



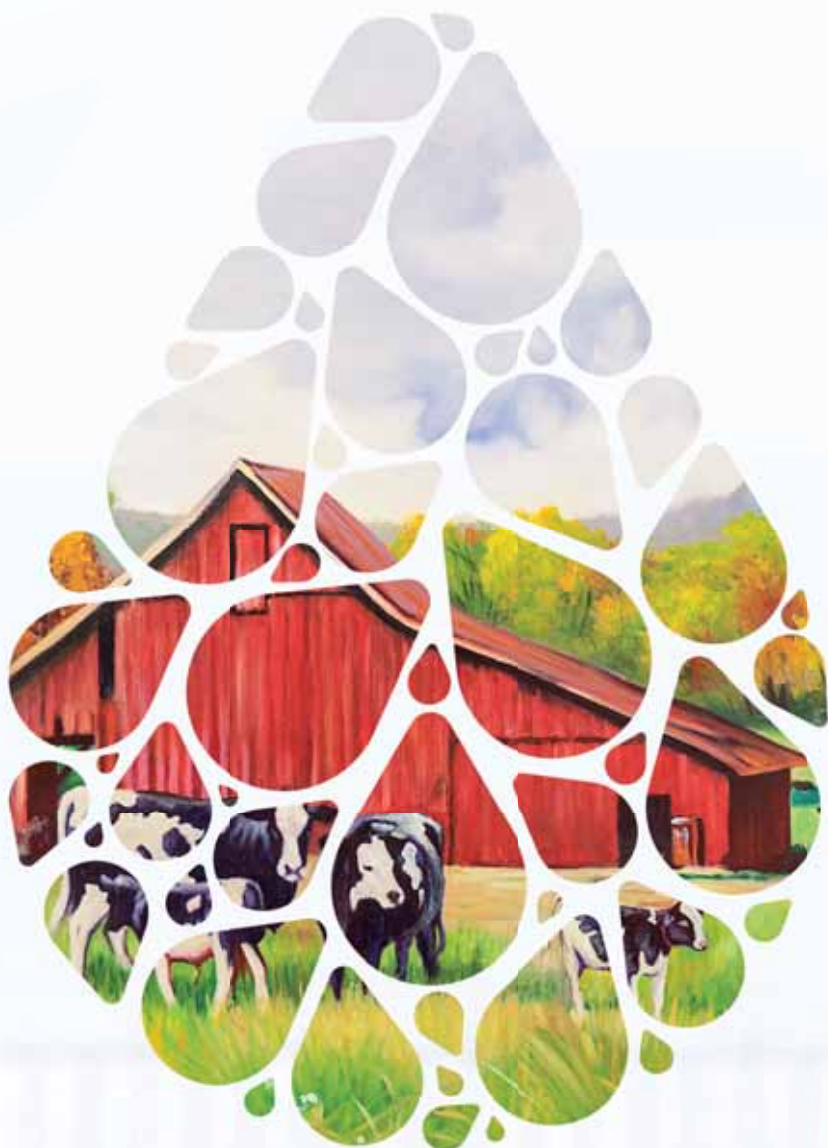
China Mengniu Dairy Company Limited
中國蒙牛乳業有限公司*

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

Stock Code 股份代號 : 2319

INTERIM REPORT 中期報告 2016

只為點滴幸福



* For identification purpose only 僅供識別

CORPORATE PROFILE

China Mengniu Dairy Company Limited (the “Company”; stock code: 2319) and its subsidiaries (the “Group” or “Mengniu”) manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with **MENGNIU** as its core brand. Mengniu’s diversified products include liquid milk products (such as UHT milk, milk beverages and yogurt), ice cream, milk formula and other products (such as cheese). As of June 2016, the Group’s annual production capacity reached 9.11 million tons. In March 2014, Mengniu became a Hang Seng Index constituent, making it the first blue chip Chinese dairy product manufacturer.

公司簡介

中國蒙牛乳業有限公司(「本公司」；股份代號：2319)及其子公司(統稱「本集團」或「蒙牛」)於中國生產及銷售優質乳製品。憑藉其主要品牌**蒙牛**，蒙牛已成為中國領先的乳製品生產商之一，提供多元化的產品，包括液態奶(如UHT奶、乳飲料及酸奶)、冰淇淋、奶粉及其他產品(如奶酪等)。於二零一六年六月，本集團乳製品的年生產能力達911萬噸。二零一四年三月，蒙牛獲納入恒生指數成份股，成為首家中國乳製品企業藍籌股。

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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Ms. SUN Yiping (*Chief Executive Officer*)
Mr. BAI Ying

Non-Executive Directors

Mr. NING Gaoning (*Chairman*) (resigned on 19 February 2016)
Mr. MA Jianping (*Chairman*) (appointed on 19 February 2016)
Mr. YU Xubo
Mr. NIU Gensheng
Ms. LIU Ding (*Vice-Chairwoman*)
Mr. Finn S. HANSEN (resigned on 1 April 2016)
Mr. Christian NEU (resigned on 1 April 2016)
Mr. Tim Ørting JØRGENSEN
(appointed on 1 April 2016)
Mr. Filip KEGELS (appointed on 1 April 2016)

Independent Non-Executive Directors

Mr. JIAO Shuge (alias JIAO Zhen) (*Vice-Chairman*)
Mr. Julian Juul WOLHARDT
Mr. ZHANG Xiaoya
Mr. WU Kwok Keung Andrew
Dr. LIAO Jianwen

Senior Management

Mr. ZHANG Ping
Mr. LIU Shengli
Mr. WANG Yansong
Mr. GAO Fei
Ms. ZHAI Mei
Mr. KWOK Wai Cheong Chris (*Qualified Accountant & Company Secretary*)

Stock Code

Hong Kong Stock Exchange 2319

Investor Relations Contact

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262 Gloucester Road
Causeway Bay
Hong Kong
Email: ir@mengniu.cn
Website: www.mengniuir.com

董事會

執行董事

孫伊萍女士(總裁)
白瑛先生

非執行董事

寧高寧先生(主席)(於二零一六年二月十九日辭任)
馬建平先生(主席)(於二零一六年二月十九日獲委任)
于旭波先生
牛根生先生
柳丁女士(副主席)
Finn S. HANSEN先生(於二零一六年四月一日辭任)
Christian NEU先生(於二零一六年四月一日辭任)
Tim Ørting JØRGENSEN先生
(於二零一六年四月一日獲委任)
Filip KEGELS先生(於二零一六年四月一日獲委任)

獨立非執行董事

焦樹閣(又名焦震)先生(副主席)
Julian Juul WOLHARDT先生
張曉亞先生
胡國強先生
廖建文博士

高級管理層

張平先生
劉勝利先生
王豔松先生
高飛先生
翟媚女士
郭偉昌先生(合資格會計師及公司秘書)

股份代號

香港聯合交易所2319

投資者關係聯絡人

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中糧大廈8樓801-2室
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CORPORATE INFORMATION
公司資料**Place of Business in Hong Kong**

Suites 801-2, 8th Floor, COFCO Tower
262 Gloucester Road, Causeway Bay
Hong Kong

Registered Office

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Share Registrar

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
46th Floor, Hopewell Center
183 Queen's Road East, Wanchai
Hong Kong

Legal Advisors

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

As to Cayman Islands Law
Maples and Calder Asia

Principal Bankers

Agricultural Bank of China
BNP Paribas
Industrial Commercial Bank of China
Ping An Bank
Rabobank
Standard Chartered Bank

Auditors

Ernst & Young

Investor Relations Consultant

Strategic Financial Relations (China) Limited

香港營業地點

香港
銅鑼灣告士打道262號
中糧大廈8樓801-2室

註冊辦事處

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心46樓

法律顧問

香港法律
蘇利文•克倫威爾律師事務所(香港)
有限法律責任合伙

開曼群島法律
Maples and Calder Asia

主要往來銀行

中國農業銀行
法國巴黎銀行
中國工商銀行
平安銀行
荷蘭合作銀行
渣打銀行

核數師

安永會計師事務所

投資者關係顧問

縱橫財經公關顧問(中國)有限公司

HIGHLIGHTS

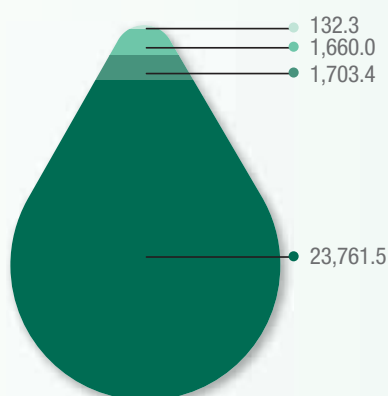
摘要

- Benefiting from active brand promotion and marketing, revenue increased by 6.6% to RMB27.26 billion. Gross profit margin was enhanced continuously and increased by 1.8 percentage points year-on-year to 33.7%.
- Mengniu constantly strives to optimize its product mix with the aim of guiding the premium product consumption trend as well as promoting consumption of nutritious and healthy dairy products. During the period, *Milk Deluxe* continued to lead the high-end market and Mengniu maintained leadership in liquid milk and chilled dairy product market with the largest market share.
- As the first in China to expand the application of LIMS (Laboratory Information Management System) and SAP system, Mengniu has been able to offer intelligent and systematic information management system throughout its entire industrial chain. It can track information forward and backward at all quality control points, allowing it to safeguard quality at every stage in the industrial chain.
- By bringing in advanced international resources and technologies, Mengniu has continued to strengthen its milk sources foundation and meet international standards. During the period, the percentage of Mengniu's milk sourced from ranches and scaled farms reached 100%.
- As the official dairy product partner of Shanghai Disney Resort, Mengniu provides premium quality products for visitors to the resort from all over the world and has created an exclusive series of special delights for it.
- Mengniu strengthened its milk formula business with an optimized product mix. During the period, Mengniu and Yashili completed the acquisition of Dumex Baby Food Co., Ltd. ("Dumex China"), a specialist in infant milk formula, from Danone Group.
- 受益於積極的品牌推廣和營銷執行，收入同比增長6.6%至人民幣272.6億元。毛利率水平持續改善，同比上升1.8個百分點至33.7%。
- 蒙牛積極引領消費升級，優化產品結構，並推動乳製品營養健康潮流。期內，*特侖蘇*繼續引領高端市場，蒙牛液態奶和低溫乳品市場份額排名蟬聯第一。
- 作為中國首家應用LIMS(實驗室信息管理系統)及SAP系統應用進行拓展的先驅企業，蒙牛打造智能化、系統化的全產業實驗室信息管理系統，實現產品在全產業鏈的質量控制點的正反向資訊追溯，達到質量數據的層層可控。
- 通過引進國際先進的資源與技術，蒙牛持續夯實奶源基礎、對標國際標準。期內，蒙牛規模化、集約化的奶源比例達到100%。
- 蒙牛作為上海迪士尼度假區的官方乳品合作夥伴，為來自世界各地的遊客提供高品質產品，並創新打造一系列上海迪士尼定制產品。
- 蒙牛深度優化奶粉業務，豐富現有產品組合。期內，蒙牛與雅士利完成向Danone集團收購從事嬰幼兒配方奶粉業務的多美滋嬰幼兒食品有限公司(「多美滋中國」)。

HIGHLIGHTS
摘要

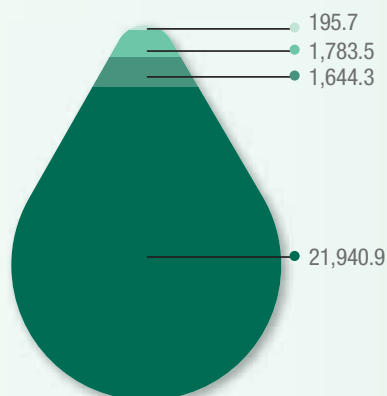
Revenue by Product Mix
For the six months ended 30 June

RMB Million
人民幣百萬元



2016

按產品劃分之收入
截至六月三十日止六個月



2015



Liquid Milk
液態奶



Ice Cream
冰淇淋



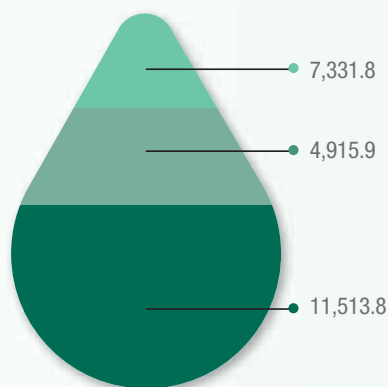
Milk Formula
奶粉



Other Products
其他產品

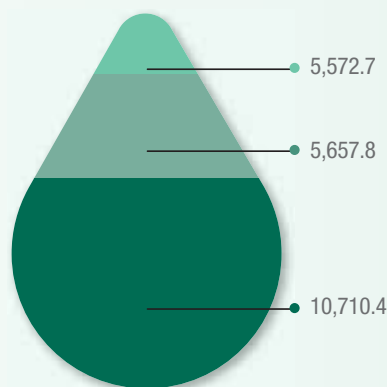
Revenue by Product Mix in Liquid Milk Segment
For the six months ended 30 June

RMB Million
人民幣百萬元



2016

按液態奶產品劃分之收入
截至六月三十日止六個月



2015



UHT Milk
UHT奶



Milk Beverages
乳飲料



Yogurt
酸奶

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Market Review

With the macro economy facing downward pressure, an oversupply of milk sources, more stringent regulation on the dairy industry and increasing competition from imported dairy products, the dairy industry in China continued to face challenges. However, according to data from National Bureau of Statistics, the Consumer Price Index in relation to liquid milk and dairy products had increased year-on-year for five consecutive months from February to June 2016, indicating a gradual recovery of consumption demand for dairy products in the country. As per capita income continues to rise and living standard improves in China, consumers are not only more conscious of food safety, but also increasingly care about nutrition and health. Under the new normal of consumers seeking higher-end products, premiumization of the liquid milk product structure continues. Room temperature yogurt and chilled yogurt sales boast a growth rate faster than the industry average and product sub-categories such as premium UHT milk and room temperature probiotic lactobacillus drinks have also kept growing.

During the period, the Chinese government continued to tighten regulation on infant milk formula and commenced thorough checking on the quality and safety of imported infant milk formula. As such, low-quality enterprises and production capacities are being gradually eliminated, which is conducive to consolidation as well as the long-term healthy development of the industry. In addition, the positive impact of the full roll-out of the two-child policy on milk formula demand is expected to surface gradually.

With a surplus supply of raw milk, currently it is difficult for milk product prices in the country to go up. As certain traditional product categories slow down in growth, dairy enterprises have sought to seize market share and drive volume growth through product innovation and creative marketing. As China steps into the new digital age, dairy enterprises are working hard at gearing their thinking with the Internet in mind, tailoring means and ways more innovative and interactive, more diverse yet direct to communicate with consumers in more dimensions, allowing them to better understand how consumers think and refresh consumers' perception about the quality of dairy products in China.

市場回顧

在宏觀經濟面臨下行壓力的大環境下，加上奶源過剩、乳業監管力度不斷加強、進口乳製品搶佔本土市場等因素，中國乳製品行業持續面對挑戰。然而，國家統計局數據顯示，二零一六年二月至六月液態乳及乳製品居民消費價格指數連續五個月同比上漲，表明國內乳製品消費需求有所回暖。隨著人均收入上升、生活水平改善，消費者不僅關注食品安全，亦更關注營養健康。在產品消費升級的新常態下，液態乳結構化升級趨勢仍然延續。常溫及低溫酸奶銷售增速明顯高於行業均速，高端UHT奶、常溫乳酸菌飲料等差異化品類亦保持增長。

期內，中國政府持續加強對嬰幼兒配方奶粉的監管，還對進口嬰幼兒配方奶粉的質量安全開展全面檢查，劣質企業及產能逐步被淘汰，行業集中度進一步提升，有利於行業長遠健康發展。此外，全面二胎政策的落實對奶粉需求的積極影響預期也將逐漸呈現。

原奶供應過剩，短期內國內奶價上行空間受限，部分傳統品類增速放緩，乳企均以產品和營銷創新搶佔市場，驅動量增。在中國已邁入數字化新時代的背景下，乳企均加強互聯網思維，以創新互動、更多元、更立體、更直接的方式與消費者進行深入溝通，在洞察消費者心理的同時，刷新消費者對中國乳製品品質的認知。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

Business Review

Seeing both opportunities and challenges in consumers going for premium products, Mengniu has remained steadfast in its strive for quality, innovation and win-win with consumers, pushing on persistently with its two-pronged “internationalization + digitalization” development strategy aiming for quality innovation in such core areas as raw milk sourcing, management systems, accreditation standards and research and development in relation to nutrition and health. Its ultimate aim is to build an ecosystem that promises consumers both quality and nutrition. Mengniu has completed step-by-step a series of internationalization measures including its shareholder structure, strategies establishment and system set-up and has built itself into an intelligent dairy enterprise with the help of Big Data and through digitalized management, taking its work in areas such as plant construction, internal management and quality system to new levels.

With consumption demand becoming more diverse and sophisticated, Mengniu is placing more emphasis on research and development and product upgrade, and ensuring food safety by exercising quality control and tracking throughout its entire industrial chain. Staying true to the mission of “Focus on nutrition and health, deliver a drop of happiness for every moment and every day to more people”, Mengniu continued to actively promote the trend of consuming nutritious and healthy dairy products. During the period, premium UHT milk, room temperature and chilled yogurt saw satisfactory sales growth. *Milk Deluxe* continued to lead the premium market segment. *Just Yoghurt* maintained fast growth and became a main sales growth contributor. Sales of *Champion* also continued to grow quickly. Owing to Mengniu’s vigorous effort to expand sales channels, room temperature liquid milk gained more market share. As for milk formula business, Yashili was still in the phase of brand upgrade and channel transformation and consolidation, the effects of which are expected to manifest in a gradual manner.

業務回顧

面對消費升級帶來的機遇和挑戰，蒙牛秉承對品質、創新、共贏的堅持，不斷推進「國際化+數字化」雙軌戰略驅動品質創新的發展格局，戰略部署覆蓋奶源、管理體系、標準認證以及營養健康創新研發等核心領域，致力打造品質和營養共贏生態圈。蒙牛已逐步完成股東結構、戰略、系統建設等一系列國際化進程，並通過數字化的管理，構建大數據智慧乳企，使蒙牛在工廠建設、內部管理、質量體系等方面都上了一個新台階。

隨著消費需求走向差異化及高端化，蒙牛更注重產品研發升級，並通過全產業鏈的品質監控和追溯體系，保障食品安全，以「專注營養健康，每一天每一刻為更多人帶來點滴幸福」為使命，積極推動乳製品營養健康消費潮流。期內，高端UHT奶及常溫、低溫酸奶品類均錄得良好銷售增長。特侖蘇繼續引領高端市場；純甄保持高速增長，並且成為銷售增長貢獻主力產品；低溫冠益乳銷售持續保持高增長。由於蒙牛大力拓展銷售渠道，常溫液態奶獲得市場份額增長。奶粉業務方面，雅士利仍處於品牌升級、渠道轉型落地的階段，預期成效將逐步體現。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During the period, Mengniu once again made it among the top 20 in the BrandZ™2016 list of the most valuable Chinese brands. In addition, in the sixth China Brand Power Index (C-BPI) ranking published by the Ministry of Industry and Information Technology of the PRC in 2016, Mengniu was the C-BPI champion in two categories – liquid milk and yogurt. In particular, its yogurt, which has won the champion for six consecutive years, was crowned the “Golden Brand”. Also, Mengniu was named an “Advanced Enterprise for the Cultivating and Management System of Light Industry Brands (輕工品牌培育管理體系先進企業)” by the China National Light Industry Council (中國輕工業聯合會), and its ice cream, probiotic lactobacillus drinks and pure milk products also won the title of “Competitive and Advantageous Products of Light Industry Brands (輕工品牌競爭力優勢產品)”. In addition, at the Global Dairy Congress held in the United Kingdom, *Hi Milk*, Mengniu’s premium customized milk, garnered the “Best Dairy Product” and “Best Packaging of Dairy Products” awards under the World Dairy Innovation Awards. Mengniu was the only Chinese dairy enterprise that won two major awards at the event, which evidenced the high recognition of the international market for Mengniu’s relentless effort to innovate and upgrade its products.

Strategic Cooperation and Integration

– Chilled product business: Danone S.A. and its subsidiaries (“Danone Group”)

Danone Group, which owns 9.9% stake in Mengniu, is Mengniu’s second largest strategic shareholder. Inner Mongolia Mengniu Danone Dairy Co., Ltd. (“Mengniu Danone”) is a joint-equity company held 80% by Mengniu and 20% by Danone Group and has been in full operation since June 2014.

During the period, through applying digital management system and thus enhancing the integrated management over sales demand, raw material procurement and production capacity, Mengniu Danone improved matching of production and sales. On the cost control front, the Ma’anshan plant recorded less wastage and has launched an optimization project for production facility cleansing. The successful experience in improving efficiency and quality of the plant will be introduced by Mengniu Danone gradually to the other fresh milk plants. At the same time, through using PET bottles and optimizing product formula, Mengniu Danone achieved good results in terms of cost reduction.

期內，蒙牛再次入選BrandZ™2016最具價值中國品牌20強，並在中國工業和信息化部2016年(第六屆)中國品牌力指數(C-BPI)排名中，榮獲液態奶及酸奶兩個行業C-BPI冠軍，其中蒙牛酸奶連續六年蟬聯榜首，榮膺「黃金品牌」。蒙牛還獲得中國輕工業聯合會授予「輕工品牌培育管理體系先進企業」稱號，旗下品牌雪糕、乳酸菌飲料、純牛奶產品也獲得「輕工品牌競爭力優勢產品」稱號。此外，在英國舉辦的全球乳製品代表大會上，蒙牛高端定制牛奶**Hi Milk**更奪得世界乳業創新大獎中「最佳乳品」及「最佳乳品包裝」獎項，成為唯一獨攬兩項大獎的中國乳企，體現了國際市場對蒙牛不斷創新升級產品的高度認可。

戰略合作與整合

– 低溫業務：Danone S.A.及其子公司(統稱「Danone集團」)

Danone集團為蒙牛的第二大戰略股東，持有蒙牛9.9%的股份。蒙牛與Danone集團合資成立的內蒙古蒙牛達能乳製品有限公司(「蒙牛達能」)已於二零一四年六月起全面運營。合資公司中，蒙牛和Danone集團分別佔80%和20%的股份。

期內，蒙牛達能通過應用數字化管理系統，強化銷售需求、原材料採購和產能的整體管理，達致更均衡的產銷匹配。在成本控制方面，馬鞍山工廠的損耗錄得下降，並已啟動工廠清洗優化項目。蒙牛達能將陸續把馬鞍山工廠成功改善效率和品質的經驗推廣至其他新鮮乳工廠。同時，蒙牛達能通過引用PET瓶和優化配方，獲得良好的成本管控效益。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

On staff development, by utilizing the rich training resources of Danone Group supplemented by the gradual and effective execution of the well-organized training schedules, Mengniu Danone has taken care of the needs of every employee and ensured the fast development of its employees in order to effectively support the Group in achieving its business targets.

During the period, Yoyi C launched the innovative cross-segment Live Tea series, a perfect blend of Indian black tea, Longjing green tea, and probiotics. The Live Tea series was launched with the complement of a series of online and offline promotional activities with the Warner Bros movie “Batman v Superman: Dawn of Justice” which had a strong appeal to young consumers. Yoyi C has obtained patent for its proprietary “Temperature self-regulation digital system” which can help ensure the stability of probiotics in the products. Champion launched the Red+ yogurt series that features first in the market yogurts with red super fruit and fragrant flower flavors, such as pomegranate plus rose and cherry plus rose, which has won the heart of many female consumers. As for its basic yogurt products, Mengniu added in January 2016 the new product *200g Nourishing Oat and Red Date Flavor Yogurt* in small bottle. Driven by product innovation, the chilled product business segment achieved sustainable sales growth during the period.

Drawing on Danone Group’s advanced international technologies and capabilities in quality management and product innovation, as well as Mengniu’s strength in distribution, Mengniu Danone will continue to lead the national chilled dairy products market.

人才發展方面，蒙牛達能協同Danone集團豐富的培訓資源，並配合培訓紀律的逐步有效執行，確保全面覆蓋每一位員工的需求，有效讓員工快速成長，以有效支持本集團達成業務目標。

期內，優益C推出跨界創新的活茶系列，完美結合印度紅茶、龍井綠茶和乳酸菌；活茶系列攜手華納電影《蝙蝠俠大戰超人：正義黎明》進行一系列的線上線下宣傳，成功吸引年輕消費者。優益C自主創新的「溫度自控數字系統」已獲專利授權，保證產品中的益生菌活菌穩定。冠益乳推出紅色+系列酸奶，首創石榴玫瑰和櫻桃玫瑰的超級紅色水果鮮花酸奶系列，備受女性消費者的青睞。蒙牛基礎酸奶新品中華滋養200g燕麥紅棗瓶酸奶於二零一六年一月推出。產品創新驅動低溫業務在期內獲得可持續性的收入增長。

蒙牛達能將借助Danone集團國際化的先進技術，品質管理和產品創新能力，以及蒙牛強大的分銷實力，繼續引領全國低溫乳製品市場。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- **Arla Foods**

With the support of Arla Foods, Mengniu has kept enhancing its research and development, production, ranch and quality management. Its operational capability and level of innovation have thus been improving and near on par with international standards. By adopting Arla Garden's advanced ranch management system and matching it with actual situations and management experience of ranches in China, Mengniu has come up with the Mengniu Garden system that entails meticulous management of every part of the production process and the use of international measurements to define quality milk sources. As of the end of June 2016, Mengniu's ranch management standards were more than 65% integrated with Arla Garden's, resulting in consistent enhancement of management level.

During the period, Mengniu had invited more than a dozen of top experts from Denmark to design a systematic training program covering four major modules, namely source management, outcome review, technological management and financial management for the elites on ranches, and on-site coaching was given monthly by the experts. The combined strengths of Arla Foods and Mengniu have enabled the China-Denmark Milk Technology Cooperation Center to better apply its edges and serve as a platform that can help achieve digitalized raw milk sourcing and enhance ranch management systematically, with alert function and well-defined mechanisms built in.

Arla Foods is one of the major overseas research and development partners of Mengniu. It works with Mengniu in promoting innovation in products and nutrition of room temperature products, high-end organic milk formula and differentiated cheese products with the aim of guiding the higher-end product consumption trend.

- **Arla Foods**

在Arla Foods助力之下，蒙牛在研發生產、牧場及質量管理等方面不斷提升，運營能力及創新水平已逐漸與國際標準對接。蒙牛以Arla Garden牧場管理體系的先進模式，結合中國牧場的實際情況和管理經驗，因地制宜建立蒙牛Garden體系，在每一個環節精耕細作，以國際化標準定義高品質奶源。截至二零一六年六月底，蒙牛牧場管控標準與Arla Garden結合度已超過65%，管理標準持續提升。

期內，蒙牛先後邀請10餘位丹麥頂級專家制定體系化課程，培養牧場精英，重點圍繞源頭管理、結果評價、技術管理、財務管理四大模組開展每月現場指導幫扶。在Arla Foods與蒙牛資源整合的基礎上，中丹乳品技術合作中心更加發揮平台優勢，推動數字奶源建設，通過系統、預警和制度推進牧場管理。

Arla Foods作為蒙牛海外主要研發合作夥伴之一，與蒙牛協同推進在常溫品類、高端有機奶粉以及差異化奶酪等品類上的產品和營養創新，引領消費升級趨勢。

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– **Milk formula business: Yashili International Holdings Ltd (“Yashili”; stock code: 1230)**

In December 2015, Mengniu and Yashili jointly announced the acquisition of Dumex China, which specializes in infant milk formula business, from Danone Group. The acquisition was completed on 31 May 2016 with Yashili given access to the sales channels of Dumex China, thus allowing it to expand its market in first- and second-tier cities, especially in Eastern China. Through acquiring Dumex China’s advanced production facilities and subsequent consolidation and optimization of business, Yashili will be able to enhance its production network and reduce production cost. Meanwhile, with the research capabilities of Dumex China and support from Danone Group, Yashili will gain capabilities in product development and upgrade.

Apart from the acquisition of Oushi Mengniu (Inner Mongolia Dairy Products Co., Ltd. (“Oushi Mengniu”) and Dumex China, Yashili has also been active in bringing in products of the super high-end brand of Arla Foods to boost its product lines. Arla’s organic *Baby & Me* products are designed to appeal to the super high-end milk formula market; *Super α - Golden* and *Ambery Golden* of Yashily, *Diamor* of Dumex and the organic *Ruipuen* of Oushi Mengniu target high-end consumers; Yashili’s key product *α - Golden*, *Golden* of Scient and the *Beauty* series of Oushi Mengniu are mainly for mid-range to high-end consumer groups; whereas series including *Precinutri* of Dumex, *Standard* of Scient and *Oushi* of Oushi Mengniu cater to mid-range consumer groups.

– **奶粉業務：雅士利國際控股有限公司（「雅士利」，股份代號：1230）**

蒙牛和雅士利於二零一五年十二月聯合宣佈向Danone集團收購從事嬰幼兒配方奶粉的多美滋中國。收購已於二零一六年五月三十一日完成，雅士利將獲得多美滋中國的銷售網絡，有助其拓展一、二線城市市場，特別是華東地區。通過收購多美滋中國的先進生產設施，與其進行整合及優化，雅士利可提升自身生產網絡，降低生產成本。同時雅士利將享有多美滋中國的研發能力及Danone集團的支援，助其產品開發及升級。

除了收購內蒙古歐世蒙牛乳製品有限責任公司（「歐世蒙牛」）及多美滋中國，雅士利還積極引進Arla Foods的超高端品牌，進一步豐富其產品線。產品定位上，Arla有機*Baby & Me*針對超高端奶粉消費者；雅士利*超級α - 金裝*、*金裝安貝慧*、*多美滋致粹*、*歐世蒙牛有機瑞哺恩*針對高端市場消費者；主打產品雅士利*α - 金裝*，以及*施恩金裝*、*歐世蒙牛美*等系列主要針對中高端消費群；*多美滋精確盈養*、*施恩普裝*及*歐世蒙牛歐世*等系列主要針對中端消費群。

MANAGEMENT DISCUSSION AND ANALYSIS

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The manufacturing plant of Yashili in New Zealand officially began operation in November 2015, making Yashili the only milk formula brand in China that has its own factory in New Zealand. With access to premium quality milk source and the support of the factory in New Zealand which upholds stringent standards, Yashili's research and development center has developed various imported brands and series of infant milk formula, thus has enriched and strengthened its product lines for providing strong product support to Yashili for market expansion and participation in competition. In April 2016, Yashili's *Super α -Golden*, a newly developed milk formula product imported from New Zealand, was launched and sold not only via various channels in China including maternal and child platforms and e-commerce avenues, but was also launched for sale in New Zealand, marking a crucial step in Mengniu's "go global" roadmap.

Currently, Yashili is transforming its sales channels. Through endeavors such as taking resource integration to the depth and enhancing efficiency of the management team, it aims to become more responsive to the market. Regarding e-commerce channels, Yashili achieved satisfactory year-on-year growth and also managed to transform from a single sales platform into a multi-dimensional and consumer-oriented business platform, achieving a deeper channel penetration. In respect of the maternal and child channel, Yashili promoted high-end products such as *Yashily Super α -Golden* and Arla series with the support of the media, brand promotion activities and effective management at directly-operated stores for fast product launch and display, which in turn has improved sales. In addition, through the sole sponsorship of "Splendid Chinese Languages (多彩中國話)", a major TV show featuring different Chinese dialects, Yashili has increased its brand influence leveraging the variety show to accentuate its milk formula of international quality.

自二零一五年十一月新西蘭工廠正式投產，雅士利成為唯一一家在新西蘭自建工廠生產的國內奶粉品牌。憑藉新西蘭優質奶源和新西蘭高標準工廠，雅士利研發中心開發了原裝進口的多品牌多系列嬰幼兒配方奶粉，豐富和強化了雅士利的產品線，為開拓市場和參與競爭提供強有力的產品支援。二零一六年四月，雅士利首發新西蘭原罐超級 α -金裝奶粉，不僅在國內母嬰、電商等多個渠道銷售，更在新西蘭上架，體現蒙牛「走出去」的國際化戰略佈局。

雅士利目前正處於渠道轉型的過程中，通過深化資源整合及加強管理團隊效率等措施，提升應對市場的能力。在電商渠道方面，雅士利表現同比增長良好，從單一銷售平台轉型到以消費者為中心的多維度業務平台，實現渠道下沉。而在母嬰渠道方面，雅士利依託超級 α -金裝和Arla系列等高端產品，配合媒體和品牌推廣、直營店管理等方面的支持，加快產品鋪設，進而改善銷售狀況。此外，雅士利更獨家冠名大型中國方言秀《多彩中國話》，借力綜藝以國際優質奶粉定位提升雅士利品牌影響力。

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Affected by the generally low price and weak sales of milk formula and intensifying market competition, Yashili continues to face immense challenges in 2016. In the second half year, a series of new policies related to milk formula will be introduced, which is expected to result in the milk formula market in China consolidating even further. That, together with the full implementation of the two-child policy favorable for the industry, will fuel potential market demand for milk formula. Yashili will continue to pursue channel transformation and brand upgrade, shaping up to make sure it can grasp promising development opportunities.

– **Plant-based nutrition product business: The WhiteWave Foods Company (“WhiteWave”)**

Mengniu and WhiteWave formed a joint-equity company in April 2014 with Mengniu holding 51% equity interest and WhiteWave holding 49%. The company launched walnut and almond flavor beverages with plant protein in December 2014 and, in May 2016, a series of new products of various flavors hit the market including the existing two flavors being refined and a Mellow Soy Milk series. Using WhiteWave’s leading technology in the plant-based nutrition product segment, the new products agree more with the Chinese palate.

In recent years, the plant-protein beverage industry in China has developed rapidly. As consumers become increasingly health and nutrition conscious, plant-protein beverages, which are deemed nourishing for the body, have huge market potential in China. The joint-equity company will actively tie in with the market and channel resources of Mengniu’s core business and continue to enrich its product lines, building up its competitive edges in the plant-based nutrition product segment and giving Mengniu differentiated advantages which make it stand out in the industry.

受整體奶粉行業價格及銷量疲軟、市場競爭加劇的影響，雅士利在二零一六年仍面臨巨大挑戰。下半年，隨著一系列奶粉新政出台，國內奶粉市場集中度將進一步提高，加上全面二胎政策的利好因素，奶粉市場需求潛力將被激發。雅士利將繼續推動渠道轉型和品牌升級，積極裝備自身，把握有利機會尋求發展。

– **植物基營養品業務：The WhiteWave Foods Company (“WhiteWave”)**

蒙牛和WhiteWave於二零一四年四月註冊成立合資公司，蒙牛和WhiteWave分別持有合資公司51%及49%的權益。繼二零一四年十二月推出核桃及巴旦木兩種口味的植物蛋白飲品後，合資公司於二零一六年五月上市一系列多種口味產品，除了更新原有兩種飲品的口味，還推出醇香豆奶系列產品。新產品的開發沿用WhiteWave在植物基營養品領域的領先技術，更加適合中國消費者的口味偏好。

近年國內植物蛋白飲料行業發展迅速，隨著消費者越來越注重健康及營養，被定位為具有滋養功效的植物蛋白飲料在中國具有很大的市場潛力。合資公司將更緊密結合蒙牛核心業務在市場及渠道方面的資源，持續豐富產品線，打造植物基營養品領域的競爭優勢，形成蒙牛在行業內的差異化優勢。

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Quality Management

Mengniu continued to strictly control the risks end-to-end in the entire industrial chain and safeguard product quality using “four carriages mechanism” – the quality and safety management system and three quality management centers for milk sources, operations and sales respectively. During the period, Mengniu established the notion of “perfect products” which it sees as a milestone in quality management development starting with product design. As a pioneer in China in expanding the application of LIMS and SAP system, Mengniu, through achieving synergistic operation of the two systems, has been able to offer intelligent and systematic quality assurance throughout the entire industrial chain, from delivery of raw milk to factories, sourcing of auxiliary materials, production processes to the point-of-sale. It is able to track information forward and backward at all quality control points and allow control of quality at every stage in the industrial chain, thus setting a new benchmark for the dairy product industry in China.

The quality and safety management system, together with the food safety management model of Danone Group, continued to enhance the food safety risk management mechanism for the entire industrial chain. It has built an innovative digitalized “Real-time Food Safety and Quality Monitoring and Control Platform” of international standard, covering fully all ranches, production plants and major sales areas overseeing at real-time product safety in every stage of the production process. And, product quality data are uploaded onto a “Food Safety Cloud” platform, realizing informatization of the entire industrial chain stretching from the ranches and factories to the markets and facilitating more transparent communication with regulatory departments as well as consumers.

To abide by the latest PRC Food Safety Law effective from 1 October 2015, Mengniu has established a food safety matrix which covers horizontally the entire industrial chain and vertically five major dimensions, namely structural integrity, standard construction, process control, assessment improvement and informatization support, to continuously improve and enhance the extensive implementation of Total Food Security Quality Management (“TFSQM”) in the entire industrial chain. Mengniu has also started constructing a “One-stop Position Management System” for offering clear, effective and specific guidance on management of quality, food safety and regulation associated risks for each

質量管理

蒙牛繼續以端到端的全產業鏈質量管理體系「四架馬車」(即質量安全管理系統、奶源質量管理中心、營運質量管理中心以及銷售質量管理中心)嚴控全產業鏈風險，提升產品質量。期內，蒙牛以「完美產品」作為質量管理發展的全新里程碑，從產品設計開始，植入完美產品概念。作為中國首家將LIMS及SAP系統拓展性應用的先驅企業，蒙牛通過LIMS系統和SAP系統高效協同工作，從原奶入廠、原輔料採購、生產製造過程到終端銷售的全產業鏈提供智慧化、系統化的品質保障，實現產品在全產業鏈的質量控制點的正反向資訊追溯，達到質量數據的層層可控，樹立中國乳品行業品質新標杆。

質量安全管理系統對標Danone集團的食品安全管理模式，持續完善全產業鏈的食品安全风险管理模式，創新打造具國際水平的數字化「食品安全質量即時監控平台」，全面覆蓋各牧場、生產工廠和銷售大區，即時監測每一環節的產品安全狀況。同時通過「食品安全雲」平台，將產品質量數據上傳至雲端，實現牧場、工廠、市場的全產業鏈信息化，以達致與監管部門及消費者更透明的溝通。

因應自二零一五年十月一日起正式施行的新版《中華人民共和國食品安全法》，構建橫向覆蓋全產業鏈，縱向貫穿組織保障、標準建設、過程式控制、評價改善以及資訊化支援五大維度的矩陣式食品安全防護網，持續促進覆蓋全產業鏈的全面食品安全管理體系(TFSQM)的深化與落實。蒙牛還開展管理體系「一站式崗位管理制度」的建設工作，清晰有效地指導每一個崗位在品質管理、食品安全管理以及法規風險管理上的具體要求，從

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work position thus ensuring food safety and full compliance of its operations with all regulatory requirements. In addition, Mengniu cooperated with third-party organizations on food safety monitoring as well as on research and exploring food safety standards with nutrition and consumers' health in mind. In the first half of 2016, 37 national testing organizations had examined relevant milk samples from Mengniu's various milk suppliers and the pass rate was maintained at 100%. To help partners strengthen quality and safety management, Mengniu has signed in all close to 6,000 food safety agreements with raw milk suppliers and distributors as a means to assure product quality and safety.

The milk sources quality management center has six major tasks, which are "Control of Regional Risk", "Workshop Management of Milk Suppliers", "Assessment of Maturity of Divisions", "Grain to Fodder" program, "Enhancement of Health of Dairy Cattles" and "W-W Virtual Dairy Farming". All divisions have taken initiative to satisfy the higher national requirements by increasing sample inspection frequency and tightening the inspection criteria. Furthermore, the milk source quality management center has urged milk suppliers to standardize production and management, and milk suppliers were supervised to ensure that they adopt and strictly follow Standard Operation Procedures ("SOP").

The operation quality management center has quantified the definition and benchmark of a perfect product, and assessed products on multiple dimensions including its content, packaging and consumer experience, the aim of which is to ensure consumers have an experience that exceeds their expectation. At the same time, it ensured the different operational stages such as formula design, packaging design, maintenance of production process and storage and delivery logistics were under complete control, helping to boost the core competitiveness of products with quality guarantee.

The sales quality management center continued to embark on the construction and management of the chilled chain infrastructure at point-of-sale end ensuring that relevant management standards are observed. Mengniu has kept enhancing product traceability that stretches from when the products leave the factory to when they arrive at different points-of-sale.

而保障食品安全和法規要求的全面落地。此外，蒙牛與第三方機構開展食品安全監測合作，並從消費者營養健康角度出發研究與探索食品的安全標準。二零一六年上半年，國家37個抽檢機構對蒙牛供奶方的樣品進行抽檢，合格率繼續維持100%。為了加強合作夥伴的質量安全管理，蒙牛組織原奶供應商及經銷商共簽訂近6,000份食品安全承諾書，確保產品質量安全。

奶源質量管理中心聚焦並推進「區域風險控制」、「供奶方車間化管理」、「事業部成熟度評審」、「糧改飼」工程、「奶牛健康改善」以及「W-W虛擬牧業」六大項目。各事業部主動響應更高的國家要求，進一步提高抽檢頻次以及提高抽檢要求。此外，奶源質量管理中心進一步督促供奶方規範化車間生產管理，從標準操作程序(Standard Operation Procedure，簡稱「SOP」)的落地方面監督供奶方嚴格依照規範操作。

營運質量管理中心量化完美產品的定義及指標，從產品內容物、外包裝、消費者體驗等方面進行多維度衡量，力求使消費者獲得超越預期的體驗。同時全面控制配方設計、包裝設計、生產過程維護、儲運物流控制等環節，在保證產品質量的前提下，全面提升產品核心競爭力。

銷售質量管理中心進一步開展終端冷鏈業務建設管理項目，確保低溫冷鏈管理標準落實到位。蒙牛持續加強產品的可追溯性，貫穿從出廠到銷售終端的流通鏈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The country's first ranch food safety standard, which was jointly developed by Mengniu and AsureQuality, a New Zealand state-owned enterprise, was being applied. It aided management of ranch food safety and covered seven areas, namely legal compliance, management of suppliers, ranch design and management, management of fodder and water, health and well-being of dairy cattle, production of raw milk and the environment, and has been implemented at 119 control points.

Mengniu, in collaboration with a third party company, conducted food safety audits on the operations of its strategic partners for potential risks and loopholes at strategic ranches and promptly suggested rectification measures, with the aim of promoting concrete implementation of food safety management system by its strategic partners thus enhance food safety starting at the source. In the first half of 2016, Mengniu commenced food safety audits of a total of seven ranches of its three strategic partners – Fuyuan Farming, China Modern Dairy and Shengmu High-tech. Mengniu plans to gradually expand the scope of the food safety audit for strategic ranches and drive the implementation of food safety standards at those ranches.

Management of Milk Sources

By bringing in advanced international resources and technologies, as well as employing digitalization and informatization know-how and other new technologies, Mengniu has continued to strengthen its milk sources foundation in the aspects of deployment, structure, quality and technology, in its bid to safeguard the lifeline of the dairy industry. During the period, the percentage of Mengniu's milk sourced from ranches and scaled farms reached 100%.

Taking reference of the hundred-year of advanced experience of Arla Garden in ranch management and taking into account local conditions and situations, Mengniu has built an innovative Mengniu Garden ranch management ecosystem to help speed up the construction of Mengniu's modern milk sourcing. Integrating international ranch management criteria with the Arla Garden management system and the safety management standard of AsureQuality from New Zealand, Mengniu continued to strengthen management and control of suppliers' ranches. In addition, Mengniu has enhanced ranch classification and management standard by introducing informatized and digitalized management to ensure that Mengniu's ranches meet standard cattle rearing requirements. It does so for the purpose of enabling strategic milk supply partners to obtain certification for passing the most stringent food safety standards applicable to international ranches.

蒙牛與新西蘭國有企業AsureQuality共同合作的國內首個牧場食品安全保障標準已付實施，全面聚焦牧場食品安全管理，覆蓋法律合規性、供應商管理、牧場設計與管理、飼料和水的管理、奶牛健康和福利、原奶生產和環境七個部分，並落實至119個控制點。

蒙牛聯合協力第三方公司對蒙牛的戰略合作夥伴開展食品安全審核工作，嚴查戰略牧場食品安全管理存在的風險漏洞並及時提出改進措施，推動戰略合作夥伴食品安全管理體系的落地，提升源頭食品安全保障能力。二零一六年上半年，蒙牛已經推進富源牧業、現代牧業、聖牧高科三個戰略合作夥伴共七個牧場的食品安全審核。蒙牛計劃逐步擴大戰略牧場食品安全審核範圍，推動牧場食品安全保障標準在戰略牧場的落地。

奶源管理

通過引進國際先進的資源與技術，運用數字化、信息化和其他新技術，蒙牛從奶源的佈局、結構、質量、科技等方面持續夯實奶源基礎，守護乳品行業的生命線。期內，蒙牛規模化、集約化的奶源比例達到100%。

借鑒Arla Garden先進的百年牧場管理經驗，蒙牛因地制宜構建自主創新的蒙牛Garden生態牧場管理體系，加快建設蒙牛現代化奶源體系。蒙牛結合國際牧場管理要求，深化落地Arla Garden管理體系、新西蘭AsureQuality安全管理標準，持續強化供應商牧場管控。蒙牛還提升牧場分級管理標準，引入信息化、數字化的管理模式，確保蒙牛牧場符合標準化養殖水平，目標使戰略合作供奶方全部通過國際牧場最嚴食品安全標準認證。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Mengniu, for the first time, adopted SOP, an advanced ranch management standard from Denmark, to fortify the foundation for establishing standardized ranches and its capability in delicacy management of technologies at the ranches, in turn enhanced its competitiveness in the domestic milk source market. Focusing on the links of the raw milk production chain, Mengniu has formulated the “Ranch SOP Technology Regulations” with special terms refined at the leadership of industry experts and technicians and by integrating actual operational situations in 10 major ranch regions.

In keen response to the government’s “Grain to Fodder” policy, starting in 2016, Mengniu has pushed ahead at full force its “Grain to Fodder” project that entails the scientific use of corn silage in feeding at ranches. The coverage of silage in scaled ranches has reached 100%.

Mengniu continued to forge ahead with its “W-W Virtual Dairy Farming Project” to boost cooperation with milk suppliers and the operation standard of ranches. Adhering diligently to the benchmark of Arla Garden’s sophisticated ranch evaluation and management system, Mengniu has invited more than 10 top specialists from Denmark to help design systematic training programs for nurturing ranch talent. Participants in the program were provided on-site guidance and support monthly and the program covered four key modules, namely source management, outcome review, technology management and financial management. During the period, Mengniu started the program at over 500 virtual trial supplier ranches of various business divisions and the program had helped the trial ranches improve output per cattle as well as profitability.

With industry leading capability in ranch Big Data management, Mengniu has been again awarded the “Ranch Service Management based on Big Data in Dairy Enterprises – Modernized Outcome Innovation Prize” jointly presented by the China Enterprise Confederation (CEC), State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and the Ministry of Industry and Information Technology of the PRC (MIIT). Mengniu made yet another innovative achievement in milk source management in the industry.

蒙牛首次引入丹麥先進牧場管理SOP標準，進一步夯實牧場標準化建設的基礎和精細化技術管理能力，提高國內奶源市場競爭力。圍繞原奶生產鏈條，蒙牛制定《牧場SOP標準化技術規程》，並由行業專家及技術人員牽頭，結合10個牧場大區的實際運營情況完善特殊條款。

蒙牛還積極回應國家「糧改飼」的政策導向，二零一六年起全面推廣牧場科學飼餵全株青貯玉米的「糧改飼」項目，奶源集約化牧場青貯覆蓋率已達100%。

蒙牛持續推進「W-W虛擬牧業項目」，提升供奶方與本集團的合作緊密度及牧場運營水平。蒙牛全方位對標Arla Garden牧場先進的評估管理體系，先後邀請10餘位丹麥頂級專家制定體系化課程以培訓多位牧場精英，重點圍繞源頭管理、結果評價、技術管理、財務管理四大模組開展每月現場指導幫扶。期內，蒙牛對各事業部共逾500個虛擬牧業試點供方開展每月現場指導幫扶，期內試點牧場單產和盈利能力獲得改善。

憑藉領先牧場大數據管理，蒙牛再次獲得由中國企業聯合會、國務院國有資產監督管理委員會、中國工業和信息化部共同頒發的「乳品企業基於大數據的牧場服務管理」現代化成果創新獎，又一次在行業奶源管理方面取得創新成績。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Management System

In 2013, Mengniu adopted the SAP system to boost its management capabilities in six aspects: precision marketing and in-depth sales channel management; integrated business and financial management platform; a responsive synergetic system for supply, production and sales; integrated quality management and gradually refined quality tracking; scientific and rational industrial deployment, and highly effective management of procurement and logistics.

The SAP project has three phases: the first was foundation implementation, which was completed successfully in March 2015. Mengniu achieved integration of businesses along the entire supply chain, integration of financial and operational functions as well as production, supply and sales functions of the Group, enhancing the level of standardization and transparency of Mengniu's business data. On top of improving the efficiency of internal work-related undertakings, management and decision-making, the Group now has boosted strength in data extraction and application.

The second phase involves operational refinements for roll out between 2015 and 2016. It includes four sub-projects, namely Business Intelligence ("BI"), Plant Maintenance ("PM"), Integration of Business and Finance of Sales Company ("IBFSC") and Finance Shared Service Center ("FSSC").

After over six months of construction, the BI marketing project was launched on 1 June 2016. The Group's decision makers, management and executives can use the BI system analysis platform to access sales data of and decision-making support for different brands and product categories. They could thus monitor sales and expenses data timely and strengthen their point-of-sale management capability, freeing themselves from the traditional single-facet business analysis mode.

The PM project was officially launched on 30 October 2015 with pilots kicked off at a total of 15 plants in the four major regions of Helin, Jiaozuo, Tai'an and Wuhan, involving management of the life cycle of facilities for production, inspection, research and development and in central labs, effecting horizontal integration of asset, financial and material management on the SAP system. With the pilots bearing fruit and bringing benefits, the PM project shall be implemented in more factories at opportune time.

管理系統

蒙牛於二零一三年引入的SAP系統旨在提升六個方面的管理能力：精準營銷及深度渠道管理、業務與財務一體化的管控平台、快速反應的供產銷協同體系、集成的質量管理與逐步完善的質量追溯、科學合理的產業佈局和高效的採購及物流管理。

SAP項目整體規劃分三個階段，第一階段為基礎夯實階段，已於二零一五年三月圓滿完成，蒙牛實現了本集團供應鏈全鏈條業務一體化、財務業務一體化和產供銷業務一體化，大大提升了蒙牛業務數據的標準化程度和透明度，在提升內部工作效率、管理效率和決策效率的同時，實現進一步的數據挖掘和數據應用。

第二階段為二零一五至二零一六年精細營運階段，包括四個子項目，分別是商務智能項目（Business Intelligence，簡稱「BI」）、設備管理項目（Plant Maintenance，簡稱「PM」）、銷售公司業務財務一體化項目（Integration of Business and Finance of Sales Company，簡稱「IBFSC」）和財務共享中心項目（Finance Shared Service Center，簡稱「FSSC」）。

BI營銷項目經過六個多月的項目建設，於二零一六年六月一日正式上線。本集團決策層、管理層、執行層均可以利用BI系統分析平台即時獲取各品牌、品類的銷售數據和決策支援，實現快速監測銷量、費用，加強終端管控能力，突破原有傳統單一業務分析的慣性思維。

PM項目已於二零一五年十月三十日正式上線，在和林、焦作、泰安、武漢四個大區共15個工廠開展試點，內容涉及生產、檢驗、中心實驗室、研發的設備全生命週期管理，建立了於SAP資產管理、財務管理、物資管理等業務的橫向整合。基於項目試運行成效及收益，PM項目將擇機推廣至更多工廠落地。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Mengniu is the first dairy enterprise in China to have a FSSC which runs on a smooth operational model. The pilot of the center went online in November 2015. With it proven successful, Mengniu started the second phase of the FSSC project in February 2016. On the base provided by the innovative SAP-SSF (Share Service Framework) technology, interconnection of all business and finance systems is achieved, providing the Group with a solid foundation for establishing shared service centers for human resources, information technology and procurement functions. The successfully implemented FSSC provides full support to financial management and it will continue to push on to enhance the effectiveness of procedural improvement, the Group's management structure, intensive cost saving, technological integration, innovation and organizational change and transformation, etc.

Phase three involves coordination work and optimization which will be carried out between 2016 and 2017.

Branding Strategies

Mengniu has been active in upgrading its strategies in relation to internationalization, digitalization and staying youthful. It communicates with consumers on the emotional level on three platforms – food, sport and entertainment to help it bring to life the brand concept of “A Little Happiness Matters”. Mengniu is not only attentive to every detail when it comes to milk quality, but also cares about consumers' health and experience and that consumers are able to feel in every way the warmth the Mengniu brand brings.

Since Mengniu renewed its marketing partnership agreement with NBA China in March 2015, the two partners have strengthened cooperation. Mengniu has the right to use the NBA logo on the packaging of its products and has launched unique milk products in China with NBA elements incorporated in the package design. During Spring Festival in 2016, Mengniu and NBA China presented the “Confession at Basketball Court” campaign, giving basketball fans the exclusive opportunity to proclaim their admiration for players at the basketball court during the NBA Regular Season, marking the beginning of a year of good fortune for basketball fans. At the same time, Mengniu gave out RMB1 billion worth of red packets coupon and a jackpot prize of a Royal Caribbean Cruise, and partnering with Didi Chuxing mounted the Spring Festival promotion themed “The luckiest year with blessings, get on board with a click”. These activities had brought consumers closer in heart with Mengniu as well as boosted the influence of the Mengniu brand.

蒙牛財務共享中心擁有一步建成的成熟運營模式，為中國乳品企業第一家財務共享中心。繼二零一五年十一月財務共享中心試點項目順利上線後，蒙牛於二零一六年二月正式啟動了FSSC項目二期，在全面應用SAP-SSF (Share Service Framework)創新技術的基礎上，全面打通了業務、財務系統，同時為本集團後期建立人力共享、IT共享、採購共享奠定了堅實的基礎。財務共享中心的成功上線，實現了對財務管理的全面支持，並將持續推進共享中心流程變革、集團管控模式、成本集約、技術融合與創新及變革轉型等方面帶來效益提升。

第三階段為協同優化階段，於二零一六至二零一七年進行。

品牌策略

蒙牛積極驅動國際化、數字化及年輕化的戰略升級，搭建「美食、運動、娛樂」三大平台與消費者進行情感溝通，用心實踐「只為點滴幸福」的品牌理念，不僅關注牛奶品質的點滴細節，更著力關注消費者的點滴健康、點滴體驗，讓消費者多維度感受蒙牛品牌的溫度。

自二零一五年三月與NBA中國續簽市場合作協議，蒙牛與NBA中國全面加强合作。NBA中國授權蒙牛在產品包裝設計上使用NBA標識，在中國市場推出包裝設計中含有NBA元素的蒙牛品牌的定制牛奶。二零一六年春節，蒙牛與NBA中國展開「讓你的告白上賽場」，將球迷對偶像的告白搬到NBA常規賽的賽場，為球迷獻上牛運幸福年的專屬福利。與此同時，蒙牛於春節期間推出10億全民紅包及皇家加勒比豪華遊輪大獎，與滴滴出行強強聯手推出「牛運幸福年，一鍵快登船」，拉動消費者共同打造核心價值，刷新蒙牛品牌的影響力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

To celebrate the advent of the 2016 Rio Olympics, Mengniu, a sports and healthy lifestyle trendsetter, is collaborating with Sina China on a largest of the year running event named “Excel in Rio, Run China”. The event will last between May and November comprising more than 100 races nationwide covering around 10 million people. The races have five themes “Blossom, Ocean, Forest, Morning Light and Lake” that echo with nature for delivering the “High quality milk is definitely pure” positioning of Mengniu’s basic pure milk. At the same time, also taking advantage of the Rio Olympics, *Champion* has appointed three members of the Chinese national swimming team – Jiao Liuyang, Wang Shun and Liu Xiang – as Mengniu *Champion* Gold Ambassadors in a series of marketing events themed “Everyone is Champion, Excel in Rio”. Apart from supporting the national swimming team at the Rio Olympics, the initiative targets also to highlight *Champion* as a “great yogurt that cannot be replicated”, that it is ready to embrace challenges and strive for excellence. *Champion* has been tireless in fortifying its “Tri-Champion Standards” brand proposition, meaning having high quality probiotics, milk and ingredients in its products, that the premium brand image of *Champion* may be planted deep in the public mind.

The long-awaited Shanghai Disney Resort was officially opened in June 2016. As its official dairy product partner, Mengniu’s brands can be found at different strategic spots throughout this fabulous resort. Visitors from all over the world can enjoy its premium quality products including milk, yogurt and ice cream, as well as other special delights that Mengniu has exclusively created for Shanghai Disney Resort including *Mickey’s Ice Cream Classic*, *Minnie’s Sweet Treat* and *Donald’s Duckburg Ice*. Adding to the fun, *Future Star* has launched a joint marketing program themed “Happy Start to a Wonderful Journey” with the Resort. Its brand ambassadors actress Li Xiao Lu and her daughter Jelena Jia were among the first batch of guests at the Grand Opening and shared this joyous occasion with other consumers within the resort.

作為運動健康生活引領者，為迎接二零一六年里約奧運會，蒙牛聯同新浪中國打造年內規模最大的跑步活動「牛到里約，跑動中國」，於五月至十一月在全國範圍內舉辦超過100場跑步活動，覆蓋人口數量近千萬，以花海、海洋、森林、晨光、湖光五大自然跑主題，傳遞基礎白奶「好牛奶自然純」的品牌定位。同時，冠益乳借勢里約奧運會，以焦劉洋、汪順及劉湘三位國家游泳隊運動員作為蒙牛冠益乳金牌代言人，開啟一系列「全民奪冠、牛到里約」的冠軍營銷戰略活動，助力國家游泳隊出征奧運，廣泛傳遞敢於挑戰、追求極致「無可複製的好酸奶」的冠軍地位，全力打造好菌、好奶、好食材「三冠標準」品牌主張，使冠益乳品牌冠軍形象深入人心。

上海迪士尼度假區於二零一六年六月正式開幕，蒙牛作為度假區的官方乳品合作夥伴，戰略性地在度假區內的一系列位置享有綜合品牌呈現，使來自世界各地的遊客能享受蒙牛高品質的牛奶、酸奶、冰淇淋等。蒙牛更專為上海迪士尼度假區創新打造米奇經典冰淇淋、米妮趣夾心冰淇淋、紳士唐納德蘇打冰棒等定制產品。同時，未來星攜手上海迪士尼度假區開啟以「奇妙旅程，快樂出發」為主題的聯合市場營銷，蒙牛未來星代言人李小璐攜愛女甜馨，成為上海迪士尼度假區盛大開幕日首批正式遊客，與眾多消費者共同參與上海迪士尼度假區搶先玩。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During the period, Mengniu integrated lactobacillus with tea drinks to come up with the Yoyi C Live Tea, a series of innovative cross-segment new products that surprised and shook the industry, claiming for itself a share of the blue ocean in the lactobacillus drinks market. Yoyi C and the Warner Bros movie “Batman v Superman: Dawn of Justice” mounted joint promotion, which sparked discussions about collaboration between movies and businesses. The promotion tied in the vitality of heroes with Live Tea products, with the aid of an exclusive TV commercial featuring the movie and also mainstream online media, such as Tencent, iQiyi and NetEase highlighting the brand concepts “The Arrival of Heroes, Live With New Tea” and “Tea Becomes Alive” for Yoyi C, all efforts to enhance emotional interaction between the brand and young customers.

To boost the entertainment gene in the brand, Mengniu cooperated with another movie partner in the Hollywood production “Independence Day: Resurgence”. The high quality and technology content of Mengniu products matched perfectly with the sci-fi elements of the movie and Mengniu was able to embed “Mengniu Moon Milk” and its auto-vending machine in the movie to impress consumers. In addition, Mengniu also worked with the Hollywood movie crew to produce a TV commercial – the side story of “Independence Day: Resurgence”. It also offered at Tmall an exclusive limited edition product with the movie as the packaging theme on the very day when the movie was released. Through online and offline promotions, Mengniu presented a youthful image of itself and boosted the value of the brand.

Mengniu in association with its “Star Partner”, the singer group Yu Quan, launched the first high-quality “Internet milk” (sold exclusively online) – *Hi Milk*. Boasting supremacy in packaging design in terms of structure, IP and details, the product garnered an array of international honors in 2016, including the “Design Award 2016” at “IF Product Design Award” dubbed the Oscar in the product design field. That was the first time a Chinese dairy brand won the honor. *Hi Milk* also snatched two other major awards – “Best Dairy Product” and “Best Packaging of Dairy Products” – at the World Dairy Innovation Awards, which represent the prominent international recognition Mengniu enjoys for its innovative product design.

期內，蒙牛對乳酸菌及茶飲料進行合體創新，推出顛覆行業的跨界創新產品—優益C活茶系列，率先佔領乳酸菌飲料市場份額中的藍海領域。優益C攜手華納電影《蝙蝠俠大戰超人：正義黎明》進行聯合推廣，引發電影商業合作的新話題：將英雄活力降臨與活茶產品緊密結合，定制超蝙專屬電視廣告並聯合優勢視頻媒體如騰訊、愛奇藝、網易等主流平台，傳播「英雄降臨，活出新茶味」、優益C「茶活了」的品牌主張，強化與年輕消費群的情感互動體驗。

蒙牛進一步通過電影提升品牌的娛樂基因，與好萊塢電影《獨立日：捲土重來》全方位深度合作。蒙牛高品質、高科技含量的品牌定位與電影的科幻元素不謀而合，電影中蒙牛創意地無縫植入「Mengniu Moon Milk(蒙牛月球牛奶)」及自動販賣機令消費者留下深刻印象。此外，蒙牛還聯合好萊塢團隊為其定制《獨立日：捲土重來》番外篇電視廣告、推出電影主題限量版定制包裝、於電影首映日在天貓商城正式發售，線上線下聯動宣傳，多維度傳播蒙牛的年輕形象，刷新了品牌價值。

蒙牛攜手「明星合夥人」歌手組合羽泉聯合推出的首款高質量互聯網牛奶—*Hi Milk*，憑藉包裝在結構、IP及細節方面的極致設計，於二零一六年榮膺多項國際殊榮，包括素有產品設計界奧斯卡之稱的「IF產品設計獎」頒發「Design Award 2016」大獎，是中國乳品品牌首次獲此榮耀。同時，*Hi Milk*於世界乳業創新大獎中榮獲「最佳乳品」和「最佳乳品包裝」兩大獎項，標誌著蒙牛創新的產品設計獲國際市場的高度評價。

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Just Yoghurt again worked with Hunan TV, leveraging the second season of the prime-time variety show “Run for Time (全員加速中)”, planting brand elements in the setting of the program for creating brand influence in folds on viewers. By sparking hot discussions on WeChat and Sina Weibo and interacting with consumers, it resonated with consumers on the brand concept of “No additives, pure and delicious taste”. *Just Yoghurt* also had its brand aura instilled into the movie “Mermaid”, and that won for it the “Best Video Content Marketing Case – Silver Award” at the “China Content Marketing Awards Ceremony Gold Award” in June 2016.

Upholding the principle of constant innovation, *Milk Deluxe* and Letv together launched a brand new corporate social responsibility marketing model – producing the grand ethnic musical “Rebirth of National Music (又見國樂)” to be staged in 10 cities in the country during the year. Using a communication matrix comprising quality online and offline resources and through recruiting experts in Chinese music, it promoted the artistic charms of Chinese music and culture to the people. The association with traditional Chinese music has enabled Mengniu to enrich the content of the *Milk Deluxe* brand, giving it unique artistic value. In complement, three new “3.6g lactoprotein and 120mg original calcium” products in limited edition packaging designs featuring the three Chinese musical instruments – erhu, ruan and pipa were launched for not only to nurture the body but also the mind of consumers, as well as enhance the brand’s high-end image and exclusivity. *Milk Deluxe*’s “New Height of Nutrition” product promotion during the New Year won the “Best Integrated Social Marketing Case – Gold Award” at the “China Content Marketing Awards Ceremony Gold Award”.

Internationalization and digitization will give Mengniu the drive to use diverse marketing means to continue to interact and communicate in depth with consumers, passing on to consumers its embrace of the mission of “Focus on nutrition and health, deliver a drop of happiness for every moment and every day to more people”.

*純甄*與湖南衛視再度合作，以王牌綜藝節目《全員加速中》第二季刷新娛樂營銷的新高度，將品牌元素植入場景模式，實現幾何擴散的粉絲影響力。透過微信、新浪微博創造熱話，與消費者構建互動體驗，引起消費者對「不添加的純真好味道」的品牌理念產生共鳴。*純甄*還通過《美人魚》電影植入品牌氣質，於二零一六年六月榮獲「中國內容營銷盛典金成獎」頒發「最佳影視內容營銷案例獎銀獎」。

*特侖蘇*秉持不斷創新的理念，聯同樂視開創企業社會責任營銷全新模式，出品大型民族樂劇《又見國樂》，於年內在全國十個城市進行巡演。運用線上線下優質資源形成傳播矩陣，並舉辦國樂高手大招募，向國人推廣國樂藝術文化的魅力。蒙牛透過國樂深化品牌內涵，為*特侖蘇*品牌注入獨家藝術價值，並全新推出三款「3.6g乳蛋白和120mg原生高鈣」國樂藝術主題限量版包裝，分別為二胡、阮及琵琶，助消費者的健康及精神達致雙重營養新高度，進一步塑造品牌高端及差異化的形象。憑藉新品上市「營養新高度」新年營銷，*特侖蘇*榮獲「中國內容營銷盛典金成獎」的「最佳社會化整合營銷案例獎金獎」。

在國際化和數字化雙輪驅動下，蒙牛將繼續透過多元化營銷，與消費者進行互動、深入的溝通，將「專注營養健康，每一天每一刻為更多人帶來點滴幸福」的使命傳遞給更多消費者。

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Sales Channels

Mengniu continued to strengthen its sales channels with key focus on “vertical flattening, horizontal integration, function optimization and enhancement in various sales regions” and by accelerating implementation of the Route to Market (“RTM”) project, building real regional platforms and regional management centers. By increasing the number of business representatives of Mengniu and distributors to directly serve points of retail sales, the Group has strengthened its sales operation model with distributors at the core and also the direct control system of the distributors. At the same time, it also increased the proportion of direct sales of sales companies and the Central Business Units (“CBU”) to realize delicacy management of sales channels across the board.

The Wei Sales Platform (“WSP”) project adopts a closed-loop management system from objective setting to sales execution. By providing sales personnel with point-of-sale supportive information management tools, it can conduct standardized sales visit, set parameters for management of employee attendance and guide target management, thus realizing standardized management and unified data feedback. WSP has the capability of monitoring point-of-sale information in real time, helpful for refining point-of-sale management. The Group began promoting the WSP project to sales companies and the CBUs in the first half of 2016.

Mengniu has optimized its Key Account (“KA”) management structure by enhancing the exchange and communication among the three-tier organizational structure – the headquarters-based client team, regional team and the distributor KA team. It has formed a strategic alliance with retailers by which limited resources would be allocated to key markets and product categories.

銷售渠道

蒙牛持續以「縱向扁平、橫向整合、完善職能、做實大區」作為強化銷售渠道主基調，加快推進通路精耕(Route to Market，簡稱「RTM」)項目，搭建區域實體平台，創建區域管理中心。通過增加蒙牛和經銷商業務代表，直接服務零售網點，本集團強化以經銷商模式為核心的銷售運營模式，加強經銷商直控體系；同時提高銷售公司和核心業務單元(Central Business Unit，簡稱「CBU」)的直營銷量佔比，實現全渠道精細化管理。

微銷售(Wei Sales Platform，簡稱「WSP」)項目從目標到銷售全過程採用閉環管理，通過運用支援終端銷售人員作業的銷售信息化工具，進行標準拜訪步驟、規範考勤管理、指導指標管理，實現標準化管理和統一數據反饋。WSP對終端信息實時監控的優勢，有助推進終端業務的精細化。二零一六年上半年，WSP項目已開始在銷售公司及CBU全面推廣。

蒙牛進一步優化關鍵客戶管理架構(Key account，簡稱「KA」)，加強總部客戶經理、大區重點客戶專員及經銷商KA團隊的三層級組織緊密交流；與零售商構建「零供戰略聯盟」，將有限資源投入到重點市場和品類中。

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Mengniu used the Internet to build three-dimensional marketing channels and connect seamlessly with its marketing arm, directing brand resources onto the e-commerce platform for expanding e-commerce sales channels thus boost its marketing clout and brand power online. Currently, its products are sold on all major e-commerce platforms in China such as Tmall, JD, Yhd.com, Suning and Womai.com. During the period, Mengniu signed strategic cooperation agreements with Tmall and JD to take its quality e-commerce business deployment to the depth. Through cooperating with Tmall on data utilization and reallocation of resources, Mengniu was able to enhance its exposure in the Alibaba channel. In 2016, at the “618 Quality Carnival” in JD, Mengniu made record sales of more than RMB10 million, placing first among dairy enterprises and second in the food category on that platform. While working on modern channels, Mengniu also exerted in developing markets in third- and fourth-tier cities and has managed breakthroughs in growing traditional channels.

Mengniu has achieved substantial development in terms of sales in overseas markets. Its products are sold in Hong Kong, Macau, Mongolia and Singapore, and have also made it into Myanmar during the period, giving it an expanded overseas business footprint. In its product portfolio are room temperature products which include pure milk, low-fat high calcium milk, *Milk Deluxe*, *Fruit Milk Drink*, *Just Yoghurt*; chilled products which mainly include *Yoyi C* and ice cream products which cover *Deluxe*, *Suibian* and *Mood for Green*, etc. Mengniu takes reference of the characteristics of different markets when it tailors regional and diverse promotions. Such efforts enabled it to achieve good sales performance in Hong Kong, Macau and overseas markets during the period.

蒙牛利用互聯網打造立體式營銷渠道，與市場部無縫對接，轉化品牌資源到線上電商平台，拓展電商銷售渠道，全方位提升蒙牛的銷售力及數字品牌力。現時產品已全面覆蓋中國的主流電商平台，包括天貓、京東、1號店、蘇寧、我買網等。期內，蒙牛與天貓、京東平台簽署戰略合作協議，深化在優質平台的電商業務佈局。透過與天貓進行數據利用、資源置換等深度合作，增加蒙牛品牌在阿里渠道的曝光度。二零一六年，蒙牛在京東「618品質狂歡節」當天，創造了單日訂單銷售額突破人民幣千萬元，穩居該平台乳品行業第一名及食品類第二名。在精耕現代渠道的同時，蒙牛亦致力發展三、四線城市市場，在傳統渠道取得一定突破。

蒙牛在海外銷售方面取得了長足發展，產品已登錄香港、澳門、蒙古及新加坡，並於期內涉足緬甸，進一步拓展海外業務版圖。常溫產品包括純牛奶、低脂高鈣奶、*特侖蘇*、*真果粒*、*純甄*；低溫產品主要為*優益C*；冰品包括*蒂蘭聖雪*、*隨變*、*綠色心情*等。蒙牛根據不同市場的特性，進行地區性及多元化的產品推廣，於期內港澳及海外市場獲得良好銷售表現。

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Financial Review

Revenue

Benefiting from active brand promotion and marketing, the Group's revenue for the six months ended 30 June 2016 was RMB27,257.2 million (2015: RMB25,564.4 million), representing an increase of 6.6% on a year-on-year basis. Excluding Yashili, the revenue of the Group rose by 7.0% to RMB26,104.7 million (2015: RMB24,402.9 million). The products with a greater contribution to revenue growth were *Milk Deluxe*, *Just Yoghurt* and *Mengniu Pure Milk*.

Gross Profit

Raw milk prices were further lowered and the product mix was constantly optimized. As a result, the gross profit of the Group for the six months ended 30 June 2016 increased to RMB9,181.4 million (2015: RMB8,142.8 million), while gross profit margin increased by 1.8 percentage points to 33.7% as compared with the same period last year. Excluding Yashili, the Group's gross profit was RMB8,589.6 million (2015: RMB7,573.3 million), while gross profit margin increased by 1.9 percentage points year-on-year to 32.9%.

Operating Expenses

As the Group adopted proactive channel expansion strategies and invested more heavily on branding during the period, operating expenses increased to RMB7,803.6 million (2015: RMB6,841.8 million), representing approximately 28.6% (2015: 26.8%) of the Group's revenue. Excluding Yashili, the Group's operating expenses were RMB7,052.6 million (2015: RMB6,223.1 million), representing 27.0% of the revenue excluding the contribution of Yashili (2015: 25.5%).

Selling and distribution expenses for the period increased by 15.9% to RMB6,448.9 million (2015: RMB5,565.3 million), and their percentage of the Group's revenue increased 1.9 percentage points to 23.7% (2015: 21.8%). Excluding Yashili, the selling and distribution expenses of the Group were RMB5,949.5 million (2015: RMB5,041.7 million), representing 22.8% of the revenue excluding the contribution of Yashili (2015: 20.7%).

財務回顧

收入

受益於積極的品牌推廣和營銷執行，截至二零一六年六月三十日止六個月，本集團的收入為人民幣272.572億元(二零一五年：人民幣255.644億元)，同比增長6.6%。不含雅士利，本集團收入增長7.0%至人民幣261.047億元(二零一五年：人民幣244.029億元)。對收入增幅貢獻較大的產品為特侖蘇、純甄及蒙牛純牛奶。

毛利

由於原奶價格進一步下調及產品結構的持續優化，使本集團截至二零一六年六月三十日止六個月的毛利上升至人民幣91.814億元(二零一五年：人民幣81.428億元)。毛利率亦同比上升1.8個百分點至33.7%。不含雅士利，本集團毛利為人民幣85.896億元(二零一五年：人民幣75.733億元)，毛利率為32.9%，同比上升1.9個百分點。

經營費用

因本集團期內採取積極的渠道推廣和品牌投入策略，使經營費用上升至人民幣78.036億元(二零一五年：人民幣68.418億元)，約佔本集團收入28.6%(二零一五年：26.8%)；不含雅士利，本集團經營費用為人民幣70.526億元(二零一五年：人民幣62.231億元)，佔不含雅士利收入的27.0%(二零一五年：25.5%)。

本期銷售及經銷費用上升15.9%至人民幣64.489億元(二零一五年：人民幣55.653億元)，佔本集團收入比例上升1.9個百分點至23.7%(二零一五年：21.8%)；不含雅士利，本集團的銷售及經銷費用為人民幣59.495億元(二零一五年：人民幣50.417億元)，佔不含雅士利收入22.8%(二零一五年：20.7%)。

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The advertising and promotion expenses for the period increased by 23.4% to RMB2,825.7 million (2015: RMB2,290.2 million), and their percentage of the Group's revenue increased to 10.4% (2015: 9.0%). Excluding Yashili, the Group's advertising and promotion expenses increased by 26.7% to RMB2,647.2 million (2015: RMB2,089.0 million), representing 10.1% of the revenue excluding Yashili's contribution (2015: 8.6%), increasing by 1.5 percentage points year-on-year.

Administrative and other operating expenses increased by 6.1% to RMB1,354.7 million (2015: RMB1,276.5 million), and their percentage to the Group's revenue amounted to 5.0% (2015: 5.0%). Excluding Yashili, the Group's administrative and other operating expenses was RMB1,103.0 million (2015: RMB1,181.4 million), representing 4.2% of the revenue excluding Yashili's contribution (2015: 4.8%), a decrease of 0.6 percentage point year-on-year.

Profit from Operating Activities and Net Profit

As the profit attributable to associates for the current year decreased significantly to loss of RMB154.6 million from profit amounting to RMB143.3 million for the corresponding period of last year, and Yashili recorded a decrease in profit, the EBITDA of the Group has decreased by 6.9%, reaching RMB2,155.1 million (2015: RMB2,315.6 million), and EBITDA margin decreased to 7.9% (2015: 9.1%).

Profit attributable to owners of the Company decreased by 19.5% year-on-year, amounting to RMB1,077.3 million (2015: RMB1,338.7 million). Basic earnings per share was RMB0.277 (2015: RMB0.344), representing a year-on-year decrease of 19.5%. Excluding Yashili, profit attributable to owners of the Company was RMB1,087.7 million (2015: RMB1,296.9 million), representing a decrease of 16.1% year-on-year.

期內廣告及宣傳費用上升23.4%至人民幣28.257億元(二零一五年：人民幣22.902億元)，佔本集團收入比例上升至10.4%(二零一五年：9.0%)。不含雅士利，本集團廣告及宣傳費用上升26.7%至人民幣26.472億元(二零一五年：人民幣20.890億元)，佔不含雅士利收入10.1%(二零一五年：8.6%)，同比增加1.5個百分點。

行政及其他經營費用上升6.1%至人民幣13.547億元(二零一五年：人民幣12.765億元)，佔本集團收入比例5.0%(二零一五年：5.0%)；不含雅士利，本集團行政及其他經營費用人民幣11.030億元(二零一五年：人民幣11.814億元)，佔不含雅士利收入4.2%(二零一五年：4.8%)，同比下降0.6個百分點。

經營業務利潤及淨利潤

因聯營公司應佔利潤從上年同期的利潤達人民幣1.433億元大幅減少至今年的虧損人民幣1.546億元，及雅士利的利潤減少的情況下，本集團息稅折舊攤銷前利潤(EBITDA)下降6.9%至人民幣21.551億元(二零一五年：人民幣23.156億元)，EBITDA利潤率下降至7.9%(二零一五年：9.1%)。

本公司擁有人應佔利潤同比下降19.5%至人民幣10.773億元(二零一五年：人民幣13.387億元)。每股基本盈利為人民幣0.277元(二零一五年：人民幣0.344元)，同比下降19.5%。不含雅士利，本公司擁有人應佔利潤為人民幣10.877億元(二零一五年：人民幣12.969億元)，同比下降16.1%。

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Income Tax Expenses

For the six months ended 30 June 2016, the effective income tax rate of the Group was 20.9% (2015: 18.3%), increasing by 2.6 percentage points year-on-year. Excluding Yashili, the effective income tax rate of the Group was 22.1% (2015: 18.5%), increasing by 3.6 percentage points year-on-year. A major associate's contribution to the Group for the period has changed to loss from profit recorded in the same period last year, resulting in an increase in effective income tax rate of the Group during the period.

Capital Expenditure

For the six months ended 30 June 2016, the capital expenditure ("CAPEX") of the Group was RMB2,706.5 million (2015: RMB1,439.6 million), which represents a year-on-year increase of 88.0% and included an expenditure of RMB987.6 million on the acquisition of the entire equity interest of Dumex China by Yashili. The CAPEX consisted of expenses that were spent on building new and modifying existing production facilities and related investment amounting to RMB1,482.9 million, purchasing biological assets amounting to RMB87.6 million and addition in equity investment including Dumex China amounting to RMB1,136.0 million. Excluding Yashili, the CAPEX of the Group was RMB1,667.3 million (2015: RMB1,237.8 million).

Working Capital, Financial Resources and Capital Structure

The Group's net cash inflow from operating activities for the six months ended 30 June 2016 increased to RMB2,675.3 million (2015: RMB2,107.3 million), primarily due to the significant decrease in inventory for raw materials.

For the six months ended 30 June 2016, outstanding bank loans and bonds of the Group decreased to RMB10,172.4 million (31 December 2015: RMB11,050.3 million), of which bank loans amounted to RMB6,403.9 million (31 December 2015: RMB6,080.8 million) were repayable within one year. Furthermore, most of the bank loans and bonds were fixed interest-bearing loans. Excluding Yashili, the outstanding bank loans and bonds of the Group were RMB9,485.2 million (31 December 2015: RMB10,388.6 million).

所得稅支出

截至二零一六年六月三十日止六個月，本集團所得稅有效稅率為20.9%(二零一五年：18.3%)，同比上升2.6個百分點；不含雅士利，本集團所得稅有效稅率22.1%(二零一五年：18.5%)，同比上升3.6個百分點。一家主要聯營公司對本集團的貢獻從去年同期的利潤轉為本期的虧損，因此導致本集團期內所得稅有效稅率增加。

資本支出

截至二零一六年六月三十日止六個月，本集團資本支出為人民幣27.065億元(二零一五年：人民幣14.396億元)，同比上升88.0%，其中雅士利收購多美滋中國全部股權支出為人民幣9.876億元。資本支出用於新建和改建生產設備及相關投入，達人民幣14.829億元；購入生物資產達人民幣0.876億元；及新增股權投資(包括多美滋中國)達人民幣11.360億元。不含雅士利，本集團資本支出為人民幣16.673億元(二零一五年：人民幣12.378億元)。

營運資金、財務資源及資本架構

截至二零一六年六月三十日止六個月，本集團經營業務所產生的現金淨流入增至人民幣26.753億元(二零一五年：人民幣21.073億元)，主要由於原材料庫存大幅減少所致。

截至二零一六年六月三十日止六個月，本集團之未償還銀行貸款及債券減少至人民幣101.724億元(二零一五年十二月三十一日：人民幣110.503億元)，其中一年內償還的銀行貸款為人民幣64.039億元(二零一五年十二月三十一日：人民幣60.808億元)。另外，大部分銀行貸款及債券按固定利率計算。不含雅士利，本集團尚未償還銀行貸款及債券為人民幣94.852億元(二零一五年十二月三十一日：人民幣103.886億元)。

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Net borrowings (total amount of bank loans and bonds net of cash and bank balances) of the Group as at 30 June 2016 were RMB4,965.5 million (31 December 2015: RMB3,119.0 million). Excluding Yashili, the net borrowings of the Group were RMB6,038.9 million (2015: RMB4,938.7 million).

The Group's total equity as of 30 June 2016 was RMB26,781.3 million (31 December 2015: RMB26,615.2 million). The debt-to-equity ratio (total amount of bank loans and bonds over total equity) was 38.0% (31 December 2015: 41.5%).

Finance costs of the Group were RMB151.5 million (2015: RMB134.6 million), accounting for about 0.6% of the revenue (2015: 0.5%). Excluding Yashili, the finance costs of the Group were RMB145.3 million (2015: RMB132.2 million), accounting for 0.6% of the revenue excluding that of Yashili (2015: 0.5%), which represents a year-on-year increase of 0.1 percentage point.

Share Repurchase

The Group has confidence in its long term development. To enhance its shareholder base and value, the Group has repurchased a total of 6,116,000 ordinary shares of the Company at a total consideration of RMB58.1 million, in six batches at an average price of HK\$11.09 per ordinary share on the open market during the period.

Products

By integrating the strategic resources it has from around the world and using Big Data analysis, Mengniu is able to accurately gauge the needs of consumers and innovate in various areas such as product category, flavor, packaging, delivery channel and brand experience, etc. to build a consumer-oriented product platform. Empowered by its online and offline channels and through mounting innovative branding activities and using the social media, it has enhanced two-way communication and interaction with consumers, presenting consumers with more refined brand experience and boosting their loyalty to the Mengniu brand.

本集團於二零一六年六月三十日之淨借貸(銀行貸款及債券總額扣除現金及銀行存款)為人民幣49.655億元(二零一五年十二月三十一日:人民幣31.190億元);不含雅士利,本集團之淨借貸為人民幣60.389億元(二零一五年:人民幣49.387億元)。

本集團於二零一六年六月三十日之總權益為人民幣267.813億元(二零一五年十二月三十一日:人民幣266.152億元)。債務權益比率(銀行貸款及債券總額除以總權益)為38.0%(二零一五年十二月三十一日:41.5%)。

本集團的融資成本為人民幣1.515億元(二零一五年:人民幣1.346億元),佔收入比重約0.6%(二零一五年:0.5%)。不含雅士利,本集團融資成本為人民幣1.453億元(二零一五年:人民幣1.322億元),佔不含雅士利收入的0.6%(二零一五年:0.5%),同比上升0.1個百分點。

股份回購

本集團對其長遠發展充滿信心,為強化其股東基礎和價值,本集團於期內分別六次在公開市場回購本公司股份,共回購6,116,000股普通股份,總代價為人民幣58.1百萬元,平均回購價為每股普通股份11.09港元。

產品

蒙牛著力整合全球優勢資源,運用大數據分析,精準把握消費者細分需求,從產品品類、口味、包裝、配送渠道和品牌體驗等多個層面進行創新,全面打造以消費者為中心的產品平台。蒙牛以線上線下雙輪驅動,通過創新的品牌活動,運用社會化媒體,深化與消費者雙向互動溝通,完善品牌體驗,提高消費者對蒙牛品牌的黏附度。

The Group's principal businesses comprise liquid milk, ice cream, milk formula and other products. Their performances during the period are outlined in the table below:

本集團主要業務分為液態奶、冰淇淋、奶粉及其他產品，期內表現如下：

Product Category 產品類別	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
Liquid milk 液態奶	Revenue amounted to RMB23,761.5 million (2015: RMB21,940.9 million), accounting for 87.2% of Mengniu's total revenue (2015: 85.8%) 收入為人民幣237.615億元(二零一五年：人民幣219.409億元)，佔蒙牛總收入的87.2%(二零一五年：85.8%)		
UHT milk UHT奶	Revenue amounted to RMB11,513.8 million (2015: RMB10,710.4 million), accounting for 48.4% of the liquid milk segment revenue (2015: 48.8%) 收入為人民幣115.138億元(二零一五年：人民幣107.104億元)，佔液態奶收入48.4%(二零一五年：48.8%)	<ul style="list-style-type: none"> - Milk Deluxe launched a limited edition featuring Chinese musical instruments – erhu, ruan and pipa to complement the traditional Chinese music and art theme. The package designs are vibrant, yet carry a sense of ease and timelessness. Containing 3.6g of quality lactoprotein and 120mg of original calcium, Milk Deluxe helps improve both the physical and mental health of consumers and the limited edition added to the character of the brand - 特倫蘇全新推出國樂藝術主題限量版包裝，二胡、阮和琵琶三款設計風格寫意、雋永、靈動，蘊含3.6克優質乳蛋白和120mg原生高鈣，助消費者的健康及精神達致雙重營養新高度，進一步深化品牌內涵 	<ul style="list-style-type: none"> - Milk Deluxe - Mengniu Pure Milk - Prime Ranch Pure Milk - Future Star Kid Growth Milk - Arla Organic Pure Milk - 特倫蘇 - 蒙牛純牛奶 - 精選牧場純牛奶 - 未來星兒童成長牛奶 - Arla有機純牛奶

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
		<ul style="list-style-type: none"> - Mengniu and the Hollywood movie "Independence Day: Resurgence" joined force and cleverly incorporated "Mengniu Moon Milk" into the movie, which is a meaningful strategic move marking the beginning of Mengniu taking its brand international. Also, a limited edition of <i>Mengniu Pure Milk</i> kicked off sales in Tmall on the day the movie was released - 蒙牛與好萊塢電影《獨立日：捲土重來》深度合作，於電影中無縫植入「Mengniu Moon Milk(蒙牛月球牛奶)」，對開啟蒙牛品牌國際化有著戰略性的意義；電影主題限量版蒙牛純牛奶於電影首映日在天貓商城正式發售 - XinYangDao tied in promotion with the movie "Warcraft" producing a complementary limited edition product that was available in Tmall for fans of the movie - 新養道與電影《魔獸》展開合作，為魔粉專門訂制限量版包裝牛奶於天貓商城發售 - Mengniu worked with "Star Partners", the singer group Yu Quan, and launched the first high-quality "Internet milk" (sold exclusively online) – <i>Hi Milk</i>, which contains 3.6g of lactoprotein per 100ml of milk - 蒙牛攜手「明星合夥人」歌手組合羽泉聯合推出首款高品質互聯網牛奶—<i>嗨Milk</i>，每100毫升牛奶的乳蛋白含量高達3.6克 	

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Product Category 產品分類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
Milk beverages 乳飲料	Revenue amounted to RMB4,915.9 million (2015: RMB5,657.8 million), accounting for 20.7% of the liquid milk segment revenue (2015: 25.8%) 收入為人民幣49.159億元(二零一五年: 人民幣56.578億元), 佔液態奶收入20.7%(二零一五年: 25.8%)	<ul style="list-style-type: none"> Go Chang, a fat-free room temperature probiotics drink, was launched in January 2016. Leveraging the popularity of "Super Girl", the brand boosted its exposure by the joint promotion. Starting with product packaging to presence in the activities of the show, the brand has gradually become synonymous with youthfulness and daring to dream among young people 好喝零負擔的常溫乳酸菌飲品Go暢於二零一六年一月閃亮上市, 透過與《超級女聲》進行聯合推廣, 以超女平台提升品牌知名度, 從產品包裝到超女活動實現無縫銜接, 讓品牌成為年輕人群中青春、夢想的代名詞 Suan Suan Ru introduced Ruciyanzhi, an innovative combination of whey protein, lemon and sea salt. Whey protein can enhance vitality, sea salt replenishes body fluid, and lemon gives the product its refreshing sweet-sour taste. At the complement of the pop group TFBOYS, its members' mug shots were used on the packaging, turning the product to a strong appeal to young consumers 酸酸乳全新推出乳此鹽值, 開創乳清蛋白+檸檬+海鹽全新配方, 乳清蛋白增加活力, 海鹽讓身體補充水分, 加上檸檬的酸甜, 讓乳此鹽值的口味更清爽, 配以超人氣組合TFBOYS的單人大頭時尚可愛的包裝, 充分迎合年輕人的追求 	<ul style="list-style-type: none"> Fruit Milk Drink Suan Suan Ru Yoyi C Future Star Miao Miao Kid Milk Go Chang 真果粒 酸酸乳 優益C 未來星妙妙兒童牛奶飲品 Go暢

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
		<ul style="list-style-type: none"> - <i>Fruit Milk Drink</i> took on a new packaging design to agree with a thematic sales promotion. Intensive publicity effort was made via such broadcast channels as TV dramas, variety shows and Internet videos to convey the “Milk and fruit offers what is fun” brand attitude 真果粒進行主題促銷版包裝切換，透過電視劇、綜藝、網絡視頻等傳播渠道進行高密度傳播活動，傳達「牛奶+果粒，自然有樂趣」的品牌態度 - <i>Yoyi C</i> launched an innovative cross-segment product – <i>Live Tea</i>, which marries the exotic and unique characteristics of tea – Indian red tea and Longjing green tea – with probiotics, a combination of two very different flavors. A special edition of the product was made for the movie “<i>Batman v Superman: Dawn of Justice</i>”, capitalizing on the vitality of the heroes in the movie to bring out the brand motto “<i>Live Tea Helps Digestion</i>”. - <i>Yoyi C</i> also introduced to the market a low sugar version of the sea salt and lemon flavor drink that contains quality sea salt from Australia and 30 billion live bacteria <i>C</i>, which promises to refresh and please consumers’ palate 優益C推出跨界創新產品活茶系列，融合了異域特色的印度紅茶以及獨特品質的龍井綠茶，將茶飲料和乳酸菌飲料兩種看上去截然不同的口味合二為一。同時藉著華納電影《蝙蝠俠大戰超人：正義黎明》推出定制包裝，通過英雄活力降臨更好地傳播「茶活了更讓腸動了」的品牌主張；與此同時，優益C推出減糖型海鹽檸檬口味，甄選澳洲海鹽，蘊含有300億活的活力C菌，為消費者帶來清香美味 	

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
Yogurt 酸奶	Revenue amounted to RMB7,331.8 million (2015: RMB5,572.7 million), accounting for 30.9% of the liquid milk segment revenue (2015: 25.4%) 收入為人民幣73.318億元(二零一五年: 人民幣55.727億元), 佔液態奶收入30.9%(二零一五年: 25.4%)	<ul style="list-style-type: none"> Champion introduced the Red+ yogurt series, which contains BB bifidobacterium from Denmark, American pomegranates, cherries, plus roses from Yunnan and milk from exclusive farms in China. The two flavors of the Super Red Fruit Flower Yogurt series are Pomegranate & Rose and Cherry & Rose, which have won the hearts of female consumers 冠益乳推出紅色+系列酸奶, 甄選丹麥BB冠菌、美國紅石榴、櫻桃、雲南玫瑰及中國專屬牧場奶源, 推出石榴玫瑰、櫻桃玫瑰兩種口味的超級紅色水果鮮花酸奶系列, 備受女性消費者青睞 200g Nourishing Oats and Red Dates Flavor Yogurt contains concentrated red dates extract, imported oats of premium quality and live bacteria from Denmark. It has a smooth and creamy texture and is nourishing and invigorating for consumers 中華滋養200g燕麥紅棗瓶裝酸奶上市, 濃縮提取純正棗汁, 精選優質的進口燕麥, 原產丹麥活力菌群, 口感更加細膩柔滑, 為消費者注入滋養新活力 Xiao Jian introduced the 180g Ecolean Yogurt made with selected probiotics from Taiwan and in China mixing with American apple juice concentrate and rich and pure ranch milk for enhancing the health of the Chinese people 消健推出180g愛克林酸奶, 甄選台灣及中國益生菌, 以美國濃縮蘋果汁融入濃醇的牧場好奶, 滋養國人健康 	<ul style="list-style-type: none"> Champion Bio Just Yoghurt Future Star Kid Yogurt Xiao Jian Ecolean Yogurt 冠益乳 碧悠 純甄常溫酸牛奶 未來星兒童成長酸牛奶 消健愛克林酸牛奶

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
Ice Cream 冰淇淋	<p>Revenue amounted to RMB1,703.4 million (2015: RMB1,644.3 million), accounting for 6.2% of Mengniu's total revenue (2015: 6.4%)</p> <p>收入為人民幣17.034億元(二零一五年: 人民幣16.443億元), 佔蒙牛總收入6.2%(二零一五年: 6.4%)</p>	<p>- Deluxe expanded the variety of its take-home delights, adding a 3000g-pack chocolate ice cream, a well-liked flavor among consumers. To make its ice cream easier yet for snacking, <i>Deluxe</i> unveiled a vanilla flavor ice cream sandwich, made of chocolate cookies from Italy with ice cream in between to titillate consumers' taste buds. <i>Deluxe</i> also blends jam, fruit and probiotics in with ice cream to produce yogurt ice creams that are tasty as well as healthy</p> <p>- 蒂蘭聖雪拓展桶冰淇淋品類, 推出深受消費者喜愛的巧克力口味3000g冰淇淋; 同時把冰淇淋零食化, 推出香草口味三明治冰淇淋, 意大利進口巧克力餅乾與冰淇淋巧妙搭配, 帶來全新的味覺享受; 並開發酸奶奶淇淋品類, 把果醬、果粒和乳酸菌的美味和健康結合, 帶來水果口味的酸奶奶淇淋</p>	<p>- <i>Deluxe</i></p> <p>- <i>Mood for Green</i></p> <p>- <i>Ice+</i></p> <p>- <i>Suibian</i></p> <p>- 蒂蘭聖雪</p> <p>- 綠色心情</p> <p>- 冰+</p> <p>- 隨變</p>
		<p>- <i>Mood for Green</i> released the mung and red Beans ice cream with mung bean mash filled with red bean sauce, a simple and natural taste for consumers</p> <p>- 綠色心情全新推出豆多多綠豆紅豆雪糕, 綠豆沙內嵌滿滿的紅豆餡醬料, 讓消費者品嚐樸實、簡單和自然的味道</p>	
		<p>- <i>Ice+</i> in its petal shape façade released a brand new iced blueberry and lemon sorbet, made with jam of the two fruit. It also presented to consumers a sorbet made of jam of passion fruit, dubbed the "King of Juices", that is smooth, refreshing and thirst-quenching</p>	
		<p>- <i>Ice+</i> 以甜美花瓣造型, 全新推出以經典藍莓果醬搭配酸檸檬醬的絢彩冰藍莓檸檬口味雪泥, 並以有「果汁之王」美譽的西番蓮果醬推出西番蓮口味雪泥, 入口綿密清爽, 清涼解渴</p>	

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
		<ul style="list-style-type: none"> - Suibian created a sweet potato ice cream looking exactly like the real thing with milky smooth sweet potato paste encased in a crunchy wafer crust. The ice cream comes in a box shaped like an oven for roasting sweet potatoes. Consumers can enjoy a familiar flavor and a brand new ice cream experience at the same time. And, <i>Suixinguo</i> layers jams like blueberry-orange, strawberry-pineapple, mango-peach and lemon-passion fruit to create rich flavors that excite consumers' taste buds - 隨變以逼真的紅薯造型，配上酥脆威化殼，奶香紅薯口味冰淇淋和真實紅薯醬打造一支紅薯冰淇淋，外加模仿烤紅薯的屋頂紙盒包裝，讓消費者在熟悉的零食口味和全新的冰淇淋體驗之間暢快遊走。隨芯果以創新的多層結構和豐富的料值組合，把兩種果醬巧妙結合，推出藍莓橙子、草莓菠蘿、芒果桃子和檸檬西番蓮口味，虞獲消費者的味蕾 - Highlights of Mengniu refreshments made for Shanghai Disney Resort include eight different ice creams, including <i>Mickey's Ice Cream Classic</i>, <i>Minnie's Sweet Treat</i> and <i>Donald's Duckburg Ice</i>. These tasty treats have been inspired by classic Disney cartoon characters and feature different flavor choices that promise to surprise visitors and leave a lasting impression - 蒙牛為上海迪士尼度假區創新打造八款冰淇淋，包括米奇經典冰淇淋、米妮趣夾心冰淇淋、紳士唐納德蘇打冰棒等，產品創意靈感來自迪士尼動畫中的經典角色，多樣口味、層層驚喜的趣味享受讓消費者愛不釋口 	

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Product Category 產品品類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
Milk Formula 奶粉	Revenue amounted to RMB1,660.0 million (2015: RMB1,783.5 million), accounting for 6.1% of Mengniu's total revenue (2015: 7.0%) 收入為人民幣16.600億元(二零一五年: 人民幣17.835億元), 佔蒙牛總收入6.1%(二零一五年: 7.0%)	<ul style="list-style-type: none"> - Yashili's Oushi Mengniu continued to expand its organic product offerings. In addition to the existing local organic infant milk formula Ruipuen, it has begun final stage preparation for development of imported organic infant milk formula to be released to the market soon 雅士利旗下歐世蒙牛品牌繼續拓展有機產品線, 除現有本土有機嬰幼兒配方奶粉瑞哺恩外, 原裝進口的有機嬰幼兒配方奶粉開發也進入了實質的準備階段, 將儘快推向市場 - In response to the cardiovascular and osteoporosis-related health issues of the middle-aged and the elderly, Yashili has developed the <i>Huangqing Awakening Youth Energizer Milk Formula</i> with special phytosterol ester additives and <i>Huangqing Strengthening Milk Formula</i> with special milk mineral additives 雅士利針對中老年人心血管和骨質疏鬆的健康問題, 開發了特別添加植物甾醇的煥輕舒活奶粉和特別添加乳礦物鹽的煥輕骨力奶粉 - Yashili upgraded the nutritional content and product packaging of the current Youyi series milk powder to satisfy the demand of consumers for more nutritious and lead in product packaging 雅士利對現有優怡系列調製乳粉進行了產品營養升級, 並進行產品包裝形式的升級改進, 以滿足目前消費者不僅對產品營養的追求, 並力求在包裝形式上引領新時代 	<ul style="list-style-type: none"> - Yashily Super α-Golden Stage - Aria Baby & Me - Oushi Mengniu Ruipuen - Dumex Diamor - Yashily Golden Amberly - 雅士利超級 α-金裝 - Aria Baby & Me - 歐世蒙牛瑞哺恩 - 多美滋致粹 - 雅士利金裝安貝慧

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

Product Category 產品分類	Financial Performance 財務表現	Highlights 期內動向	Key Products 重點產品
		<ul style="list-style-type: none"> - 100% imported from New Zealand, <i>Yashily Super α - Golden Stage</i> owns the patented INFAT active energy system that promotes growth of probiotics in the intestines of babies encouraging bowel activities. The formula was also launched in New Zealand simultaneously giving babies there one more quality milk formula choice - 雅士利新西蘭原裝進口的超級α-金裝，擁有專利INFAT動態活力系統，提升寶寶腸道益生菌生長，充分釋放腸道活力；產品亦同步登陸新西蘭市場，為當地寶寶提供最優質的奶粉 	
Other Products 其他產品	<p>Revenue amounted to RMB132.3 million (2015: RMB195.7 million), accounting for 0.5% of Mengniu's total revenue (2015: 0.8%)</p> <p>收入為人民幣1.323億元(二零一五年：人民幣1.957億元)，佔蒙牛總收入0.5%(二零一五年：0.8%)</p>	<ul style="list-style-type: none"> - The joint-equity company set up by Mengniu and WhiteWave upgraded the flavor of the existing <i>ZhiPuMoFang</i> walnut and almond series of plant based nutritious beverage and also released a <i>Mellow Soy Milk</i> series more agreeable with the Chinese palate, enabled by WhiteWave's state-of-the-art technology in plant-based nutritional products - 蒙牛和WhiteWave成立的合資公司更新了植僕磨坊原有的植物蛋白營養飲品核桃和巴旦木兩個系列的口味；並推出醇香豆奶系列產品，沿用WhiteWave在植物基營養品領域的領先技術，更加適合中國消費者的口味偏好 	<ul style="list-style-type: none"> - <i>Future Star Kids Cheese Sticks</i> - <i>European Fromage Frais</i> - <i>European Fermented Milk</i> - <i>ZhiPuMoFang</i> - 未來星兒童成長乳酪金裝 - 歐式酸乳酪 - 歐式發酵乳 - 植僕磨坊

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Production

Mengniu deploys its production capacity according to market demands and its own product strategy. As of 30 June 2016, Mengniu had 33 production bases in China and one in New Zealand, which together afford a total production capacity of 9.11 million tons (December 2015: 8.68 million tons).

Corporate Social Responsibility

To Mengniu, corporate social responsibility is the passing on of love and blessing and an integral part of its corporate strategies and daily operation and management. The aim of which is to drive the development of corporate social responsibility in its entire industrial chain. The sustainable ecosystem built by Mengniu features four areas of responsibility, namely nutrition and health, growth and all-win, green development and public well-being. The Group is committed to protecting consumers' health, promoting growth of employees and partners, environmental protection and development, and maintaining social harmony. Its aim is to use its strengths to bring happiness to society.

The rural education program "Have a Lecture in My Hometown" on Mengniu's "Most Beautiful to Have You" charity platform, is a holistic charitable rural education system with "companion" as the central theme and entails lectures given by leading lights, support from partners in the ecosystem, tutoring and mentoring by university students and public participation. Since 2012, Mengniu has had 108 partners in the ecosystem participating in the program and 92 luminaries, including the Chinese Princess of Ballet Hou Honglan, Olympic diving champion Lao Lishi and renowned singer Chen Chusheng, who gave interesting lectures on music, sports, television and movie to children from over 600 schools in impoverished areas in 22 provinces. During the period, Olympic gymnastics champion Yang Wei, the 91th luminary joining the campaign, returned to his hometown Xiantao, Hubei, which is known as the "hometown of gymnastics in Asia", gave the children from Hujiaguai Elementary School (胡家拐小學) in Maozuizhen, Xiantao city a splendid lesson on culture and sports, and Olympic butterfly stroke swimming champion Jiao Liuyang taught the basic moves of butterfly stroke, breaststroke and freestyle swimming to children at Youling Lao Pai of the Liannan Yao Autonomous County in Guangdong province. The activity gave children in those underprivileged areas the opportunity to receive education and also helped draw attention of society to the children.

生產

蒙牛根據市場需求及產品策略佈局產能，截至二零一六年六月三十日，蒙牛於全國共設有生產基地33個，新西蘭設有生產基地一個，產能合共為911萬噸(二零一五年十二月：868萬噸)。

社會責任

蒙牛把企業社會責任看成是愛和幸福的接力，將社會責任融入到企業戰略及日常經營和管理中，在全產業鏈多個領域推動社會責任的發展。蒙牛構建的可持續生態圈圍繞營養健康、成長共贏、綠色發展、社會公益四大責任領域，以守護消費者健康、員工及夥伴成長、環境保護發展及社區和諧為己任，務求以自身力量，為社會帶來點滴幸福。

蒙牛「有你最美」公益平台下打造的關注鄉村教育項目「我回老家上堂課」，以「陪伴」為核心，構建了包含名人上課、生態圈合作夥伴幫扶、大學生支教伴讀、社會大眾參與全方面的鄉村公益教育體系。自二零一二年以來，蒙牛聯合108家生態圈合作夥伴，邀請到包括芭蕾舞皇后候宏瀾、奧運跳水冠軍勞麗詩及著名歌手陳楚生等92位名人，走過22個省份600多所學校，為貧困地區孩子提供包括音樂、體育、影視等趣味盎然的課堂。期內，奧運體操冠軍楊威作為活動的第91位名人，回到其家鄉「亞洲體操之鄉」湖北仙桃，為仙桃市毛嘴鎮胡家拐小學的孩子們帶去一堂豐富多彩的文化課和體育課；同時邀請到蝶泳奧運冠軍焦劉洋到廣東省連南瑤族自治縣油嶺老排，教導孩子們蝶泳、蛙泳、自由泳的基本姿勢，令貧困地區的孩子亦得到接受教育的機會，並喚起社會對他們的關注。

MANAGEMENT DISCUSSION AND ANALYSIS
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Showing its support for the Rio Olympics, a team of volunteers of Mengniu's Just Yoghurt, together with Olympic champion Lao Lishi, went to Hainan Danzhou Siyuan Experimental School prior to Rio's opening ceremony where they gave out nearly 37,000 packs of *Just Yoghurt* to the children there to encourage them to hold on to their dreams and study hard. Mengniu's Olympics-inspired volunteer campaign is in full swing and in the second half year children in rural villages will be able to learn from and interact with Olympic champions such as Zhao Ruirui and Yang Wei.

During the period, Mengniu continued to put its weight behind the "Red-ribbon Health Ambassador Campaign on Campuses Advocating a Beautiful Youth", contributing to the cause of AIDS prevention among university students. Activities including "Scanning Barcode for Milk" and lighting up the WeChat Avatar were organized to enhance student involvement and care about the subject, as well as their awareness about AIDS prevention.

In May 2016, Mengniu announced that it would cooperate in the next five years with QQ Alert, Greatview Aseptic Packaging and SmarTone on helping families find missing loved ones by posting information of the missing on the milk carton box of *Future Star* and *XinYangDao*, which will also be a means to publicize knowledge of preventing abduction of children. The campaign, which encompasses both online and offline efforts to find missing persons and combat abduction, hopes to appeal to the public for help to bring lost children back to their home.

為響應里約奧運會，蒙牛純甄公益小分隊攜手奧運冠軍勞麗詩於開幕前夕前往海南儋州思源實驗學校，為孩子們送上近37,000盒純甄酸奶，鼓勵他們堅持夢想努力學習。蒙牛的奧運公益活動緊鑼密鼓，下半年將陸續攜手趙蕊蕊、楊威等奧運冠軍給鄉村孩子上課交流。

期內，蒙牛繼續大力支持「美好青春我做主—紅絲帶健康大使青春校園行」，為大學生預防愛滋病出一分力。透過「掃碼換牛奶」、點亮微信頭像等活動，提升同學們的參與度及關注度，並加強他們預防愛滋病的意識。

於二零一六年五月，蒙牛宣佈聯合QQ全城助力、紛美包裝及數碼通，於未來五年通過在未來星及新養道的牛奶盒包裝上印刷尋親資訊，普及兒童防丟知識，將線上線下尋親打拐宣傳有機結合，呼籲社會公眾幫助失蹤兒童回家。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mengniu takes nurturing talent very seriously. It enhances the know-how of ranchers and staff at different levels through programs including “University of Ranchers”, “Golden Key of Milk Cow” and “Talented Ranchers”. During the period, “University of Ranchers” ran 10 sessions of theoretical and practical courses of different levels at 12 practicing bases and close to 1,000 ranch technicians received theoretical training. To ensure personnel are geared from the supervision and management mode to the technical service mode, the program provided on-site practical coaching on rearing, veterinary medicine, breeding and management of facilities and to date 87 participants had finished on-site practice. The “Golden Key of Milk Cow” program had more than 40 system experts and experts from Denmark to give four technical demonstration and training sessions for over 600 middle-level management personnel from ranches in Beijing, Tianjin, Inner Mongolia, Henan and Hebei, etc. In addition, in April 2016, Mengniu and the China Agricultural University co-organized a third round of advanced training that covered 10 specialized courses on subjects such as industry environment, development of the dairy industry and ranch management. The courses were attended by around a hundred ranchers in China, enabling them to enhance competitiveness. The “Talented Ranchers” program gathered together a school of 54 domestic and overseas lecturers to provide 12 training sessions covering 24 basic professional courses to around 1,100 general level ranch employees via satellite. Two sessions of compulsory courses, which cover 128 dairy industry related topics and include training on practical ranch management skills and advanced industry technologies have begun.

In terms of innovation in packaging, Mengniu has replaced the plastic handles of package boxes with ones made of environmentally-friendly non-woven fabric, while also continuing to push forward with replacing plastic with paper so as to reduce damage to the environment. The new handles are used for products in Tetra Fino Aseptic packaging and PrePack packaging. Mengniu also uses renewable paper packaging that is 100% recyclable and reusable and Tetra Pak, Combibloc and Greatview Aseptic Packaging are among its selected suppliers. In addition, Mengniu has incorporated the concept of energy conservation into the various production stages at its factories, and it also regularly upgrades relevant equipment and technologies to achieve higher energy efficiency.

蒙牛十分重視人才培訓，藉著「牧場主大學」、「奶牛金鑰匙」和「星牛人」項目，提升牧場主和本集團各級人員的專業技能。期內，「牧場主大學」項目於12個實踐基地開展了10期的理論和實踐專業化分級課程，有接近1,000位牧場技術人員接受理論培訓；為確保人員可成功從監督管理型轉變為技術服務型，項目就有關飼養、獸醫、繁育和設備的管理提供駐場實踐學習，至今已有87人完成駐場實踐。「奶牛金鑰匙」項目邀請40多名體系專家和丹麥專家，為600多位分別來自北京、天津、內蒙古、河南和河北等地區的牧場中層管理人員共開展了四期的技術示範培訓。蒙牛並於二零一六年四月與中國農業大學合辦第三期高級研修班，為來自全國的百位牧場主提供如行業形勢、奶業發展和牧場管理等10門精細化課程，提高其競爭力。「星牛人」項目邀請由54位國內外專家組成的講師團，為接近1,100位牧場基層一線人員提供12期24門例行專業化視頻課程，運用衛星傳輸直投牧場，並已開展兩期必學課，討論128項乳業相關議題，教授牧場實踐管理及行業前端技術。

在包裝創新方面，蒙牛將包裝箱塑膠提手更換為新型無紡布環保材質，實施「以紙代塑」，以減少對大自然的傷害，於利樂枕、百利包等產品採用此環保提手。蒙牛亦採用可再生的紙包裝，100%可回收再利用，優先選用利樂、康美及紛美等供應商。此外，蒙牛將節能理念融入工廠生產的各環節，定期升級設備和技術，提高能源利用率。

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In 2016, Ms. Sun Yiping, Mengniu's Chief Executive Officer and the "Have a Lecture in My Hometown" program of the Group were awarded the "Public Welfare Development Award of Enterprise Asia" and "Socially Responsible Leader Award of Enterprise Asia" respectively by Enterprise Asia. And, Mengniu itself received the "Best Mobile Integrated Marketing Case Silver Award" at the China Online Marketing Awards Ceremony Gold Award and the "First Batch of Loving Enterprises in the National Children Food Safety Protection Movement" award jointly presented by the China Children and Teenagers' Fund, China Nutrition and Health Food Association, China Children Center and Peopleyuqing.com for its "Warm a glass of milk, warm their little hands" program.

Human Resources

As at 30 June 2016, the Group had a total of about 40,047 employees in China and Hong Kong, including the around 3,367 employees of Yashili. During the period, total staff costs (including salaries of directors and senior executives) amounted to approximately RMB2,113.9 million (2015: RMB1,871.5 million).

Mengniu based its remuneration policy on a number of considerations including its corporate values, the work position and relevant performance, market conditions and an individual's ability. Its remuneration system includes five incentive schemes, namely incentive for personal performance, group benefit sharing, group over-turnover, and group appraisal as well as the restricted shares award incentive scheme. These schemes, which tie closely together the performance of the Group and that of staff, have helped to effectively motivate staff members to achieve the key performance indicators for relevant strategic objectives of the Group, making development of the Group together with its staff a reality. At the same time, to retain and reward its key management personnel and employees with great potential therefore drive the achievement of its strategic objectives, Mengniu has launched a retention plan for key management personnel, under which a selected employee will be awarded restricted shares twice.

Mengniu adopts innovative personnel management concepts in the regular team and individual appraisals it conducts in specific departments. This has enabled the Group to review and plan future organization structure, identify and nurture talent with great potential as well as lay down succession plans for key positions, thus helping to protect the Group's structure and give it the talent required for achieving its strategic objectives and driving sustainable growth of the company in the future.

二零一六年，總裁孫伊萍女士及「我回老家上堂課」項目分別榮獲亞洲企業商會頒發「亞洲企業社會公益發展獎」和「亞洲企業社會責任領袖獎」。此外，蒙牛憑藉「熱一杯奶，暖一雙小手」公益項目獲中國內容行銷盛典金成獎頒發「最佳移動整合行銷案例獎銀獎」；並且獲中國兒童少年基金會、中國營養保健食品協會、中國兒童中心及人民在綫合頒「全國兒童食品安全守護行動首批愛心企業」。

人力資源

於二零一六年六月三十日，本集團於中國大陸及香港合共聘用僱員約40,047名，包括雅士利僱員約3,367名。期內僱員總成本（包括董事及高級行政人員薪金）約為人民幣21.139億元（二零一五年：人民幣18.715億元）。

蒙牛基於本集團價值觀、崗位、績效、市場、能力等多維度確立付薪理念，建立包括個人績效合同激勵、集團效益分享激勵、集團超額激勵、集團評優激勵、集團限制性股票激勵的五重激勵體系在內的整體薪酬制度，充分將企業與員工的績效緊密結合，有效激發員工的內驅力，達到作為本集團戰略目標的關鍵績效指標，實現本集團與員工共同發展。同時，為挽留和激勵具有高潛質的關鍵管理崗位人員和僱員，以推動實現本集團戰略目標，本集團實施關鍵崗位留任方案，獲選員工可獲授予兩次歸屬的限制性股票。

蒙牛以創新的人才管理理念，在本集團特定部門持續推行組織與人才盤點項目。通過項目的實施，審視及規劃未來組織架構，識別與發展高潛力人才，並建立關鍵崗位繼任者計劃，由此為本集團戰略目標的實現提供堅實的組織與人才保障，並驅動企業未來的可持續發展。

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Prospects

With the macro economy still sluggish, raw milk in surplus supply, pressure from online competitions and the government pushing ahead more stringent food safety regulations, the dairy industry is facing severe challenges. At the same time, with the two-child policy in full rollout, per capita income rising and urbanization continuing in China, demand for milk products in the country will gradually recover. Mengniu will focus on its star products, pushing for innovation in product categories and structure optimization to enhance consumer confidence in domestic dairy products with high qualities. It will continue to reinforce its leadership in liquid milk products, in particular, the chilled product market segment, and strengthen the milk formula business platform of Yashili, while also seeking to seize opportunities for cooperation and consolidation with international dairy enterprises, the goal of which is to lead the upgrade of the dairy industry in China.

Looking ahead, guided by the two-pronged strategy of “internationalization + digitalization”, Mengniu will be devoted to achieving development through quality innovation and fortifying the cooperative relationship it has with advanced international and local peer partners as well as partners outside the industry. Armed with international and advanced research and development technology and management systems, it shall work together with its partners in research and development of innovative new products more in line with international benchmarks and construct a sustainable “Mengniu win-win ecosystem”. Being innovative is what motivates Mengniu to continue to develop. Mengniu will continue to embrace the “Internet+” idea, cooperate with modern Internet enterprises in innovative and interactive ways and develop new business platforms. It will push to realize digitalization from management to operation, sales, consumer experience and servicing and set up an intelligent Big Data platform to help enhance sales growth. With consumers at heart, Mengniu will build three wellness platforms with sport, food and entertainment as respective emphasis. It will communicate with consumers using trendy, dynamic and youthful means and interact with them on all possible fronts, transparently and openly. These efforts will allow it to understand precisely consumers’ interests so that it may offer more valuable service and also give consumers healthy, diverse and joyful experiences with its products.

展望

在宏觀經濟持續低迷、原奶供給過剩、進口跨境電商不斷衝擊下，加上政府大力推行更嚴格的食品安全監管，乳品行業面臨著嚴峻挑戰。與此同時，隨著中國全面開放二胎政策、消費者人均收入增加和城鎮化持續推進，國內乳品類消費需求將逐步恢復。蒙牛將聚焦明星產品，進行產品品類創新及結構優化，以質量提升消費者對國產乳製品的信心。在持續強化液態奶，特別是低溫領域的國內市場領先地位、整合雅士利奶粉業務平台的同時，蒙牛將把握與國際乳企的合作與整合，引領中國乳業水平升級。

展望未來，蒙牛將繼續透過「國際化+數字化」雙軌戰略，驅動品質創新的發展格局，深化與國際國內、行業內外優勢夥伴的戰略合作關係，藉助國際化的先進研發技術和管理系統，共同研發創新產品，進一步對接國際標準，打造可持續發展的「蒙牛共贏生態圈」。創新是蒙牛不斷發展的驅動力，蒙牛將繼續擁抱「互聯網+」思維，以創新的互動形式與新興互聯網企業開展合作，開拓新的業務平台，推動從管理到運營、銷售、消費者體驗、服務的全面數字化進程，構建大數據智能平台，拉動銷售增長。以消費者為中心，搭建「運動、美食、娛樂」三大幸福平台，創造時尚、活力、年輕的溝通方式，與消費者進行全方位、透明和開放的互動，有效針對消費者愛好、提供更優化的服務價值，以及為消費者傳遞健康、多元和趣味的幸福體驗。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

With an international perspective, Mengniu has established its digitalized management system, quality monitoring and tracing system for its entire industrial chain. With these systems and the backing of digital technologies, it is able to provide consumers with digitalized and systematic quality assurance. Mengniu's digitalized "Real-time Food Safety and Quality Monitoring and Control Platform" serves its ranches, factories and key sales areas, helping to safeguard the safety of all Mengniu products.

Mengniu will firmly uphold its "consumer-oriented" core value, and lay out around its plans for digitization, to fully exploit the Internet and adopt intelligent technologies in areas from product research and development to system management and operation mode. Its aim is to create high quality dairy products with "Ingenuity, Care, Reliability" thereby help the dairy industry in China rebuild its image, as well as raise the value of the Mengniu brand. The Group will strive to transform into a new-era dairy enterprise with its eyes set on tapping the power of the Internet and be capable of providing consumers with nutritious and healthy products that match international standards.

蒙牛亦以國際視野搭建數字化管理系統，打造覆蓋全產業鏈的品質監控和追溯體系，為消費者提供數字化、系統化的品質保障。同時，數字化的「食品安全質量實時監控平台」覆蓋蒙牛牧場、生產工廠和銷售大區，全面為蒙牛產品安全護航。

蒙牛將繼續堅持「以消費者為中心」的核心價值，從產品研發、系統管理到營銷模式等各方面，展開一系列數字化、網絡化、智能化的產業佈局，用「匠心•關心•放心」成就高品質乳品，推動中國乳業形像的重塑，驅動蒙牛品牌價值升級，積極轉型為具有互聯網思維的新時代乳企，為消費者提供與國際接軌的營養健康食品。

REPORT OF THE DIRECTORS

董事會報告

The board (the “Board”) of directors (the “Directors”) of the Company has the pleasure in submitting the interim report together with the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2016 (the “Interim Financial Statements”).

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: nil) and propose that the profit for the six months ended 30 June 2016 be retained.

Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2016, the interests and short positions of the Directors and the chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) (the “Associated Corporation”) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules were as follows:

本公司董事(「董事」)會(「董事會」)欣然提呈其中期報告，連同本公司及其子公司(統稱「本集團」)截至二零一六年六月三十日止六個月的未經審核簡明綜合財務報表(「中期財務報表」)。

中期股息

董事不建議派發截至二零一六年六月三十日止六個月的中期股息(截至二零一五年六月三十日止六個月：無)，並建議保留截至二零一六年六月三十日止六個月的盈利。

董事及主要行政人員於股份、相關股份及債權證之權益及淡倉

於二零一六年六月三十日，本公司董事及主要行政人員及各自之聯繫人士於本公司及其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)(「相聯法團」)之股份、相關股份及債權證中，擁有須登記在根據證券及期貨條例第352條規定存置的登記冊內之權益及淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司和香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

REPORT OF THE DIRECTORS
董事會報告

Long positions in the shares of the Company or any of the Associated Corporations (not including options granted under the Company's share option scheme):

於本公司或其任何相聯法團股份之好倉(不包括根據本公司購股權計劃授予的購股權)：

Name of Director 董事姓名	Company/Name of Associated Corporation 本公司／相聯法團名稱	Nature of Interest 權益性質	Total Number of Ordinary Shares 普通股總數	Percentage of the Company's/ Associated Corporation's Issued Share Capital 佔本公司／相聯法團 已發行股本的百分比
Sun Yiping 孫伊萍	The Company 本公司	Personal Interest 個人權益	13,793,204(L) ⁽¹⁾	0.35% ⁽³⁾
Bai Ying 白瑛	The Company 本公司	Personal Interest 個人權益	4,937,277(L) ⁽²⁾	0.13% ⁽³⁾
	Inner Mongolia Mengniu Dairy (Group) Company Limited ("Inner Mongolia Mengniu") 內蒙古蒙牛乳業(集團)股份 有限公司(「內蒙蒙牛」)	Personal Interest 個人權益	336,151(L)	0.02%

Notes:

- (1) It represents shares granted to Ms. Sun Yiping under the restricted share award scheme and the key management retention plan of the Company adopted by the Board.
- (2) It included shares granted to Mr. Bai Ying under the restricted share award scheme and the key management retention plan of the Company during the period.
- (3) The calculation is based on the number of shares as a percentage of the total number of issued shares of the Company (i.e. 3,919,476,402 shares) as at 30 June 2016.
- (L) Indicates a long position.

附註：

- (1) 該數目為根據董事會採納的本公司限制性股票獎勵計劃及關鍵崗位員工留任方案授予孫伊萍女士的股票。
- (2) 該數目包括根據本公司限制性股票獎勵計劃及關鍵崗位員工留任方案於期內授予白瑛先生的股票。
- (3) 按照股份數目佔本公司於二零一六年六月三十日已發行股份總數3,919,476,402股之百分比計算得出。
- (L) 表示好倉。

REPORT OF THE DIRECTORS 董事會報告

Certain Directors have been granted options under the Company's share option scheme and shares under share award scheme of the Company respectively, details of which are set out in the sections headed "Share Option Scheme" and "Share Award Scheme", respectively below.

Saved as disclosed above and as set out in the section headed "Share Option Scheme" below, as at 30 June 2016, none of the Directors and the chief executive of the Company and their respective associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any of the Associated Corporations as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests

As at 30 June 2016, the interests or short positions of substantial shareholders, other than the Directors or the chief executive of the Company whose interests and short positions in the shares of the Company and of the Associated Corporations are set out above, in the shares and underlying shares of the Company as recorded in the register required to be maintained under Section 336 of the SFO were as follows:

若干董事分別根據本公司之購股權計劃獲授購股權及根據本公司之股票獎勵計劃獲授股票，詳情分別載於下文「購股權計劃」及「股票獎勵計劃」各節。

除上文及下文「購股權計劃」一節所披露者外，於二零一六年六月三十日，本公司各董事及主要行政人員及各自之聯繫人士於本公司或任何相聯法團之股份、相關股份及債權證中，概無擁有任何須登記在根據證券及期貨條例第352條規定存置的登記冊內，或根據標準守則須知會本公司和聯交所之權益及淡倉。

主要股東權益

於二零一六年六月三十日，根據證券及期貨條例第336條規定存置之登記冊所紀錄，主要股東（於本公司及相聯法團的股份中所擁有的權益及淡倉已於上文載列的本公司董事或主要行政人員除外）於本公司股份及相關股份中的權益或淡倉如下：

Name of Substantial Shareholder	主要股東名稱	Number of Ordinary Shares 普通股數目	Percentage of the Company's Issued Share Capital ⁽⁷⁾ 佔本公司已發行股本百分比 ⁽⁷⁾
COFCO Corporation	中糧集團有限公司	1,234,500,758(L) ⁽¹⁾	31.50%
COFCO (Hong Kong) Limited	中糧集團(香港)有限公司	1,233,700,758(L) ⁽²⁾	31.48%
China Foods (Holdings) Limited	中國食品(控股)有限公司	1,233,700,758(L) ⁽³⁾	31.48%
Farwill Limited	志遠有限公司	1,233,700,758(L) ⁽²⁾	31.48%
Colour Spring Limited	彩泉有限公司	1,233,700,758(L) ⁽²⁾	31.48%
COFCO Dairy Holdings Limited	中糧乳業控股有限公司	1,233,700,758(L) ⁽²⁾⁽⁴⁾	31.48%
COFCO Dairy Investments Limited	中糧乳業投資有限公司	1,233,700,758(L) ⁽²⁾⁽⁵⁾	31.48%
Prominent Achiever Limited	互達有限公司	1,233,700,758(L) ⁽²⁾⁽⁶⁾	31.48%
Arla Foods amba	Arla Foods amba	1,233,700,758(L) ⁽²⁾	31.48%
Danone SA	Danone SA	1,233,700,758(L) ⁽⁶⁾	31.48%
Danone Asia Pte Ltd	達能亞洲有限公司	1,233,700,758(L) ⁽²⁾	31.48%
Commonwealth Bank of Australia	Commonwealth Bank of Australia	550,232,000(L)	14.04%
JPMorgan Chase & Co.	JPMorgan Chase & Co.	273,625,440(L)	6.98%
		3,030,985(S)	0.08%
		245,806,088(P)	6.27%

REPORT OF THE DIRECTORS
董事會報告

Notes:

- (1) COFCO Corporation is deemed interested in an aggregate of 1,234,500,758 shares in the Company, comprising (a) 1,233,700,758 shares in the Company through its wholly-owned subsidiary, COFCO (Hong Kong) Limited and (b) 800,000 shares in the Company through another of its wholly-owned subsidiary, COFCO (BVI) Limited. COFCO (BVI) Limited is deemed interested in 800,000 shares in the Company through its wholly-owned subsidiary, COFCO (BVI) No. 9 Limited.
- (2) COFCO (Hong Kong) Limited, Farwill Limited, Colour Spring Limited, COFCO Dairy Holdings Limited, COFCO Dairy Investments Limited, Prominent Achiever Limited, Arla Foods amba, Danone Asia Pte Ltd are deemed interested in an aggregate of 1,233,700,758 shares in the Company under section 317 of the SFO.
- (3) China Foods (Holdings) Limited (previously known as COFCO (BVI) No. 108 Limited) is deemed interested in 1,233,700,758 shares in the Company through its wholly-owned subsidiary, Farwill Limited.
- (4) COFCO Dairy Holdings Limited is deemed interested in 1,233,700,758 shares in the Company through its subsidiary, COFCO Dairy Investments Limited.
- (5) COFCO Dairy Investments Limited is deemed interested in 296,028,044 shares in the Company through its wholly-owned subsidiary, Prominent Achiever Limited.
- (6) Danone SA is deemed interested in 1,233,700,758 shares in the Company through its subsidiary, Danone Asia Pte Ltd.
- (7) The total issued shares of the Company as at 30 June 2016 was 3,919,476,402.
- (L) Indicates a long position.
- (S) Indicates a short position.
- (P) Indicates a lending pool.

Saved as disclosed above, as at 30 June 2016, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register maintained under Section 336 of the SFO.

附註：

- (1) 中糧集團有限公司被視為於本公司合共1,234,500,758股股份中擁有權益，當中包括(a)透過其全資子公司中糧集團(香港)有限公司於本公司1,233,700,758股股份及(b)透過其另一全資子公司COFCO (BVI) Limited於本公司800,000股股份中擁有權益。COFCO (BVI) Limited被視為透過其全資子公司COFCO (BVI) No. 9 Limited於本公司800,000股股份中擁有權益。
- (2) 根據證券及期貨條例第317條，中糧集團(香港)有限公司、志遠有限公司、彩泉有限公司、中糧乳業控股有限公司、中糧乳業投資有限公司、互達有限公司、Arla Foods amba、達能亞洲有限公司被視為於本公司合共1,233,700,758股股份中擁有權益。
- (3) 中國食品(控股)有限公司(前稱COFCO (BVI) No. 108 Limited)被視為透過其全資子公司志遠有限公司於本公司1,233,700,758股股份中擁有權益。
- (4) 中糧乳業控股有限公司被視為透過其子公司中糧乳業投資有限公司擁有本公司1,233,700,758股股份之權益。
- (5) 中糧乳業投資有限公司被視為透過其全資子公司互達有限公司擁有本公司296,028,044股股份之權益。
- (6) Danone SA被視為透過其子公司達能亞洲有限公司於本公司1,233,700,758股股份中擁有權益。
- (7) 於二零一六年六月三十日，本公司已發行股份總數為3,919,476,402股。
- (L) 表示好倉。
- (S) 表示淡倉。
- (P) 表示可供借出的股份。

除上文所披露者外，於二零一六年六月三十日，根據證券及期貨條例第336條規定存置之登記冊顯示，概無任何其他於本公司股份或相關股份中之權益或淡倉。

REPORT OF THE DIRECTORS
董事會報告

Share Option Scheme

The Company adopted a share option scheme (the “2005 Share Option Scheme”) on 28 June 2005 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. The 2005 Share Option Scheme has expired on 27 June 2015. The following share options are granted under the 2005 Share Option Scheme and are valid and exercisable during the period:

購股權計劃

本公司於二零零五年六月二十八日採納一項購股權計劃(「二零零五年購股權計劃」)，藉此向對本集團業務成功有貢獻之合資格參與者作出鼓勵及獎賞。二零零五年購股權計劃已於二零一五年六月二十七日屆滿。期內，根據二零零五年購股權計劃授予且有效及可被行使之購股權如下：

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目					As at 30 June 2016 於二零一六年 六月三十日	Date of grant of share options 授出購股權日期	Exercise period of share options (both dates inclusive) 購股權行使期間 (包括首尾兩天)	Exercise price of share options 購股權行使價 HK\$ 港元
	As at 1 January 2016 於二零一六年 一月一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷				
Executive Director 執行董事									
Bai Ying 白瑛	4,163,548	-	-	(3,200,000)	-	963,548	10.10.2011 二零一一年 十月十日	10.10.2015 to 9.10.2018 ⁽¹⁾ 二零一五年十月十日 至 二零一八年十月九日 ⁽¹⁾	12.05
Employees in Aggregate 僱員總計	37,036,134	-	(1,614,952)	(28,500,000)	-	6,921,182	10.10.2011 二零一一年 十月十日	10.10.2015 to 9.10.2018 ⁽¹⁾ 二零一五年十月十日 至 二零一八年十月九日 ⁽¹⁾	12.05
	41,199,682	-	(1,614,952) ⁽²⁾	(31,700,000)	-	7,884,730			

Notes:

附註：

- The share options will be vested in two equal batches with 50% of the share options granted vesting on the fourth and fifth anniversaries of the date of the grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$12.57.

- 購股權將分為兩等份歸屬，50%購股權分別於由授出日起第四及五個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- 本公司股份於緊接購股權行使日期前之加權平均收市價為12.57港元。

REPORT OF THE DIRECTORS
董事會報告

On 3 June 2016, the shareholders of the Company approved the adoption of a new share option scheme (the “2016 Share Option Scheme”) in order to enable the Group to continue to offer valuable incentive to attract and retain quality personnel to work to increase the value of the shares of the Company. The 2016 Share Option Scheme shall be valid and effective for a period of 10 years commencing from 3 June 2016 and will expire on 2 June 2026.

During the six months ended 30 June 2016, no share option was granted under the 2016 Share Option Scheme.

Save as disclosed above, at no time during the reporting period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or their respective associates to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Save as disclosed above, none of the Directors or the chief executive (including their spouses and children under the age of 18) during the six months ended 30 June 2016, held any interest in, or were granted any right to subscribe for, the securities of the Company and its associated corporations within the meaning of the SFO, or had exercised any such rights.

Share Award Scheme

1) Restricted Share Award Scheme

The Company operates a restricted share award scheme (the “Restricted Share Award Scheme”) to motivate the employees to maximize the value of and share the results with the Company in order to achieve sustainable development of the Group.

As at 30 June 2016, the aggregate number of restricted shares of the Company granted to selected participants was 32,349,400 (before bonus issue), of which 8,425,800 (before bonus issue) restricted shares were granted to Ms. Sun Yiping, the Chief Executive Officer and executive Director, and 2,229,500 (before bonus issue) restricted shares were granted to Mr. Bai Ying, the executive Director. For further details of the grant of restricted shares, please refer to the Company’s announcements dated 29 April 2013, 22 April 2014, 19 September 2014, 8 April 2015 and 30 September 2015. Further details of the restricted share award scheme are also set out in note 27 to the Interim Financial Statements.

於二零一六年六月三日，本公司股東批准採納新購股權計劃(「二零一六年購股權計劃」)，以使本集團能繼續向優秀僱員提供獎勵，以吸引並挽留彼等效力本集團，以提高本公司股份的價值。二零一六年購股權計劃自二零一六年六月三日起生效，有效期為十年，並將於二零二六年六月二日失效。

截至二零一六年六月三十日止六個月，概無購股權根據二零一六年購股權計劃授出。

除上文披露者外，本公司或其任何子公司於報告期內概無訂立任何安排，使本公司董事或主要行政人員或各自之聯繫人士可藉收購本公司或任何其他法團之股份或債權證而獲得利益。

除上文披露者外，於截至二零一六年六月三十日止六個月期間，概無任何董事或主要行政人員(包括彼等之配偶及18歲以下子女)持有或獲授予本公司及其相聯法團(見證券及期貨條例之定義)證券之任何權益或認購權利，亦無行使任何該等權利。

股票獎勵計劃

1) 限制性股票獎勵計劃

本公司採納一項限制性股票獎勵計劃(「限制性股票獎勵計劃」)，藉以激勵僱員為本公司創造更高價值，與本公司共享成果，推動本集團的持續發展。

於二零一六年六月三十日，已授予獲選對象的本公司限制性股票總數為32,349,400股(紅股發行前)，其中8,425,800股(紅股發行前)限制性股票授予總裁兼執行董事孫伊萍女士，及2,229,500股(紅股發行前)限制性股票授予執行董事白瑛先生。有關授予限制性股票的進一步詳情，請參閱本公司日期為二零一三年四月二十九日、二零一四年四月二十二日、二零一四年九月十九日、二零一五年四月八日及二零一五年九月三十日之公告。有關限制性股票獎勵計劃的進一步詳情亦載於中期財務報表附註27。

REPORT OF THE DIRECTORS 董事會報告

2) Key Management Retention Plan

The Company adopted the key management retention plan (the "Retention Plan") to retain and reward the Group's key management personnel and employees with great potential and to drive the achievement of strategic objectives of the Company. According to the Retention Plan, the Company will contribute a maximum of RMB150 million for the execution of the Retention Plan.

As at 30 June 2016, the aggregate number of shares of the Company granted to selected participants under the Retention Plan was 14,492,753, of which 1,555,072 shares were granted to Ms. Sun Yiping, the Chief Executive Officer and executive Director, and 466,521 shares were granted to Mr. Bai Ying, the executive Director. For further details of the Retention Plan, please refer to the Company's announcement dated 11 April 2016. Further details of the Retention Plan are also set out in Note 27 to the Interim Financial Statements.

Foreign Currency Risk

The Group's businesses are principally located in Mainland China and substantially all transactions are conducted in RMB, except for the purchases of imported machinery and equipment, and sales of dairy products to Hong Kong and Macau. As at 30 June 2016, substantially all of the Group's assets and liabilities were denominated in RMB except for the cash and bank balances of approximately RMB957,785,000 (31 December 2015: RMB1,722,071,000), RMB222,713,000 (31 December 2015: RMB121,752,000), RMB413,000 (31 December 2015: RMB52,265,000), RMB38,830,000 (31 December 2015: RMB3,165,000) and RMB33,314,000 (31 December 2015: RMB28,953,000) which were denominated in United States dollars, Hong Kong dollars, Euro, New Zealand dollars and Danish Krone, respectively, the interest-bearing bank and other borrowings of approximately RMB36,325,000 (31 December 2015: RMB901,452,000), RMB5,824,353,000 (31 December 2015: RMB6,897,340,000) and RMB33,419,000 (31 December 2015: RMB28,934,000) which were denominated in Hong Kong dollars, United States dollars and Euro, respectively, and a pledged deposit of approximately RMB12,452,000 (31 December 2015: RMB12,182,000) which were denominated in United States dollars. Management has set up procedures to periodically review and monitor the foreign currency risk exposure.

2) 關鍵崗位員工留任方案

本公司採納關鍵崗位員工留任方案(「留任方案」)以挽留和激勵本集團內具有高潛質的關鍵管理崗位人員和僱員及推動本公司戰略目標的實現。根據留任方案，本公司將就留任方案的執行最多出資人民幣150百萬元。

於二零一六年六月三十日，本公司向留任方案下獲選的參加者合共授出14,492,753股本公司股份，當中有1,555,072股股份授予總裁及執行董事孫伊萍女士及有466,521股股份授予執行董事白瑛先生。有關留任方案的進一步詳情，請參閱本公司日期為二零一六年四月十一日的公告。留任方案的進一步詳情亦載於中期財務報表附註27。

外幣風險

本集團的業務主要位於中國大陸，除了購置進口機器及設備以及向香港和澳門出售乳製品外，幾乎全部交易均以人民幣為貨幣單位。於二零一六年六月三十日，除了為數約人民幣957,785,000元(二零一五年十二月三十一日：人民幣1,722,071,000元)、人民幣222,713,000元(二零一五年十二月三十一日：人民幣121,752,000元)、人民幣413,000元(二零一五年十二月三十一日：人民幣52,265,000元)、人民幣38,830,000元(二零一五年十二月三十一日：人民幣3,165,000元)及人民幣33,314,000元(二零一五年十二月三十一日：人民幣28,953,000元)的現金及銀行結存分別以美元、港元、歐元、新西蘭元及丹麥克朗為貨幣單位，及為數約人民幣36,325,000元(二零一五年十二月三十一日：人民幣901,452,000元)、人民幣5,824,353,000元(二零一五年十二月三十一日：人民幣6,897,340,000元)及人民幣33,419,000元(二零一五年十二月三十一日：人民幣28,934,000元)的計息銀行及其他借貸分別以港元、美元及歐元為貨幣單位，及為數約人民幣12,452,000元(二零一五年十二月三十一日：人民幣12,182,000元)的已抵押存款以美元為貨幣單位外，本集團幾乎全部資產及負債均以人民幣為貨幣單位。管理層已制定程序定期審查及監控外幣風險。

REPORT OF THE DIRECTORS
董事會報告

Pledge of Assets

As at 30 June 2016, the Group has pledged certain bank deposits, investment deposits, land use rights and certain property, plant and equipment aggregating to approximately RMB1,200,286,000 (31 December 2015: RMB1,181,352,000).

Contingent Liabilities and Capital Commitments

Details of contingent liabilities and capital commitments are set out in Notes 29 and 30, respectively, to the Interim Financial Statements.

Corporate Governance

The Company is dedicated to ensure high standards of corporate governance with an emphasis on a diligent Board, sound internal control, and increasing transparency and accountability to shareholders. The Board acknowledges that good corporate governance practices and procedures are beneficial to the Group and its shareholders.

The Company has adopted the code provisions set out in the Corporate Governance Code during the period (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of corporate governance practices.

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has been in compliance with all applicable code provisions of the CG Code during the six months ended 30 June 2016.

資產抵押

於二零一六年六月三十日，本集團已抵押之若干銀行存款、投資存款、土地使用權及若干物業、廠房及設備合共約人民幣1,200,286,000元(二零一五年十二月三十一日：人民幣1,181,352,000元)。

或然負債及資本承擔

或然負債及資本承擔的詳情分別載於中期財務報表附註29及30。

企業管治

本公司致力確保企業管治達致高水平，尤其著重組建勤勉盡職的董事會和健全的內部監控制度，以及提高透明度和對股東之間責性。董事會知悉，良好企業管治常規及程序對本集團及其股東有利。

本公司於期內已採納聯交所證券上市規則(「上市規則」)附錄14所載企業管治守則(「企業管治守則」)的守則條文，作為其本身的企業管治常規守則。

董事會已檢討本公司之企業管治常規，並確信本公司於截至二零一六年六月三十日止六個月期間已全面遵守企業管治守則之適用守則條文。

REPORT OF THE DIRECTORS 董事會報告

Board of Directors

As at the date of this interim report, the Board currently comprises two executive Directors, namely, Ms. Sun Yiping (chief executive officer) and Mr. Bai Ying; six non-executive Directors, namely, Mr. Ma Jianping (Chairman), Mr. Yu Xubo, Mr. Niu Gensheng, Mr. Tim Ørting Jørgensen, Ms. Liu Ding (Vice-Chairwoman) and Mr. Filip Kegels; and five independent non-executive Directors, namely, Mr. Jiao Shuge (alias Jiao Zhen) (Vice-Chairman), Mr. Julian Juul Wolhardt, Mr. Zhang Xiaoya, Mr. Wu Kwok Keung Andrew and Dr. Liao Jianwen.

Securities Transactions of Directors

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules governing dealings by all Directors in the securities of the Company. The Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2016.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2016,

- (1) the Company repurchased on the open market a total of 6,116,000 shares of the Company at a total consideration of RMB58.1 million, all of which were cancelled during the six months ended 30 June 2016; and
- (2) the trustee of the Restricted Share Award Scheme purchased on the open market a total of 2,094,000 shares of the Company at a total consideration of approximately RMB16.9 million.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2016.

董事會

於本中期報告之日期，董事會現包括兩位執行董事，分別為孫伊萍女士（總裁）及白瑛先生；六位非執行董事，分別為馬建平先生（主席）、于旭波先生、牛根生先生、Tim Ørting Jørgensen先生、柳丁女士（副主席）及Filip Kegels先生；及五位獨立非執行董事，分別為焦樹閣（又名焦震）先生（副主席）、Julian Juul Wolhardt先生、張曉亞先生、胡國強先生及廖建文博士。

董事的證券交易

本公司已採納上市規則附錄10所載之標準守則為規管本公司所有董事進行本公司證券交易的行為守則和規則。對所有董事作出特定查詢後，本公司確認所有董事於截至二零一六年六月三十日止六個月內一直遵守標準守則之規定準則。

購買、出售或贖回本公司上市證券

截至二零一六年六月三十日止六個月，

- (1) 本公司以總代價人民幣58.1百萬元在公開市場回購合共6,116,000股本公司股份，全部已於截至二零一六年六月三十日止六個月內註銷；及
- (2) 限制性股票獎勵計劃的受托人根據限制性股票獎勵計劃以總代價約人民幣16.9百萬元在公開市場購入合共2,094,000股本公司股份。

除以上所披露者外，本公司或其任何子公司於截至二零一六年六月三十日止六個月內概無購買、贖回或出售本公司任何上市證券。

REPORT OF THE DIRECTORS
董事會報告

Audit Committee

The audit committee of the Company (the “Audit Committee”) currently comprises four independent non-executive Directors, namely Mr. Wu Kwok Keung Andrew (chairman), Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt and Mr. Zhang Xiaoya. The Audit Committee has reviewed with the Company’s management and the external auditors, the accounting principles and practices adopted by the Company and discussed auditing, risk management, internal control, whistleblowing policy and system and financial reporting matters, including the review of the Group’s unaudited interim financial statements for the six months ended 30 June 2016.

Investor Relations and Communications

The Company adopts a proactive policy in promoting investor relations and communications. Regular meetings are held with institutional investors and financial analysts to ensure two-way communications on the Company’s performance and development.

By order of the Board

Sun Yiping

Chief Executive Officer & Executive Director

Hong Kong, 24 August 2016

審核委員會

本公司審核委員會(「審核委員會」)成員現包括四位獨立非執行董事，分別為胡國強先生(主席)、焦樹閣(又名焦震)先生、Julian Juul Wolhardt先生及張曉亞先生。審核委員會已與本公司管理層及外部核數師審閱本公司採納的會計原則與慣例，並討論審核、風險管理、內部監控、舉報政策及系統以及財務報告事宜，其中包括審閱本集團截至二零一六年六月三十日止六個月的未經審核中期財務報表。

投資者關係與溝通

本公司採取積極政策推動投資者關係及增進溝通。本公司定期與機構投資者及財務分析員舉行會議，以確保就本公司的表現及發展維持雙向的溝通。

承董事會命

孫伊萍

總裁兼執行董事

香港，二零一六年八月二十四日

INDEPENDENT REVIEW REPORT

獨立審閱報告



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To the Board of Directors

China Mengniu Dairy Company Limited

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 56 to 124, which comprises the condensed consolidated statement of financial position of China Mengniu Dairy Company Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2016 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made 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 interim financial information 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：

中國蒙牛乳業有限公司董事會

(在開曼群島註冊成立之有限公司)

緒言

我們已審閱刊於第56頁至124頁的中國蒙牛乳業有限公司(「貴公司」)及其子公司(「貴集團」)的中期財務資料，其中包括於二零一六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表、全面收益表、權益變動表、現金流量表以及解釋附註。《香港聯合交易所有限公司證券上市規則》規定，中期財務資料報告的編製必須符合其相關條文及國際會計準則理事會頒佈的《國際會計準則》第34號—「中期財務報告」(「《國際會計準則》第34號」)的規定。貴公司董事負責根據《國際會計準則》第34號編製及呈列本中期財務資料。我們的責任是根據我們審閱工作的結果，對本中期財務資料作出審閱結論。根據委聘條款，我們的報告僅向董事會作出。除此之外，不作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔任何責任。

審閱範圍

我們是按照香港會計師公會頒佈的《香港審閱聘用協定準則》第2410號—「由實體的獨立核數師執行的中期財務資料審閱」的規定進行審閱。中期財務資料的審閱主要包括向負責財務會計事宜的人士作出詢問，並採取分析性和其他審閱程序。審閱的範圍遠較根據《香港核數準則》進行的審核範圍小，故我們不能保證我們知悉一切可能於審核中識別的重大事宜。因此，我們不發表審核意見。

INDEPENDENT REVIEW REPORT
獨立審閱報告

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Certified Public Accountants

Hong Kong
24 August 2016

結論

根據我們的審閱，我們並未察覺任何事宜致使我們相信隨附中中期財務資料在一切重大方面並未按照《國際會計準則》第34號編製。

執業會計師

香港
二零一六年八月二十四日

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合損益表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Continuing operations	持續經營業務		
Revenue	收入	27,257,154	25,564,409
Cost of sales	銷售成本	(18,075,749)	(17,421,599)
Gross profit	毛利	9,181,405	8,142,810
Other income and gains	其他收入及收益	169,963	177,611
Losses arising from changes in fair value less cost to sell of dairy cows	乳牛公允價值減銷售成本之變動產生的虧損	(22,285)	(6,912)
Selling and distribution expenses	銷售及經銷費用	(6,448,888)	(5,565,274)
Administrative expenses	行政費用	(1,135,934)	(1,093,651)
Other expenses	其他費用	(218,793)	(182,839)
Interest income	利息收入	278,098	273,764
Finance costs	融資成本	(151,460)	(134,616)
Share of profits/(losses) of associates	應佔聯營公司利潤/(虧損)	(154,555)	143,306
Profit before tax from continuing operations	來自持續經營業務之稅前利潤	1,497,551	1,754,199
Income tax expense	所得稅支出	(313,030)	(321,343)
Profit for the period from continuing operations	來自持續經營業務之本期利潤	1,184,521	1,432,856
Discontinued operation	已終止經營業務		
Loss for the period from a discontinued operation	來自已終止經營業務之本期虧損	-	(8)
Profit for the period	本期利潤	1,184,521	1,432,848
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	1,077,290	1,338,669
Non-controlling interests	非控股股東權益	107,231	94,179
		1,184,521	1,432,848

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 中期簡明綜合損益表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年	2015 二零一五年 Restated 經重列
		Note 附註	
Earnings per share attributable to ordinary equity holders of the Company (expressed in RMB per share)	本公司普通股擁有人應佔每股盈利 (以每股人民幣元計)	10	
Basic	基本		
– For profit for the period	– 本期利潤		0.344
– For profit from continuing operations	– 來自持續經營業務之利潤		0.344
Diluted	攤薄		
– For profit for the period	– 本期利潤		0.343
– For profit from continuing operations	– 來自持續經營業務之利潤		0.343

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收益表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
	Note 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit for the period	本期利潤	1,184,521	1,432,848
Other comprehensive income/(loss)	其他全面收益/(虧損)		
<i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:</i>	其後期間重新分類至損益的其他全面收益/(虧損):		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	11,177	(6,088)
Cash flow hedges:	現金流量對沖:		
Effective portion of changes in fair value of hedging instruments arising during the period	來自期內對沖工具公允值變動之實際部分	-	(11,519)
Income tax effect	所得稅的影響	-	3,098
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	其後期間重新分類至損益的其他全面收益/(虧損)淨額	11,177	(14,509)
<i>Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:</i>	其後期間不會重新分類至損益的其他全面虧損:		
Equity investments designated as fair value through other comprehensive income:	指定為以公允值計量且其變動計入其他全面收益的股本投資:		
Changes in fair value	公允值變動	(67,100)	(91,363)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods	其後期間不會重新分類至損益的其他全面虧損淨額	(67,100)	(91,363)
Other comprehensive loss, net of tax	其他全面虧損，扣除稅項	(55,923)	(105,872)
Total comprehensive income for the period	本期全面收益總額	1,128,598	1,326,976
Attributable to:	以下各方應佔:		
Owners of the Company	本公司擁有人	988,488	1,244,756
Non-controlling interests	非控股股東權益	140,110	82,220
		1,128,598	1,326,976

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

			Unaudited 未經審核	Audited 經審核
			30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	11,477,297	11,637,977
Construction in progress	在建工程	13	1,592,229	900,939
Investment properties	投資物業		30,372	20,078
Land use rights	土地使用權		967,522	888,680
Goodwill	商譽	14	6,569,075	5,850,599
Other intangible assets	其他無形資產		1,998,479	1,731,018
Investments in associates	於聯營公司的投資		4,077,528	4,185,883
Deferred tax assets	遞延稅項資產		394,969	307,534
Biological assets	生物資產		345,381	289,823
Non-current financial assets	非流動金融資產	16	2,110,355	2,327,916
Long term prepayments	長期預付款		48,521	91,738
Total non-current assets	總非流動資產		29,611,728	28,232,185
CURRENT ASSETS	流動資產			
Other current financial assets	其他流動金融資產	16	6,902,914	5,255,273
Derivative financial instruments	衍生金融工具	23	-	10,944
Inventories	存貨	17	3,468,515	4,339,506
Trade and bills receivables	應收賬款及票據	18	2,929,605	1,617,757
Prepayments, deposits and other receivables	預付款、按金及其他應收款項		2,201,662	2,158,884
Pledged deposits	保證金存款	19	747,809	722,402
Cash and bank balances	現金及銀行結存	19	5,206,881	7,931,237
Assets of disposal groups classified as held for sale	分類為持有待售的處置組內資產	9	253,799	384,353
Total current assets	總流動資產		21,711,185	22,420,356

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 中期簡明綜合財務狀況表

			Unaudited 未經審核	Audited 經審核
			30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付賬款及票據	20	5,779,867	4,644,298
Other payables and accruals	其他應付款項及預提費用	21	4,789,448	4,989,524
Interest-bearing bank and other borrowings	計息銀行及其他借貸	22	6,403,893	6,080,751
Other loans	其他貸款		25,915	43,915
Derivative financial instruments	衍生金融工具	23	4,752	3,160
Deferred income	遞延收入		53,999	45,652
Income tax payable	應付所得稅		196,932	153,367
			17,254,806	15,960,667
Liabilities directly associated with the assets classified as held for sale	與分類為持有待售的資產直接相關的負債	9	13,234	15,708
Total current liabilities	總流動負債		17,268,040	15,976,375
NET CURRENT ASSETS	淨流動資產		4,443,145	6,443,981
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		34,054,873	34,676,166
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	22	3,768,505	4,969,511
Long term payables	長期應付款項		42,164	68,399
Deferred income	遞延收入		383,843	303,116
Deferred tax liabilities	遞延稅項負債		71,077	76,050
Other non-current financial liabilities	其他非流動金融負債	24	3,007,943	2,643,936
Total non-current liabilities	總非流動負債		7,273,532	8,061,012
NET ASSETS	淨資產		26,781,341	26,615,154

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
中期簡明綜合財務狀況表

			Unaudited 未經審核	Audited 經審核
			30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	25	356,877	357,262
Treasury shares held under share award scheme	股票獎勵計劃下持有的庫存股份	27	(432,678)	(415,762)
Other reserves	其他儲備	26	12,409,144	13,321,140
Retained earnings	保留利潤		9,950,889	8,873,599
			22,284,232	22,136,239
Non-controlling interests	非控股股東權益		4,497,109	4,478,915
TOTAL EQUITY	總權益		26,781,341	26,615,154

Ma Jianping
馬建平
Director
董事

Sun Yiping
孫伊萍
Director
董事

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
中期簡明綜合權益變動表

截至二零一五年六月三十日止六個月(未經審核)

For the six months ended 30 June 2015 (unaudited)

	Attributable to owners of the Company 本公司擁有人應佔												
	Treasury shares held under share award scheme 股票獎勵計劃下持有的庫存股份	Share capital 股本	Share premium 股份溢價	Contributed surplus 貢獻盈餘	Statutory reserves 法定儲備	Foreign currency translation reserve 貨幣兌換儲備	Financial asset revaluation reserve 金融資產重估儲備	Share option reserve/ share award reserve 儲備/股份獎勵儲備	Hedging reserve 對沖儲備	Equity transaction reserve 權益交易儲備	Puttable non-controlling interest reserve 非控股股東權益儲備	Non-controlling interests 非控股股東權益	Total equity 總權益
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	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2015 於二零一五年一月一日	186,246	11,771,025	232,020	2,496,824	152,347	314,765	(5,718)	1,810,892	6,818,844	3,003,473	24,492,873		
Profit for the period 本期利潤	-	(489,075)	-	(590,205)	-	-	-	-	1,338,689	94,179	1,432,848		
Other comprehensive income/ (loss) for the period 其他綜合收益/(虧損)：	-	-	-	-	-	-	-	-	-	-	-	-	
Changes in fair value of equity investments designated as at fair value through other comprehensive income, net of tax 指定為以公允價值計量且其變動計入其他綜合收益的股	-	-	-	-	(91,363)	-	-	-	-	-	-	(91,363)	
Exchange difference on translation of foreign operations 換算外幣業務的匯兌差額	-	-	-	1,749	-	-	-	-	-	-	1,749	(6,088)	
Cash flow hedges, net of tax 現金流量對沖，扣除稅項	-	-	-	-	-	-	(4,239)	-	-	-	(4,239)	(8,421)	
Total comprehensive income/(loss) for the period 期內全面收益/(虧損)	-	-	-	-	-	-	(4,239)	-	1,338,689	82,220	1,326,976		
Shares issued under equity-settled share option arrangements 根據以股份支付的股票獎勵計劃發行股份	25	50,758	-	-	-	-	-	-	-	-	-	50,971	
Equity-settled share option arrangements 以股份支付的股票獎勵計劃	-	-	-	-	-	14,513	-	-	-	-	341	14,854	
Transfer of share option reserve upon exercise of share options 行使股票獎勵計劃轉出	-	-	27,399	-	-	(27,399)	-	-	-	-	-	-	
Share purchases for share award scheme 為股票獎勵計劃	-	-	(67,603)	-	-	-	-	-	-	-	-	(67,603)	
Shares vested under share award scheme 根據股票獎勵計劃歸屬的股份	-	-	208,848	-	-	(218,197)	-	-	-	-	-	-	
Share award scheme 股份獎勵計劃	27	9,349	-	-	-	138,039	-	-	-	-	-	138,039	
Dividends paid/payable to owners of the Company 向本公司擁有人派付股息/應付本公司擁有人股息	-	(546,923)	-	-	-	-	-	-	-	-	-	(546,923)	
Dividends paid/payable to non-controlling interests 向非控股股東派付股息/應付非控股股東股息	-	-	-	-	-	-	-	-	-	-	85,324	85,324	
Deemed disposal of an equity interest in a subsidiary without loss of control (沒有失去控制權) 收購非控股股東權益	28(a)	-	-	-	-	961,804	-	-	-	-	2,306,790	3,468,594	
Acquisition of non-controlling interests 收購非控股股東權益	28(b)	-	-	-	-	(1,885,131)	-	-	-	-	(825,644)	(2,510,675)	
Capital injection from non-controlling interests 非控股股東權益注資	-	-	-	-	-	480	-	480	-	-	9,302	9,782	
Recognition of puttable non-controlling interests 非控股股東權益	-	-	-	-	-	-	-	-	-	18,782	(85,935)	(47,153)	
At 30 June 2015 於二零一五年六月三十日	186,459	(347,830)	232,020	2,496,824	60,984	221,720	(10,017)	888,016	8,157,513	4,815,323	26,234,410		

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Cash flows from operating activities	經營業務產生的現金流量		
Profit before tax:	稅前利潤：		
From continuing operations	來自持續經營業務	1,497,551	1,754,199
From a discontinued operation	來自已終止經營業務	-	(8)
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(278,098)	(273,764)
Finance costs	融資成本	151,460	134,616
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	752,094	678,071
Depreciation of investment properties	投資物業折舊	2,474	1,586
Amortisation of land use rights	土地使用權攤銷	11,505	12,135
Amortisation of other intangible assets	其他無形資產攤銷	18,080	8,798
Loss/(gain) on disposal of items of property, plant and equipment	處置物業、廠房及設備虧損/(收益)	(2,475)	7,153
Gain on disposal of a disposal group classified as held for sale	出售分類為持有待售的處置組收益	(29,127)	-
Provision for trade receivables and other receivables	應收賬款及其他應收款項撥備	6,873	3,249
Write-back of provision for trade receivables and other receivables	撥回應收賬款及其他應收款項撥備	(21,740)	(31,262)
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	57,535	23,808
Government grants related to income	與收入相關之政府補助	-	(45,400)
Amortisation of deferred income	遞延收入攤銷	(15,837)	(12,753)
Gain on disposal of a subsidiary	出售一家子公司收益	-	(49,989)
Share of losses/(profits) of associates	應佔聯營公司虧損/(利潤)	154,555	(143,306)
Losses arising from changes in fair value less cost to sell of dairy cows	乳牛公允值減銷售成本之變動產生的虧損	22,285	6,912
Foreign exchange losses/(gains), net	匯兌虧損/(收益)淨額	(30,897)	23,283
Net fair value loss/(gain) on forward currency contracts and forward currency swaps	遠期外幣合約及遠期外幣掉期公允值虧損/(收益)淨額	5,011	(15,991)
Share option scheme expense	購股權計劃開支	-	14,854
Share award scheme expense	股票獎勵計劃開支	50,546	138,038
		2,351,795	2,234,229
Increase in other financial assets – entrusted loans	其他金融資產增加 – 委託貸款	(13,520)	(8,916)
Decrease in inventories	存貨減少	907,501	8,291
Increase in trade and bills receivables	應收賬款及票據增加	(1,233,189)	(685,584)
Decrease/(increase) in pledged deposits	保證金存款減少/(增加)	67,633	(38,127)
Decrease in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少	207,330	232,014
Increase in trade and bills payables	應付賬款及票據增加	1,089,455	193,153
Increase/(decrease) in other payables and accruals	其他應付款項及預提費用增加/(減少)	(196,992)	754,755

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
中期簡明綜合現金流量表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Cash generated from operations	經營業務產生的現金	3,180,013	2,689,815
Interest paid	支付利息	(142,805)	(126,273)
Income taxes paid	支付所得稅	(361,873)	(456,278)
Net cash flows from operating activities	經營業務產生的淨現金流量	2,675,335	2,107,264
Cash flows from investing activities	投資活動產生的現金流量		
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備所得款項	99,762	44,488
Proceeds from disposal of biological assets	處置生物資產所得款項	1,935	1,784
Proceeds from disposal of a disposal group classified as held for sale	出售分類為持有待售的處置組所得款項	98,000	-
Purchase of items of property, plant and equipment	購置物業、廠房及設備	(457,258)	(275,982)
Purchase of construction in progress	購置在建工程	(1,007,994)	(1,102,496)
Purchase of other intangible assets	購置其他無形資產	(2,421)	(3,388)
Purchase of land use rights	購置土地使用權	(15,241)	(17,093)
Purchase of biological assets	購置生物資產	(87,640)	(30,648)
Purchase of a short term bond	購置短期債券	-	(561,901)
Purchase of unit trust investments	購置單位信託投資	-	(53,403)
Disposal of unit trust investments	出售單位信託投資	150,000	227,000
Decrease/(increase) of long term time deposits	長期定期存款減少/(增加)	243,617	(380,641)
Purchase of time deposits with original maturity of more than three months	購買原到期日為三個月以上的定期存款	(615,963)	(72,795)
Purchase of investment deposits	購置投資存款	(6,582,036)	(5,145,839)
Withdrawal of investment deposits	收回投資存款	4,799,536	7,967,743
Interest received	收取利息	224,590	202,424
Dividends received from associates	收取聯營公司股息	3,698	20,700
Acquisition of subsidiaries	收購子公司	(1,085,941)	-
Disposal of a subsidiary	出售一家子公司	-	(861)
Payment of contingent consideration	或然代價付款	(50,000)	(10,000)
Receipt of government grants related to purchase of fixed assets	收取購買固定資產相關之政府補助金	73,875	37,350
Net cash flows from/(used in) investing activities	投資活動產生/(所用)淨現金流量	(4,209,481)	846,442

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
中期簡明綜合現金流量表

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Cash flows from financing activities	融資活動產生的現金流量		
Proceeds from interest-bearing bank loans	計息銀行貸款所得款項	2,513,019	3,232,976
Repayment of interest-bearing bank loans	償還計息銀行貸款	(3,522,035)	(2,720,894)
Increase in pledged deposits for bank loans	銀行貸款的保證金存款增加	(93,040)	(147,906)
Proceeds from other loans	其他貸款所得款項	-	100,000
Repayment of other loans	償還其他貸款	(18,000)	-
Repayment of long term payables	償還長期應付款項	(38,633)	(50,068)
Deemed disposal of equity interests in a subsidiary without loss of control	視作出售一家子公司之股權(沒有失去控制權)	-	3,468,594
Acquisition of non-controlling interests	收購非控股股東權益	(2,718)	(2,510,675)
Capital injection from non-controlling interests	非控股股東權益注資	28,537	9,782
Shares purchased for share award scheme	為股票獎勵計劃購股	(16,916)	(67,603)
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	16,632	50,971
Shares repurchased and cancelled	股份購回及註銷	(58,142)	-
Dividends paid to owners of the Company	支付本公司擁有人的股息	(552,697)	(546,923)
Dividends paid to non-controlling interests	支付非控股股東權益的股息	(54,994)	(95,262)
Net cash flows from/(used in) financing activities	融資活動產生/(所用)淨現金流量	(1,798,987)	722,992
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	(3,333,133)	3,676,698
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	6,833,608	3,607,033
Effect of foreign exchange rate changes, net	匯率變動的影響(淨額)	33,043	207,846
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	3,533,518	7,491,577
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances as stated in the interim condensed consolidated statement of financial position	於中期簡明綜合財務狀況表中列賬的現金及銀行結存	5,206,881	8,606,899
Time deposits with original maturity more than three months	原到期日為三個月以上的定期存款	(1,673,363)	(1,115,322)
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	於中期簡明綜合現金流量表中列賬的現金及現金等價物	3,533,518	7,491,577

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

1. Corporate Information

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The Company is an investment holding company and its subsidiaries are engaged in the manufacture and distribution of dairy products mainly in the People's Republic of China (the "PRC").

2. Basis of Preparation and Changes to the Group's Accounting Policies

Basis of preparation

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with IAS 34 *Interim Financial Reporting* and the disclosure requirements of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The unaudited interim 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 31 December 2015.

New standards and amendments adopted by the Group

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those in the Group's annual financial statements for the year ended 31 December 2015, except for the adoption of the following new and revised standards effective as at 1 January 2016. The Group has not early adopted any other standard, or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments apply for the first time in 2016, they do not have a material impact on the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group. The nature and the impact of each new standards or amendments is described below:

1. 公司資料

本公司為在開曼群島註冊成立的獲豁免有限公司。本公司乃一家投資控股公司，而其子公司主要在中華人民共和國（「中國」）從事乳製品生產及經銷業務。

2. 編製基準及本集團會計政策變動

編製基準

截至二零一六年六月三十日止六個月的未經審核中期簡明綜合財務報表是按照國際會計準則第34號中期財務報告及香港聯合交易所有限公司證券上市規則之披露規定編製。

本未經審核中期簡明綜合財務報表並未載有年度財務報表所需的全部信息和披露，故應與本集團截至二零一五年十二月三十一日止年度的年度財務報表一併閱覽。

本集團採納之新準則及修訂

除因採納以下於二零一六年一月一日生效的新頒佈和經修訂的準則外，編製該等中期簡明綜合財務報表所採納的會計政策，與編製本集團截至二零一五年十二月三十一日止年度的年度財務報表所採納者保持一致。本集團並無提早採納已頒佈但尚未生效的任何其他準則或修訂。

該等變動的性質及影響於下文披露。以下新準則及修訂於二零一六年首次應用，然而，該等新準則及修訂並無對本集團的年度綜合財務報表或中期簡明綜合財務報表產生重大影響。各項新準則或修訂的性質及影響於下文詳述：

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

2. Basis of Preparation and Changes to the Group's Accounting Policies (continued)

New standards and amendments adopted by the Group (continued)

IFRS 14 Regulatory Deferral Accounts

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of International Financial Reporting Standards ("IFRS"). Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and Other Comprehensive Income ("OCI"). The standard requires disclosure of the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016. Since the Group is an existing IFRS preparer and is not involved in any rate-regulated activities, this standard does not apply.

Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 *Business Combinations* principles for business combination accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation if joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group as there has been no interest acquired in a joint operation during the period.

2. 編製基準及本集團會計政策變動 (續)

本集團採納之新準則及修訂 (續)

國際財務報告準則第14號「監管遞延賬戶」

國際財務報告準則第14號是一項可選準則，允許業務活動受到評級監管的實體在首次採納國際財務報告準則（「國際財務報告準則」）後，繼續就監管遞延賬戶結餘應用大部分現有會計政策。採納國際財務報告準則第14號的實體必須在財務狀況表中將監管遞延賬戶單獨列賬，並在損益表及其他全面收益表（「其他全面收益表」）中將該等賬戶結餘的變動單獨列賬。此準則要求披露實體之評級監管的性質及相關風險，以及該評級監管對其財務報表的影響。國際財務報告準則第14號於二零一六年一月一日或之後開始的年度期間生效。由於本集團為現有國際財務報告準則編製者且並無從事任何評級監管活動，此準則不適用。

國際財務報告準則第11號之修訂「收購合營業務權益的會計處理」

國際財務報告準則第11號之修訂規定，共同經營者須應用國際財務報告準則第3號「業務合併」之業務合併會計處理相關原則，對所收購之共同經營（其中共同經營之活動構成一項業務）權益進行會計處理。該等修訂亦釐清，於收購同一共同經營之額外權益且保留共同控制權時，先前於共同經營所持權益不會重新計量。此外，國際財務報告準則第11號已增添豁免範疇，訂明當共享共同控制權之訂約各方（包括報告實體）受同一最終控制方之共同控制時，該等修訂並不適用。

該等修訂適用於收購共同經營之初步權益及收購同一共同經營之任何額外權益，預期應用於二零一六年一月一日或之後開始的年度期間，可提前採納。由於期內並無收購共同經營之權益，該等修訂對本集團並無任何影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

2. Basis of Preparation and Changes to the Group's Accounting Policies (continued)

New standards and amendments adopted by the Group (continued)

Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is a part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants

The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of IAS 41 *Agriculture*. Instead, IAS 16 will apply. After initial recognition, bearer plants will be measured under IAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of IAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* will apply. The amendments are retrospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact to the Group as the Group does not have any bearer plants.

2. 編製基準及本集團會計政策變動 (續)

本集團採納之新準則及修訂(續)

國際會計準則第16號及國際會計準則第38號之修訂「釐清折舊與攤銷的可接受方法」

該等修訂澄清國際會計準則第16號「物業、廠房及設備」及國際會計準則第38號「無形資產」中的原則，即收益反映自經營業務(該資產為其一部分)產生的經濟利益而非通過使用資產消耗的經濟利益的模式。因此，收益法不得用於折舊物業、廠房及設備，並且僅在非常有限的情況下可用於攤銷無形資產。該等修訂預期應用於二零一六年一月一日或之後開始的年度期間，可提前採納。該等修訂對本集團並無任何影響，因本集團並未使用收益法計算其非流動資產的折舊。

國際會計準則第16號及國際會計準則第41號的修訂「農業：生產性植物」

該等修訂更改對於符合生產性植物定義之生物資產的會計要求。根據該等修訂，符合生產性植物定義之生物資產將不再屬於國際會計準則第41號「農業」的範圍，而將適用國際會計準則第16號。在初始確認後，生產性植物將根據國際會計準則第16號按累計成本(成熟前)以及使用成本模型或重估模型(成熟後)計量。該等修訂亦規定，在生產性植物上生長的產物將繼續適用國際會計準則第41號，按公允價值減銷售成本計量。對於與生產性植物相關的政府補助，國際會計準則第20號「政府補助之會計處理及政府援助之披露」將適用。該等修訂追溯應用於二零一六年一月一日或之後開始的年度期間，可提前採納。由於本集團並無生產性植物，該等修訂對本集團並無任何影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

2. Basis of Preparation and Changes to the Group's Accounting Policies (continued)

New standards and amendments adopted by the Group (continued)

Amendments to IAS 27 Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements will have to apply that change retrospectively. First-time adopters of IFRS electing to use the equity method in their separate financial statements will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

Annual Improvements 2012-2014 Cycle

These improvements are effective for annual periods beginning on or after 1 January 2016. They include:

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. This amendment must be applied prospectively.

2. 編製基準及本集團會計政策變動 (續)

本集團採納之新準則及修訂 (續)

國際會計準則第27號的修訂「獨立財務報表中的權益法」

該等修訂允許實體使用權益法將於附屬公司、合營公司及聯營公司之投資在各自的財務報表中列賬。若實體已應用國際財務報告準則並選擇在彼等各自的財務報表中轉用權益法，其將必須追溯應用此變更。若實體是首次採納國際財務報告準則並選擇在彼等各自的財務報表中使用權益法，其將需要從轉用國際財務報告準則之日起應用此方法。該等修訂於二零一六年一月一日或之後開始的年度期間生效，可提前採納。該等修訂對本集團之中期簡明綜合財務報表並無任何影響。

二零一二年至二零一四年週期的年度改進

該等改進於二零一六年一月一日或之後開始的年度期間生效，其中包括：

國際財務報告準則第5號「持作出售的非流動資產及已終止經營業務」

資產(或出售組別)通常透過出售或向擁有人進行分派的方式出售。此修訂澄清，從其中一項出售方法轉向使用另一個方法將不會被視為新的出售計劃，而是對於原有計劃的延續。因此，應用國際財務報告準則第5號的規定並無受到干擾。此修訂必須預期應用。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

2. Basis of Preparation and Changes to the Group's Accounting Policies (continued)
New standards and amendments adopted by the Group (continued)

IFRS 7 Financial Instruments: Disclosures

- (i) Servicing contracts
The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures would not need to be provided for any period beginning before the annual period in which the entity first applies the amendments.
- (ii) Applicability of the amendments to IFRS 7 to condensed interim financial statements
The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment must be applied retrospectively.

IAS 19 Employee Benefits

The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment must be applied prospectively.

2. 編製基準及本集團會計政策變動
(續)
本集團採納之新準則及修訂(續)

國際財務報告準則第7號「金融工具：披露」

- (i) 服務合約
此修訂澄清，包括費用的服務合約可構成對金融資產的持續參與。實體必須根據國際財務報告準則第7號關於持續參與的指引，評估相關費用及安排的性質，以評估是否需要作出披露。對服務合約是否構成持續參與之評估必須追溯進行。然而，不需要就實體首次採納該等修訂之年度期間之前開始的任何期間提供所要求的披露。
- (ii) 就簡明中期財務報表應用國際財務報告準則第7號的修訂
該等修訂澄清，抵銷披露規定不適用於簡明中期財務報表，除非該等披露是提供最近期年報所報告資料的重大更新。此修訂必須追溯應用。

國際會計準則第19號「僱員福利」

此修訂澄清，優質公司債券的市場深度是基於債務列值貨幣進行評估，而非基於債務所在的國家。若以該貨幣列值的優質公司債券並無深度市場，則必須使用政府債券的利率。此修訂必須預期應用。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

2. Basis of Preparation and Changes to the Group's Accounting Policies (continued)

New standards and amendments adopted by the Group (continued)

IAS 34 Interim Financial Reporting

The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. This amendment must be applied retrospectively.

These amendments do not have any impact on the Group.

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated
- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and OCI. These amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group.

2. 編製基準及本集團會計政策變動 (續)

本集團採納之新準則及修訂(續)

國際會計準則第34號「中期財務報告」

此修訂澄清，所規定的中期披露必須在中期財務報表中作出或以中期財務報表交叉援引的方式作出，而無論該等披露是在中期財務報告的任何部分（例如管理層評論或風險報告）。中期財務報告內的其他資料必須以中期財務報表的相同條款在相同時間向使用者提供。此修訂必須追溯應用。

該等修訂對本集團並無任何影響。

國際會計準則第1號的修訂「披露動議」

國際會計準則第1號的修訂澄清了現有的國際會計準則第1號的要求，而非對其作出重大變動。該等修訂澄清：

- 國際會計準則第1號的重大性要求
- 損益表、其他全面收益表及財務狀況表中的特定項目可以分列
- 實體可靈活決定呈列財務報表附註的順序
- 使用權益法列賬的分佔聯營公司及合營公司之其他全面收益必須匯總單獨列賬，並按其後期間能或不能重新分類至損益進行分類

此外，該等修訂澄清了在財務狀況表以及損益表及其他全面收益表呈列額外的小計時所適用的要求。該等修訂於二零一六年一月一日或之後開始的年度期間生效，可提前採納。該等修訂對本集團並無任何影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**2. Basis of Preparation and Changes to the Group's Accounting Policies** (continued)
New standards and amendments adopted by the Group (continued)**Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception**

The amendments address issues that have arisen in applying the investment entities exception under IFRS 10 *Consolidated Financial Statements*. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to IAS 28 *Investments in Associates and Joint Ventures* allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

These amendments must be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group as the Group does not apply the consolidation exception.

2. 編製基準及本集團會計政策變動
(續)

本集團採納之新準則及修訂(續)

國際財務報告準則第10號、第12號及國際會計準則第28號的修訂「投資實體：應用綜合豁免」

該等修訂說明了根據國際財務報告準則第10號「綜合財務報表」應用投資實體豁免時產生的問題。國際財務報告準則第10號的修訂澄清，若母公司實體是另一投資實體的附屬公司，且該投資實體按公允價值計量其全部附屬公司，則可豁免遵守呈列綜合財務報表的規定。

此外，國際財務報告準則第10號的修訂澄清，僅需要綜合自身並非投資實體，且向該投資實體提供支持服務的附屬公司。投資實體的所有其他附屬公司均按公允價值計量。國際會計準則第28號的修訂「於聯營公司及合營公司之投資」允許投資者在應用權益法時，保留投資實體聯營公司或合營公司對其附屬公司權益應用的公允價值計量。

該等修訂必須追溯應用，於二零一六年一月一日或之後開始的年度期間生效，可提前採納。由於本集團並無應用綜合豁免，該等修訂對本集團並無任何影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

3. Segment Information

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- Liquid milk product segment – manufacture and distribution of ultra-high temperature milk (“UHT milk”), milk beverage and yogurt
- Ice cream product segment – manufacture and distribution of ice cream
- Milk powder product segment – manufacture and distribution of milk powder
- Others segment – principally the Group’s cheese and plant-based nutrition product business and trading business

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group’s profit/loss before tax from continuing operations except that interest income, finance costs, share of profits of associates, income tax expense, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude equity investments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. 經營分部資料

出於管理需要，本集團按產品及服務構組業務單元，共有下列四個可報告經營分部：

- 液態奶產品分部 – 生產及經銷超高溫滅菌奶(「UHT奶」)、乳飲料及酸奶
- 冰淇淋產品分部 – 生產及經銷冰淇淋
- 奶粉產品分部 – 生產及經銷奶粉
- 其他分部 – 主要為本集團奶酪及植物基營養品業務及貿易業務

管理層獨立監察本集團各經營分部的業績，以作出有關資源分配及表現評估的決策。分部表現乃根據可報告分部利潤／虧損(其為對經調整來自持續經營業務的稅前利潤／虧損的一種計量)予以評估。經調整來自持續經營業務的稅前利潤／虧損與本集團來自持續經營業務的稅前利潤／虧損計量方式一致，惟利息收入、融資成本、應佔聯營公司利潤、所得稅支出及總部及公司支出不計入該計量內。

分部資產並無包括股本投資，以及其他不分部的總部及公司資產，因該等資產按集團層面管理。

分部負債並無包括其他不分部的總部及公司負債，因該等負債按集團層面管理。

分部間銷售及轉讓參考以當時市價向第三者銷售所採用的售價進行交易。

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3. Segment Information (continued)

The following tables present the revenue, profit and certain asset and liability information for the Group's operating segments:

3. 經營分部資料(續)

下表呈列了本集團的經營分部的收入、利潤和部分資產和負債的資料：

For the six months ended 30 June 2016 (unaudited) 截至二零一六年六月三十日止六個月(未經審核)		Liquid milk product 液態奶產品 RMB'000 人民幣千元	Ice cream product 冰淇淋產品 RMB'000 人民幣千元	Milk powder product 奶粉產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue:	分部收入：					
Sales to external customers	銷售予外部客戶	23,761,520	1,703,333	1,660,036	132,265	27,257,154
Intersegment sales	分部間銷售	369,487	59,854	-	105,508	534,849
		24,131,007	1,763,187	1,660,036	237,773	27,792,003
Reconciliation:	調整：					
Elimination of intersegment sales	對銷分部間銷售					(534,849)
Revenue from continuing operations	來自持續經營業務之收入					27,257,154
Segment results	分部業績	1,696,982	37,719	(99,938)	(59,493)	1,575,270
Reconciliation:	調整：					
Interest income	利息收入					278,098
Finance costs	融資成本					(151,460)
Losses arising from changes in fair value less cost to sell of dairy cows	乳牛公允價值減銷售成本之變動產生 的虧損					(22,285)
Share of losses of associates	應佔聯營公司虧損					(154,555)
Unallocated corporate expenses	不分部的公司支出					(27,517)
Profit before tax from continuing operations	來自持續經營業務之稅前利潤					1,497,551
Income tax expense	所得稅支出					(313,030)
Profit for the period from continuing operations	來自持續經營業務之本期利潤					1,184,521
At 30 June 2016 (unaudited)	於二零一六年六月三十日 (未經審核)					
Segment assets	分部資產	29,734,653	2,522,625	14,871,161	1,438,308	48,566,747
Reconciliation:	調整：					
Elimination of intersegment receivables	對銷分部間應收款項					(11,908,492)
Unallocated corporate assets	不分部的公司資產					14,410,859
Assets related to disposal groups	涉及處置組之資產					253,799
Total assets	總資產					51,322,913
Segment liabilities	分部負債：	16,668,561	2,029,960	2,503,235	1,642,309	22,844,065
Reconciliation:	調整：					
Elimination of intersegment payables	對銷分部間應付款項					(11,908,492)
Unallocated corporate liabilities	不分部的公司負債					13,592,765
Liabilities related to disposal groups	涉及處置組之負債					13,234
Total liabilities	總負債					24,541,572

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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3. Segment Information (continued)

3. 經營分部資料(續)

For the six months ended 30 June 2015 (unaudited) 截至二零一五年六月三十日止六個月(未經審核)		Liquid milk product 液態奶產品 RMB'000 人民幣千元	Ice cream product 冰淇淋產品 RMB'000 人民幣千元	Milk powder product 奶粉產品 RMB'000 人民幣千元	Others 其他產品 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue:	分部收入:					
Sales to external customers	銷售予外部客戶	21,940,946	1,644,268	1,783,488	195,707	25,564,409
Intersegment sales	分部間銷售	299,468	109,649	24,197	143,866	577,180
		22,240,414	1,753,917	1,807,685	339,573	26,141,589
Reconciliation:	調整:					
Elimination of intersegment sales	對銷分部間銷售					(577,180)
Revenue from continuing operations	來自持續經營業務之收入					25,564,409
Segment results	分部業績	1,924,679	57,951	27,201	(170,009)	1,839,822
Reconciliation:	調整:					
Interest income	利息收入					273,764
Finance costs	融資成本					(134,616)
Losses arising from changes in fair value less cost to sell of dairy cows	乳牛公允價值減銷售成本之 變動產生的虧損					(6,912)
Share of profits of associates	應佔聯營公司利潤					143,306
Unallocated corporate expenses	不分部的公司支出					(361,165)
Profit before tax from continuing operations	來自持續經營業務之稅前利潤					1,754,199
Income tax expense	所得稅支出					(321,343)
Profit for the period from continuing operations	來自持續經營業務之本期利潤					1,432,856
At 31 December 2015 (audited)	於二零一五年十二月三十一日 (經審核)					
Segment assets	分部資產	26,601,192	1,896,127	14,331,373	1,324,122	44,152,814
Reconciliation:	調整:					
Elimination of intersegment receivables	對銷分部間應收款項					(9,681,088)
Unallocated corporate assets	不分部的公司資產					15,796,462
Assets related to disposal groups	涉及處置組之資產					384,353
Total assets	總資產					50,652,541
Segment liabilities	分部負債	14,552,301	1,483,008	2,058,501	1,464,801	19,558,611
Reconciliation:	調整:					
Elimination of intersegment payables	對銷分部間應付款項					(9,681,088)
Unallocated corporate liabilities	不分部的公司負債					14,144,156
Liabilities related to disposal groups	涉及處置組之負債					15,708
Total liabilities	總負債					24,037,387

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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4. Revenue, Other Income and Gains

Revenue represents the net invoiced value of goods sold, after allowances for goods returns and trade discounts, and after eliminations of all significant intra-group transactions.

An analysis of the Group's revenue, other income and gains from continuing operations is as follows:

4. 收入、其他收入及收益

收入指已售出商品的發票淨值，經扣除退貨及貿易折扣，以及抵銷集團內所有公司間之重大交易後所得的數額。

本集團來自持續經營業務的收入、其他收入及收益的分析如下：

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
		Notes 附註	
Revenue:	收入：		
Sale of goods	商品銷售	27,257,154	25,564,409
Other income and gains:	其他收入及收益：		
Government grants related to	政府補助金		
– Recognition of deferred income	– 與確認遞延收入有關	(a) 15,837	12,753
– Income and biological assets	– 與收入及生物資產有關	(b) 39,052	56,768
Gain on disposal of a subsidiary	出售一家子公司收益	–	49,989
Net fair value gain on forward currency contracts and forward currency swaps	遠期外幣合約及遠期外幣掉期公允值收益淨額	–	15,991
Gain on disposal of a disposal group classified as held for sale	出售分類為持有待售的處置組收益	29,127	–
Gain on disposal of items of property, plant and equipment	處置物業、廠房及設備收益	2,475	–
Foreign exchange gains, net	匯兌收益淨額	30,897	–
Others	其他	52,575	42,110
		169,963	177,611
		27,427,117	25,742,020

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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4. Revenue, Other Income and Gains (continued)

Notes:

- (a) The Group has received certain government grants in forms of property, plant and equipment donations, cash donations to purchase items of property, plant and equipment, and cash donations with certain conditions attaching to. These grants are initially recorded as deferred income. The grants relating to property, plant and equipment are amortised to match the depreciation charge of the underlying property, plant and equipment in accordance with the assets estimated useful lives. The cash donations with unfulfilled conditions or contingencies are only recognised in profit or loss when the Group satisfied the attached conditions.
- (b) The government grants in the form of cash award have been received for the Group's contribution to the development of the local dairy product industry. There are no unfulfilled conditions or contingencies attaching to these grants.

5. Other Expenses

4. 收入、其他收入及收益(續)

附註：

- (a) 政府以物業、廠房及設備捐獻或現金捐獻以購買物業、廠房及設備方式，向本集團授予若干補助，並附帶若干條件。此等補助金初步記錄為遞延收入。有關物業、廠房及設備的補助根據資產的估計可使用年期攤銷，以配對相關物業、廠房及設備的折舊開支。未能達到所附帶的條件或或然事件的現金捐獻將只會於本集團達到所附帶的條件時在損益內確認。
- (b) 本集團因對當地乳製品行業的發展有所貢獻，故獲現金獎勵形式的政府補助金。該等補助金並無附帶任何未達成的條件或或然事項。

5. 其他費用

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Provision for trade receivables and other receivables	應收賬款及其他應收款項撥備	6,873	3,249
Write-back of provision for trade receivables and other receivables	撥回應收賬款及其他應收款項撥備	(21,740)	(31,262)
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	57,535	23,808
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備虧損	-	7,153
Donations	捐贈支出	3,317	8,059
Educational surcharges and city construction tax	教育費附加和城市維護建設稅	119,816	129,088
Net fair value loss on forward currency contracts (note 23(a))	遠期外幣合約公允值虧損淨額(附註23(a))	5,011	-
Foreign exchange losses, net	匯兌虧損淨額	-	23,283
Others	其他	47,981	19,461
		218,793	182,839

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6. Profit Before Tax

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

6. 稅前利潤

本集團來自持續經營業務的稅前利潤乃經扣除/(計入)下列各項後計算所得：

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Cost of inventories sold	銷售存貨成本	18,073,165	17,421,634
Realised and unrealised fair value losses/(gains) of commodity future contracts, net	變現及未變現商品期貨合約公允值虧損/(收益)淨額	2,584	(35)
	23(b)		
Cost of sales	銷售成本	18,075,749	17,421,599
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	752,094	678,071
Depreciation of investment properties	投資物業折舊	2,474	1,586
Amortisation of land use rights	土地使用權攤銷	11,505	12,135
Amortisation of other intangible assets	其他無形資產攤銷	18,080	8,798
Outsourcing expenses	外包費用	169,136	258,452
Minimum lease payments under operating leases	經營租賃最低租金	95,846	95,741
Display space leasing fees	陳列空間租賃費	388,578	343,950
Employee benefit expense (including directors' and senior executive's emoluments)	僱員福利費用(包括董事及高級行政人員薪酬)	2,113,927	1,871,540

Note:

- (a) In order to optimise the production plan for operation efficiency purpose, the Group outsourced the production of certain products. The amounts represented the total amounts paid by the Group for purchasing those products.

附註：

- (a) 為優化生產計劃以提升營運效率，本集團外包若干產品的生產。該金額指本集團就採購該等產品支付的總額。

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7. Finance Costs

An analysis of finance costs from continuing operations is as follows:

7. 融資成本

來自持續經營業務的融資成本分析如下：

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest on long term payables	長期應付款項利息	3,715	3,508
Interest on bank loans	銀行貸款利息	84,068	64,711
Interest on US\$500,000,000 3.50% bond due 2018	息率3.50%於二零一八年 到期之500,000,000美 元債券之利息	61,810	57,730
Increase in discounted amounts of contingent consideration arising from the passage of time	因時間流逝而增加或然 代價的折現現值	275	4,814
Unrealised loss on interest rate forward contracts (note 23(a))	利率遠期合約的未變現 虧損(附註23(a))	1,592	3,853
		151,460	134,616

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8. Income Tax Expense

The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

8. 所得稅支出

中期簡明綜合損益表內所得稅支出的主要成分為：

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current income tax	即期所得稅		
Current income tax charge	即期所得稅支出	405,438	439,940
Deferred income tax	遞延所得稅		
Relating to origination and reversal of tax losses and temporary differences	有關稅項虧損及暫時性差異的產生及回撥	(92,408)	(118,597)
		313,030	321,343

- (a) Hong Kong profits tax has not been provided as the Group had no assessable profits arising in Hong Kong during the period.

During the period, certain PRC subsidiaries were subject to tax concessions in accordance with (i) the PRC corporate income tax law; (ii) "The notice of tax policies relating to the implementation of western China development strategy"; and (iii) "The notice of preferential tax policy for preliminary processing of agricultural products".

- (a) 由於本集團在期內並無在香港產生任何應課稅利潤，故無計提香港利得稅撥備。

期內，根據(i)中國企業所得稅法；(ii)《關於深入實施西部大開發戰略有關稅收政策問題的通知》；及(iii)《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》，若干中國子公司享有稅務優惠。

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9. Disposal Groups Classified as Held for Sale

On 29 August 2013, Inner Mongolia Mengniu Founding Industry Management Co., Ltd. ("Founding") acquired an additional 64% equity interest in Chengdu Mengniu Dairy Sales Co., Ltd. ("Chengdu Sales") exclusively with a view to subsequent disposal within one year. Prior to the acquisition, Chengdu Sales was a 36% associate of Founding. The purchase consideration for the acquisition was in the form of cash of RMB5,763,000 paid on the acquisition date. Chengdu Sales engages in the dairy product trading business. The subsidiary was acquired for the purpose of the Group's distributorship reorganisation. As at 31 December 2013 and 2014, Chengdu Sales was in the process of liquidation. On 15 December 2015, the liquidation procedures had been concluded. As such, the net assets of Chengdu Sales had been classified as a disposal group as at 31 December 2013 and 2014, and the operating results of Chengdu Sales for the years 2013, 2014 and 2015 had been disclosed as a discontinued operation in the consolidated financial statements.

9. 分類為持有待售的處置組

於二零一三年八月二十九日，內蒙古蒙牛方鼎產業管理有限責任公司（「方鼎」）增購成都蒙牛乳業銷售有限責任公司（「成都銷售」）64%股權，其純粹旨在隨後於一年內出售該等股權。收購前，成都銷售為方鼎佔36%的聯營公司。收購之購買代價以現金人民幣5,763,000元於收購日期支付。成都銷售從事乳製品交易事務。收購該子公司之目的是配合本集團重組經銷商架構。於二零一三年及二零一四年十二月三十一日，成都銷售仍處於註銷過程中。於二零一五年十二月十五日，該公司註銷過程完成。故成都銷售於二零一三年及二零一四年十二月三十一日的資產淨值分類為處置組，成都銷售二零一三年、二零一四年及二零一五年的經營業績於綜合財務報表內列作一項已終止經營業務披露。

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9. Disposal Groups Classified as Held for Sale (continued)

As at 31 December 2015, Yashili International Holdings Ltd. (“Yashili”) planned to dispose, in the next 12 months, of Scient (China) Baby Nourishment Co., Ltd. (“Scient China”) and Heilongjiang Yashili Dairy Co., Ltd. (“Yashili Heilongjiang”), which no longer operated as at 31 December 2015. Scient China and Yashili Heilongjiang were principally engaged in the production and sale of infant milk formula products and base powders, respectively. The proposed disposal is pursued in view of the key strategic deployment of Yashili in the next five years, with an aim to provide a highly efficient and modern production layout through attaining an optimised and reasonable production capacity. As at 30 June 2016, final negotiation for the sales was still in progress. As such, the net assets of Scient China and Yashili Heilongjiang were classified as disposal groups held for sale as at 31 December 2015 and 30 June 2016.

In addition, Danone Dairy (Shanghai) Co., Ltd. (“Danone Shanghai”), an indirectly owned subsidiary of the Group, intended to dispose, in the next 12 months, of a dairy processing plant it no longer utilised as at 31 December 2015, which includes a parcel of land use right, certain production lines and related buildings. As at 31 December 2015, final negotiation for the sale was in progress. As such, the related assets of Danone Shanghai had been classified as a disposal group held for sale as at 31 December 2015. As at 30 June 2016, the sale had been concluded.

9. 分類為持有待售的處置組(續)

於二零一五年十二月三十一日，雅士利國際控股有限公司(「雅士利」)計劃於未來十二個月出售其於二零一五年十二月三十一日已不再經營的施恩(中國)嬰幼兒營養品有限公司(「施恩中國」)及黑龍江雅士利乳業有限公司(「雅士利(黑龍江)」)。施恩中國及雅士利(黑龍江)分別主要從事製造及銷售嬰幼兒配方奶粉及基粉。進行建議出售旨在達成雅士利未來五年的策略性發展，旨在透過達致最佳及合理產能提供一個高效率的現代化生產佈局。於二零一六年六月三十日，仍就出售進行最後階段磋商。故此，於二零一五年十二月三十一日及二零一六年六月三十日，施恩中國及雅士利(黑龍江)的淨資產被分類為持有待售的處置組。

此外，本集團間接附屬公司達能乳業(上海)有限公司(「達能上海」)擬於未來十二個月出售其於二零一五年十二月三十一日不再使用之乳品加工廠，包括一幅土地使用權、若干生產線及相關樓宇。於二零一五年十二月三十一日，正就出售進行最後階段磋商。故此，於二零一五年十二月三十一日，達能上海之相關資產被分類為持有待售的處置組。於二零一六年六月三十日，該出售已完成。

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10. Earnings Per Share Attributable to Ordinary Equity Holders of the Company

(a) Basic earnings per share

The basic earnings per share for the period is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

A reconciliation of the weighted average number of shares used in calculating the basic earnings per share amount is as follows:

10. 本公司普通股擁有人應佔的每股盈利

(a) 每股基本盈利

本期的每股基本盈利乃根據期內本公司普通股擁有人應佔利潤除以期內已發行普通股的加權平均數計算。

計算每股基本盈利時所用加權平均股份數目調節如下：

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 Number of shares 股份數目 (in thousand) (千股)	2015 二零一五年 Number of shares 股份數目 (in thousand) (千股) Restated 經重列
Issued ordinary shares at 1 January	於一月一日已發行普通股	3,923,977	1,958,591
Effect of shares repurchase and cancellation	股份購回及註銷的影響	(3,976)	-
Effect of bonus shares	紅股的影響	-	1,942,963
Effect of share options exercised	已行使購股權的影響	655	1,614
Effect of share purchased under share award scheme	根據股票獎勵計劃回購股份的影響	(34,492)	(17,242)
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	3,886,164	3,885,926

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10. Earnings Per Share Attributable to Ordinary Equity Holders of the Company

(continued)

(b) Diluted earnings per share

The diluted earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during that period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

A reconciliation of the weighted average number of shares used in calculating the diluted earnings per share amount is as follows:

10. 本公司普通股擁有人應佔的每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據期內本公司普通股擁有人應佔利潤除以用作計算每股基本盈利所採用的期內已發行普通股加權平均數並假設期內所有具攤薄結果的普通股按無代價發行或轉換為普通股的普通股加權平均數計算。

計算每股攤薄盈利時所用加權平均股份數目調節如下：

		Unaudited 未經審核 For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 Number of shares 股份數目 (in thousand) (千股)	2015 二零一五年 Number of shares 股份數目 (in thousand) (千股) Restated 經重列
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	3,886,164	3,885,926
Weighted average number of ordinary shares, assuming issued at no consideration on the deemed exercise of all share options during the period	假設期內所有購股權獲行使並按無代價發行之普通股加權平均數	55	4,564
Adjustments for share award scheme	就股票獎勵計劃作出調整	-	9,522
Weighted average number of ordinary shares for the purpose of the diluted earnings per share calculation	計算每股攤薄盈利所用的普通股加權平均數	3,886,219	3,900,012

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11. Dividends

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).

During the six months ended 30 June 2016, the Company declared and paid final dividends of RMB0.14 (six months ended 30 June 2015: RMB0.28 (before bonus issue)) per ordinary share as proposed for the year ended 31 December 2015 to the shareholders of the Company.

12. Property, Plant and Equipment

Movements of property, plant and equipment during the period are as follows:

11. 股息

董事並未建議派發截至二零一六年六月三十日止六個月的中期股息(截至二零一五年六月三十日止六個月：無)。

截至二零一六年六月三十日止六個月，本公司按照建議就截至二零一五年十二月三十一日止年度向本公司股東宣派及派付期末股息每股普通股人民幣0.14元(截至二零一五年六月三十日止六個月：人民幣0.28元(紅股發行前))。

12. 物業、廠房及設備

物業、廠房及設備於本期內變動如下：

		Unaudited 未經審核 2016 二零一六年 RMB'000 人民幣千元	Unaudited 未經審核 2015 二零一五年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	11,637,977	9,667,308
Additions	增加	206,867	166,276
Transfers from construction in progress (note 13)	轉撥自在建工程(附註13)	454,845	505,865
Transfers from investment properties	轉撥自投資物業	8,492	31,368
Transfers to construction in progress (note 13)	轉撥至在建工程(附註13)	(7,298)	-
Transfers to investment properties	轉撥至投資物業	(18,654)	-
Disposals	處置	(194,539)	(105,362)
Acquisition of subsidiaries	收購子公司	68,319	-
Disposal of a subsidiary	出售一家子公司	-	(20,189)
Depreciation charge for the period (note 6)	本期折舊費用(附註6)	(752,094)	(678,071)
Exchange realignment	匯兌調整	73,382	(5,210)
Carrying amount at 30 June	於六月三十日的賬面值	11,477,297	9,561,985

Certain property, plant and equipment of the Group with net book values of approximately RMB214,563,000 (31 December 2015: RMB217,460,000), RMB63,481,000 (31 December 2015: RMB65,877,000), and RMB42,045,000 (31 December 2015: RMB42,674,000) have been pledged to secure the Group's long term payables, short term bank loans (note 22) and long term bank loans (note 22), respectively.

本集團若干賬面淨值約為人民幣214,563,000元(二零一五年十二月三十一日：人民幣217,460,000元)、人民幣63,481,000元(二零一五年十二月三十一日：人民幣65,877,000元)及人民幣42,045,000元(二零一五年十二月三十一日：人民幣42,674,000元)的物業、廠房及設備已分別用作本集團獲得長期應付款項、短期銀行貸款(附註22)及長期銀行貸款(附註22)的抵押品。

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13. Construction in Progress

Movements of construction in progress are as follows:

		Unaudited 未經審核	Unaudited 未經審核
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	900,939	2,030,097
Additions	增加	1,007,994	1,102,496
Transfers from property, plant and equipment (note 12)	轉撥自物業、廠房及設備 (附註12)	7,298	-
Transfers to property, plant and equipment (note 12)	轉撥至物業、廠房及設備 (附註12)	(454,845)	(505,865)
Transfers to land use rights	轉撥至土地使用權	-	(41,807)
Transfers to other intangible assets	轉撥至其他無形資產	-	(1,412)
Acquisition of subsidiaries	收購子公司	130,627	-
Disposal of a subsidiary	出售一家子公司	-	(267,079)
Exchange realignment	匯兌調整	216	(102,464)
Carrying amount at 30 June	於六月三十日的賬面值	1,592,229	2,213,966

13. 在建工程

在建工程變動如下：

14. Goodwill

		Unaudited 未經審核	Unaudited 未經審核
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	5,850,599	5,837,501
Acquisition of a subsidiary (note 28)	收購一家子公司(附註28)	718,476	-
Carrying amount at 30 June	於六月三十日的賬面值	6,569,075	5,837,501

14. 商譽

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15. Impairment Testing of Goodwill and Trademarks With Indefinite Useful Lives Relating to Milk Powder Products

As of 30 June 2016, the carrying amounts of goodwill and trademarks with indefinite useful lives allocated to the Group's milk powder product cash generating unit ("CGU") were RMB5,938,823,000 and RMB1,649,047,000, respectively.

The Group's milk powder product CGU consisted mainly its equity investment in Yashili. The significant fall in Yashili's share price as compared with the average purchase price paid by the Company for its shareholding and the profit warning published on 3 July 2016 by Yashili had constituted an indication of impairment. Accordingly the carrying amount of Yashili CGU was subject to an impairment test as at 30 June 2016.

The recoverable amount of the milk powder product CGU had been determined based on a value in use calculation. That calculation used an updated cash flow projection based on financial forecasts covering a five-year period as approved by senior management. The discount rate (before tax) and long-term growth rate were 12.19% and 3.0%. The estimated recoverable amount of the milk powder product CGU was not materially greater than the carrying amount of the CGU. Consequently, any adverse change in key assumptions would, in isolation, cause an impairment loss to be recognised.

15. 有關奶粉產品的商譽及無限可使用年期商標的減值測試

於二零一六年六月三十日，分配至本集團的奶粉產品現金產生單位（「現金產生單位」）的商譽及無限可使用年期商標的賬面值分別為人民幣5,938,823,000元及人民幣1,649,047,000元。

本集團的奶粉產品現金產生單位主要包括其於雅士利的股本投資。雅士利的股價較本公司就其持股所支付的平均購買價大幅下跌，而雅士利於二零一六年七月三日發出的盈警已構成減值跡象。因此，雅士利現金產生單位的賬面值於二零一六年六月三十日接受減值測試。

奶粉產品現金產生單位的可收回金額乃根據計算所得的使用價值予以釐定。該計算採用經更新的現金流量預測，有關現金流量預測以經高級管理人員批准的五年財政預測為基準。折現率（稅前）及長期增長率分別為12.19%及3.0%。奶粉產品現金產生單位的估計可收回金額並非大幅高出現金產生單位的賬面值。因此，倘主要假設各自有任何不利變動，將需要確認減值虧損。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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15. Impairment Testing of Goodwill and Trademarks With Indefinite Useful Lives Relating to Milk Powder Products (continued)

The sensitivity analysis on the key assumptions used in the calculation of value in use, taken individually, gives the following results:

15. 有關奶粉產品的商譽及無限可使用年期商標的減值測試(續)

就計算使用價值時所用的主要假設各自進行的敏感度分析之結果如下：

		Reasonably possible change	The amount of recoverable amount of the milk powder product CGU over/ (below) its carrying amount 奶粉產品現金產生單位可收回金額超逾/(低於)其賬面值金額 RMB'000 人民幣千元
		合理可能變動	
Revenue growth rate	收入增長率	Decrease 2%	(192,743)
		減少2%	
		Increase 2%	1,343,523
		增加2%	
Perpetual growth rate	長遠增長率	Decrease 1%	(516,480)
		減少1%	
		Increase 1%	2,076,740
		增加1%	
Gross margin rate	毛利率	Decrease 1%	(312,612)
		減少1%	
		Increase 1%	1,507,629
		增加1%	
Discount rate	折現率	Decrease 1%	2,515,580
		減少1%	
		Increase 1%	(843,949)
		增加1%	

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16. Other Financial Assets

16. 其他金融資產

		Notes 附註	Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
At fair value through other comprehensive income:				
以公允值計量且其變動計入其他全面收益：				
Hong Kong listed equity investments in YuanShengTai	投入原生態的香港上市股本投資	(a)	64,784	89,484
Hong Kong listed equity investments in China Shengmu	投入中國聖牧的香港上市股本投資	(b)	371,340	413,740
			436,124	503,224
At fair value through profit or loss:				
以公允值計量且其變動計入損益：				
Unlisted equity investments	非上市股本投資		42,012	42,012
Short term unit trust investments	短期單位信託投資	(c)	20,000	70,000
Long term unit trust due within one year	於一年內到期之長期單位信託投資	(c)	-	100,000
Short term investment deposits	短期投資存款	(d)	6,831,539	5,049,039
			6,893,551	5,261,051
At amortised cost:				
按攤銷成本：				
Long term entrusted loans	長期委託貸款	(e)	119,115	120,736
Long term entrusted loans due within one year	於一年內到期之長期委託貸款	(e)	51,375	36,234
Long term receivables	長期應收款項	(f)	147,926	53,149
Long term time deposits	長期定期存款	(g)/19	1,365,178	1,608,795
			1,683,594	1,818,914
Total other financial assets	其他金融資產總額		9,013,269	7,583,189
Current	流動		6,902,914	5,255,273
Non-current	非流動		2,110,355	2,327,916
			9,013,269	7,583,189

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16. Other Financial Assets (continued)

Notes:

- (a) On 25 November 2013, the Company acquired 172,275,000 shares, representing a 4.41% equity interest, of YuanShengTai Dairy Farm Limited, a Hong Kong listed dairy company, at approximately HK\$469,831,000 (equivalent to RMB369,396,000). Management designated the equity investment as a financial asset at fair value through other comprehensive income upon initial application of IFRS 9 (2009) on 1 January 2014, as management considered it a strategic investment for the purpose of securing high quality raw milk in the long run. The fair value of the listed equity securities is determined by reference to published quotations. A decrease in fair value for the six months ended 30 June 2016 and an accumulated decrease in fair value as at 30 June 2016 with amounts of RMB24,700,000 (six months ended 30 June 2015: RMB29,000) and RMB304,612,000 (as at 30 June 2015: RMB266,139,000), respectively, had been recognised in other comprehensive income.
- (b) On 25 May 2011, the Company acquired a 5.81% equity interest in an unlisted dairy company with approximately HK\$125,322,000 (equivalent to RMB98,531,000). Management designated the equity investment as a financial asset at fair value through other comprehensive income upon initial application of IFRS 9 (2009) on 1 January 2014, as management considered it a strategic investment for the purpose of securing high quality raw milk in the long run. The equity interest in the unlisted dairy company was subsequently converted into 269,865,600 shares of China Shengmu Organic Milk Limited ("China Shengmu"), which is the listing vehicle of the unlisted dairy company, upon China Shengmu's initial public offering on the Main Board of The Stock Exchange of Hong Kong Limited on 15 July 2014, representing a 4.25% equity interest in China Shengmu. The fair value of the listed equity interest is determined by reference to public quotations. An decrease in fair value for the six months ended 30 June 2016 and an accumulated increase in fair value as at 30 June 2016 with amounts of RMB42,400,000 (six months ended 30 June 2015: RMB91,334,000) and RMB272,809,000 (as at 30 June 2015: RMB327,123,000), respectively, had been recognised in other comprehensive income.

16. 其他金融資產(續)

附註：

- (a) 二零一三年十一月二十五日，本公司以約469,831,000港元（相等於人民幣369,396,000元），收購一間香港上市乳業公司原生態牧業有限公司的172,275,000股股份，佔其4.41%股權。於二零一四年一月一日首次應用國際財務報告準則第9號（二零零九年）時，管理層將該項股本投資指定為以公允值計量且其變動計入其他全面收益的金融資產，此乃由於管理層認為其屬於一項策略投資，旨在確保優質原奶的長遠供應。該等上市股本證券的公允值乃經參考所公佈報價釐定。截至二零一六年六月三十日止六個月公允值減少人民幣24,700,000元（截至二零一五年六月三十日止六個月：人民幣29,000元）及於二零一六年六月三十日公允值累計減少人民幣304,612,000元（於二零一五年六月三十日：人民幣266,139,000元），已於其他全面收益確認。
- (b) 於二零一一年五月二十五日，本集團以約125,322,000港元（相等於人民幣98,531,000元）收購一間非上市乳業公司的5.81%股權。於二零一四年一月一日首次應用國際財務報告準則第9號（二零零九年）時，管理層將該項股本投資指定為以公允值計量且其變動計入其他全面收益的金融資產，此乃由於管理層認為其屬於一項策略投資，旨在確保優質原奶的長遠供應。於中國聖牧有機奶業有限公司（「中國聖牧」）（其為非上市乳業公司的上市工具）於二零一四年七月十五日在香港聯合交易所有限公司主板首次公開發售後，該項非上市乳業公司股權其後轉換為中國聖牧的269,865,600股股份，佔中國聖牧4.25%股權。該等上市股權的公允值乃經參考公開報價而釐定。截至二零一六年六月三十日止六個月公允值減少人民幣42,400,000元（截至二零一五年六月三十日止六個月：人民幣91,334,000元）及於二零一六年六月三十日公允值累計增加人民幣272,809,000元（於二零一五年六月三十日：人民幣327,123,000元），已於其他全面收益確認。

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16. Other Financial Assets (continued)

Notes: (continued)

- (c) The Group from time to time purchases various unit trust investments for treasury management purpose. As at 30 June 2016, the Group held unit trusts at cost of RMB20,000,000 (31 December 2015: RMB170,000,000), with no guaranteed return amount.

Included in the above balances, an amount of RMB20,000,000 (31 December 2015: RMB170,000,000) was invested in trust units set up and managed by an affiliate of a substantial shareholder of the Company.

- (d) The Group from time to time purchases various investment deposits from commercial banks for treasury management purpose. As at 30 June 2016, the Group held investment deposits of RMB6,731,539,000 (31 December 2015: RMB4,749,039,000) with guaranteed return and investment deposits of RMB100,000,000 (31 December 2015: RMB300,000,000) with no guaranteed return.

As at 30 June 2016, investment deposits amounting to RMB100,000,000 (31 December 2015: RMB100,000,000) were pledged for the Group's issuance of letters of credit and to secure interest-bearing bank and other borrowings (note 22).

- (e) Entrusted loans mainly represent the Group's loans to certain dairy farmers via banks. The above entrusted loans are unsecured, with annual interest rates ranging from 4.75% to 6.90% (31 December 2015: 4.75% to 6.90%). As at 30 June 2016, these entrusted loans were neither past due nor impaired and had no recent history of default.
- (f) Long term receivables represent the receivables arising from disposal of certain property, plant and equipment to independent third parties. As at 30 June 2016, those long term receivables were neither past due nor impaired.
- (g) The effective interest rates on long term time deposits as at 30 June 2016 varied from 4.55% to 5.60% (31 December 2015: 4.25% to 5.60%) per annum and would mature in two to five years.

16. 其他金融資產(續)

附註：(續)

- (c) 本集團不時為庫務管理目的購入多項單位信託投資。於二零一六年六月三十日，本集團以成本人民幣20,000,000元持有不設保證回報金額的單位信託投資（二零一五年十二月三十一日：人民幣170,000,000元）。

在上述結餘中，其中人民幣20,000,000元（二零一五年十二月三十一日：人民幣170,000,000元）的款項已投資於由本公司主要股東的聯屬公司設立及管理的信託單位。

- (d) 本集團不時為庫務管理目的向商業銀行購入多項投資存款。於二零一六年六月三十日，本集團持有為數人民幣6,731,539,000元（二零一五年十二月三十一日：人民幣4,749,039,000元）設有保證回報的投資存款，以及為數人民幣100,000,000元（二零一五年十二月三十一日：人民幣300,000,000元）不設保證回報的投資存款。

於二零一六年六月三十日，為數人民幣100,000,000元（二零一五年十二月三十一日：人民幣100,000,000元）的投資存款已抵押以為本集團發出的信用證作擔保及以獲得計息銀行及其他借貸（附註22）。

- (e) 委託貸款主要指本集團通過銀行向若干奶農提供的貸款。以上委託貸款屬無抵押，年利率介乎4.75%至6.90%（二零一五年十二月三十一日：4.75%至6.90%）。於二零一六年六月三十日，該等委託貸款尚未逾期亦無減值，近期亦無拖欠記錄。
- (f) 長期應收款項指因出售若干物業、廠房及設備予獨立第三方而產生的應收款項。於二零一六年六月三十日，該等長期應收款項並無逾期亦無減值。
- (g) 於二零一六年六月三十日，長期定期存款的實際年利率介乎4.55%至5.60%（二零一五年十二月三十一日：4.25%至5.60%），並將於兩至五年內到期。

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17. Inventories

17. 存貨

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Raw materials	原材料	2,545,795	3,464,868
Finished goods	產成品	922,720	874,638
Total inventories at the lower of cost and net realisable value	按成本與可變現淨值的較低 者計價的存貨總額	3,468,515	4,339,506

18. Trade and Bills Receivables

The Group normally allows a credit limit to its customers which is adjustable in certain circumstances. The Group closely monitors overdue balances. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

An aged analysis of the trade and bills receivables of the Group, net of provision for doubtful debts, based on the invoice date, is as follows:

18. 應收賬款及票據

本集團通常授予客戶特定信貸額度，並可在特定情形下進行調整。本集團密切留意逾期未償還結餘。鑒於上文所述及本集團的應收賬款及票據乃與大量不同類別的客戶有關，故並無重大信貸集中風險。

本集團經扣除呆賬撥備的應收賬款及票據按發票日期的賬齡分析如下：

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Within 3 months	3個月以內	2,549,477	1,389,573
4 to 6 months	4至6個月	269,008	94,581
7 to 12 months	7至12個月	49,548	50,881
Over 1 year	1年以上	61,572	82,722
		2,929,605	1,617,757

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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19. Cash and Bank Balances and Other Deposits

19. 現金及銀行結存及其他存款

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	列於中期簡明綜合現金流量表的現金及現金等價物	3,533,518	6,833,608
Pledged deposits	保證金存款	747,809	722,402
Restricted deposits	受限制存款	-	40,229
Time deposits	定期存款	3,038,541	2,666,195
		7,319,868	10,262,434
Less: Short term pledged deposits for banking facilities (note 20 and note 22)	減：銀行融資之短期保證金存款(附註20及附註22)	(747,809)	(722,402)
Less: Long term time deposits (note 16)	減：長期定期存款(附註16)	(1,365,178)	(1,608,795)
Cash and bank balances as stated in the interim condensed consolidated statement of financial position	列於中期簡明綜合財務狀況表的現金及銀行結存	5,206,881	7,931,237

Note:

The Group's pledged deposits were for the following bank facilities:

附註：

本集團的已抵押存款乃就以下銀行融資所作出：

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Pledged to secure bills payable (note 20)	抵押以獲得應付票據(附註20)	109,080	107,089
Pledged to secure interest-bearing bank and other borrowings (note 22)	抵押以獲得計息銀行及其他借貸(附註22)	615,578	522,538
Pledged to secure letter of credit	抵押以獲得信用證	23,151	92,775
		747,809	722,402

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

20. Trade and Bills Payables

An aged analysis of the trade and bills payables of the Group, based on the invoice date, is as follows:

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Within 3 months	3個月以內	5,210,575	4,005,836
4 to 6 months	4至6個月	500,291	602,214
7 to 12 months	7至12個月	58,114	29,781
Over 1 year	1年以上	10,887	6,467
		5,779,867	4,644,298

The Group's trade payables are unsecured, non-interest-bearing and payable on demand.

Except for an aggregate balance of approximately RMB280,498,000 (31 December 2015: RMB325,446,000) secured by the pledge of certain of the Group's deposits amounting to approximately RMB109,080,000 (31 December 2015: RMB107,089,000) (note 19), the bills payable are unsecured, non-interest-bearing and payable when due ranging from 3 to 6 months.

20. 應付賬款及票據

本集團應付賬款及票據根據發票日期的賬齡分析如下：

本集團的應付賬款為無抵押及免息及須應要求隨時償還。

除合計約人民幣280,498,000元(二零一五年十二月三十一日：人民幣325,446,000元)的應付票據結餘乃以本集團為數約人民幣109,080,000元(二零一五年十二月三十一日：人民幣107,089,000元)的若干存款(附註19)作抵押外，其餘的應付票據為無抵押及免息及須於3至6個月到期時償還。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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21. Other Payables and Accruals

21. 其他應付款項及預提費用

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Advances from customers	客戶預付款	704,168	1,106,731
Salary and welfare payables	應付薪金及福利費	627,259	653,617
Other payables	其他應付款項	3,458,021	3,229,176
		4,789,448	4,989,524

The Group's other payables are non-interest-bearing and payable on demand.

本集團的其他應付款項為免息及須應要求隨時償還。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

22. Interest-Bearing Bank and Other Borrowings

22. 計息銀行及其他借貸

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Current:	即期：		
Short term bank loans, secured	短期銀行貸款，有抵押	612,185	501,696
Short term bank loans, unsecured	短期銀行貸款，無抵押	4,422,860	5,547,321
Current portion of long term bank loans, secured	長期銀行貸款即期部分 — 有抵押	25,000	19,000
Current portion of long term bank loans, unsecured	長期銀行貸款即期部分 — 無抵押	1,343,848	12,734
		6,403,893	6,080,751
Non-current:	非即期：		
Long term bank loans, secured	長期銀行貸款，有抵押	50,000	60,000
Long term bank loans, unsecured	長期銀行貸款，無抵押	422,797	1,686,235
US\$500,000,000 3.5% bonds issued in 2013	於二零一三年發行之 500,000,000美元票 息率3.5%之債券	3,295,708	3,223,276
		3,768,505	4,969,511
		10,172,398	11,050,262

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

22. Interest-Bearing Bank and Other Borrowings (continued)

Notes:

- (a) As at 30 June 2016 and 31 December 2015, the Group's interest-bearing bank and other borrowings were secured as follows:

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Secured by pledged deposits	以保證金存款抵押	580,082	461,696
Secured by investment deposits	以投資存款抵押	7,103	-
Secured by land use rights and property, plant and equipment	以土地使用權以及物業、廠房及設備抵押	100,000	119,000
Unsecured	無抵押	9,485,213	10,469,566
		10,172,398	11,050,262

- (b) The carrying amounts of the Group's interest-bearing bank and other borrowings are denominated in the following currencies:

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Hong Kong dollars	港元	36,325	901,452
United States dollars	美元	5,824,353	6,897,340
Euro	歐元	33,419	28,934
RMB	人民幣	4,278,301	3,222,536
		10,172,398	11,050,262

22. 計息銀行及其他借貸(續)

附註：

- (a) 於二零一六年六月三十日及二零一五年十二月三十一日，本集團之計息銀行及其他借貸抵押情況如下：

- (b) 本集團以下列貨幣計值的計息銀行及其他借貸的賬面值如下：

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23. Derivative Financial Instruments

23. 衍生金融工具

	Notes 附註	Unaudited 未經審核		Audited 經審核	
		30 June 2016 二零一六年 六月三十日		31 December 2015 二零一五年 十二月三十一日	
		Asset 資產 RMB'000 人民幣千元	Liability 負債 RMB'000 人民幣千元	Assets 資產 RMB'000 人民幣千元	Liability 負債 RMB'000 人民幣千元
Forward currency contracts	(a)/5	-	-	5,011	-
Interest rate forward contracts	(a)/7	-	4,752	-	3,160
Commodity futures contracts	(b)	-	-	5,933	-
		-	4,752	10,944	3,160

Notes:

- (a) The Group has entered into various forward currency contracts and interest rate forward contracts to manage its exchange rate and floating interest rate exposures. These forward contracts are not designated for hedging purposes and are measured at fair value through profit or loss.
- (b) To manage its price exposure to future purchase of commodities as raw materials, such as white sugar and palm oil, the Group entered into various commodity futures contracts. The Group accounted for these commodity futures contracts at fair value with changes recognised in profit or loss. During the six months ended 30 June 2016, a net fair value loss of RMB2,584,000 (six months ended 30 June 2015: net fair value gain of RMB35,000) was charged to cost of sales (note 6).

附註：

- (a) 本集團已訂立多項遠期外幣合約及利率遠期合約以管理其匯率及浮動利率風險。該等遠期合約並非指定作對沖用途，乃按公允值計量且其變動計入損益。
- (b) 為管理未來購置商品作為原材料(例如白糖及棕櫚油)的價格風險，本集團訂立多項商品期貨合約。本集團將此等商品期貨合約按公允值列賬，而公允值的變動則於損益內確認。截至二零一六年六月三十日止六個月，公允值虧損淨額人民幣2,584,000元(截至二零一五年六月三十日止六個月：公允值收益淨額人民幣35,000元)已在銷售成本中扣除(附註6)。

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24. Other Non-Current Financial Liabilities

24. 其他非流動金融負債

		Notes 附註	Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Present value of considerations arising from business combinations to be paid beyond one year	產生自業務合併之將於一年後支付之代價現值	(a)	-	9,451
Present value of redemption amounts for potential acquisition of puttable non-controlling interests	可能收購可沽售非控股股東權益之贖回金額現值	(b)/(c)	3,007,943	2,634,485
			3,007,943	2,643,936

Notes:

- (a) As at 31 December 2015, the fair value of the considerations with the principal amount of RMB10,000,000 to be paid beyond one year arising from the Group's acquisition of Oushi Mengniu (Inner Mongolia) Dairy Products Co., Ltd. at the acquisition date was remeasured to RMB9,451,000. The amount had been settled during the period.
- (b) According to the equity purchase agreement entered into among the Group, Shijiazhuang Junlebao Dairy Co., Ltd. ("Junlebao") and the non-controlling shareholders of Junlebao, the Group granted a put option to the non-controlling shareholders under which the non-controlling shareholders have the right to sell, and the Group has an obligation to buy the 49% equity interest in Junlebao after 2016. As at 30 June 2016, the Group derecognised the carrying amount of non-controlling interests of RMB531,911,000 (31 December 2015: RMB478,814,000) and recognised the present value of the amount payable upon exercise of the option of RMB965,838,000 (31 December 2015: RMB683,147,000) as a financial liability and accounted for the difference in equity.

附註：

- (a) 於二零一五年十二月三十一日，因本集團收購內蒙古歐世蒙牛乳製品有限責任公司而須於一年後支付之本金額人民幣10,000,000元之代價於收購日期公允值重新計量為人民幣9,451,000元。金額已於期內清償。
- (b) 根據本集團、石家莊君樂寶乳業有限公司（「君樂寶」）及君樂寶的非控股股東訂立的股本購買協議，本集團向非控股股東授出認沽權，據此，於二零一六年後非控股股東有權出售，及本集團有責任購買君樂寶49%股權。於二零一六年六月三十日，本集團終止確認非控股股東權益的賬面值人民幣531,911,000元（二零一五年十二月三十一日：人民幣478,814,000元）及按行使認沽權時應付款項的現值人民幣965,838,000元（二零一五年十二月三十一日：人民幣683,147,000元）確認為金融負債，並將差額計入權益。

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24. Other Non-Current Financial Liabilities

(continued)

Notes: (continued)

- (c) Under the equity joint venture contract entered into between Inner Mongolia Mengniu Dairy (Group) Company Limited ("Inner Mongolia Mengniu") and Danone Asia Pte Ltd. ("Danone") dated 9 August 2013, an option was granted to Danone to terminate the equity joint venture contract and sell the entire Danone's Stake to Inner Mongolia Mengniu at the exercise price within a 15-day period at the beginning of each biennial (2-year) period from the seventh (7th) anniversary of the relevant closing date under the amended and restated framework agreement, subject to compliance with the then applicable laws and regulations (including the Listing Rules) by the Company, including the then relevant Listing Rules in connection with connected transactions. As at 30 June 2016, the Group derecognised a non-controlling interest of RMB591,665,000 (31 December 2015: RMB550,112,000) and recognised a fair value of RMB2,042,105,000 (31 December 2015: RMB1,951,338,000) payable upon exercise of the option as a financial liability and accounted for the difference in equity.

24. 其他非流動金融負債(續)

附註：(續)

- (c) 根據內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)與達能亞洲有限公司(「達能」)於二零一三年八月九日訂立的合資經營合同，達能獲授一項選擇權，可在經修訂及重訂的框架協議相關交割日滿七(7)週年起，每兩(2)年之開始後十五天內終止合資經營合同，並將達能股權全部按行使價售予內蒙蒙牛，但本公司必須遵守當時的適用法例及法規(包括上市規則)的規定，包括當時上市規則關於關連交易的規定。於二零一六年六月三十日，本集團終止確認非控股股東權益人民幣591,665,000元(二零一五年十二月三十一日：人民幣550,112,000元)及確認按行使選擇權時應付的金融負債公允值人民幣2,042,105,000元(二零一五年十二月三十一日：人民幣1,951,338,000元)，並將差額計入權益。

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25. Share Capital

25. 股本

		Notes 附註	Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
<i>Issued and fully paid:</i>	<i>已發行及繳足：</i>			
At 1 January 2016 (Audited)	於二零一六年一月一日 (經審核)		3,923,977	357,262
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權 安排發行股份	(a)	1,615	138
Shares repurchased and cancelled	股份購回及註銷	(c)	(6,116)	(523)
At 30 June 2016 (Unaudited)	於二零一六年六月三十日 (未經審核)		3,919,476	356,877
At 1 January 2015 (Audited)	於二零一五年一月一日 (經審核)		1,958,591	196,246
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權 安排發行股份	(a)	2,701	213
At 30 June 2015 (Unaudited)	於二零一五年六月三十日 (未經審核)		1,961,292	196,459

Notes:

- (a) The 1,614,952 (six months ended 30 June 2015: 2,701,297) share options exercised during the period resulted in the issue of 1,614,952 (six months ended 30 June 2015: 2,701,297) ordinary shares of the Company and share capital of RMB138,000 (six months ended 30 June 2015: RMB213,000) and share premium of RMB16,494,000 (six months ended 30 June 2015: RMB50,758,000). The weighted average share price at the date of exercise for these options was HK\$12.67 (six months ended 30 June 2015: HK\$38.87 (before bonus issue)) per share.
- (b) On 30 October 2015, an aggregate of 1,961,292,388 bonus shares were issued by the Company on the basis of one share for every one existing share held as of 19 October 2015.
- (c) During the period, an aggregate of 6,116,000 shares were repurchased and cancelled by the Company, resulting in the decrease in share capital of RMB523,000 and share premium of RMB57,619,000.

附註：

- (a) 期內合共1,614,952份(截至二零一五年六月三十日止六個月: 2,701,297份)購股權獲行使, 導致發行本公司1,614,952股(截至二零一五年六月三十日止六個月: 2,701,297股)普通股及股本人民幣138,000元(截至二零一五年六月三十日止六個月: 人民幣213,000元)及股份溢價人民幣16,494,000元(截至二零一五年六月三十日止六個月: 人民幣50,758,000元)。該等購股權於行使日之加權平均股價為每股12.67港元(截至二零一五年六月三十日止六個月: 每股38.87港元(紅股發行前))。
- (b) 於二零一五年十月三十日, 本公司按於二零一五年十月十九日每持有一股現有股份發行一股股份的基準發行合共1,961,292,388股紅股。
- (c) 期內, 本公司購回及註銷合共6,116,000股股份, 導致股本減少人民幣523,000元及股份溢價減少人民幣57,619,000元。

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26. Other Reserves

- (a) During October 2014, Yashili, China Mengniu International Company Limited (“Mengniu International”) and Danone Asia Baby Nutrition Pte. Ltd. (“Danone Asia”) entered into a subscription agreement pursuant to which, among other things, Danone Asia has conditionally agreed to subscribe for and Yashili has conditionally agreed to allot and issue 1,186,390,074 subscription shares (representing approximately 25% of the entire issued share capital of Yashili as enlarged by the allotment) at the subscription price of HK\$3.70 per subscription share. On 12 February 2015, the conditions precedent of the subscription agreement were fulfilled and the allotment had completed. As a result, the interest of the Company in Yashili (through its shareholding interest in Mengniu International) was diluted from approximately 68.02% to approximately 51.01% without loss of control. The deemed disposal was accounted for as an equity transaction, and as a consequence the difference of RMB961,804,000 between the amount by which the non-controlling interest was adjusted and the fair value of the consideration received was recognised directly in equity as a reserve.
- (b) On 31 December 2014, China Dairy (Mauritius) Limited, a wholly-owned subsidiary of the Company, entered into an equity interest transfer agreement to acquire an approximately 6.6862% equity interest in Inner Mongolia Mengniu from sellers at an aggregate consideration of approximately RMB2,505,732,000 in form of cash within 10 business days of the obtaining of the approval of the Ministry of Commerce of the PRC. On 26 January 2015, the transaction was completed and the interest of the Company in Inner Mongolia Mengniu was increased to approximately 99.9775%. This acquisition was accounted for as an equity transaction, and as a consequence the difference of RMB1,890,606,000, representing the amount of the fair value of the consideration over the amount by which the non-controlling interest adjusted, was charged directly in equity.

26. 其他儲備

- (a) 於二零一四年十月，雅士利、中國蒙牛國際有限公司(「蒙牛國際」)與Danone Asia Baby Nutrition Pte. Ltd.(「達能亞洲」)簽訂認購協議，據此(其中包括)達能亞洲有條件同意認購及雅士利有條件同意配發及發行1,186,390,074股認購股份(相當於經配發擴大後的雅士利全部已發行股本約25%)，認購價為每股認購股份3.70港元。於二零一五年二月十二日，認購協議之先決條件已完成，且配發已完成。故此，本公司(透過其於蒙牛國際的股權)在雅士利的權益由約68.02%攤薄至約51.01%，惟並無失去控制權。該視同出售計為股權交易，故此，經調整非控股權益與已收代價之公允值之差額人民幣961,804,000元已直接於權益確認為儲備。
- (b) 於二零一四年十二月三十一日，本公司全資子公司China Dairy (Mauritius) Limited訂立股權轉讓協議，以向賣方收購內蒙蒙牛約6.6862%股權，現金代價合共約為人民幣2,505,732,000元，有關代價應於取得中國商務部批文後10個營業日內支付。於二零一五年一月二十六日，交易完成，本公司於內蒙蒙牛的股權增加至約99.9775%。有關收購計為股權交易，故此，人民幣1,890,606,000元之差額(為代價的公允值超出非控股權益經調整後的金額)已直接從權益中扣除。

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27. Share Award Scheme

Particulars and movements of share award scheme:

2016

Date of grant	授出日期	Notes 附註	Fair value per share 每股公允值		As at	Granted	Vested	As at
			(HK\$) (港元) Before bonus issue 發行紅股前	(HK\$) (港元) After bonus issue 發行紅股後	1 January 於一月一日	during the period 期內授出	during the period 期內歸屬	30 June 於六月三十日
26 April 2013	二零一三年四月二十六日		21.65	10.83	9,345,600	-	-	9,345,600
2 April 2015	二零一五年四月二日		40.10	20.05	3,738,210	-	-	3,738,210
11 April 2016	二零一六年四月十一日	(a)		12.42	-	14,492,753	-	14,492,753

2015

Date of grant	授出日期	Fair value per share 每股公允值 (HK\$) (港元)	As at	Granted	Vested	As at
			1 January 於一月一日	during the period 期內授出	during the period 期內歸屬	30 June 於六月三十日
26 April 2013	二零一三年四月二十六日	21.65	7,409,800	-	(1,228,000)	6,181,800
17 April 2014	二零一四年四月十七日	40.95	6,055,000	-	(6,055,000)	-
2 April 2015	二零一五年四月二日	40.10	-	8,725,000	-	8,725,000

Note:

- (a) On 11 April 2016, the Company further granted 14,492,753 shares under share award scheme to the participants, representing approximately 0.37% of the issued share capital of the Company as at the Adoption Date. These granted shares would vest in two tranches each on 31 December 2016 and 2017 in accordance with the vesting conditions (including the Participants' performance targets), subject to the Participants' performance results for the financial years ending 31 December 2016 and 2017, respectively.

The fair value of the shares granted was calculated based on the market prices of the Company's shares at the respective grant dates. No dividend will be considered. The Group recognised an expense relating to the share award scheme of approximately RMB50,546,000 (six months ended 30 June 2015: RMB138,038,000) into the interim condensed consolidated statement of profit or loss during the period.

27. 股票獎勵計劃

股票獎勵計劃詳情及變動：

二零一六年

Date of grant	授出日期	Notes 附註	Fair value per share 每股公允值		As at	Granted	Vested	As at
			(HK\$) (港元) Before bonus issue 發行紅股前	(HK\$) (港元) After bonus issue 發行紅股後	1 January 於一月一日	during the period 期內授出	during the period 期內歸屬	30 June 於六月三十日
26 April 2013	二零一三年四月二十六日		21.65	10.83	9,345,600	-	-	9,345,600
2 April 2015	二零一五年四月二日		40.10	20.05	3,738,210	-	-	3,738,210
11 April 2016	二零一六年四月十一日	(a)		12.42	-	14,492,753	-	14,492,753

二零一五年

Date of grant	授出日期	Fair value per share 每股公允值 (HK\$) (港元)	As at	Granted	Vested	As at
			1 January 於一月一日	during the period 期內授出	during the period 期內歸屬	30 June 於六月三十日
26 April 2013	二零一三年四月二十六日	21.65	7,409,800	-	(1,228,000)	6,181,800
17 April 2014	二零一四年四月十七日	40.95	6,055,000	-	(6,055,000)	-
2 April 2015	二零一五年四月二日	40.10	-	8,725,000	-	8,725,000

附註：

- (a) 於二零一六年四月十一日，本公司根據股票獎勵計劃進一步向參與者授出14,492,753股股份，佔本公司於採納日期之已發行股本約0.37%。該等授出的股份將各於二零一六年及二零一七年十二月三十一日分兩次根據歸屬條件(包括參與者的表現目標)歸屬，惟須視乎參與者分別於截至二零一六年及二零一七年十二月三十一日止財政年度的表現業績而定。

已授出股份之公允值，乃基於本公司股份於各授出日期之市值計算，當中將不會計及股息。期內，本集團已於中期簡明綜合損益表中，確認股票獎勵計劃支出約人民幣50,546,000元(截至二零一五年六月三十日止六個月：人民幣138,038,000元)。

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28. Business Combination

On 31 May 2016, the Group acquired a 100% equity interest in Dumex Baby Food Co., Ltd. (“Dumex China”) from Danone Asia Pacific Holdings Pte. Ltd. (“Danone”). Dumex China is mainly engaged in the manufacture and sale of infant milk formula products of Dumex brand. The acquisition was made as part of the Group’s strategy to expand its market share of infant milk formula products in Mainland China.

The fair values of the identifiable assets and liabilities of Dumex China as at the date of acquisition were as follows:

28. 業務合併

於二零一六年五月三十一日，本集團向 Danone Asia Pacific Holdings Pte Ltd. (「Danone」)收購多美滋嬰幼兒食品有限公司 (「多美滋中國」)100%股權。多美滋中國主要從事多美滋品牌的嬰幼兒配方奶粉的製造及銷售。進行收購事項為本集團擴大其中國內地的嬰幼兒配方奶粉的市場份額的策略之一環。

於收購事項日期，多美滋中國的可識別資產及負債的公允值如下：

	Note 附註	Fair value recognised on acquisition 收購時確認之 公允值 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	68,290
Construction in progress	在建工程	7,473
Land use rights	土地使用權	41,527
Intangible assets	無形資產	283,120
Inventories	存貨	64,945
Trade and bills receivables	應收賬款及票據	63,887
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	14,116
Cash and bank balances	現金及銀行結存	112,071
Total assets	總資產	655,429
Liabilities	負債	
Trade payables	應付賬款	(43,626)
Other payables and accruals	其他應付款項及預提費用	(302,909)
Current tax payable	當期應付稅項	(112)
Total liabilities	總負債	(346,647)
Total identifiable net assets at fair value	按公允值列賬之可資識別淨值	308,782
Add: Goodwill arising on acquisition	加：收購產生的商譽	14
		718,476
Purchase consideration at fair value	按公允值計算之收購代價	1,027,258

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28. Business Combination (continued)

An analysis of the cash flows in respect of the acquisition of Dumex China for the current period is as follows:

28. 業務合併 (續)

就本期收購多美滋中國的現金流量分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	1,099,695
Cash and cash equivalents acquired	所收購現金及現金等價物	(112,071)
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括在投資活動產生的現金流量內的現金及現金等價物淨流出	987,624
Transaction costs of the acquisition included in cash flows from operating activities	包括在經營業務產生的現金流量內的收購交易成本	5,510
		993,134

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29. Contingent Liabilities

Aside from the disclosure in note 24, the Group had contingent liabilities not provided for in the interim condensed consolidated financial statements at the end of the reporting period as follows:

29. 或然負債

除附註24所披露者外，本集團於報告期末在中期簡明綜合財務報表內之未撥備或然負債列載如下：

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Guarantees given to banks in connection with facilities granted to: Third parties	就以下人士獲授融資而向銀行提供擔保： 第三方	-	14,000

30. Capital Commitments

The Group had the following outstanding capital commitments in respect of the purchase and construction of property, plant and equipment as at the end of the reporting period:

30. 資本承擔

於報告期末，本集團有關購置及興建物業、廠房及設備的資本承擔如下：

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但未撥備	1,083,043	797,598

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31. Related Party Transactions

- (a) In addition to the transactions and balances which are disclosed elsewhere in the interim condensed consolidated financial statements, the Group had the following significant transactions with its associates and other related parties.

31. 關聯人士交易

- (a) 除於中期簡明綜合財務報表其他段落披露的交易及結餘外，本集團與其聯營公司及其他關聯人士進行下列重大交易。

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
		Note 附註	
(I)	Sale of liquid milk products to associates 向聯營公司銷售液態奶產品	(i)	1,291,580 2,083,733
(II)	Sale of ice cream products to associates 向聯營公司銷售冰淇淋產品	(i)	22,495 32,340
(III)	Sale of other dairy products to associates 向聯營公司銷售其他乳類產品	(i)	663 5,711
(IV)	Sale of products to affiliates of a major shareholder of the Company 向本公司一名主要股東的聯屬公司出售產品	(i)	5,466 -
(V)	Purchase of raw materials from affiliates of a major shareholder of the Company 向本公司一名主要股東的聯屬公司購買原材料	(i)	120,145 98,828
(VI)	Purchase of raw materials from associates 向聯營公司購買原材料	(i)	1,539,957 1,448,202

Note:

- (i) The considerations were determined with reference to the then prevailing market prices and the prices charged to third parties.

附註：

- (i) 價格是經參考當時市場價格及收取第三方的價格釐定。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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31. Related Party Transactions (continued)

(b) Compensation of key management personnel of the Group

31. 關聯人士交易(續)

(b) 本集團的主要管理人員的報酬

		Unaudited 未經審核	
		For the six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Directors' fees	董事袍金	880	865
Salaries and allowances	薪金及津貼	4,919	5,524
Retirement benefit contributions	退休福利供款	367	322

Notes:

- (i) The key management compensation represented remuneration paid or payable to the directors and senior executives of the Company.
- (ii) In addition to the key management compensation shown in above table, during the period from 2006 to 2011, certain directors and senior executives were granted share options in respect of their services to the Group under the share option schemes of the Company. In accordance with IFRS 2, share-based payment benefits represent the fair value at the grant date of the share options amortised to the interim condensed consolidated statement of profit or loss during the period disregarding whether the options have been vested/exercised or not. During the six months ended 30 June 2015, the share-based payments relating to the share options granted to these directors and senior executives were approximately RMB4,863,000.
- (iii) In addition to the key management compensation shown in above table, during the period from 2013 to 2016, certain directors and senior executives were granted share awards in respect of their services to the Group under the share award scheme of the Company. In accordance with IFRS 2, share-based payments represent the fair value at the grant date of the shares amortised to the interim condensed consolidated statement of profit or loss during the period disregarding whether the shares have been vested/exercised or not. During the period, the share-based payments relating to the share awards granted to these directors and senior executives were approximately RMB26,655,000 (six months ended 30 June 2015: RMB23,830,000).

附註：

- (i) 主要管理人員的報酬指已付或須付予本公司董事和高級行政人員的酬金。
- (ii) 除上表所示的主要管理人員報酬外，於二零零六年至二零一一年期間，若干董事及高級行政人員就彼等對本集團的服務獲本公司根據購股權計劃授出購股權。根據國際財務報告準則第2號，以股份為基礎的支付福利指購股權於授出日期的公允值，期內已於中期簡明綜合損益表內予以攤銷，而不論該等購股權是否已歸屬／行使。截至二零一五年六月三十日止六個月期間，有關授予該等董事及高級行政人員購股權的以股份為基礎的支付約為人民幣4,863,000元。
- (iii) 除上表所示的主要管理人員報酬外，於二零一三年至二零一六年期間，若干董事及高級行政人員就彼等對本集團的服務獲本公司根據股票獎勵計劃授出股票獎勵。根據國際財務報告準則第2號，以股份為基礎的支付指限制性股票於授出日期的公允值，期內已於中期簡明綜合損益表內予以攤銷，而不論該等股票是否已歸屬／行使。期內，有關授予該等董事及高級行政人員股票獎勵的以股份為基礎的支付約為人民幣26,655,000元(截至二零一五年六月三十日止六個月：人民幣23,830,000元)。

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31. Related Party Transactions (continued)

- (c) As at 30 June 2016 and 31 December 2015, the balances arising from related party transactions are as follows:

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Trade and bills receivables from: 應收下列各方的賬款及票據：			
Associates	聯營公司	713,771	544,834
Affiliates of a major shareholder of the Company	本公司一名主要股東的 聯屬公司	3,667	1,223
		717,438	546,057

31. 關聯人士交易 (續)

- (c) 於二零一六年六月三十日及二零一五年十二月三十一日，關聯人士交易產生的結餘如下：

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Prepayments, deposits and other receivables from: 應收下列各方的預付款、按金及其他應收賬款：			
Associates	聯營公司	182,252	37
Affiliates of a major shareholder of the Company	本公司一名主要股東的 聯屬公司	1,043	-
		183,295	37

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31. Related Party Transactions (continued)

(c) (continued)

		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Trade and bills payables to: 應付下列各方的賬款及票據：			
Associates	聯營公司	181,258	196,720
Affiliates of a major shareholder of the Company	本公司一名主要股東的 聯屬公司	58,611	31,945
		239,869	228,665
		Unaudited 未經審核	Audited 經審核
		30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Other payables and accruals to: 應付下列各方的其他應付款項及 預提費用：			
Associates	聯營公司	11,770	20,789

The above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to or by independent third parties.

上述結餘為無抵押及免息，償還信貸期與給予或獲自獨立第三方的相若。

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32. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

As at 30 June 2016

Financial assets:

32. 按類別劃分的金融工具

於報告期末，各個分類的金融工具的賬面值如下：

於二零一六年六月三十日

金融資產：

		Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
		攤銷成本	按公允值計量且其變動計入損益	按公允值計量且其變動計入其他全面收益	總計
		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
Trade and bills receivables	應收賬款及票據	2,929,605	-	-	2,929,605
Financial assets included in prepayments, deposits and other receivables	包括於預付款、按金及其他應收款項的金融資產	834,038	-	-	834,038
Equity investments	股本投資	-	42,012	436,124	478,136
Unit trust investments	單位信託投資	-	20,000	-	20,000
Entrusted loans	委託貸款	170,490	-	-	170,490
Long term receivables	長期應收款項	147,926	-	-	147,926
Investment deposits	投資存款	-	6,831,539	-	6,831,539
Pledged deposits	保證金存款	747,809	-	-	747,809
Cash and cash equivalents	現金及現金等價物	3,533,518	-	-	3,533,518
Time deposits	定期存款	3,038,541	-	-	3,038,541
		11,401,927	6,893,551	436,124	18,731,602

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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32. Financial Instruments by Category (continued)

As at 30 June 2016 (continued)

Financial liabilities:

		Amortised cost	Fair value through profit or loss	Total
		攤銷成本	按公允值計量 且其變動 計入損益	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Trade and bills payables	應付賬款及票據	5,779,867	–	5,779,867
Financial liabilities included in other payables and accruals	包括於其他應付款項及 預提費用之金融負債	3,396,066	–	3,396,066
Interest-bearing bank and other borrowings	計息銀行及其他借貸	10,172,398	–	10,172,398
Other loans	其他貸款	25,915	–	25,915
Derivative financial instruments	衍生金融工具	–	4,752	4,752
Long term payables	長期應付款項	104,119	–	104,119
Other non-current financial liabilities	其他非流動金融負債	3,007,943	–	3,007,943
		22,486,308	4,752	22,491,060

32. 按類別劃分的金融工具(續)

於二零一六年六月三十日(續)

金融負債：

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32. Financial Instruments by Category (continued)

As at 31 December 2015

Financial assets:

32. 按類別劃分的金融工具 (續)

於二零一五年十二月三十一日

金融資產：

		Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
		攤銷成本	計入損益	其他全面收益	總計
		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
Trade and bills receivables	應收賬款及票據	1,617,757	-	-	1,617,757
Financial assets included in prepayments, deposits and other receivables	包括於預付款、按金及 其他應收款項的 金融資產	591,654	-	-	591,654
Equity investments	股本投資	-	42,012	503,224	545,236
Unit trust investments	單位信託投資	-	170,000	-	170,000
Entrusted loans	委託貸款	156,970	-	-	156,970
Derivative financial instruments	衍生金融工具	-	10,944	-	10,944
Investment deposits	投資存款	-	5,049,039	-	5,049,039
Pledged deposits	保證金存款	722,402	-	-	722,402
Long term receivables	長期應收款項	53,149	-	-	53,149
Cash and cash equivalents	現金及現金等價物	6,833,608	-	-	6,833,608
Restricted deposits	受限制存款	40,229	-	-	40,229
Time deposits	定期存款	2,666,195	-	-	2,666,195
		12,681,964	5,271,995	503,224	18,457,183

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32. Financial Instruments by Category (continued)

As at 31 December 2015 (continued)

Financial liabilities:

		Amortised cost	Fair value through profit or loss 按公允值計量 且其變動 計入損益	Total
		攤銷成本 RMB'000 人民幣千元	RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Trade and bills payables	應付賬款及票據	4,644,298	–	4,644,298
Financial liabilities included in other payables and accruals	包括於其他應付款項及 預提費用之金融負債	3,158,554	–	3,158,554
Interest-bearing bank and other borrowings	計息銀行及其他借貸	11,050,262	–	11,050,262
Other loans	其他貸款	43,915	–	43,915
Derivative financial instruments	衍生金融工具	–	3,160	3,160
Long term payables	長期應付款項	139,021	–	139,021
Other non-current financial liabilities	其他非流動金融負債	2,643,936	–	2,643,936
		21,679,986	3,160	21,683,146

32. 按類別劃分的金融工具 (續)

於二零一五年十二月三十一日 (續)

金融負債：

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33. Fair Value and Fair Value Hierarchy of Financial Instruments

Fair value

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, the current portion of pledged deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, current interest-bearing bank loans and other loans, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of other financial assets, long-term time deposits, long term receivables, the non-current portion of interest-bearing bank loans and long term payables and other non-current financial liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair values of listed equity investments are based on quoted market prices.

The Group enters into derivative financial instruments with various counterparties, principally established commodity trading exchanges or financial institutions with good credit ratings. Derivative financial instruments, including commodity futures contracts, forward currency contracts and interest rate forward contracts, are measured using quoted prices from financial institutions with which the forward currency contracts and interests rate forward contracts are entered into. The carrying amounts of commodity futures contracts, forward currency contracts and interest rate forward contracts are the same as their fair values.

33. 金融工具之公允值及公允值層級

公允值

金融資產及負債之公允值是市場參與者在現時進行之交易(強迫或清算銷售除外)中可出售資產或轉讓負債之金額。

下文載列用於估計公允值的方法和假設：

現金及現金等價物、保證金存款的即期部分、應收賬款及票據、應付賬款及票據、包括於預付款、按金及其他應收款項的金融資產、包括於其他應付款項及預提費用的金融負債、流動計息銀行貸款及其他貸款等工具的公允值因短期內到期而與彼等之賬面值相若。

其他金融資產的非流動部分、長期定期存款、長期應收款項、計息銀行貸款及長期應付款項的非流動部分以及其他非流動金融負債的公允值乃採用類似條款、信貸風險及餘下到期日的工具現時可獲得的利率折現預期未來現金流量的方式計算。

上市股本投資的公允值乃基於市場報價。

本集團與多名對手方訂立衍生金融工具，主要為已成立的商品貿易交易所或信貸評級良好的金融機構。商品期貨合約、遠期外幣合約及利率遠期合約等衍生金融工具，乃使用與其訂立有關遠期外幣合約及利率遠期合約的金融機構的報價計量。商品期貨合約、遠期外幣合約及利率遠期合約的賬面值與彼等的公允值相同。

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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value (continued)

The following table shows the valuation techniques used in the determination of fair values of investment deposits and unit trust investments, which falls within level 3 of the fair value hierarchy, as well as the significant unobservable inputs used in the valuation.

33. 金融工具之公允值及公允值層級 (續)

公允值(續)

下表載列釐定投資存款及單位信託投資公允值所用的估值技術(屬於公允值層級的第三級)及估值所用的重大不可觀察輸入數據。

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 輸入數據對公允值的影響
Investment deposits 投資存款	Discounted cash flow method 折現現金流量法	Expected yield 預期收益率	2.20% to 4.20% (31 December 2015: 2.00% to 5.10%) 2.20%至4.20% (二零一五年 十二月三十一日: 2.00%至5.10%)	10% (31 December 2015: 10%) increase (decrease) in expected yield would result in increase (decrease) in fair value by RMB7,959,000 (31 December 2015: RMB5,168,000) 預期收益率增加(減少)10% (二零一五年十二月三十一日: 10%) 將導致公允值增加(減少)人民幣7,959,000元 (二零一五年十二月三十一日: 人民幣5,168,000元)
		Discount rate 折現率	2.20% to 4.20% (31 December 2015: 2.00% to 5.10%) 2.20%至4.20% (二零一五年 十二月三十一日: 2.00%至5.10%)	10% (31 December 2015: 10%) increase (decrease) in discount rate would result in decrease (increase) in fair value by RMB7,871,000 (31 December 2015: RMB5,107,000) 折現率增加(減少)10% (二零一五年十二月三十一日: 10%) 將導致公允值減少(增加)人民幣7,871,000元 (二零一五年十二月三十一日: 人民幣5,107,000元)
Unit trust investments 單位信託投資	Discounted cash flow method 折現現金流量法	Expected yield 預期收益率	10% (31 December 2015: 9.20% to 11.00%) 10% (二零一五年 十二月三十一日: 9.20%至11.00%)	10% (31 December 2015: 10%) increase (decrease) in expected yield would result in increase (decrease) in fair value by RMB8,000 (31 December 2015: RMB209,000) 預期收益率增加(減少)10% (二零一五年十二月三十一日: 10%) 將導致公允值增加(減少)人民幣8,000元 (二零一五年十二月三十一日: 人民幣209,000元)
		Discount rate 折現率	10% (31 December 2015: 9.20% to 11.00%) 10% (二零一五年 十二月三十一日: 9.20%至11.00%)	10% (31 December 2015: 10%) increase (decrease) in discount rate would result in decrease (increase) in fair value by RMB8,000 (31 December 2015: RMB209,000) 折現率增加(減少)10% (二零一五年十二月三十一日: 10%) 將導致公允值減少(增加)人民幣8,000元 (二零一五年十二月三十一日: 人民幣209,000元)

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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value (continued)

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

33. 金融工具之公允值及公允值層級

(續)

公允值(續)

本集團之金融工具(除賬面值與公允值合理地相若之金融工具外)之賬面值及公允值如下：

		Carrying amounts 賬面值		Fair values 公允值	
		Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元	Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Financial assets	金融資產				
Long term entrusted loans	長期委託貸款	119,115	120,736	118,872	122,501
Long term receivables	長期應收款項	147,926	53,149	142,749	47,669
Long term time deposits	長期定期存款	1,365,178	1,608,795	1,355,402	1,588,705
		1,632,219	1,782,680	1,617,023	1,758,875

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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value (continued)

33. 金融工具之公允值及公允值層級 (續) 公允值(續)

		Carrying amounts 賬面值		Fair values 公允值	
		Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元	Unaudited 未經審核 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
Financial liabilities	金融負債				
Other non-current financial liabilities	其他非流動金融負債	3,007,943	2,643,936	3,007,943	2,643,936
Interest-bearing bank and other borrowings – non-current portion	計息銀行及其他借貸 – 非流動部分	3,768,505	4,969,511	3,878,199	4,991,684
Long term payables	長期應付款項	42,164	68,399	40,615	67,327
		6,818,612	7,681,846	6,926,757	7,702,947

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

公允值層級

本集團採用以下層級以釐定及披露金融工具的公允值：

- 第一級：根據相同資產或負債於活躍市場的報價(未經調整)計量公允值
- 第二級：公允值基於估值技術計量，且全部對所記錄的公允值有重大影響的輸入數據是可直接或間接觀察得到
- 第三級：公允值基於估值技術計量，且任何對所記錄的公允值有重大影響的輸入數據是並非基於可觀察的市場數據(非可觀察輸入數據)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Assets measured at fair value:

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Unaudited 30 June 2016 未經審核 二零一六年 六月三十日 RMB'000 人民幣千元
Hong Kong listed equity investments	香港上市股本投資	436,124	-	-	436,124
Unlisted equity investments	非上市股本投資	-	-	42,012	42,012
Unit trust investments	單位信託投資	-	-	20,000	20,000
Investment deposits	投資存款	-	-	6,831,539	6,831,539

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Audited 31 December 2015 經審核 二零一五年 十二月三十一日 RMB'000 人民幣千元
Hong Kong listed equity investments	香港上市股本投資	503,224	-	-	503,224
Unlisted equity investments	非上市股本投資	-	-	42,012	42,012
Unit trust investments	單位信託投資	-	-	170,000	170,000
Investment deposits	投資存款	-	-	5,049,039	5,049,039
Derivative financial instruments	衍生金融工具	5,933	5,011	-	10,944

33. 金融工具之公允值及公允值層級

(續)

公允值層級(續)

按公允值計量的資產：

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value:

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Unaudited 30 June 2016 未經審核 二零一六年 六月三十日 RMB'000 人民幣千元
Derivative financial instruments	衍生金融工具	-	4,752	-	4,752

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Audited 31 December 2015 經審核 二零一五年 十二月三十一日 RMB'000 人民幣千元
Derivative financial instruments	衍生金融工具	-	3,160	-	3,160

33. 金融工具之公允值及公允值層級

(續)

公允值層級(續)

按公允值計量的負債：

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Assets for which fair values are disclosed:

33. 金融工具之公允值及公允值層級

(續)

公允值層級(續)

有披露公允值之資產：

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Unaudited 30 June 2016 未經審核 二零一六年 六月三十日 RMB'000 人民幣千元
Long term entrusted loans	長期委託貸款	-	118,872	-	118,872
Long term receivables	長期應收款項	-	142,749	-	142,749
Long term time deposits	長期定期存款	-	1,355,402	-	1,355,402

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Audited 31 December 2015 經審核 二零一五年 十二月三十一日 RMB'000 人民幣千元
Long term entrusted loans	長期委託貸款	-	122,501	-	122,501
Long term receivables	長期應收款項	-	47,669	-	47,669
Long term time deposits	長期定期存款	-	1,588,705	-	1,588,705

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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33. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed:

33. 金融工具之公允值及公允值層級

(續)

公允值層級(續)

有披露公允值之負債：

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Unaudited 30 June 2016 未經審核 二零一六年 六月三十日 RMB'000 人民幣千元
Other non-current financial liabilities	其他非流動金融負債	-	3,007,943	-	3,007,943
Interest-bearing bank and other borrowings – non-current portion	計息銀行及其他借貸 —非流動部份	-	3,878,199	-	3,878,199
Long term payables	長期應付款項	-	40,615	-	40,615

		Quoted prices in active markets Level 1 於活躍 市場的報價 第一級 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可 觀察輸入數據 第二級 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可 觀察輸入數據 第三級 RMB'000 人民幣千元	Audited 31 December 2015 經審核 二零一五年 十二月三十一日 RMB'000 人民幣千元
Other non-current financial liabilities	其他非流動金融負債	-	2,643,936	-	2,643,936
Interest-bearing bank and other borrowings – non-current portion	計息銀行及其他借貸 —非流動部份	-	4,991,684	-	4,991,684
Long term payables	長期應付款項	-	67,327	-	67,327

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34. Approval of the Interim Financial Statements

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 24 August 2016.

34. 批准中期財務報表

董事會已於二零一六年八月二十四日批准及授權刊發未經審核中期簡明綜合財務報表。



只為點滴幸福

China Mengniu Dairy Company Limited
中國蒙牛乳業有限公司*

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

Stock Code 股份代號 : 2319

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