2,360	-	2,360	(88,060)	-	(88,060)
Profit/(loss) for the period	期內溢利/(虧損)		168,426	(653,658)	(485,232)	(1,399,113)	930,165	(468,948)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

for the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Six months ended June 30, 截至六月三十日止六個月			
		2023 二零二三年		2022 二零二二年	
Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績	Biological assets fair value adjustments 生物資產 公允價值調整	Total	Results before biological assets fair value adjustments 生物資產 公允價值 調整前業績	Biological assets fair value adjustments 生物資產 公允價值調整	Total
RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)
Other comprehensive (expense)/income, net of income tax: <i>Items that will not be reclassified to profit or loss:</i> Fair value (loss)/gain on equity instrument at fair value through other comprehensive income Income tax relating to item that will not be reclassified to profit or loss	除所得稅後其他全面(開支)/收入： 將不會重新分類至損益的項目： 按公允價值計入其他全面收入的權益工具之公允價值(虧損)/收益 與不會重新分類至損益的項目有關的所得稅	(74,771) 18,693	60,859 -		
		(56,078)			60,859
<i>Items that may be reclassified subsequently to profit or loss:</i> Exchange differences arising on translation of foreign operation (with nil tax effect) Release of cumulative exchange differences to profit or loss associated with changes in net investment in a foreign operation		其後可重新分類至損益的項目： 換算國外業務產生的匯兌差額(並無稅務影響) 於損益中撥回與國外業務投資淨額變動相關的累計匯兌差額	(21,383) (79,603)		
		(100,986)			887
Other comprehensive (expense)/income for the period, net of income tax		(157,064)			61,746
Total comprehensive expense for the period		(642,296)			(407,202)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

for the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Six months ended June 30, 截至六月三十日止六個月					
		2023 二零二三年			2022 二零二二年		
		Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total
		生物資產 公允價值 調整前業績	生物資產 公允價值調整	合計	生物資產 公允價值 調整前業績	生物資產 公允價值調整	合計
Notes 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
Loss for the period attributable to:	以下者應佔期內虧損：						
Owners of the Company	本公司擁有人			(469,646)			(462,030)
Non-controlling interests	非控股權益			(15,586)			(6,918)
				(485,232)			(468,948)
Total comprehensive expense for the period attributable to:	以下者應佔期內全面開支 總額：						
Owners of the Company	本公司擁有人			(626,710)			(400,284)
Non-controlling interests	非控股權益			(15,586)			(6,918)
				(642,296)			(407,202)
Loss per share:	每股虧損：			RMB(0.1099)			RMB(0.1184)
Basic	基本	10		人民幣(0.1099)元			人民幣(0.1184)元

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at June 30, 2023 (Expressed in Renminbi)
於二零二三年六月三十日 (以人民幣列示)

			June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Goodwill	商譽		100,609	100,609
Property, plant and equipment	物業、廠房及設備	12	9,416,542	9,479,088
Right-of-use assets	使用權資產	12	634,774	651,533
Intangible assets	無形資產		8,535	8,814
Equity instrument at fair value through other comprehensive income ("FVTOCI")	按公允價值計入其他全面收入 (「按公允價值計入其他全面收入」) 的權益工具		151,340	226,111
Biological assets	生物資產	13	431,793	538,403
Prepayments for purchase of property, plant and equipment	就購買物業、廠房及設備的預付款項		2,191	6,036
			10,745,784	11,010,594
Current assets	流動資產			
Inventories	存貨		868,820	1,448,885
Biological assets	生物資產	13	1,928,774	2,525,033
Account receivables	應收賬款	14	184,192	318,140
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	15	535,992	634,273
Other current assets	其他流動資產	16	604,594	596,958
Amounts due from related companies	應收關聯公司款項	17	671,293	520,308
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	18	331,154	300,145
Cash and bank balances	現金及銀行結餘		510,877	1,040,032
			5,635,696	7,383,774

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at June 30, 2023 (Expressed in Renminbi)
於二零二三年六月三十日 (以人民幣列示)

		Notes	June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Current liabilities	流動負債			
Account and bills payables	應付賬款及應付票據	19	935,147	735,269
Other payables, accruals and deposits received	其他應付款項、應計費用及已收按金		764,417	881,212
Lease liabilities	租賃負債		40,213	47,644
Contract liabilities	合約負債		265,060	352,535
Bank borrowings	銀行借款	20	4,445,725	5,851,943
Amounts due to related companies	應付關聯公司款項	17	114,065	246,835
Loans from related companies	來自關聯公司的貸款	20	2,500	1,002,500
Financial liabilities at fair value through profit or loss	按公允價值計入損益的金融負債	18	30,613	8,445
Current tax liabilities	即期稅項負債		3,917	139,659
			6,601,657	9,266,042
Net current liabilities	流動負債淨額		(965,961)	(1,882,268)
Total assets less current liabilities	總資產減流動負債		9,779,823	9,128,326
Non-current liabilities	非流動負債			
Bank borrowings	銀行借款	20	93,376	145,766
Loans from a related company	來自關聯公司的貸款	20	101,698	100,226
Deferred income	遞延收入		124,521	128,124
Deferred tax liabilities	遞延稅項負債		62,921	82,015
Long-term payable	長期應付款項		84,694	81,867
Lease liabilities	租賃負債		338,990	327,620
			806,200	865,618
Net assets	資產淨值		8,973,623	8,262,708
Capital and reserves	資本及儲備			
Share capital	股本	21	1,668,983	1,668,978
Reserves	儲備		7,171,063	6,444,567
Equity attributable to the owners of the Company	本公司擁有人應佔權益		8,840,046	8,113,545
Non-controlling interests	非控股權益		133,577	149,163
Total equity	權益總額		8,973,623	8,262,708

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

	Attributable to the owners of the Company 本公司擁有人應佔							Non-controlling interests	Total equity		
	Share capital	Share premium	Special reserve	Capital reserve	Statutory reserve	FVTOCI reserve	Transition reserve			Retained profits	Total
	股本	股份溢價	特別儲備金	資本儲備	法定儲備金	按公允價值計入其他全面收入	匯兌儲備	保留溢利	合計	非控股權益	權益總額
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At December 31, 2021 (audited)	於二零二一年十二月三十一日										
	1,668,978	575,435	858,459	89,112	729,945	290,035	67,039	4,180,864	8,459,867	148,903	8,608,770
	(經審核)										
Loss for the period	-	-	-	-	-	-	-	(462,030)	(462,030)	(6,918)	(468,948)
Other comprehensive income for the period	-	-	-	-	-	60,859	887	-	61,746	-	61,746
	期內虧損										
	期內其他全面收入										
	期內全面開支總額										
Total comprehensive expense for the period	-	-	-	-	-	60,859	887	(462,030)	(400,284)	(6,918)	(407,202)
Dividends declared (Note 11)	-	(573,594)	-	-	-	-	-	-	(573,594)	-	(573,594)
	已宣派股息(附註11)										
At June 30, 2022 (unaudited)	於二零二二年六月三十日										
	1,668,978	1,841	858,459	89,112	729,945	350,894	67,926	3,718,834	7,485,989	141,985	7,627,974
	(未經審核)										

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Attributable to the owners of the Company 本公司擁有人應佔							Non- controlling interests	Total equity		
		Share capital	Share premium	Special reserve	Capital reserve	Statutory reserve	FV/OCI reserve	Translation reserve	Retained profits	Total		
		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		
At December 31, 2022 (audited)	於二零二二年十二月三十一日 (經審核)	1,668,978	1,841	858,459	89,112	821,717	151,946	75,726	4,445,766	8,113,545	149,163	8,262,708
Loss for the period	期內虧損	-	-	-	-	-	-	-	(469,646)	(469,646)	(15,586)	(485,232)
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	-	(56,078)	(100,986)	-	(157,064)	-	(157,064)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	-	(56,078)	(100,986)	(469,646)	(626,710)	(15,586)	(642,296)
Issue of new shares (Note 21)	發行新股份(附註21)	5	1,353,206	-	-	-	-	-	-	1,353,211	-	1,353,211
At June 30, 2023 (unaudited)	於二零二三年六月三十日 (未經審核)	1,668,983	1,355,047	858,459	89,112	821,717	95,868	(25,260)	3,976,120	8,840,046	133,577	8,973,623

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Net cash generated from/(used in) operating activities	經營活動所得／(所用)現金淨額	976,669	(1,144,866)
Investing activities	投資活動		
Interest received	已收利息	6,161	5,168
Payments for property, plant and equipment	就物業、廠房及設備的付款	(417,858)	(411,007)
Payments for right-of-use assets	就使用權資產的付款	(109)	-
Payments for intangible assets	就無形資產的付款	(692)	(392)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	36,747	759
Proceeds from disposal of right-of-use assets	出售使用權資產的所得款項	40,313	-
Placement of pledged and restricted bank deposits	存放已抵押及受限制銀行存款	-	(89)
Withdrawal of pledged and restricted bank deposits	提取已抵押及受限制銀行存款	-	698
Deferred government grants received	已收遞延政府補助	61	1,505
Net cash used in investing activities	投資活動所用現金淨額	(335,377)	(403,358)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Financing activities	融資活動		
Dividend paid	已付股息	–	(573,594)
Interest paid	已付利息	(72,182)	(58,781)
New bank borrowings	新增銀行借款	2,857,468	5,973,214
Repayments of bank borrowings	償還銀行借款	(4,311,542)	(5,021,926)
Repayments of leases liabilities	償還租賃負債	(19,647)	(16,049)
Loans from related companies	來自關聯公司的貸款	100,000	1,500,000
Repayments of loans from related companies	償還來自關聯公司的貸款	(1,100,000)	(300,000)
Net proceeds from issuance of shares	發行股份所得款項淨額	1,353,211	–
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(1,192,692)	1,502,864
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(551,400)	(45,360)
Cash and cash equivalents at the beginning of period	期初現金及現金等價物	1,040,032	1,040,980
Effects of foreign exchange rate changes	外匯匯率變動的影響	22,245	311
Cash and cash equivalents at the end of period	期末現金及現金等價物	510,877	995,931
Represented by:	以下者所呈列：		
Cash and bank balances	現金及銀行結餘	510,877	995,931

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

1 BASIS OF PREPARATION AND PRESENTATION

The unaudited condensed consolidated financial statements of COFCO Joycome Foods Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the six months ended June 30, 2023 have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended December 31, 2022.

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

As at June 30, 2023, the Group’s current liabilities exceeded its current assets by RMB965,961,000. Taking into account the banking facilities available to the Group, the directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to meet its liabilities as and when they fall due and to continue in operational existence for the foreseeable future. Thus the Group continues to adopt the going concern basis of accounting in preparing its condensed consolidated financial statements.

1 編製及呈列基礎

中糧家佳康食品有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零二三年六月三十日止六個月的未經審核簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定編製。

簡明綜合財務報表不包括年度財務報表中規定的一切資料及披露，應連同本集團截至二零二二年十二月三十一日止年度的年度財務報表一併閱讀。

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

於二零二三年六月三十日，本集團流動負債超過其流動資產人民幣96,596.1萬元。考慮到本集團可動用的銀行融資，本公司董事於批准簡明綜合財務報表時合理預期本集團有足夠資源滿足其到期時應付的負債及於可見未來繼續經營。因此，本集團於編製其簡明綜合財務報表時繼續採納持續經營會計基礎。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

2 PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2023 are the same as those presented in the Group’s annual financial statements for the year ended December 31, 2022.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the Group’s annual period beginning on January 1, 2023 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

The application of the new and amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2 主要會計政策

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

除應用新訂及經修訂的香港財務報告準則（「香港財務報告準則」）導致變更會計政策外，截至二零二三年六月三十日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與本集團截至二零二二年十二月三十一日止年度的年度財務報表所呈列者相同。

應用香港財務報告準則修訂本

於本中期期間，本集團已首次應用以下於二零二三年一月一日當日開始的本集團年度期間強制生效並由香港會計師公會頒佈的新訂及經修訂的香港財務報告準則，以編製本集團簡明綜合財務報表：

香港財務報告準則第17號（包括二零二零年十月及二零二二年二月之香港財務報告準則第17號修訂本）	保險合約
香港會計準則第8號修訂本	會計估計的定義
香港會計準則第12號修訂本	單一交易產生之資產及負債相關的遞延稅項
香港會計準則第12號修訂本	國際稅務改革 – 支柱二範本規則

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

3 客戶合約收益

來自客戶合約收益的收益分述

		For the six months ended June 30, 2023 截至二零二三年六月三十日止六個月				
		Hog production and sales 生豬養殖 及銷售 RMB'000 人民幣千元 (unaudited) (未經審核)	Sales of fresh pork 銷售 生鮮豬肉 RMB'000 人民幣千元 (unaudited) (未經審核)	Sales of processed meat products 銷售肉製品 RMB'000 人民幣千元 (unaudited) (未經審核)	Sales of imported meat products 銷售進口 肉類產品 RMB'000 人民幣千元 (unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (unaudited) (未經審核)
Types of goods	產品的類型					
Hogs	生豬	2,071,204	-	-	-	2,071,204
Fresh pork	生鮮豬肉	-	2,086,701	-	-	2,086,701
Processed meat products	肉製品	-	-	387,853	-	387,853
Imported meat products	進口肉類產品	-	-	-	1,272,652	1,272,652
Total	合計	2,071,204	2,086,701	387,853	1,272,652	5,818,410
Timing of revenue recognition	收益確認時間					
A point in time	時間點	2,071,204	2,086,701	387,853	1,272,652	5,818,410

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

3 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Disaggregation of revenue from contracts with customers (Continued)

3 客戶合約收益 (續)

來自客戶合約收益的收益分述 (續)

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION

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

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

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

4 分部資料

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

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

釐定本集團可呈報分部時概無合計經營分部。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment revenue and segment results

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

4 分部資料(續)

分部收益及分部業績

本集團按可呈報經營分部劃分的收益及業績分析如下。

		Hog production	Fresh pork	Processed meat products	Meat import	Segment total	Inter-segment elimination	Total
		生豬養殖	生鮮豬肉	肉製品	肉類進口	分部總計	分部間對銷	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
<i>Six months ended June 30, 2023</i>	<i>截至二零二三年六月三十日止六個月</i>							
Segment revenue	分部收益							
External customers	外部客戶	2,071,204	2,086,701	387,853	1,272,652	5,818,410	-	5,818,410
Inter-segment sales	分部間銷售	1,489,835	40,538	2,291	133,672	1,666,336	(1,666,336)	-
Segment revenue	分部收益	3,561,039	2,127,239	390,144	1,406,324	7,484,746	(1,666,336)	5,818,410
Segment results	分部業績	183,885	(43,697)	7,294	23,519	171,001		171,001
Unallocated corporate income	未獲分配企業收入							117,587
Unallocated corporate expenses	未獲分配企業開支							(51,478)
Fair value adjustments on biological assets	有關生物資產的公允價值調整							(653,658)
Finance costs	融資成本							(71,044)
Loss before tax	除稅前虧損							(487,592)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment revenue and segment results (Continued)

	Hog production 生豬養殖 RMB'000 人民幣千元 (unaudited) (未經審核)	Fresh pork 生鮮豬肉 RMB'000 人民幣千元 (unaudited) (未經審核)	Processed meat products 肉製品 RMB'000 人民幣千元 (unaudited) (未經審核)	Meat import 肉類進口 RMB'000 人民幣千元 (unaudited) (未經審核)	Segment total 分部總計 RMB'000 人民幣千元 (unaudited) (未經審核)	Inter- segment elimination 分部間對銷 RMB'000 人民幣千元 (unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (unaudited) (未經審核)
--	--	--	---	---	---	--	--

4 分部資料 (續)

分部收益及分部業績 (續)

Six months ended June 30, 2022 截至二零二二年六月三十日止

	六個月 分部收益							
Segment revenue	外部客戶	1,907,492	1,804,592	373,579	1,258,843	5,344,506	-	5,344,506
Inter-segment sales	分部間銷售	1,208,609	35,776	997	55,862	1,301,244	(1,301,244)	-
Segment revenue	分部收益	3,116,101	1,840,368	374,576	1,314,705	6,645,750	(1,301,244)	5,344,506
Segment results	分部業績	(1,286,319)	16,449	19,949	92,195	(1,157,726)		(1,157,726)
Unallocated corporate income	未獲分配企業收入							23,847
Unallocated corporate expenses	未獲分配企業開支							(99,533)
Fair value adjustments on biological assets	有關生物資產的公允價值 調整							930,165
Finance costs	融資成本							(77,641)
Loss before tax	除稅前虧損							(380,888)

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

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

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

分部間銷售按集團實體議定的價格收取。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

4 SEGMENT INFORMATION (Continued)

Segment assets and liabilities

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

5 OTHER INCOME

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

4 分部資料(續)

分部資產及負債

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

5 其他收入

本集團的其他收入分析如下：

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest income from banks	銀行利息收入	331	895
Interest income from a related company	關聯公司的利息收入	5,830	4,273
		6,161	5,168
Government grants*	政府補助*	109,270	81,720
		115,431	86,888

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

Government grants related to acquisition of lands use rights and acquisition/construction of property, plant and equipment projects are included in deferred income and are credited to profit or loss on a systematic basis over the useful lives of the related assets. Included in the above balances are government grants released from deferred income of RMB3,664,000 for the six months ended June 30, 2023 (six months ended June 30, 2022: RMB3,857,000).

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

有關收購土地使用權以及收購／建造物業、廠房及設備項目的政府補助計入遞延收入，且於相關資產的可使用年期以系統化方式計入損益。截至二零二三年六月三十日止六個月自遞延收入解除的政府補助人民幣366.4萬元（截至二零二二年六月三十日止六個月：人民幣385.7萬元）載入上述結餘。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

6 OTHER GAINS AND LOSSES

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

6 其他收益及虧損

本集團的其他收益及虧損分析如下：

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Exchange gain/(loss), net (Note)	匯兌收益／(虧損)淨額 (附註)	136,392	(64,618)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備 收益／(虧損)	25,003	(7,272)
Gain on disposal of right-of-use assets	出售使用權資產收益	35,789	-
Write-down of inventories	存貨撇減	(38,125)	(5,123)
Impairment on account receivables, net	應收賬款減值淨額	(50)	(673)
Impairment on other receivables, net	其他應收款項減值淨額	(142)	(32)
Impairment on amounts due from related companies	應收關聯公司款項減值	(191)	-
Realised and unrealised (loss)/gain on fair value changes in respect of foreign currency forward contracts, net	已變現及未變現有關於外幣 遠期合約的公允價值變動 (虧損)／收益淨額	(4,488)	23,033
Others	其他	247	56
		154,435	(54,629)

Note:

During the current interim period, the exchange gain included the amount of release of cumulative exchange differences to profit or loss associated with changes in net investment in a foreign operation of RMB79,603,000.

附註：

於本中期期間，匯兌收益包括於損益中撥回與國外業務投資淨額變動相關的累計匯兌差額的金額人民幣7,960.3萬元。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

7 FINANCE COSTS

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

7 融資成本

本集團的融資成本分析如下：

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on:	以下各項的利息：		
– Bank borrowings	– 銀行借款	51,488	62,038
– Loans from related companies	– 來自關聯公司的貸款	9,526	7,631
– Lease liabilities from the third parties	– 來自第三方的租賃負債	7,719	8,096
– Lease liabilities from related companies	– 來自關聯公司的租賃負債	–	162
– Long-term payable	– 長期應付款項	3,169	3,137
Total borrowing costs	借貸成本總額	71,902	81,064
Less: borrowing costs capitalised in the cost of qualifying assets	減：於合資格資產成本中資本化的借貸成本	(858)	(3,423)
		71,044	77,641

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

8 LOSS BEFORE TAX

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

8 除稅前虧損

本集團的除稅前虧損扣除以下各項後得出：

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cost of inventories recognised as expenses	確認為開支的存貨成本	6,149,146	5,622,494
Realised and unrealised (gain)/loss on fair value changes in respect of commodity future contracts, net	已變現及未變現有關商品期貨合約的公允價值變動(收益)/虧損淨額	(707,113)	625,119
Fair value changes in respect of biological assets	有關生物資產的公允價值變動	(226,792)	(316,718)
Total cost of sales	銷售成本總額	5,215,241	5,930,895
Depreciation of property, plant and equipment	物業、廠房及設備折舊	288,385	254,540
Depreciation of right-of-use assets	使用權資產折舊	26,568	26,825
Amortisation of intangible assets	無形資產攤銷	971	895
Total depreciation and amortisation	折舊及攤銷總額	315,924	282,260
Less: Capitalised in biological assets	減：於生物資產中的資本化	(226,725)	(225,759)
		89,199	56,501

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

9 INCOME TAX (CREDIT)/EXPENSE

An analysis of the Group's income tax (credit)/expense is as follows:

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax:	即期稅項：		
The People's Republic of China (the "PRC")	中華人民共和國 (「中國」)		
– Enterprise Income Tax	– 企業所得稅	79	143,387
Over provision in prior years:	於過往年度的超額撥備：		
– PRC Enterprise Income Tax	– 中國企業所得稅	(2,038)	–
Deferred tax:	遞延稅項：	(1,959)	143,387
– Current period	– 本期間	(401)	(55,327)
Income tax (credit)/expense	所得稅 (抵免) / 開支	(2,360)	88,060

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit generated in Hong Kong for the six months ended June 30, 2023 (six months ended June 30, 2022: nil).

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the six months ended June 30, 2023 (six months ended June 30, 2022: 25%).

Certain subsidiaries operating in the PRC were exempted from PRC income taxes during both 2023 and 2022. According to the Implementation Regulation of the EIT Law and the EIT exemptions regulation set out in the Circular of the Ministry of Finance and the State Administration on Releasing the Primary Processing Ranges of Agricultural Products Entitled to Preferential Policies on Enterprise Income Tax (Trial Implementation) (Cai Shui [2008] No. 149), and the requirements of Article 86 of the Implementation Regulation of the EIT Law, the income from primary processing for agricultural products are exempted from EIT. In addition, pursuant to related regulations in respect of the Implementation Regulation of the EIT Law, the income from projects of animal-husbandry and poultry feeding, is also entitled to exemption from EIT.

9 所得稅 (抵免) / 開支

本集團的所得稅 (抵免) / 開支分析如下：

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax:	即期稅項：		
The People's Republic of China (the "PRC")	中華人民共和國 (「中國」)		
– Enterprise Income Tax	– 企業所得稅	79	143,387
Over provision in prior years:	於過往年度的超額撥備：		
– PRC Enterprise Income Tax	– 中國企業所得稅	(2,038)	–
Deferred tax:	遞延稅項：	(1,959)	143,387
– Current period	– 本期間	(401)	(55,327)
Income tax (credit)/expense	所得稅 (抵免) / 開支	(2,360)	88,060

由於本集團於截至二零二三年六月三十日止六個月並無於香港產生應課稅溢利，故並無計提香港利得稅撥備（截至二零二二年六月三十日止六個月：無）。

根據《中國企業所得稅法》（「企業所得稅法」）及《企業所得稅法實施條例》，中國附屬公司於截至二零二三年六月三十日止六個月的稅率為25%（截至二零二二年六月三十日止六個月：25%）。

若干於中國經營的附屬公司於二零二三年及二零二二年期間均免繳中國所得稅。根據《企業所得稅法實施條例》及《財政部、國家稅務總局關於發佈享受企業所得稅優惠政策的農產品初加工範圍（試行）的通知》（財稅[2008]149號）中所載免繳企業所得稅的規定，以及《企業所得稅法實施條例》第八十六條的規定，農產品初加工所得免徵企業所得稅。此外，根據《企業所得稅法實施條例》相關規定，牲畜及家禽飼養項目收入亦免徵企業所得稅。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

10 LOSS PER SHARE

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

Loss

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Loss for the purpose of basic loss per share	就計算每股基本虧損而言的虧損		
Loss for the period attributable to the owners of the Company	本公司擁有人應佔期內虧損	(469,646)	(462,030)

Number of shares

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 '000 千股	2022 二零二二年 '000 千股
Weighted average number of ordinary shares for the purpose of basic loss per share	就計算每股基本虧損而言的普通股加權平均數	4,273,932	3,901,998

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

10 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

虧損

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Loss for the purpose of basic loss per share	就計算每股基本虧損而言的虧損		
Loss for the period attributable to the owners of the Company	本公司擁有人應佔期內虧損	(469,646)	(462,030)

股份數目

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 '000 千股	2022 二零二二年 '000 千股
Weighted average number of ordinary shares for the purpose of basic loss per share	就計算每股基本虧損而言的普通股加權平均數	4,273,932	3,901,998

概無呈列每股攤薄虧損，原因是兩個期間內並無任何已發行的潛在普通股股份。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

11 DIVIDEND

No dividends were paid, declared or proposed during the six months ended June 30, 2023. The board of directors of the Company has resolved not to declare any interim dividend for the six months ended June 30, 2023 (six months ended June 30, 2022: nil).

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

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

During the current interim period, the Group paid RMB417,858,000 (six months ended June 30, 2022: RMB411,007,000) for the construction of new farms and acquisition of plant and equipment.

In addition, during the current interim period, the Group entered into several new lease agreements with lease terms from 1 to 30 years. The Group is required to make fixed annual payments during the lease periods. On lease commencement, the Group recognised right-of-use assets of RMB17,869,000 of (six months ended June 30, 2022: RMB17,392,000) and lease liabilities of RMB17,760,000 (six months ended June 30, 2022: RMB15,225,000).

11 股息

截至二零二三年六月三十日止六個月，概無派付、宣派或擬派股息。本公司董事會已議決不宣派截至二零二三年六月三十日止六個月的任何中期股息（截至二零二二年六月三十日止六個月：無）。

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

12 物業、廠房及設備以及使用權資產

於本中期期間，本集團就新養殖場的建設及廠房與設備的採購支付人民幣41,785.8萬元（截至二零二二年六月三十日止六個月：人民幣41,100.7萬元）。

此外，於本中期期間，本集團訂立若干新租賃協議，租期為1至30年。本集團須於租賃期內每年支付固定款項。於租賃開始時，本集團確認使用權資產人民幣1,786.9萬元（截至二零二二年六月三十日止六個月：人民幣1,739.2萬元）及租賃負債人民幣1,776萬元（截至二零二二年六月三十日止六個月：人民幣1,522.5萬元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

12 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS *(Continued)*

The Group also disposed of certain plant and machinery with an aggregate carrying amount of RMB11,744,000 (six months ended June 30, 2022: RMB8,031,000) for cash proceeds of RMB36,747,000 (six months ended June 30, 2022: RMB759,000), resulting in a gain on disposal of RMB25,003,000 (six months ended June 30, 2022: loss on disposal of RMB7,272,000).

The Group also disposed of certain right-of-use assets with an aggregate carrying amount of RMB4,524,000 (six months ended June 30, 2022: RMB nil) for cash proceeds of RMB40,313,000 (six months ended June 30, 2022: RMB nil), resulting in a gain on disposal of RMB35,789,000 (six months ended June 30, 2022: RMB nil).

13 BIOLOGICAL ASSETS

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

12 物業、廠房及設備以及使用權資產 *(續)*

本集團亦出售總賬面值為人民幣1,174.4萬元（截至二零二二年六月三十日止六個月：人民幣803.1萬元）的若干廠房及機械，換取現金所得款項人民幣3,674.7萬元（截至二零二二年六月三十日止六個月：人民幣75.9萬元），產生出售收益人民幣2,500.3萬元（截至二零二二年六月三十日止六個月：出售虧損人民幣727.2萬元）。

本集團亦出售總賬面值為人民幣452.4萬元（截至二零二二年六月三十日止六個月：人民幣零元）的若干使用權資產，換取現金所得款項人民幣4,031.3萬元（截至二零二二年六月三十日止六個月：人民幣零元），產生出售收益人民幣3,578.9萬元（截至二零二二年六月三十日止六個月：人民幣零元）。

13 生物資產

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

13 BIOLOGICAL ASSETS (Continued)

Carrying value of the Group's biological assets

13 生物資產 (續)

本集團生物資產的賬面值

		Live hogs and breeding stock
		生豬及種豬
		RMB'000
		人民幣千元
At January 1, 2023 (audited)	於二零二三年一月一日 (經審核)	3,063,436
Additions: breeding costs	添置：養殖成本	3,978,920
Loss arising from changes in fair value less costs to sell of biological assets	生物資產公允價值變動減銷售成本產生的虧損	(880,450)
Transfer to cost of sales at the point of harvest	收穫時轉至銷售成本	(3,260,226)
Decrease due to culling and other changes	因死淘及其他變動減少	(541,113)
At June 30, 2023 (unaudited)	於二零二三年六月三十日 (未經審核)	2,360,567
Less: current portion (unaudited)	減：流動部分 (未經審核)	(1,928,774)
Non-current portion (unaudited)	非流動部分 (未經審核)	431,793
At January 1, 2022 (audited)	於二零二二年一月一日 (經審核)	1,853,119
Additions: breeding costs	添置：養殖成本	3,754,953
Gain arising from changes in fair value less costs to sell of biological assets	生物資產公允價值變動減銷售成本產生的收益	613,447
Transfer to cost of sales at the point of harvest	收穫時轉至銷售成本	(2,956,452)
Decrease due to culling and other changes	因死淘及其他變動減少	(601,181)
At June 30, 2022 (unaudited)	於二零二二年六月三十日 (未經審核)	2,663,886
Less: current portion (unaudited)	減：流動部分 (未經審核)	(2,193,842)
Non-current portion (unaudited)	非流動部分 (未經審核)	470,044

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

13 BIOLOGICAL ASSETS *(Continued)*

Fair value measurement

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

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

Key assumptions and inputs

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

Set forth below are the valuation techniques, key assumptions and inputs adopted in the valuation process to determine the fair values of the Group's biological assets as at June 30, 2023 and December 31, 2022.

13 生物資產 *(續)*

公允價值計量

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

生物資產的公允價值變動減銷售成本計入於各報告期末生豬的公允價值變動。

主要假設及輸入數據

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

下文載列於二零二三年六月三十日及二零二二年十二月三十一日釐定本集團生物資產公允價值的估值過程中採用的估值方法、主要假設及輸入數據。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

13 生物資產 (續)

主要假設及輸入數據 (續)

		June 30, 2023 二零二三年 六月三十日 RMB 人民幣元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB 人民幣元 (Audited) (經審核)
Live hogs and breeding stock	生豬及種豬		
Piglets (Note (a))	仔豬 (附註(a))	336 to 395	345 to 437
<i>Per head market price</i>	<i>每頭市價</i>	336至395	345至437
Nursery hogs (Note (b))	保育豬 (附註(b))	424 to 634	546 to 670
<i>Per head market price</i>	<i>每頭市價</i>	424至634	546至670
Medium and large finishing hogs (Note (c))	中型及大型育肥豬 (附註(c))	498 to 1,549	768 to 2,016
<i>Per head market price</i>	<i>每頭市價</i>	498至1,549	768至2,016
Replacement studs and gilts (Note (d))	後備公豬及後備母豬 (附註(d))	1,965 to 3,461	1,903 to 6,026
<i>Per head cost</i>	<i>每頭成本</i>	1,965至3,461	1,903至6,026
Breeding stock (Note (e))	種豬 (附註(e))	1,560 to 2,445	1,925 to 2,347
<i>Per head replacement cost</i>	<i>每頭重置成本</i>	1,560至2,445	1,925至2,347

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

Notes:

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

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

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

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

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

13 生物資產 (續)

主要假設及輸入數據 (續)

附註：

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

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

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

存活率按各估值日期各地的過往統計數據及生豬的分類估計。

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

13 BIOLOGICAL ASSETS (Continued)

Key assumptions and inputs (Continued)

Notes: (Continued)

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

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

The fair values of the Group's biological assets at June 30, 2023 and December 31, 2022 are grouped into Level 3 of fair value measurement. There were no transfers into or out of Level 3 during both the current and prior periods.

14 ACCOUNT RECEIVABLES

Account receivables from contracts with customers
Less: Allowance for credit losses

來自客戶合約的應收賬款
減：信貸虧損撥備

		184,756	318,654
		(564)	(514)
		184,192	318,140

13 生物資產 (續)

主要假設及輸入數據 (續)

附註：(續)

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

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

本集團生物資產於二零二三年六月三十日及二零二二年十二月三十一日的公允價值分類為公允價值計量第三級。於當前及過往期間，並無轉入或轉出第三級。

14 應收賬款

	June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Account receivables from contracts with customers	184,756	318,654
Less: Allowance for credit losses	(564)	(514)
	184,192	318,140

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

14 ACCOUNT RECEIVABLES (Continued)

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

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 90 days	90天內	181,004	313,857
90 to 180 days	90至180天	2,598	3,993
180 days to 1 year	180天至1年	414	189
Over 1 year	1年以上	176	101
		184,192	318,140

14 應收賬款 (續)

於報告期末應收賬款（以交付日期為基準及經扣減信貸虧損撥備）的賬齡分析如下：

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Value-added tax recoverable	可收回增值稅	152,139	165,600
Prepayments	預付款項	57,486	54,294
Deposits (Note)	按金(附註)	266,057	345,551
Others	其他	60,507	68,883
		536,189	634,328
Less: Allowance for credit losses	減：信貸虧損撥備	(197)	(55)
		535,992	634,273

15 預付款項、按金及其他應收款項

Note: The deposits included the deposits relating to commodity futures contracts of RMB252,713,000 (December 31, 2022: RMB328,283,000).

附註：按金包括有關商品期貨合約的按金人民幣25,271.3萬元（二零二二年十二月三十一日：人民幣32,828.3萬元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

16 OTHER CURRENT ASSETS

As at June 30, 2023 and December 31, 2022, other current assets represented the costs recoverable for meat products the Group purchased pursuant to agency arrangements where the Group was requested to purchase meat products and sell the meat products to designated buyers. The Group is responsible for the procurement and delivery of the meat products to designated buyers and earns agreed agency fees. Under the arrangement, the purchases of meat products are financed by bank loans from a designated bank in the PRC.

17 BALANCES WITH RELATED COMPANIES

Related companies with which the Group had transactions and/or outstanding balances are COFCO Corporation and its subsidiaries. Prior to March 24, 2023, COFCO Corporation had significant influence over the Company and on March 24, 2023, has obtained control over the Company (see note 21).

Included in amounts due from related companies as at June 30, 2023 are receivables in trade nature of RMB8,628,000 (December 31, 2022: RMB8,949,000), which are unsecured, interest-free and repayable according to relevant sales contracts. An aged analysis of these receivables as at the end of the reporting period, based on delivery dates and net of allowance for credit losses, is as follows:

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 90 days	90天內	497	626
Over 1 year	1年以上	8,131	8,323
		8,628	8,949

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

16 其他流動資產

於二零二三年六月三十日及二零二二年十二月三十一日，其他流動資產指本集團根據代理安排採購的肉類產品可收回的成本，本集團負責根據安排採購肉類產品並將該等肉類產品售予指定買家。本集團負責採購肉類產品並將其交付予指定買家，以賺取協定的代理費用。根據安排，採購肉類產品由在中國指定銀行的銀行貸款提供資金。

17 與關聯公司的結餘

本集團與之進行交易及／或存在未償還結餘的關聯公司為中糧集團有限公司及其附屬公司。於二零二三年三月二十四日前，中糧集團有限公司對本公司具有重大影響，並於二零二三年三月二十四日取得對本公司的控制權（見附註21）。

於二零二三年六月三十日，有人民幣862.8萬元（二零二二年十二月三十一日：人民幣894.9萬元）的貿易性質應收款項計入應收關聯公司款項，該等應收款項無抵押、不計息及須根據相關銷售合約償還。於報告期末，該等應收款項（以交付日期為基準及經扣減信貸虧損撥備）的賬齡分析如下：

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

17 BALANCES WITH RELATED COMPANIES

(Continued)

Included in amounts due to related companies as at June 30, 2023 were payables in trade nature of RMB107,350,000 (December 31, 2022: RMB30,519,000), which are unsecured, interest-free and repayable according to the relevant purchase contracts. An aged analysis of these payables at the end of the reporting period, based on the invoice dates, is as follows:

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 90 days	90天內	107,343	26,873
Over 90 days but less than 1 year	90天以上1年以內	7	3,646
		107,350	30,519

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

17 與關聯公司的結餘 (續)

於二零二三年六月三十日，有人民幣10,735萬元（二零二二年十二月三十一日：人民幣3,051.9萬元）的貿易性質應付款項計入應付關聯公司款項，該等款項為無抵押、不計息並須根據相關購買合約償還。於報告期末，該等應付款項基於發票日期的賬齡分析如下：

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

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

18 按公允價值計入損益的金融資產／負債

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Classified under current assets:			
	分類為流動資產：		
Commodity futures contracts (Note i)	商品期貨合約（附註i）	321,533	277,415
Foreign currency forward contracts (Note ii)	外幣遠期合約（附註ii）	9,621	22,730
		331,154	300,145
Classified under current liabilities:			
	分類為流動負債：		
Commodity futures contracts (Note i)	商品期貨合約（附註i）	(30,613)	(524)
Foreign currency forward contracts (Note ii)	外幣遠期合約（附註ii）	-	(7,921)
		(30,613)	(8,445)
		300,541	291,700

Note i: the Group has entered into live hog and soybean meal futures contracts to manage the future price risk of live hog and soybean meal. Net fair value gain on commodity futures contracts of RMB707,113,000 (six months ended June 30, 2022: net fair value loss of RMB625,119,000) was recognised in "cost of sales" in the condensed consolidated statement of profit or loss and other comprehensive income for the period.

附註i：本集團已訂立生豬及豆粕期貨合約，以管理生豬及豆粕的未來價格風險。期內，商品期貨合約的公允價值收益淨額人民幣70,711.3萬元（截至二零二二年六月三十日止六個月：公允價值虧損淨額人民幣62,511.9萬元）於簡明綜合損益及其他全面收益表確認為「銷售成本」。

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

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

19 ACCOUNT AND BILLS PAYABLES

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Account payables	應付賬款	561,009	605,709
Bills payables	應付票據	374,138	129,560
		935,147	735,269

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

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

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	1年以內	545,819	595,685
1 to 2 years	1至2年	13,068	8,546
Over 2 years	2年以上	2,122	1,478
		561,009	605,709

19 應付賬款及應付票據

應付賬款為免息，信用期一般介乎15至60天。應付票據一般於180天內償還。

於報告期末，應付賬款基於發票日期的賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

20 BANK BORROWINGS AND LOANS FROM RELATED COMPANIES

During the current interim period, the Group obtained new bank loans amounting to RMB2,857,468,000 (excluding bank loans obtained for procurement agency service of meat products as mentioned in note 16), which bear interest ranging from 1.95% to 2.3% per annum, and repaid bank loans amounting to RMB4,311,542,000 (excluding bank loans obtained for procurement agency service of meat products as mentioned in note 16), which bear interest ranging 1.16% to 3.95% per annum.

The loans from related companies of RMB2,500,000 (December 31, 2022: RMB1,002,500,000) classified under current liabilities are loans from COFCO Corporation (December 31, 2022: COFCO Corporation and its subsidiaries), which are unsecured, repayable within one year and bear interest at fixed rate of 3.26% (December 31, 2022: 2.30% to 3.26%) per annum.

The loans from a related company classified under non-current liabilities are loans from COFCO Corporation, which are unsecured, repayable in November 2035 and June 2036 and carry at the effective interest rate of 4.9% (December 31, 2022: 4.9%) per annum.

21 SHARE CAPITAL

Authorised:
At January 1, 2022, June 30, 2022,
January 1, 2023 and June 30, 2023

法定：
於二零二二年一月一日、
二零二二年六月三十日、
二零二三年一月一日及
二零二三年六月三十日

20 來自關聯公司的銀行借款及貸款

於本中期期間，本集團獲得新銀行貸款人民幣285,746.8萬元（不包括於附註16所述就肉類產品採購代理服務獲得的銀行貸款），其按介乎1.95%至2.3%的年利率計息，並償還銀行貸款人民幣431,154.2萬元（不包括於附註16所述就肉類產品採購代理服務獲得的銀行貸款），其按介乎1.16%至3.95%的年利率計息。

分類為流動負債的來自關聯公司的貸款人民幣250萬元（二零二二年十二月三十一日：人民幣100,250萬元）為來自中糧集團有限公司（二零二二年十二月三十一日：中糧集團有限公司及其附屬公司）的貸款，其乃為無抵押及須於一年內償還，並按3.26%（二零二二年十二月三十一日：2.30%至3.26%）的固定年利率計息。

分類為非流動負債的來自關聯公司的貸款為來自中糧集團有限公司的貸款，其乃為無抵押、須於二零三五年十一月及二零三六年六月償還及按4.9%（二零二二年十二月三十一日：4.9%）的實際年利率計息。

21 股本

Number of shares	Amount USD	Equivalent to RMB'000
股份數目	金額美元	人民幣千元

50,000,000,000	50,000	323
----------------	--------	-----

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

21 SHARE CAPITAL (continued)

A summary of the Company's issued ordinary share capital is as follows:

		Number of shares in issue 已發行股份數目	Issued capital 已發行股本 RMB'000 人民幣千元
Issued and fully paid:	已發行並繳足：		
At January 1, 2022, June 30, 2022 and January 1, 2023	於二零二二年一月一日、 二零二二年六月三十日 及二零二三年一月一日	3,901,998,323	1,668,978
Issue of shares (Note)	股份發行（附註）	680,000,000	5
At June 30, 2023	於二零二三年六月三十日	4,581,998,323	1,668,983

Note:

On January 11, 2023, the Company and COFCO (Hong Kong) Limited, a subsidiary of COFCO Corporation, entered into the share subscription agreement pursuant to which the Company conditionally agreed to allot and issue, and COFCO (Hong Kong) Limited conditionally agreed to subscribe for, 680,000,000 ordinary shares of the Company in cash at a subscription price of HKD2.30 per share. Following the completion of the share subscription on March 24, 2023, the interest (direct and indirect) of COFCO (Hong Kong) Limited in the issued share capital of the Company has increased to 40.3%, and the directors consider COFCO (Hong Kong) Limited to be the Company's parent company and, accordingly, COFCO Corporation has become Company's ultimate holding company.

21 股本（續）

本公司已發行普通股股本的概要如下：

		Number of shares in issue 已發行股份數目	Issued capital 已發行股本 RMB'000 人民幣千元
Issued and fully paid:	已發行並繳足：		
At January 1, 2022, June 30, 2022 and January 1, 2023	於二零二二年一月一日、 二零二二年六月三十日 及二零二三年一月一日	3,901,998,323	1,668,978
Issue of shares (Note)	股份發行（附註）	680,000,000	5
At June 30, 2023	於二零二三年六月三十日	4,581,998,323	1,668,983

附註：

於二零二三年一月十一日，本公司與中糧集團有限公司附屬公司中糧集團（香港）有限公司訂立股份認購協議，據此，本公司有條件同意以現金配發及發行，而中糧集團（香港）有限公司有條件同意認購本公司680,000,000股普通股，認購價為每股2.30港元。於二零二三年三月二十四日完成股份認購事項後，中糧集團（香港）有限公司於本公司已發行股本中的權益（直接及間接）增加至40.3%，董事認為，中糧集團（香港）有限公司為本公司的母公司，因此，中糧集團有限公司成為本公司的最終控股公司。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

22 CAPITAL COMMITMENTS

		June 30, 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		219,425	525,037

22 資本承擔

23 RELATED PARTY TRANSACTIONS

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

		Six months ended June 30, 截至六月三十日止六個月 2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Transactions with COFCO Corporation and its subsidiaries:	與中糧集團有限公司及其附屬公司的交易：		
Sales of goods	銷售貨品	3,502	3,705
Purchases of goods	購買貨品	868,954	879,460
Interest income	利息收入	5,830	4,273
Interest expense	利息開支	9,526	7,631
Rental expense*	租賃開支*	8,035	7,005
Expenses for other miscellaneous services	其他雜項服務開支	1,111	2,353
Transactions with COFCO Corporation's associates:	與中糧集團有限公司的聯營公司的交易：		
Purchases of goods	購買商品	12,478	N/A 不適用

23 關聯方交易

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

* The related party transactions of rental expense included the lease payments of RMB nil (six months ended June 30, 2022: RMB4,548,000) settled through lease liabilities during the six months ended June 30, 2023.

* 租賃開支的關聯方交易包括於截至二零二三年六月三十日止六個月透過租賃負債結算的租賃付款人民幣零元（截至二零二二年六月三十日止六個月：人民幣454.8萬元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

23 RELATED PARTY TRANSACTIONS

(Continued)

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

In addition, as at June 30, 2023, certain deposits included in cash and cash equivalents are placed with COFCO Finance Corporation Limited (“COFCO Finance”), a subsidiary of COFCO Corporation, which is a non-bank financial institution regulated by the People’s Bank of China (the “PBOC”) and the China Banking And Insurance Regulatory Commission. In the PRC, deposit rates are set by the PBOC which is applicable to all financial institutions. The interest rates offered by COFCO Finance are the same as the rates promulgated by the PBOC. The deposits placed with COFCO Finance by the Group as at June 30, 2023 amounted to RMB261,969,000 (December 31, 2022: RMB844,789,000).

Transactions with other government-related entities in the PRC

The Company is ultimately controlled by COFCO Corporation (see note 21), which is a state-owned enterprise in the PRC. In addition, the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“PRC government-related entities”). Apart from the transactions with related companies controlled by COFCO Corporation as disclosed above and balances with them as disclosed in respective notes, the Group also conducts businesses with other PRC government-related entities in the ordinary course of business. Certain of the Group’s bank deposits and bank borrowings are entered into with certain banks, which are PRC government-related entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosures would not be meaningful. In addition, the Group entered into various transactions, including sales of goods, purchases of land use rights, construction of properties and other operating expenses with other PRC government-related entities in the ordinary course of business. The pricing and the selection of suppliers and service providers are not dependent on whether the counterparties are PRC government-related entities or not. In the opinion of the management of the Group, the above transactions are collectively significant transactions of the Group with PRC government-related entities.

23 關聯方交易 (續)

上述銷售及購買交易乃按有關各方相互協定的條款及條件進行。

此外，於二零二三年六月三十日，計入現金及現金等價物內的若干存款存放於中糧財務有限責任公司（「中糧財務」），該公司為中糧集團有限公司旗下附屬公司，為受中國人民銀行（「中國人民銀行」）及中國銀行保險監督管理委員會監管的非銀行金融機構。於中國，中國人民銀行設定的存款利率適用於所有金融機構。中糧財務提供的利率與中國人民銀行公佈的利率相同。於二零二三年六月三十日，本集團存放於中糧財務的存款為人民幣26,196.9萬元（二零二二年十二月三十一日：人民幣84,478.9萬元）。

與其他中國政府相關實體的交易

本公司最終受中糧集團有限公司（其為中國國有企業）控制（見附註21）。此外，本集團經營業務所處的經濟環境現時由受中國政府控制、共同控制或施加重大影響的實體（「中國政府相關實體」）所主導。除上文披露與受中糧集團有限公司控制關聯公司的交易及各附註所披露與該等公司間的餘額外，本集團亦於日常業務過程中與其他中國政府相關實體開展業務。本集團的若干銀行存款及銀行借款乃於日常業務過程中與屬中國政府相關實體的若干銀行訂立。鑒於該等銀行交易的性質，本公司董事認為，單獨披露並無意義。此外，本集團於日常業務過程中與其他中國政府相關實體訂立若干交易，包括銷售貨品、購買土地使用權、建設物業及其他經營開支。供應商及服務提供商的挑選及其定價並不取決於交易對手方是否為中國政府相關實體。本集團管理層認為，上述交易整體而言屬本集團與中國政府相關實體間的重大交易。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

23 RELATED PARTY TRANSACTIONS

(Continued)

Compensation of key management personnel of the Group

23 關聯方交易 (續)

本集團主要管理人員的薪酬

		Six months ended June 30, 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,632	4,071
Retirement benefit scheme contributions	退休福利計劃供款	158	168
		1,790	4,239

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

本集團的主要管理人員包括本公司董事及若干高級管理人員。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

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

24 金融工具之公允價值計量

按累計基準以公允價值計量的本集團金融工具的公允價值

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

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

24 金融工具之公允價值計量 (續)

按累計基準以公允價值計量的本集團金融工具的公允價值 (續)

Financial assets/ financial liabilities 金融資產／金融負債	Fair value as at 於以下日期之公允價值		Fair value hierarchy 公允價值層級	Valuation technique(s) and key input(s) 估值技術及關鍵輸入數據
	June 30, 2023 二零二三年 六月三十日	December 31, 2022 二零二二年 十二月三十一日		
1) Commodity futures contracts	Assets – RMB321,533,000	Assets – RMB277,415,000	Level 1	Quoted bid prices in an active market
1) 商品期貨合約	Liabilities – RMB30,613,000	Liabilities – RMB524,000	第一級	活躍市場上的報價
	資產 – 人民幣32,153.3萬元	資產 – 人民幣27,741.5萬元		
	負債 – 人民幣3,061.3萬元	負債 – 人民幣52.4萬元		
2) Foreign currency forward contracts	Assets – RMB9,621,000	Assets – RMB22,730,000	Level 2	Discounted cash flow
2) 外幣遠期合約	資產 – 人民幣962.1萬元	資產 – 人民幣2,273萬元	第二級	貼現現金流量
		負債 – 人民幣792.1萬元		未來現金流量的估算是基於遠期匯率（來自於報告期末可觀察的遠期匯率）及合約遠期匯率，以能反映各交易對手方的信貸風險的利率貼現。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

24 金融工具之公允價值計量 (續)

按累計基準以公允價值計量的本集團金融工具的公允價值 (續)

Financial assets/ financial liabilities 金融資產/金融負債	Fair value as at 於以下日期之公允價值	Fair value hierarchy 公允價值層級	Valuation technique(s) and key input(s) 估值技術及關鍵輸入數據	Significant Unobservable input(s) 重大不可觀察輸入數據
	June 30, 2023 二零二三年 六月三十日	December 31, 2022 二零二二年 十二月三十一日		
3) Unquoted equity investment at FVTOCI	15% equity investment in McKey Food Services Ltd – RMB151,340,000	15% equity investment in McKey Food Services Ltd – RMB226,111,000	Level 3 Market Approach The fair value under market approach is determined based on the target company's financial performance and the multiples of comparable companies.	Discount for lack of marketability determined by reference to the share price of listed entities in similar industries, 40 percent (December 31, 2022: 40 percent) (Note 1)
3) 按公允價值計入其他全面收入之無報價股權投資	投資於 McKey Food Services Ltd 15%的股權 – 人民幣15,134萬元	投資於 McKey Food Services Ltd 15%的股權 – 人民幣22,611.1萬元	第三級 市場法 市場法下的公允價值乃基於目標公司財務表現及可資比較公司倍數釐定。	由於缺乏市場流通，參照類似行業上市實體的股價釐定的貼現率為40%（二零二二年十二月三十一日：40%）（附註1）

Note 1: A slight increase in the discount for lack of marketability used in isolation would result in a slight decrease in the fair value measurement of the unquoted equity investment, and vice versa. A 1% increase in the discount for lack of marketability, holding all other variables constant, would decrease the carrying amount of the unquoted equity investment by RMB2,522,000 (December 31, 2022: RMB3,770,000).

附註1：因缺乏市場流通而單獨使用的貼現率小幅上升將導致無報價股權投資的公允價值計量略為下降，反之亦然。倘缺乏市場流通的貼現率增加1%而所有其他變數維持不變，則無報價股權投資賬面值將減少人民幣252.2萬元（二零二二年十二月三十一日：人民幣377萬元）。

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

於本期間及過往年度，第一級、第二級與第三級公允價值之間並無轉撥。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended June 30, 2023 (Expressed in Renminbi)
截至二零二三年六月三十日止六個月（以人民幣列示）

24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

Reconciliation of Level 3 fair value remeasurements

		Financial assets at FVTOCI 按公允價值計入 其他全面收入的 金融資產 RMB'000 人民幣千元
At January 1, 2022 (audited)	於二零二二年一月一日（經審核）	313,551
Total gains:	收益總額：	
in other comprehensive income	於其他全面收入	60,859
At June 30, 2022 (unaudited)	於二零二二年六月三十日（未經審核）	374,410
At January 1, 2023 (audited)	於二零二三年一月一日（經審核）	226,111
Total losses:	虧損總額：	
in other comprehensive expense	於其他全面開支	(74,771)
At June 30, 2023 (unaudited)	於二零二三年六月三十日（未經審核）	151,340

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

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

24 金融工具之公允價值計量（續）

按累計基準以公允價值計量的本集團金融工具的公允價值（續）

第三級公允價值重新計量的對賬

並非按累計基準以公允價值計量的本集團金融工具的公允價值

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

GLOSSARY

釋義

“Audit Committee” 「審核委員會」	the audit committee of the Board 董事會審核委員會
“Board” 「董事會」	the board of directors of the Company 本公司董事會
“CG Code” 「企業管治守則」	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules 上市規則附錄十四《企業管治守則》
“China Foods (Holdings)” 「中國食品(控股)」	China Foods (Holdings) Limited (中國食品(控股)有限公司) (formerly known as COFCO (BVI) No. 108 Limited), a company incorporated in the BVI with limited liability on August 30, 2000, and a wholly-owned subsidiary of COFCO (HK) 中國食品(控股)有限公司(前稱COFCO (BVI) No. 108 Limited)，一家於二零零零年八月三十日在英屬處女群島註冊成立的有限公司，為中糧香港的全資附屬公司
“COFCO” 「中糧」	COFCO Corporation (中糧集團有限公司), a wholly state-owned enterprise incorporated in the PRC in September 1952 currently under the purview of the SASAC and a major Shareholder of our Company 中糧集團有限公司，一家於一九五二年九月在中國註冊成立的國有獨資企業，目前隸屬於國資委，並為本公司的主要股東
“COFCO Finance” 「中糧財務」	COFCO Finance Corporation Limited (中糧財務有限責任公司), a non-bank financial institution incorporated with limited liability in the PRC on September 24, 2002, and an indirect subsidiary of COFCO 中糧財務有限責任公司，一家於二零零二年九月二十四日在中國註冊成立的有限責任非銀行金融機構，為中糧的間接附屬公司
“COFCO (HK)” 「中糧香港」	COFCO (Hong Kong) Limited (中糧集團(香港)有限公司), a company incorporated in Hong Kong with limited liability on August 14, 1981, and a direct wholly-owned subsidiary of COFCO and a major shareholder of the Company 中糧集團(香港)有限公司，一家於一九八一年八月十四日在香港註冊成立的有限公司，為中糧的直接全資附屬公司及本公司的主要股東

GLOSSARY

釋義

“COFCO Joycome”, “Company” or “our Company”	COFCO Joycome Foods Limited (中糧家佳康食品有限公司) (formerly known as COFCO Meat Holdings Limited (中糧肉食控股有限公司) and Charm Thrive Investments Limited (燦旺投資有限公司)), a company incorporated in the BVI with limited liability on March 11, 2014 and re-domiciled to the Cayman Islands as an exempted company with limited liability on May 4, 2016
「中糧家佳康」或「本公司」	中糧家佳康食品有限公司(前稱中糧肉食控股有限公司及燦旺投資有限公司)，一家於二零一四年三月十一日在英屬處女群島註冊成立的有限公司，並於二零一六年五月四日遷冊至開曼群島，作為一家獲豁免有限公司
“Director(s)” 「董事」	director(s) of our Company 本公司董事
“Food Safety Committee” 「食品安全委員會」	the food safety committee of the Board 董事會食品安全委員會
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time
「本集團」或「我們」	本公司及其附屬公司，或如文義所需，就本公司成為其現有附屬公司的控股公司之前的期間而言，則指於相關時間經營現有集團業務的實體
“Hong Kong dollar(s)” 「港元」	the lawful currency of Hong Kong 香港法定貨幣
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“Mainfield” 「明暉」	Mainfield International Limited (明暉國際有限公司), a limited liability company incorporated in the BVI on October 8, 2008, and a major shareholder of our Company 明暉國際有限公司，一家於二零零八年十月八日在英屬處女群島註冊成立的有限公司，為本公司的主要股東

GLOSSARY

釋義

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



中糧
COFCO

自然之源 重塑你我

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