



AUSTASIA

AustAsia Group Ltd.
澳亞集團有限公司*

(Incorporated in the Republic of Singapore with limited liability)
(於新加坡共和國註冊成立的有限公司)

Stock Code 股份代號 : 2425



2024
Interim Report
中期報告

* For identification purpose only 僅供識別

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. TAN Yong Nang (Executive Chairman)
Mr. Edgar Dowse COLLINS (Chief Executive Officer)
Mr. YANG Ku (Chief Operating Officer)

Non-Executive Directors

Ms. GAO Lina
Mr. Tamotsu MATSUI (appointed on 5 June 2024)
Ms. Gabriella SANTOSA
Mr. HIRATA Toshiyuki (retired on 5 June 2024)

Independent Non-executive Directors

Mr. SUN Patrick
Mr. CHANG Pan, Peter
Mr. LI Shengli

COMPANY SECRETARIES

Singapore

Ms. CHUA Sook Ping Christina (LLB (Hons))
Ms. CHENG Sai Hong (ACS, ACG) (resigned on 2 September 2024)

Hong Kong

Ms. HO Wing Nga (HKFCG (PE), FCG)

AUTHORISED REPRESENTATIVES UNDER THE LISTING RULES

Mr. Edgar Dowse COLLINS
Ms. CHUA Sook Ping Christina

董事會

執行董事

陳榮南先生 (執行主席)
Edgar Dowse COLLINS先生 (行政總裁)
楊庫先生 (首席運營官)

非執行董事

高麗娜女士
Tamotsu MATSUI先生 (於2024年6月5日獲委任)
Gabriella SANTOSA女士
平田俊行先生 (於2024年6月5日退任)

獨立非執行董事

辛定華先生
張泮先生
李勝利先生

公司秘書

新加坡

蔡淑萍女士 (LLB (Hons))
鍾賽鳳女士 (ACS, ACG) (於2024年9月2日辭任)

香港

何詠雅女士 (HKFCG (PE), FCG)

根據上市規則的授權代表

Edgar Dowse COLLINS先生
蔡淑萍女士

Corporate Information

公司資料

BOARD COMMITTEES

Audit Committee

Mr. SUN Patrick (Chairman)
Mr. CHANG Pan, Peter
Mr. Tamotsu MATSUI (appointed on 5 June 2024)
Mr. HIRATA Toshiyuki (retired on 5 June 2024)

Remuneration Committee

Mr. CHANG Pan, Peter (Chairman)
Ms. Gabriella SANTOSA
Mr. SUN Patrick

Nomination Committee

Mr. TAN Yong Nang (Chairman)
Mr. LI Shengli
Mr. SUN Patrick

ESG Committee

Mr. Edgar Dowse COLLINS (Chairman)
Mr. YANG Ku
Mr. LI Shengli

Independent Board Committee

Mr. SUN Patrick (Chairman)
Mr. CHANG Pan, Peter
Mr. LI Shengli

PRINCIPAL BANKS

DBS Bank Ltd
12 Marina Boulevard Level 45
Marina Bay Financial Centre Tower 3
Singapore 018982

DBS Bank (China) Limited, Shanghai Branch
18th Floor, DBS Bank Tower
1318 Lu Jia Zui Ring Road, Pudong New District
Shanghai 200120, China

PT Bank Mandiri (Persero) TBK Shanghai Branch
Unit 4101 Shanghai Tower
501 Yin Cheng Zhong Road, Pudong New District,
Shanghai, China

董事委員會

審計委員會

辛定華先生 (主席)
張泮先生
Tamotsu MATSUI先生 (於2024年6月5日獲委任)
平田俊行先生 (於2024年6月5日退任)

薪酬委員會

張泮先生 (主席)
Gabriella SANTOSA女士
辛定華先生

提名委員會

陳榮南先生 (主席)
李勝利先生
辛定華先生

ESG委員會

Edgar Dowse COLLINS先生 (主席)
楊庫先生
李勝利先生

獨立董事委員會

辛定華先生 (主席)
張泮先生
李勝利先生

主要往來銀行

星展銀行有限公司
12 Marina Boulevard Level 45
Marina Bay Financial Centre Tower 3
Singapore 018982

星展銀行(中國)有限公司上海分行
中國
上海市浦東新區
陸家嘴環路1318號星展銀行大廈18樓
郵編：200120

印度尼西亞曼底利銀行有限責任公司上海分行
中國
上海市浦東新區
銀城中路501號上海中心4101室

Corporate Information

公司資料

Malayan Banking Berhad Shanghai Branch
Room 03-04, 6th Floor, BRICS Tower
No. 333 Lu Jia Zui Ring Road, Pudong New District
Shanghai 200120, China

馬來亞銀行有限公司上海分行
中國
上海市浦東新區
陸家嘴環路333號金磚大廈6層03-04室
郵編：200120

United Overseas Bank (China) Limited
Shanghai Pilot Free Trade Zone Sub-branch
Room 602, 6F, No. 116, 128 Yincheng Road,
Pilot Free Trade Zone
Shanghai 200120, China

大華銀行(中國)有限公司上海自貿試驗區支行
中國
上海市自由貿易試驗區
銀城路116、128號6層602室
郵編：200120

China Construction Bank Corporation Co., Ltd.,
Dongying Nonggao District Sub-branch
No. 9 Guangbei Road, Agricultural High-tech Zone
Dongying City, Shandong Province, China

中國建設銀行股份有限公司東營農高區支行
中國
山東省東營市
農業高新區廣北路9號

China Citic Bank Corporation Limited, Dongying Branch
No. 128, Fuqian Street
Dongying City, Shandong Province, China

中信銀行股份有限公司東營分行
中國
山東省東營市
府前大街128號

LEGAL ADVISER AS TO LAWS OF THE PRC

Global Law Office
15th Floor, Tower 1, China Central Place
No. 81, Jianguo Road, Chaoyang District
Beijing 100025, China

有關中國法律的法律顧問

環球律師事務所
中國
北京市朝陽區
建國路81號華貿中心1號寫字樓15層
郵編：100025

LEGAL ADVISER AS TO LAWS OF HONG KONG

WOO KWAN LEE & LO
26th Floor, Jardine House
1 Connaught Place, Central
Hong Kong, China

有關香港法律的法律顧問

胡關李羅律師行
中國
香港
中環康樂廣場1號
怡和大廈26樓

Corporate Information 公司資料

AUDITOR

Ernst & Young
(Certified Public Accountants and Registered
Public Interest Entity Auditor)
27/F, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong, China

COMPLIANCE ADVISER

Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong, China

HEADQUARTER AND REGISTERED OFFICE

400 Orchard Road
#15-08, Orchard Towers
Singapore 238875

PRINCIPAL PLACE OF BUSINESS IN CHINA

No. 10, Yongguan Road, Yongan Town, Kenli District
Dongying City, Shandong Province, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

46th Floor, Hopewell Centre,
183 Queen's Road East
Wan Chai, Hong Kong
China

審計師

安永會計師事務所
(執業會計師及註冊公眾利益實體核數師)
中國
香港
鰂魚涌英皇道979號
太古坊一座27樓

合規顧問

新百利融資有限公司
中國
香港
皇后大道中29號
華人行20樓

總部及註冊辦事處

400 Orchard Road
#15-08, Orchard Towers
Singapore 238875

中國主要營業地點

中國
山東省東營市
墾利區永安鎮永館路10號

香港主要營業地點

中國
香港灣仔
皇后大道東183號
合和中心46樓

Corporate Information

公司資料

PRINCIPAL SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

HONG KONG SHARE REGISTRAR

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

STOCK CODE

Stock Code: 2425

WEBSITE

www.austasiadairy.com

主要股份過戶登記處

Boardroom Corporate &
Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

香港股份過戶登記處

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

股份代號

股份代號：2425

網站

www.austasiadairy.com

Locations of Production Units 生產單位地點

Dongying, Shandong

山東東營



4 dairy farms
4座奶牛牧場



1 beef cattle feedlot
1座肉牛飼養場



1 feed mill
1間飼料廠

Chifeng, Inner Mongolia

內蒙古赤峰



3 dairy farms
3座奶牛牧場



1 beef cattle feedlot
1座肉牛飼養場



Dezhou, Shandong

山東德州



3 dairy farms
3座奶牛牧場

Tai'an, Shandong

山東泰安



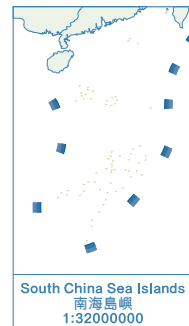
1 dairy farm
1座奶牛牧場

Shanghai

上海

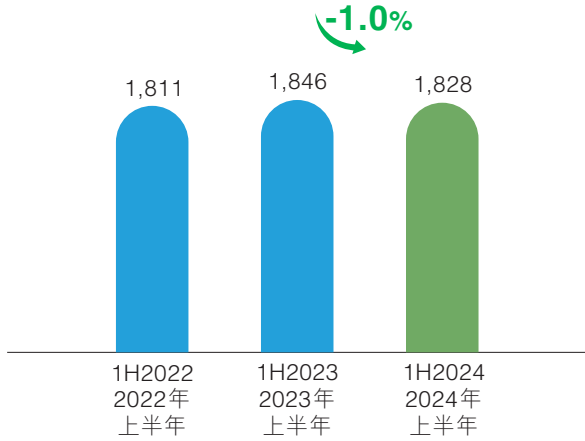


1 sales and distribution company
1家銷售及分銷公司

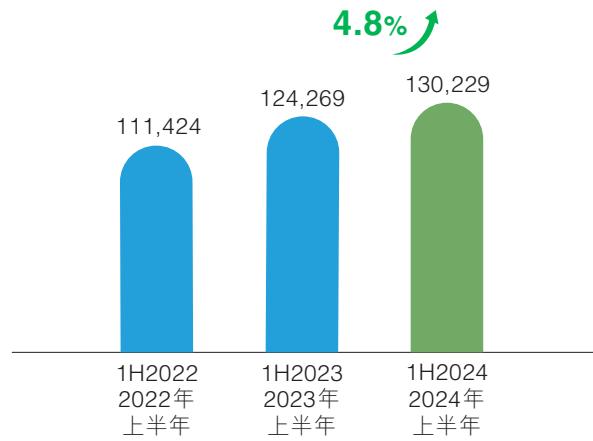


Highlights 摘要

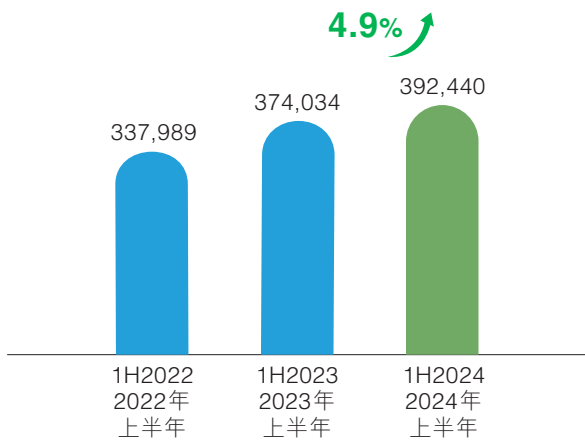
Revenue (RMB million)
收入 (人民幣百萬元)



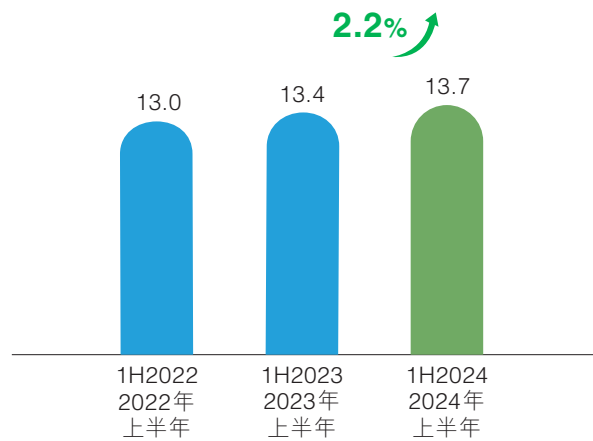
Herd Size of Dairy Cows (Heads)
奶牛存欄規模 (頭)



Raw Milk Sales Volume (Tons)
原料奶銷量 (噸)



Annualised Average Milk Yield per Milkable Cow (Tons)
每頭成母牛年平均產奶量 (噸)



Highlights 摘要

FOR THE SIX MONTHS ENDED 30 JUNE

截至6月30日止六個月

		2024	2023	Change
		2024年	2023年	
FINANCIAL DATA		RMB'000	RMB'000	
財務數據		人民幣千元	人民幣千元	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	變動
Revenue	收入	1,827,965	1,845,610	-1.0%
Gross profit	毛利	219,034	312,468	-29.9%
Losses arising from changes in fair value less costs to sell of other biological assets	來自其他生物資產公允價值減銷售成本變動的虧損	(605,594)	(414,615)	46.1%
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(636,013)	(310,479)	104.8%
Cash EBITDA (Non-IFRS Financial Measure) ^{Note 1}	現金EBITDA (非《國際財務報告準則》財務計量指標) ^{附註1}	231,522	337,107	-31.3%
Basic loss per share (RMB)	每股基本虧損 (人民幣元)	(0.91)	(0.44)	106.8%
KEY PERFORMANCE INDICATORS		2024	2023	Change
關鍵績效指標		2024年	2023年	變動
Annualised average milk yield per milkable cow (tons)	每頭成母牛年平均產奶量 (噸)	13.7	13.4	+2.2%
Herd size of dairy cows (heads)	奶牛存欄規模 (頭)	130,229	124,269	+4.8%
Raw milk sales volume (tons)	原料奶銷量 (噸)	392,440	374,034	+4.9%
Herd size of beef cattle (heads)	肉牛存欄規模 (頭)	39,466	35,309	+11.8%

Note 1: We define Cash EBITDA as loss for the period excluding (i) finance costs, (ii) interest income, (iii) income tax expense, (iv) depreciation and amortisation, (v) losses arising from changes in fair value less costs to sell of other biological assets, (vi) foreign exchange difference, (vii) impairment losses on financial assets, and (viii) share based payment expenses.

附註1：我們將現金EBITDA定義為期內虧損，不包括(i)融資成本、(ii)利息收入、(iii)所得稅開支、(iv)折舊及攤銷、(v)來自其他生物資產公允價值減銷售成本變動的虧損、(vi)外匯差異、(vii)金融資產減值虧損及(viii)以股份為基礎的付款開支。

For the Reporting Period, the Group recorded a revenue of approximately RMB1,828.0 million, representing a moderate drop of 1.0% compared to the same period of 2023. This is mainly attributable to the combined effect of:

於報告期間，本集團錄得收入約人民幣1,828.0百萬元，較2023年同期略微下降1.0%。此乃主要由於以下各項的綜合影響所致：

- (i) a 4.9% growth in the raw milk sales volume and a 15.8% decrease in the raw milk selling price; and
- (ii) a 71.0% increase in the beef cattle sales volume and a 16.8% decrease in the beef cattle selling price.

- (i) 原料奶銷量增長4.9%及原料奶售價下降15.8%；及
- (ii) 肉牛銷量增長71.0%及肉牛售價下降16.8%。

Highlights 摘要

The gross profit decreased by 29.9%, from approximately RMB312.5 million to RMB219.0 million. This is mainly caused by the combined effect of:

- (i) a 15.8% decrease in the raw milk selling price and a 16.8% decrease in the beef cattle selling price;
- (ii) a decrease of 19.2% in feed cost. For the Reporting Period, the feed cost for per kg of raw milk decreased from RMB2.55 to RMB2.06; and
- (iii) a loss arising from changes in fair value less cost to sell of beef cattle of approximately RMB52.9 million as compared to a gain of approximately RMB16.9 million of that for the same period of 2023.

The Group recorded a net loss of approximately RMB636.0 million, this is mainly attributable to the losses arising from changes in the fair value less costs to sell of other biological assets of RMB605.6 million. The significant losses are mainly attributable to the decreases in selling price of raw milk and culling cattle that used in the assumption to derive the fair value of biological assets.

During the Reporting Period, the Group's key operational efficiency indicator – annualised average milk yield per milkable cow, continued to improve and reached a new height of 13.7 tons, representing a 2.2% increase.

毛利由約人民幣312.5百萬元下降29.9%至人民幣219.0百萬元。此乃主要由以下各項的綜合影響所致：

- (i) 原料奶售價下降15.8%及肉牛售價下降16.8%；
- (ii) 飼料成本下降19.2%。於報告期間，原料奶的每千克飼料成本由人民幣2.55元下降至人民幣2.06元；及
- (iii) 肉牛公允價值減銷售成本變動產生的虧損約為人民幣52.9百萬元，而2023年同期則錄得收益約人民幣16.9百萬元。

本集團錄得虧損淨額約人民幣636.0百萬元，主要歸因於其他生物資產公允價值減去銷售成本變動產生虧損人民幣605.6百萬元。重大虧損乃主要由於計算生物資產公允價值時，假設原料奶售價及屠宰牛售價下降。

於報告期間內，本集團的主要經營效益指標 – 每頭成母牛年平均產奶量繼續提高並達至13.7噸的新高，增幅為2.2%。

Highlights 摘要

UPDATE ON THE SCHEDULE OF THE DEVELOPMENT OF PURE SOURCE FARM 4

Reference is made to the prospectus issued by the Company on 16 December 2022 (the “**Prospectus**”), the results announcements of the Company for the year ended 31 December 2022 dated 1 March 2023 and the voluntary announcements dated 1 June 2023, 1 September 2023 and 1 December 2023 (the “**Announcements**”). As disclosed in the Announcements, the Company extended the construction period of Pure Source Farm 4 from April 2023 to December 2023 to from April 2023 to December 2024 (the “**Revised Construction Schedule**”). The Group commenced construction of Pure Source Farm 4 in April 2023.

On 9 February 2024, the company made a further announcement in which after considering the prolonged weak demand for dairy products and the uncertainties associated with dairy market outlooks in 2024 and 2025, the Company has decided to further extend the construction period from April 2023 to December 2024 to from April 2023 to December 2025.

The construction progress of Pure Source Farm 4 included, among others, the completion of engineering surveying and mapping of the land, various aspects of the design and construction of the surrounding wall.

Given the continued difficult operating environment of dairy market, the management of the Company has been evaluating the industrial outlook constantly to decide the most suitable time for the development of Pure Source Farm 4. After internal review and discussion, the Company has decided to pause the construction of Pure Source Farm 4 for the time being. We will continue to monitor the supply and demand situation of the raw milk market and to make further decisions on the schedule of Pure Source Farm 4 development.

關於醇源牧場4發展時間表的更新

茲提述本公司於2022年12月16日刊發的招股章程（「招股章程」）、本公司日期為2023年3月1日的截至2022年12月31日止年度業績公告以及日期為2023年6月1日、2023年9月1日及2023年12月1日的自願性公告（「公告」）。誠如公告所披露，本公司將醇源牧場4的建設期從2023年4月至2023年12月，延長至2023年4月至2024年12月（「經修訂建設時間表」）。本集團於2023年4月開始建設醇源牧場4。

於2024年2月9日，本公司作出進一步公告，在考慮到乳製品需求長期疲弱以及2024年及2025年乳製品市場前景存在不確定性，本公司已決定將建設期從2023年4月至2024年12月，進一步延長至2023年4月至2025年12月。

醇源牧場4的建設進度包括（其中包括）完成土地的工程測繪以及圍牆設計及建設的多個方面。

鑑於乳製品市場持續艱難的經營環境，本公司管理層一直在評估行業前景，以決定醇源牧場4發展的最佳時機。經內部審閱及討論，本公司決定暫時暫停醇源牧場4的建設。我們將繼續監控原料奶市場的供需情況，並就醇源牧場4的發展時間表作出進一步決定。

Management Discussion and Analysis

管理層討論與分析

INDUSTRY OVERVIEW

In the 1st half of 2024, China's economy experienced great difficulties. One of the major challenges that most businesses facing is the continuous weakening of consumer confidence that caused obvious decreases in consumer spending. Similar to most of the consumer related sectors, the operating environment and financial performances of dairy farm operators in China have been both challenging and disappointing.

Starting from 2nd half of 2023 up till now, some of the less competitive, small to mid-size individually owned dairy farms with low efficiency have been forced to leave the market. This to a very limited extent reduced surplus raw milk supply in some regions such as Central and Northwest China. However, the nation-wide structural over-supply situation has prevailed. A significant number of recently developed large-scale dairy farms that constructed in 2021 and 2022 have commenced production in 2023 and 2024, which are expected to create more additional raw milk than the volume that have been removed. After a 6.7% growth in 2023, the raw milk production volume in the 1st half of 2024 has grown by another 3.4%. With more and more small to mid-size dairy farms quitting, the industry is experiencing a process of consolidation. It was projected that in 2023, the top 10 dairy farm operators in China increased their dairy herd size by 14%, and their raw milk production volume by about 20%. Going forward the leading operators will have much stronger position and more dominant market share in terms of overall raw milk supply.

The weak demand on dairy products and consumption downgrade on day-to-day staples have become wider and deeper. According to the National Bureau of Statistics (國家統計局), in 2023, the production volume of liquid milk products decreased for the first time since 2018; in the 1st half of 2024, the production volume of overall dairy products decreased by 3% to 14.33 million tons and is expected to decline further in the 2nd half of 2024. As a result, the stockpile of raw milk that has been processed into bulky powder by dairy companies showed a significant increase. According to the statistics of the Ministry of Agriculture and Rural Affairs (農業農村部), on average, from August 2021 to June 2024, the nation-wide raw milk sales price declined by about 27%, from approximately RMB4.4/kg to RMB3.2/kg.

行業概覽

2024年上半年，中國經濟遭遇重重困難。大多數企業面臨的主要挑戰之一是消費者信心持續減弱，導致消費者支出明顯減少。與大多數消費者相關行業的情況類似，中國奶牛牧場運營商的經營環境及財務表現既充滿挑戰又令人失望。

自2023年下半年起至今，部分競爭力較弱、效率低下的中小型個體經營奶牛牧場被迫退出市場。這在非常有限的程度上減少了部分地區（如華中及西北地區）的原料奶供應過剩。然而，全國範圍內普遍存在結構性供過於求的情況。於2021年及2022年興建的大量近期開發的大型奶牛牧場已於2023年及2024年投產，預計其增產的原料奶量將超過減產量。原料奶產量繼2023年增長6.7%後，於2024年上半年再增長3.4%。隨著越來越多的中小型奶牛牧場退出，行業正經歷整合過程。預計於2023年，中國十大奶牛牧場運營商的奶牛存欄規模將增加14%，而其原料奶產量將增加約20%。展望未來，領先的運營商將在整體原料奶供應方面擁有更強的地位及更主要的市場份額。

乳製品需求疲軟及日常主食消費降級已廣化及深化。根據國家統計局的資料，於2023年，液態奶產量自2018年以來首次下降；整體乳製品產量於2024年上半年減少3%至14.33百萬噸，並預期於2024年下半年進一步減少。因此，被乳製品企業加工為散裝奶粉的原料奶的庫存顯著增加。根據農業農村部的統計數據，自2021年8月至2024年6月，全國原料奶銷售價格平均由約人民幣4.4元/公斤下降約27%至約人民幣3.2元/公斤。

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However, the costs of feed continued to improve with prices of some of the key materials and ingredients becoming lower. This has eased the significant cost pressure that troubled the dairy farming industry in 2022 and 1st half of 2023.

Despite of current difficulties and challenges, the outlook of dairy sector in China is still promising. In 2023, the per capita raw milk consumption in China was 42.5 kg, which is far below the average of developed and industrial countries. Over the past 10 years, the Chinese government regarded the development and modernization of dairy industry as one of the key components to the national initiative of “Healthy China”(健康中國). It issued various favorable policies and directives to support the long-term growth of dairy related industries, including dairy farming. On the other hand, China has continued to focus on improving dairy product quality, making sure consumers have high confidence in domestically made dairy products. With more younger generations become main-stream consumers, the variety of dairy products in China have also widened notably. This will also underpin the growth of milk consumption in long-term.

To survive this down cycle, farm operators will have to focus on efficiency to continually reduce production costs, at the same time to improve the milk yield to high level. Only by doing so the significant impact of price decline may be mitigated. Cash flow, rather than profitability, has become the most important part of the day-to-day operation.

The beef cattle market in domestic China has seen its worst period in the 1st half of 2024. On one hand, volume of imported frozen beef and beef products increased significantly, during January to May 2024, China’s beef importation volume increased by 24% compared to the same period of 2023, prices of those imported beef products were much lower than the domestically raised beef cattle. On the other hand, with more and more small and mid-size dairy farms closing operations and culling cows, the supply of low-price culling cattle surged to cause a big impact on what would normally be an orderly high-quality beef cattle market.

然而，飼料成本繼續改善，部分關鍵原料及成份價格走低，因此緩解了2022年及2023年上半年奶牛養殖業面臨的巨大成本壓力。

儘管目前面臨困難及挑戰，中國乳業的前景仍然充滿希望。2023年，中國人均原料奶消費量為42.5公斤，遠低於發達國家及工業國家的平均水平。過去10年，中國政府將乳業的發展及現代化視為「健康中國」的國家舉措的關鍵組成部分。其頒佈多項有利政策及指示，以支持奶牛相關產業（包括奶牛養殖）的長期發展。另一方面，中國繼續專注於提高乳製品質量，確保消費者對國產乳製品充滿信心。隨著越來越多的年輕人成為主流消費者，中國乳製品的種類也顯著增加。這也將支撐牛奶消費的長期增長。

為渡過此下行週期，牧場運營商必須專注於效率，以持續降低生產成本，同時提高產奶量。只有這樣，才能減輕價格下跌的重大影響。現金流量（而非盈利能力）已成為日常經營中最重要的部分。

2024年上半年，中國國內肉牛市場經歷了最糟糕的時期。一方面，進口冷凍牛肉及牛肉產品數量大幅增長：2024年1月至5月，中國牛肉進口量較2023年同期增長24%（該等進口牛肉的價格遠低於國產牛肉）。另一方面，隨著越來越多的中小型奶牛牧場關閉並宰牛，低價牛供應激增，對原本有序的優質肉牛市場造成重大影響。

Management Discussion and Analysis

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Nevertheless, starting from May 2024, pork prices in China have shown recovery after more than 2 years of decline. This may provide some support for beef price to stabilize. Overall speaking, if the consumer demand continues to be as weak as it is now, the beef market in China is expected to be in a difficult territory for the rest of the year.

In relation to environment and ecosystems, the Chinese government has been encouraging energy saving and emission reduction in the dairy and beef cattle industries vigorously. The dairy farming industry is required to take the direction of “reducing pollution and carbon, establishing cycle of sustainable ecosystem” to achieve high-quality development of the industry and to create the harmonious coexistence of human and nature, as well as to maintain a sustainable development of the whole industrial chain with a “green ecological” model. Some leading dairy enterprises have made continuous investment in research and innovation in relation to carbon emission reduction, standard setting, equipment research and development, model demonstration, etc., the theme of “sustainable development” has become a focus to almost everyone in the dairy industry.

BUSINESS OVERVIEW

The Group is mainly engaged in dairy farming business of producing and selling high-quality raw milk to dairy products manufacturers and processors, and beef cattle farming and fattening business. In 2023, according to Holstein Farmer Magazine, we were the 3rd largest raw milk producer in China (in terms of production volume) with a total raw milk production volume of approximately 860,000 tons.

We provide raw milk to a diversified group of customers, including leading national and regional dairy product manufacturers and brands such as Mengniu, Bright Dairy, Meiji, New Hope Dairy, ClassyKiss and Honest Dairy. We are not reliant on our controlling shareholders as our customers. We provide our customers with stable supply of high quality and traceable raw milk, including A2 milk, in large scale, to enable our customers to market and develop high-end and innovative dairy products, catering various needs of end customers.

We have two main business segments, namely raw milk business and beef cattle business. We also engage in sales of milk products under our own brand to wholesale customers. In March 2023, our self-owned feed mill commenced production, the feed processed is mainly used internally, with a certain portion sold to external parties.

然而，自2024年5月起，中國的豬肉價格在歷經兩年多的下跌後出現復甦，這可能為牛肉價格穩定提供一些支撐。整體而言，倘消費者需求持續似目前一樣疲弱，則預期中國牛肉市場於今年餘下時間將陷入困境。

在環境及生態系統方面，中國政府一直大力鼓勵奶牛及肉牛產業的節能減排，要求奶牛養殖業走好「減污降碳，種養循環」之路，實現奶業的高品質發展及創造人類與自然的和諧共生，並保持全產業鏈可持續發展的「綠色生態」模式。很多奶業龍頭企業不斷投入資源，對碳減排、標準制定、裝備研發、模式示範等環節進行研究及創新，「可持續發展」已成為幾乎所有奶業人員的一個聚焦點。

業務概覽

本集團主要從事奶牛養殖業務，向乳製品製造商及加工企業生產及銷售優質原料奶，以及肉牛養殖及育肥業務。於2023年，根據Holstein Farmer Magazine的資料，我們是中國第三大原料奶生產商（以產量計），原料奶總產量約為860,000噸。

我們向多元化的客戶群提供原料奶，包括蒙牛、光明、明治、新希望乳業、卡士及簡愛等全國及地區領先的乳製品製造商及品牌。我們不依賴控股股東作為我們的客戶。我們向客戶提供大規模穩定供應優質及可溯源的原料奶（包括A2奶），這使我們的客戶能夠推廣及開發滿足終端客戶各種需求的高端創新乳製品。

我們的兩個主要業務分部分別為原料奶業務及肉牛業務。我們亦以自有品牌向批發客戶銷售奶製品。於2023年3月，我們自有的飼料廠投產，所加工的飼料主要供內部使用，若干部分售予外部各方。

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OPERATIONAL REVIEW

Raw Milk Business

We breed and raise dairy cows in our large-scale and modernized dairy farms. We produce and sell raw milk to downstream dairy product manufacturers and processors. During the Reporting Period, we continue to provide high-quality and reliable raw milk to our customers, who further process those raw milk into healthy and high-quality dairy products to satisfy the needs of end customers.

During the Reporting Period, 77.9% of our revenue was derived from the raw milk business. We have achieved improvements in some of the important operating indicators:

- (a) revenue generated from sales of raw milk was approximately RMB1,424.3 million, representing a decrease of 11.7% compared to the six months ended 30 June 2023;
- (b) the annualised milk yield per milkable cow (“**AMY**”) reached 13.7 tons (1H2023: 13.4 tons), representing a Period-on-Period growth of 2.2 %;
- (c) the total raw milk production volume for the Reporting Period was approximately 447,000 tons (1H2023: 408,100 tons), representing a Period-on-Period growth of 9.5%; and
- (d) the total raw milk sales volume was approximately 392,400 tons (1H2023: 374,000 tons), representing a Period-on-Period growth of 4.9%.

However, compared to the same period of last year, the average selling price (“**ASP**”) of raw milk decreased by 15.8%, from RMB4,311/ton to RMB3,629/ton. The drop in ASP mainly attributable to the weaker-than-expected demand for milk and dairy products, as well as the temporary over-supply of raw milk caused by significant increase in new dairy farms and additional dairy cow investments.

業務回顧

原料奶業務

我們於大規模和現代化奶牛牧場繁殖及飼養奶牛。我們生產並向下游乳製品製造商及加工企業銷售原料奶。於報告期間，我們繼續向客戶提供優質可靠的原料奶，客戶將原料奶進一步加工成健康優質的乳製品，以滿足終端客戶的需求。

於報告期間，我們77.9%的收入來自原料奶業務。我們在一些主要經營指標上取得了增長：

- (a) 原料奶銷售收入約為人民幣1,424.3百萬元，較截至2023年6月30日止六個月減少11.7%；
- (b) 每頭成母牛年化產奶量（「**年化產奶量**」）為13.7噸（2023年上半年：13.4噸），同比增長2.2%；
- (c) 報告期間原料奶總產量約為447,000噸（2023年上半年：408,100噸），同比增長9.5%；及
- (d) 原料奶總銷量約為392,400噸（2023年上半年：374,000噸），同比增長4.9%。

然而，與去年同期相比，原料奶的平均售價（「**平均售價**」）自人民幣4,311元／噸下降15.8%至人民幣3,629元／噸。平均售價下降主要是由於牛奶及乳製品的需求低於預期，以及新奶牛牧場及新增奶牛投資大幅增加導致原料奶暫時供過於求。

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During the Reporting Period, we continued to lower the feed costs and have seen significant improvement. Compared to the same period of 2023, the feed cost per kg of raw milk decreased from RMB2.55 to RMB2.06, representing a 19.2% drop. The significant decrease in both selling price and feed costs off-set one another, as a result, the gross margin of the raw milk business remained at the same level as 1H2023. We have adopted systematical and timely review into the whole feeding and milking process, we took measures to adjust the feed formula to strike the optimal balance between milk yield and feed costs. In doing so, our operating teams and nutrients make best effort to switch to compatible additives with similar output enhancement effects and to improve the absorbance level and conversion rate of dairy cows. We also leveraged on our centralized procurement activities. As a result, we have seen notable improvements in feed cost per kg of raw milk.

Dairy Farms

As at 30 June 2024, we owned and operated 11 large-scale modernized dairy farms in Shandong and Inner Mongolia of the PRC. The number of our dairy cow was 130,229 heads (as at 31 December 2023: 130,802 heads), including 64,421 heads of milkable cows (as at 31 December 2023: 66,085 heads). The aggregate gross land area of our dairy farms was approximately 16,992 Chinese mu. Our newest dairy farm in Shandong – Pure Source Farm 3, commenced trial production in January 2023. Our dairy farms are located strategically, 3 of them are within the “Golden Raw Milk Belt” in Inner Mongolia, where the mild climate, wide grassland, ample natural feed and abundant fresh water provide an ideal farming environment for dairy farms to generate high milk yield with good quality. The remaining 8 dairy farms are located in Shandong with close proximities to both major dairy product processing plants and major dairy consumption markets such as the Beijing-Tianjin region and the down-stream Yangzi River Delta region, including Shanghai.

於報告期間，我們繼續降低飼料成本並取得顯著改善。與2023年同期相比，原料奶的每千克飼料成本由人民幣2.55元下降19.2%至人民幣2.06元。售價及飼料成本大幅下降，降幅相互抵銷，因此，原料奶業務的毛利率與2023年上半年持平。我們對整個飼養及擠奶過程進行了系統和及時的審查，採取措施調整飼料配方，在產奶量及飼料成本之間取得最佳平衡。在此過程中，我們的運營團隊及營養師盡最大努力改用具有類似增產效果的兼容添加劑，提高奶牛的吸收水平和轉化率。我們還利用集中採購活動。因此，每公斤原料奶的飼料成本有顯著改善。

奶牛牧場

於2024年6月30日，我們在中國山東及內蒙古擁有並經營11個大規模現代化奶牛牧場。我們的奶牛數量為130,229頭（於2023年12月31日：130,802頭），其中成母牛64,421頭（於2023年12月31日：66,085頭）。我們的奶牛牧場總佔地面積約為16,992畝。我們在山東的最新奶牛牧場－醇源牧場3於2023年1月開始試生產。我們的奶牛牧場地理位置優越，其中3個位於內蒙古的「黃金奶源帶」，這裡氣候溫和、草場廣闊、天然飼料充足及淡水資源豐富，為奶牛牧場提供了理想的養殖環境，使產奶量高、質量好。其餘8個奶牛牧場位於山東，毗鄰京津地區及包括上海在內的長江三角洲下游地區等主要乳製品加工廠及主要乳製品消費市場。

Management Discussion and Analysis

管理層討論與分析

Milk Yield

During the Reporting Period, the Group recorded AMY of 13.7 tons (1H2023: 13.4 tons), representing a Period-on-Period increase of 2.2%. The continued improvements in milk yield were attributable to in-depth understanding of every details of herd management, accumulated upgrades in our genetic breeding technologies over the years, and increase in the number of dairy cows reaching peak lactation phases.

Beef Cattle Business

Our Beef Cattle farms operate synergistically with our raw milk business. We use our own dairy herd as breeders for beef cattle calves. By doing so, we optimize the value of our dairy farms' existing resources and maximize the whole breeding value chain. In addition, we capitalize on our expertise in genetic breeding of dairy cattle to improve the quality and productivities of our beef cattle. As at 30 June 2024, we owned and operated 2 large-scale beef cattle feedlots in Shandong and Inner Mongolia. The total herd size was approximately 39,500 heads.

For the Reporting Period, revenue of beef cattle business was RMB219.5 million, representing a 42.4% increase compared to RMB154.2 million recognised in the same period of 2023, and accounted for 12.0% of our total revenue. The total volume of beef cattle sold was 8,239 tons (1H2023: 4,817 tons), representing an increase of 71.0%. The gross profit margin of the beef cattle business turned negative mainly due to the significant drop of 16.8% in selling price, from approximately RMB32,012/ton to RMB26,643/ton.

Ancillary business

For the Reporting Period, revenue from the ancillary business was RMB184.1 million (1H2023: RMB79.1 million), representing an increase of 132.8% due to significant increase in the product sales volume.

產奶量

於報告期間，本集團錄得13.7噸（2023年上半年：13.4噸）的年化產奶量，同比增加了2.2%。產奶量的持續提升乃歸因於對牛群管理各個細節的深入理解、多年來基因育種技術的不斷升級以及進入泌乳高峰期的奶牛數量的增加。

肉牛業務

我們的肉牛養殖場與原料奶業務協同運作。我們利用自身的奶牛群作為肉牛群的育種來源。通過這種方式，我們優化了奶牛牧場現有資源的價值並將整個育種價值鏈最大化。此外，我們利用自身在奶牛遺傳育種方面的專業知識來提高肉牛的質量及生產效率。於2024年6月30日，我們在山東及內蒙古擁有及運營兩個大規模肉牛飼養場。總存欄約為39,500頭。

於報告期間，肉牛業務收入為人民幣219.5百萬元，與2023年同期確認的人民幣154.2百萬元相比增加42.4%，佔總收入的12.0%。肉牛總銷量為8,239噸（2023年上半年：4,817噸），增加71.0%。肉牛業務的毛利率轉負，主要由於售價由約人民幣32,012元／噸大幅下跌16.8%至人民幣26,643元／噸。

其他業務

於報告期間，其他業務的收入為人民幣184.1百萬元（2023年上半年：人民幣79.1百萬元），增長132.8%，乃由於產品銷量大幅增加。

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Breeding

We have implemented a genetic improvement program to enhance the breed of our dairy cows. As compared to the common industry practice of relying on imported bovine semen, we use in vitro fertilisation (“**IVF**”) and embryo transfer (“**ET**”) breeding technology to breed better dairy cows. To achieve genetic improvement of dairy cattle breeds, a high genomic female core herd is fundamental. With the high genomic female core herd that our farms were able to provide, we can improve the herd genetic traits from both parental sides, compared to the common industry practices used by most of other large-scale farms operators which only improve the paternal side with semen. As at 30 June 2024, we had a core herd of over 6,960 dairy cows. With this core herd, in addition to in-house breeding, we plan to commercialize the operation of embryos transfer for outside farms within the year. For the Reporting Period, we have successfully transferred 8,697 IVF embryos.

Milk Quality

We put product quality as highest priority throughout our operations. We are certificated by the Standard Quality Food (“**SQF**”) Program, which is a rigorous and credible food safety and quality program that is recognized by retailers, brand owners, and food service providers world-wide. We implement a rigorous internal quality control system to ensure highest standards of our raw milk and beef cattle. We have established a set of standard operating procedures for each business operating procedure throughout the process of production of raw milk and beef cattle, including breeding and reproduction, feeding, milking, identification and treatment of disease, veterinary assistance, and inventory management.

Customers

Unlike many of our competitors in the dairy farming and raw milk production industry, we are independent to our controlling shareholders and our customer development processes are fully autonomous. We have a well-diversified spectrum of customers. We serve both leading national and regional dairy product manufacturers and brands such as Mengniu, Bright Dairy, Meiji, Chi Forest, Honest Dairy and ClassyKiss. For the Reporting Period, sales to the 5 largest raw milk customers accounted for 59.4% of our revenue. We have also increased our raw milk customers to 27 as at 30 June 2024 from 25 as at 30 June 2023.

育種

我們已實施基因改良計劃來優化奶牛品種。相比依賴進口牛精液的常見行業慣例，我們使用體外受精（「**體外受精**」）和胚胎移植（「**胚胎移植**」）育種技術來繁育更優良的奶牛。高質量基因組母牛核心畜群是實現奶牛育種基因改良的基本要素。我們可利用我們的牧場可提供的高質量基因組母牛核心畜群來改良公牛和母牛的畜群遺傳性狀，而大多數其他大規模牧場運營商使用的常見行業慣例僅利用精液來改良父系基因。於2024年6月30日，我們擁有超過6,960頭奶牛的核心畜群。除內部育種外，我們計劃在年內利用核心畜群將外部牧場的胚胎移植業務商業化。於報告期間，我們已成功移植8,697個體外受精胚胎。

牛奶質量

在我們的經營中，我們將產品質量置於首位。我們通過食品安全質量（「**SQF**」）計劃的認證，該計劃為一項嚴格及可信的食品安全及質量計劃，得到全球零售商、品牌擁有人及食品服務供應商的認可。我們實施嚴格的內部質量控制系統，以確保我們的原料奶及肉牛的高標準。我們已為每項業務操作程序制定一套標準操作程序，貫穿原料奶及肉牛生產的全過程，包括育種與繁殖、飼養、擠奶、疾病識別及治療、獸醫協助及存貨管理。

客戶

與奶牛養殖及原料奶生產行業的許多競爭對手不同，我們獨立於控股股東且客戶開發流程完全自主。我們擁有多元化的客戶群。我們服務於蒙牛、光明、明治、元氣森林、簡愛及卡士等全國及地區領先的乳製品製造商及品牌。於報告期間，對五大原料奶客戶的銷售額佔我們收入的59.4%。我們的原料奶客戶也自2023年6月30日的25家增至2024年6月30日的27家。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Revenue

The following table sets forth the details of the Group's consolidated revenue during the periods indicated:

財務回顧

收入

下表載列本集團於所示期間的綜合收入詳情：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Types of goods	貨品種類		
Raw milk	原料奶	1,424,316	1,612,331
Beef cattle	肉牛	219,508	154,192
Ancillary	其他	184,141	79,087
		1,827,965	1,845,610

During the Reporting Period, the raw milk selling price dropped by 15.8% and beef cattle selling price dropped by 16.8%, though the total raw milk sales volume increased by 4.9% and total beef cattle sales volume increased by 71.0%, the Group's revenue decreased by 1.0% period-on-period to RMB1,828.0 million (1H2023: RMB1,845.6 million).

於報告期內，原料奶銷售價格下降15.8%，肉牛銷售價格下降16.8%。儘管原料奶總銷量增長4.9%，肉牛總銷量增長71.0%，但本集團的收入同比下降1.0%至人民幣1,828.0百萬元（2023年上半年：人民幣1,845.6百萬元）。

The following table sets forth the details of sales revenue, sales volume and ASP of raw milk during the periods indicated:

下表載列於所示期間原料奶銷售收入、銷量及平均售價的詳情：

		Six months ended 30 June 截至6月30日止六個月			2023 2023年 (Unaudited) (未經審核)		
		2024 2024年 (Unaudited) (未經審核)			2023 2023年 (Unaudited) (未經審核)		
		Sales Revenue 銷售收入 RMB'000 人民幣千元	Sales Volume 銷量 tons 噸	ASP 平均售價 RMB/ton 人民幣元／噸	Sales Revenue 銷售收入 RMB'000 人民幣千元	Sales Volume 銷量 tons 噸	ASP 平均售價 RMB/ton 人民幣元／噸
Raw milk	原料奶	1,424,316	392,440	3,629	1,612,331	374,034	4,311

Management Discussion and Analysis

管理層討論與分析

The Group's total revenue of the sales of raw milk decreased by 11.7% period-on-period to RMB1,424.3 million during the Reporting Period (1H2023: RMB1,612.3 million). The decrease was mainly due to the decrease in the raw milk selling price.

Average selling price of raw milk decreased by 15.8% period-on-period to RMB3,629/ton during the Reporting Period (1H2023: RMB4,311/ton).

Total sales volume of raw milk increased by 4.9% period-on-period to 392,440 tons during the Reporting Period (1H2023: 374,034 tons), mainly due to the rise in average yield per milkable cow and the contribution of sales volume of raw milk from newly built Pursource Farm 3.

The following table sets forth the details of sales revenue, sales volume and ASP of our beef cattles during the periods indicated:

於報告期間，本集團銷售原料奶的總收入同比減少11.7%至人民幣1,424.3百萬元（2023年上半年：人民幣1,612.3百萬元）。該減少主要是由於原料奶售價下降所致。

於報告期間，原料奶平均售價同比下跌15.8%至人民幣3,629元／噸（2023年上半年：人民幣4,311元／噸）。

於報告期間，原料奶總銷量同比增長4.9%至約392,440噸（2023年上半年：374,034噸），主要由於每頭成母牛平均產奶量上升以及新建醇源牧場3的原料奶銷量貢獻。

下表載列於所示期間肉牛銷售收入、銷量及平均售價的詳情：

Six months ended 30 June

截至6月30日止六個月

	2024 2024年 (Unaudited) (未經審核)			2023 2023年 (Unaudited) (未經審核)		
	Sales Revenue 銷售收入 RMB'000 人民幣 千元	Sales Volume 銷量 tons 噸	ASP 平均售價 RMB/ton 人民幣元／ 噸	Sales Revenue 銷售收入 RMB'000 人民幣 千元	Sales Volume 銷量 tons 噸	ASP 平均售價 RMB/ton 人民幣元／ 噸
Beef cattle 肉牛	219,508	8,239	26,643	154,192	4,817	32,012

The Group's total revenue from sales of beef cattle increased by 42.4% period-on-period to RMB219.5 million during the Reporting Period (1H2023: RMB154.2 million). The increase was mainly due to the increase in sales volume.

Total sales volume of beef cattle increased by 71.0% period-on-period to 8,239 tons during the Reporting Period (1H2023: 4,817 tons).

Average selling price of beef cattle dropped by 16.8% period-on-period to RMB26,643/ton during the Reporting Period (1H2023: RMB32,012/ton).

於報告期間，本集團銷售肉牛的總收入同比增長42.4%至人民幣219.5百萬元（2023年上半年：人民幣154.2百萬元）。該增加主要是由於銷量增加。

於報告期間，肉牛的總銷量同比增加71.0%至8,239噸（2023年上半年：4,817噸）。

於報告期間，肉牛的平均售價同比下降16.8%至人民幣26,643元／噸（2023年上半年：人民幣32,012元／噸）。

Management Discussion and Analysis

管理層討論與分析

Cost of Sales

The Group's cost of sales primarily consisted of cost of raw milk and beef cattle. The following table sets forth the breakdown of the cost of sales for the periods indicated:

銷售成本

本集團的銷售成本主要由原料奶及肉牛成本組成。下表載列於所示期間銷售成本的明細：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Costs of sales of raw milk	原料奶的銷售成本	1,424,316	1,612,331
Costs of sales of beef cattle	肉牛的銷售成本	219,508	154,192
Costs of sales of ancillary	其他業務的銷售成本	171,145	74,624
Cost of sales	銷售成本	1,814,969	1,841,147

Raw Milk Business

The following table sets forth the breakdown of the cost of sales of the raw milk business before raw milk fair value adjustments for the periods indicated:

原料奶業務

下表載列於所示期間原料奶業務在原料奶公允價值調整前的銷售成本的明細：

		Six months ended 30 June 截至6月30日止六個月			
		2024 2024年 (Unaudited) (未經審核)		2023 2023年 (Unaudited) (未經審核)	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Direct Materials	直接材料	850,672	73.0%	1,008,283	76.3%
Labor Costs	勞工成本	73,839	6.3%	72,425	5.5%
Utilities	公共設施	119,189	10.3%	118,051	8.9%
Depreciation of property, plant and equipment	物業、廠房及設備折舊	72,197	6.2%	68,920	5.2%
Transportation fees	運輸費用	49,505	4.2%	53,530	4.1%
Total	合計	1,165,402	100.0%	1,321,209	100.0%

Management Discussion and Analysis

管理層討論與分析

During the Reporting Period, direct materials (mainly from silage, forage grass, corn and soy-bean products) costs of raw milk business amounted to RMB850.7 million (1H2023: RMB1,008.3 million), representing a period-on-period decreased of 15.6%, mainly due to the decrease in feed prices and adjustment in feed formula.

The feed cost per kg of raw milk decreased by 19.2%. The Group implemented various measures to enhance and streamline the procurement process so as to reduce purchasing costs. The Group has partially mitigated the impact of feed price increases on cost of sales through adjusting feed formula, enhancing animal health, raising milk yield and reducing expenditure. By implementing those measures, the feed cost per kg of raw milk have decreased significantly.

Beef Cattle Business

The following table sets forth the breakdown of the cost of sales of the beef cattle business before beef cattle fair value adjustments for the periods indicated:

於報告期間，原料奶業務的直接材料（主要是青貯、牧草、玉米及豆製品）成本為人民幣850.7百萬元（2023年上半年：人民幣1,008.3百萬元），同比下降15.6%，主要由於飼料價格下跌及飼料配方調整。

原料奶的每千克飼料成本降低19.2%。本集團採取各種措施加強及簡化採購流程，以降低採購成本。本集團通過調整飼料配方、增強動物健康、提高產奶量及減少支出，從而部分緩解飼料價格上漲對銷售成本的影響。通過實施該等措施，原料奶的每千克飼料成本已大幅降低。

肉牛業務

下表載列於所示期間肉牛業務在肉牛公允價值調整前的銷售成本的明細：

		Six months ended 30 June 截至6月30日止六個月			
		2024 2024年 (Unaudited) (未經審核)		2023 2023年 (Unaudited) (未經審核)	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Direct Materials	直接材料	199,603	81.3%	113,946	79.6%
Labor Costs and Overhead costs	勞工成本及間接成本	32,375	13.2%	20,473	14.3%
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	13,483	5.5%	8,677	6.1%
Total	合計	245,461	100.0%	143,096	100.0%

During the Reporting Period, the costs of the beef cattle business amounted to RMB245.5 million (1H2023: RMB143.1 million), representing a period-on-period increase of 71.5%, mainly due to the increase in beef sales volume.

於報告期間，肉牛業務成本為人民幣245.5百萬元（2023年上半年：人民幣143.1百萬元），同比增長71.5%，主要由於肉牛銷量增加。

Management Discussion and Analysis

管理層討論與分析

Gross Profit

The following table sets forth the breakdown of gross profit and gross profit margin of our business for the periods indicated:

毛利

下表載列我們業務於所示期間的毛利及毛利率明細：

		Six months ended 30 June 截至6月30日止六個月			
		2024 2024年 (Unaudited) (未經審核)		2023 2023年 (Unaudited) (未經審核)	
		Gross profit		Gross profit	
		Gross profit	margin	Gross profit	margin
		毛利	毛利率	毛利	毛利率
		RMB'000		RMB'000	
		人民幣千元		人民幣千元	
Raw milk	原料奶	258,914	18.2%	291,122	18.1%
Beef cattle	肉牛	(52,876)	-24.1%	16,883	10.9%
Ancillary	其他	12,996	7.1%	4,463	5.6%
Total	合計	219,034	12.0%	312,468	16.9%

During the Reporting Period, gross profit of the Group's raw milk business amounted to RMB258.9 million (1H2023: RMB291.1 million), representing a decrease of 11.1% period-on-period, which was mainly due to the decrease in sales price of raw milk. Gross profit margin of the Group's raw milk business slightly increased to 18.2% (1H2023: 18.1%) which was mainly due to decrease in feed cost in the Reporting Period.

於報告期間，本集團原料奶業務的毛利為人民幣258.9百萬元（2023年上半年：人民幣291.1百萬元），同比減少11.1%，這主要是由於原料奶的售價下降。本集團原料奶業務的毛利率小幅上升至18.2%（2023年上半年：18.1%），這主要是由於報告期間原料奶成本下降。

During the Reporting Period, gross loss of the Group's beef cattle business amounted to RMB52.9 million (1H2023: gross profit of RMB16.9 million). Mainly due to the average selling price of beef cattle decreased by 16.8%, from approximately RMB32,012/ton to RMB26,643/ton.

於報告期間，本集團肉牛業務的毛損為人民幣52.9百萬元（2023年上半年：毛利人民幣16.9百萬元）。主要由於肉牛平均售價由約人民幣32,012元／噸下降16.8%至人民幣26,643元／噸。

Losses Arising from Changes in Fair Value Less Costs to Sell of Other Biological Assets

As at 30 June 2024, the biological assets of the Group were valued by an independent qualified professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited.

來自其他生物資產公允價值減銷售成本變動的虧損

於2024年6月30日，本集團的生物資產由獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司估價。

Management Discussion and Analysis

管理層討論與分析

Losses arising from changes in the fair value less costs to sell of other biological assets were RMB605.6 million (1H2023: RMB414.6 million). The significant losses are mainly due to lower raw milk price used in the assumption to derive the fair value of biological assets.

The estimated feed costs per kg of raw milk used in the valuation process ranged from RMB2.35 to RMB2.90 and RMB2.16 to RMB2.60 as at 31 December 2023 and 30 June 2024, respectively. Estimated average prices of raw milk per kg ranged from RMB4.17 to RMB4.83 and RMB3.85 to RMB4.46 as at 31 December 2023 and 30 June 2024, respectively.

The estimated local market selling price of 14 months old heifers was RMB21,800 per head and RMB21,000 per head as at 31 December 2023 and 30 June 2024, respectively.

The estimated culling price of milkable cows was RMB16,000 per head and RMB14,800 per head as at 31 December 2023 and 30 June 2024, respectively.

During the six months ended 30 June 2024, mainly due to a lower average selling price of raw milk, the Group recorded higher fair value losses.

The estimated feed costs per kg of raw milk used in the valuation process ranged from RMB2.27 to RMB3.06 and RMB2.43 to RMB3.10 as at 31 December 2022 and 30 June 2023, respectively. Estimated average prices of raw milk per kg ranged from RMB4.49 to RMB5.21 and RMB4.34 to RMB5.03 as at 31 December 2022 and 30 June 2023, respectively.

The estimated local market selling price of 14 months old heifers was RMB21,800 per head and RMB21,800 per head as at 31 December 2022 and 30 June 2023, respectively.

The estimated culling price of milkable cows was RMB16,000 per head and RMB16,000 per head as at 31 December 2022 and 30 June 2023, respectively.

During the six months ended 30 June 2023, the increase in feed cost per kilogram of raw milk and coupled with a lower average selling price of raw milk, contributed to the higher amount of fair value losses recorded for the period.

來自其他生物資產公允價值減銷售成本變動的虧損為人民幣605.6百萬元（2023年上半年：人民幣414.6百萬元）。重大虧損乃主要由於推算生物資產公允價值的假設中採用了更低的原料奶價格。

於2023年12月31日及2024年6月30日，於估值過程中採用的每千克原料奶的估計飼料成本分別介乎人民幣2.35元至人民幣2.90元及人民幣2.16元至人民幣2.60元。於2023年12月31日及2024年6月30日，每千克原料奶的估計平均價格分別介乎人民幣4.17元至人民幣4.83元及人民幣3.85元至人民幣4.46元。

於2023年12月31日及2024年6月30日，14個月大育成牛的估計當地市場售價分別為每頭人民幣21,800元及每頭人民幣21,000元。

於2023年12月31日及2024年6月30日，成奶牛的估計淘汰價格分別為每頭人民幣16,000元及每頭人民幣14,800元。

截至2024年6月30日止六個月，本集團錄得較高的公允價值虧損，主要由於原料奶的平均售價較低。

於2022年12月31日及2023年6月30日，於估值過程中採用的每千克原料奶的估計飼料成本分別介乎人民幣2.27元至人民幣3.06元及人民幣2.43元至人民幣3.10元。於2022年12月31日及2023年6月30日，每千克原料奶的估計平均價格分別介乎人民幣4.49元至人民幣5.21元及人民幣4.34元至人民幣5.03元。

於2022年12月31日及2023年6月30日，14個月大育成牛的估計當地市場售價分別為每頭人民幣21,800元及每頭人民幣21,800元。

於2022年12月31日及2023年6月30日，成奶牛的估計淘汰價格分別為每頭人民幣16,000元及每頭人民幣16,000元。

截至2023年6月30日止六個月，每千克原料奶的飼料成本上漲，加之原料奶的平均售價降低，導致該期間錄得的公允價值虧損增加。

Management Discussion and Analysis

管理層討論與分析

Other Income and Gains

During the Reporting Period, other income amounted to RMB25.1 million (1H2023: RMB49.0 million) which mainly consisted of government grants, insurance claims, technical service fees and gain on modification of leases. The lower amount recorded in the Reporting Period was mainly due to the decreases in gain from modification of lease term by RMB9.7 million and the government grants by RMB13.7 million.

Other Expenses

During the Reporting Period, other expenses were RMB8.2 million (1H2023: RMB13.2 million), representing a decrease of 37.6% period-on-period. This was mainly due to the decrease in foreign exchange losses recognized in the Reporting Period by RMB3.7 million and the absence of the impairment of trade receivables of RMB2.4 million incurred in 1H2023.

Administrative Expenses

During the Reporting Period, administrative expenses amounted to RMB112.9 million (1H2023: RMB110.0 million), representing a period-on-period increase of 2.7%.

Finance Costs

During the Reporting Period, the Group recorded a higher finance cost which amounted to RMB143.9 million (1H2023: RMB125.8 million), representing a period-on-period increase of 14.4%. The increase in overall finance cost was mainly due to higher amount of average bank borrowings for the Reporting Period as a result of additional drawdown in working capital loans.

其他收入及收益

於報告期間，其他收入（主要包括政府補助、保險索賠、技術服務費及修改租賃收益）為人民幣25.1百萬元（2023年上半年：人民幣49.0百萬元）。於報告期間錄得更低的金額乃主要由於修改租期收益減少人民幣9.7百萬元及政府補助減少人民幣13.7百萬元。

其他開支

於報告期間，其他開支為人民幣8.2百萬元（2023年上半年：人民幣13.2百萬元），同比減少37.6%，這主要由於在報告期間內確認的外匯虧損減少人民幣3.7百萬元，並於2023年上半年並無產生應收款項減值人民幣2.4百萬元。

行政開支

於報告期間，行政開支為人民幣112.9百萬元（2023年上半年：人民幣110.0百萬元），同比增加2.7%。

融資成本

於報告期間，本集團錄得更高的融資成本為人民幣143.9百萬元（2023年上半年：人民幣125.8百萬元），同比增加了14.4%。整體融資成本增加主要是由於本報告期銀行平均借款金額增加，原因是額外提取了營運資金貸款。

Management Discussion and Analysis

管理層討論與分析

Loss before Tax, Loss for the Period and Loss Attributable to Owners of the Company

Loss before tax was RMB628.3 million in the Reporting Period, while loss before tax for the same period of 2023 was RMB303.6 million, representing an increase of 107.0% period-on-period. Loss attributable to owners of the Company amounted to RMB636.0 million during the Reporting Period (1H2023: RMB310.5 million), representing an increase of 104.8% period-on-period. This was mainly due to:

- a) a decrease in gross profit of the Group's business to RMB219.0 million (1H2023: RMB312.5 million), representing a decrease of 29.9% or RMB93.4 million. The drop in gross profit is mainly due to lower average selling price of raw milk and beef cattle businesses. Average selling price of raw milk decreased by 15.8% period-on-period to RMB3,629/ton during the Reporting Period (1H2023: RMB4,311/ton). Average selling price of beef cattle decreased by 16.8% period-on-period to RMB26,643/ton during the Reporting Period (1H2023: RMB32,012/ton); and
- b) higher losses arising from changes in fair value less costs to sell of other biological assets. The Group recorded a loss of RMB605.6 million (1H2023: RMB414.6 million), representing an increase of RMB191.0 million. The Group measures its biological assets to determine the market prices based on certain key assumptions such as milk price and feed cost. The continuing decrease in average milk selling price throughout the period resulting in lower valuation of the Group's biological asset.

During the Reporting Period, basic and diluted losses per Share of the Company (the "Share") was RMB0.91 (1H2023: RMB0.44).

稅前虧損、期內虧損及本公司擁有人應佔虧損

報告期間的稅前虧損為人民幣628.3百萬元，而2023年同期稅前虧損為人民幣303.6百萬元，同比增長107.0%。於報告期間，本公司擁有人應佔虧損為人民幣636.0百萬元（2023年上半年：人民幣310.5百萬元），同比增長104.8%，主要是由於：

- a) 本集團業務的毛利下降至人民幣219.0百萬元（2023年上半年：人民幣312.5百萬元），下降了29.9%或人民幣93.4百萬元。毛利下降乃主要由於原料奶及肉牛業務的平均售價降低。於報告期間，原料奶的平均售價同比下降15.8%至人民幣3,629元／噸（2023年上半年：人民幣4,311元／噸）。於報告期間，肉牛的平均售價同比下降16.8%至人民幣26,643元／噸（2023年上半年：人民幣32,012元／噸）；及
- b) 其他生物資產的公允價值減銷售成本變動導致虧損增加。本集團錄得虧損人民幣605.6百萬元（2023年上半年：人民幣414.6百萬元），增加了人民幣191.0百萬元。本集團基於若干主要假設（例如牛奶價格及飼料成本）計量其生物資產以釐定市場價格。期內牛奶的平均售價不斷下降導致本集團生物資產的估值降低。

於報告期間，本公司的每股（「股份」）基本及攤薄虧損為人民幣0.91元（2023年上半年：人民幣0.44元）。

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Cash EBITDA (Non-IFRS Financial Measure)

We define Cash EBITDA as loss for the period excluding (i) finance costs, (ii) interest income, (iii) income tax expense, (iv) depreciation and amortisation, (v) losses arising from changes in fair value less costs to sell of other biological assets, (vi) foreign exchange difference, (vii) impairment losses on financial assets, and (viii) share-based payment expenses.

During the Reporting Period, Cash EBITDA has decreased to RMB231.5 million (1H2023: RMB337.1 million) which represents a drop of 31.3%. The drop in Cash EBITDA during the Reporting Period was mainly attributable to decrease in overall gross profit by 29.9% compared to 1H2023.

Liquidity and Capital Resources

During the Reporting Period, the Group funded its cash requirements principally through a combination of cash generated from operating activities and bank borrowings.

The following table sets forth our cash flows for the reporting periods indicated:

現金EBITDA (非《國際財務報告準則》財務計量指標)

我們將現金EBITDA定義為期內虧損，不包括(i)融資成本、(ii)利息收入、(iii)所得稅開支、(iv)折舊及攤銷、(v)來自其他生物資產公允價值減銷售成本變動的虧損、(vi)外匯差異、(vii)金融資產減值虧損、及(viii)以股份為基礎的付款開支。

於報告期間，現金EBITDA減少至人民幣231.5百萬元(2023年上半年：人民幣337.1百萬元)，減少31.3%。於報告期間的現金EBITDA下降主要由於與2023年上半年相比的整體毛利減少29.9%。

流動性及資本資源

於報告期間，本集團主要通過結合經營活動產生的現金以及銀行借款為其現金需求提供資金。

下表載列我們於所示報告期間的現金流量：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Net cash flows from operating activities	經營活動產生的現金流量淨額	709,860	221,160
Net cash flows used in investing activities	投資活動所用現金流量淨額	(378,163)	(668,775)
Net cash flows (used in)/from financing activities	融資活動(所用)/所得的現金流量淨額	(500,875)	358,504
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(169,178)	(89,111)
Effects of foreign exchange rate changes, net	外匯匯率變動的影響淨額	43	3,234
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	273,999	397,946
Cash and cash equivalents at the end of the period	期末現金及現金等價物	104,864	312,069

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Net Cash Flows from Operating Activities

During the Reporting Period, net cash flows from operating activities was RMB709.9 million. For the six months ended 30 June 2023, net cash flows from operating activities was RMB221.2 million.

Net Cash Flows Used in Investing Activities

During the Reporting Period, net cash flows used in investing activities was RMB378.2 million, which was mainly attributable to (i) payments for biological assets of RMB671.0 million and (ii) payments for purchases of property, plant and equipment of RMB65.6 million, partially offset by the proceeds from the disposal of biological assets of RMB356.7 million.

For the six months ended 30 June 2023, net cash flows used in investing activities was RMB668.8 million, which was mainly attributable to (i) payments for biological assets of RMB603.9 million and (ii) payments for purchases of property, plant and equipment of RMB329.3 million, partially offset by the proceeds from the disposal of biological assets of RMB260.7 million.

Net Cash Flows (Used in)/from Financing Activities

During the Reporting Period, net cash flows used in financing activities was RMB500.9 million which was mainly attributable to (i) repayment of interest-bearing bank borrowings of RMB1,658.9 million, (ii) principal portion of lease payments of RMB31.9 million, and (iii) interest payment of RMB106.4 million, partially offset by new interest-bearing bank borrowings of RMB1,296.5 million.

For the six months ended 30 June 2023, net cash flows generated from financing activities was RMB358.5 million which was mainly attributable to new interest-bearing bank borrowings of RMB997.8 million and the gross proceeds received from the initial public offering of the Company's equity amounting to RMB3.4 million, partially offset by (i) repayment of interest-bearing bank borrowings of RMB504.7 million, (ii) principal portion of lease payments of RMB53.1 million, and (iii) interest payment of RMB81.7 million.

經營活動產生的現金流量淨額

於報告期間，經營活動產生的現金流量淨額為人民幣709.9百萬元。截至2023年6月30日止六個月，經營活動產生的現金流量淨額為人民幣221.2百萬元。

投資活動所用現金流量淨額

於報告期間，投資活動所用現金流量淨額為人民幣378.2百萬元，主要來自(i)生物資產付款人民幣671.0百萬元及(ii)購買物業、廠房及設備付款人民幣65.6百萬元，部分被出售生物資產所得款項人民幣356.7百萬元所抵銷。

截至2023年6月30日止六個月，投資活動所用現金流量淨額為人民幣668.8百萬元，主要來自(i)生物資產付款人民幣603.9百萬元及(ii)購買物業、廠房及設備付款人民幣329.3百萬元，部分被出售生物資產所得款項人民幣260.7百萬元所抵銷。

融資活動(所用)/所得現金流量淨額

於報告期間，融資活動所用現金流量淨額為人民幣500.9百萬元，主要歸因於(i)償還計息銀行借款人民幣1,658.9百萬元，(ii)租賃付款的本金部分人民幣31.9百萬元，及(iii)利息付款人民幣106.4百萬元，部分被新增計息銀行借款人民幣1,296.5百萬元所抵銷。

截至2023年6月30日止六個月，融資活動所得現金流量淨額為人民幣358.5百萬元，主要歸因於新增計息銀行借款人民幣997.8百萬元及自本公司股本首次公開發售收到的所得款項總額人民幣3.4百萬元，部分被(i)償還計息銀行借款人民幣504.7百萬元，(ii)租賃付款的本金部分人民幣53.1百萬元，及(iii)支付利息人民幣81.7百萬元所抵銷。

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管理層討論與分析

Interest-Bearing Bank Borrowings

計息銀行借款

		30 June 2024 2024年6月30日			31 December 2023 2023年12月31日		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期日	RMB'000 人民幣千元 (Unaudited) (未經審核)	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	RMB'000 人民幣千元 (Audited) (經審核)
Current	即期						
Bank loans – secured	銀行貸款 – 有抵押	4.25-4.80	2025	1,382,024	4.00-4.80	2024	1,560,212
Current portion of long-term bank loans – secured	長期銀行貸款 即期部分 – 有抵押	3.40-9.61	2025	455,817	3.40-8.86	2024	456,201
				1,837,841			2,016,413
Non-current	非即期						
Bank loans – secured	銀行貸款 – 有抵押	3.95-9.61	2025-2028	1,209,419	3.40-8.86	2025-2028	1,383,910
				3,047,260			3,400,323
Analysed into:		分析如下：		30 June 2024 2024年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)		
Bank loans:	銀行貸款：						
Within one year or on demand	一年內或按要求			1,837,841			2,016,413
In the second year	第二年			415,583			523,680
In the third to fifth years, inclusive	第三年至第五年(包含首尾兩年)			793,836			860,230
				3,047,260			3,400,323

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Contingent Liabilities and Pledge of Assets

As at 30 June 2024, some of the Group's bank and other borrowings had been secured by the pledge of the Group's assets.

The Group's bank loans are secured by:

- (i) As at 30 June 2024, there was no pledged deposit pledged to banks to secure bank borrowings granted to the Group (31 December 2023: RMB4,000);
- (ii) As at 30 June 2024, trade receivables of RMB260,152,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB310,033,000);
- (iii) As at 30 June 2024, inventories of RMB774,125,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB1,045,701,000);
- (iv) As at 30 June 2024, property, plant and equipment of RMB523,957,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB659,456,000);
- (v) As at 30 June 2024, biological assets of RMB3,819,313,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB3,684,156,000);
- (vi) As at 30 June 2024, right-of-use assets of RMB12,996,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB13,134,000);
- (vii) As at 30 June 2024, shares of a subsidiary of RMB562,000,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB562,000,000);

或有負債及資產抵押

於2024年6月30日，本集團的若干銀行及其他借款以本集團的資產設立的質押作抵押。

本集團的銀行貸款以下列各項作抵押：

- (i) 於2024年6月30日，概無抵押存款予銀行以作為本集團獲授銀行借款的擔保（2023年12月31日：人民幣4,000元）；
- (ii) 於2024年6月30日，應收款項人民幣260,152,000元（2023年12月31日：人民幣310,033,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (iii) 於2024年6月30日，存貨人民幣774,125,000元（2023年12月31日：人民幣1,045,701,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (iv) 於2024年6月30日，物業、廠房及設備人民幣523,957,000元（2023年12月31日：人民幣659,456,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (v) 於2024年6月30日，生物資產人民幣3,819,313,000元（2023年12月31日：人民幣3,684,156,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (vi) 於2024年6月30日，使用權資產人民幣12,996,000元（2023年12月31日：人民幣13,134,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (vii) 於2024年6月30日，一家附屬公司股份人民幣562,000,000元（2023年12月31日：人民幣562,000,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；

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- (viii) As at 30 June 2024, investments in certain subsidiaries of RMB1,517,996,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB1,517,996,000); and
- (ix) As at 30 June 2024, certain of the Group's bank loans amounting to RMB3,022,115,000 were guaranteed by the Company and certain subsidiaries of the Group (31 December 2023: RMB3,236,561,000).

Saved as disclosed in this report, the Group did not have any significant contingent liabilities and charges on assets as at 30 June 2024 and 31 December 2023.

Capital Management

The Group monitors capital using a gearing ratio, which is debt divided by capital. Debt includes interest-bearing bank borrowings and lease liabilities. Capital includes equity attributable to owners of the parent. The gearing ratios as at the end of each reporting period were as follows:

- (viii) 於2024年6月30日，若干附屬公司投資人民幣1,517,996,000元(2023年12月31日：人民幣1,517,996,000元)已抵押予銀行，作為本集團獲授若干銀行借款的擔保；及
- (ix) 於2024年6月30日，本集團人民幣3,022,115,000元(2023年12月31日：人民幣3,236,561,000元)的若干銀行貸款由本公司和本集團的若干附屬公司提供擔保。

除本報告所披露者外，於2024年6月30日及2023年12月31日，本集團並無任何重大或有負債以及資產押記。

資本管理

本集團使用資本負債比率(即債務除以資本)監控資本。債務包括計息銀行借款及租賃負債。資本包括母公司擁有人應佔權益。於各報告期末的資本負債比率如下：

		30 June 2024 2024年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Interest-bearing bank borrowings (current and non-current)	計息銀行借款 (流動及非流動)	3,047,260	3,400,323
Lease liabilities (current and non-current)	租賃負債(流動及非流動)	1,495,132	1,505,227
Debt	債務	4,542,392	4,905,550
Equity attributable to owners of the parent	母公司擁有人應佔權益	4,441,878	5,075,666
Gearing ratio	資本負債比率	102%	97%

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Material Litigation

In April 2023, Shanghai AustAsia Food Co., Ltd. (上海澳雅食品有限公司, hereafter referred to as “**Shanghai AustAsia**”) applied for a preservation order against Hebei Yuanfuda Trading Group Co., Ltd. (河北媛福達商貿集團有限公司, hereafter referred to as “**Hebei Yuanfuda**”) for failure to pay RMB7,223,812.5 for milk products supplied to Hebi Yuanfuda under its Procurement Contract with Shanghai AustAsia. The People’s Court of Lianchi District, Baoding City ruled by the Second Instance Civil Judgment (Ji 0606, Min Chu No. 5524 [2023]) to defer Shanghai AustAsia’s application until after criminal charges against Hebi Yuanfuda have been resolved. On December 8, 2023, Shanghai AustAsia appealed against this decision and was ruled against by the Intermediate People’s Court of Baoding City (保定市中级人民法院). Shanghai AustAsia will continue to seek recovery from Hebei Yuanfuda once the criminal proceedings against Hebei Yuanfuda have been completed.

Save as disclosed above, the Company was not involved in other material litigation or arbitration during the Reporting Period. The Directors are not aware of other material litigation or claims that are pending or threatened against the Group for the Reporting Period.

Foreign Currency Risk

The Group’s cash and cash equivalent and borrowings are mainly held in RMB. The Group’s exposure to foreign currency risk principally relates to the Group’s subsidiaries in Mainland China and Singapore where some of the transactions are denominated in USD and Singapore Dollars (“**SGD**”). In addition, the group has a USD10.0 million working capital loan and USD24.0 million term loan outstanding as at 30 June 2024.

Though the fluctuations in the exchange rates could affect the Group’s results of operations, the exposure to foreign currency was immaterial to the Group’s size of operation, in the opinion of management, the Group does not face any significant foreign currency risk.

The Group currently does not have a foreign exchange hedging policy. The management of the Group monitors foreign exchange exposure closely and will consider hedging any significant foreign exchange exposure should the needs arise.

重大訴訟

於2023年4月，上海澳雅食品有限公司（以下簡稱「**上海澳雅**」）就河北媛福達商貿集團有限公司（以下簡稱「**河北媛福達**」）未能根據其與上海澳雅訂立的採購合約就向河北媛福達供應的乳製品支付貨款人民幣7,223,812.5元針對河北媛福達申請財產保全令。保定市蓮池區人民法院二審民事判決（冀0606、民初第5524[2023]號）將上海澳雅的申請推遲至對河北媛福達的刑事指控解決後審理。於2023年12月8日，上海澳雅就該裁決提出上訴，但被保定市中級人民法院裁定為維持原判。河北媛福達的刑事訴訟一經結束，上海澳雅將繼續向河北媛福達追討貨款。

除上文所披露者外，本公司於報告期間未涉及任何重大訴訟或仲裁。據董事所知，報告期間內亦無其他針對本集團的未決或面臨威脅的重大訴訟或索償。

外幣風險

本集團的現金及現金等價物以及借款主要以人民幣持有。本集團面臨的外幣風險主要涉及本集團在中國內地及新加坡的附屬公司，其中部分交易以美元及新加坡元（「**新加坡元**」）計值。此外，於2024年6月30日，本集團有10.0百萬美元的營運資金貸款及24.0百萬美元的定期貸款尚未償還。

雖然匯率波動可能會影響本集團的經營業績，但就本集團的經營規模而言，外幣風險並不重大，因此管理層認為本集團不會面臨任何重大的外幣風險。

本集團目前並無外匯對沖政策。本集團管理層會密切監控外匯風險，並將於需要時考慮對沖任何重大外匯風險。

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Employees

Our success depends on our ability to attract, retain and motivate talented employees. To this end, as part of our human resource strategy, we are committed to building the most competitive talent team in our industry. We primarily recruit our employees through on-campus job fairs, recruitment agencies and online channels. We provide regular training and guidance to our employees to continuously upgrade their skills in line with the industry trends and enhance their performance. Therefore, we can attract and retain talented employees and maintain a stable core management and technical team.

As at 30 June 2024, the Group had 2,614 employees (as at 31 December 2023: 2,620). The total employee remuneration expenses (including Directors and chief executive's remuneration, pension scheme contributions and share-based payments expenses) for the Reporting Period were approximately RMB196.7 million (1H2023: RMB188.0 million), representing an increase of 4.6% period-on-period, mainly due to the commencement of production of Pure Source Farm 3 and feed mill in early 2023.

STRATEGIES AND PROSPECTS

Both the Chinese economy and the dairy industry in China continue to face great difficulties. However, we are confident that the long-term prospects of both consumer markets and dairy products are promising, and we are close to the end of this major economic downturn.

Our vision is to become one of the TOP 3 dairy farm operators in the world in terms of OPERATIONAL EFFICIENCY and ECO-SUSTAINABILITY. We focus on creating long-term value for our stakeholders in a responsible and sustainable way. To achieve our vision, we intend to pursue a comprehensive strategy focusing on the following:

僱員

我們的成功取決於我們吸引、保留及激勵優秀僱員的能力。為此，作為人力資源戰略的一部分，我們致力於建立業內最具競爭力的人才團隊。我們主要通過校招、招聘機構及網上渠道招聘僱員。我們為員工提供定期培訓和指導，不斷提升彼等的技能，使其符合行業發展趨勢，同時提高彼等的表現。因此，我們能夠吸引及保留優秀的僱員，維持穩定的核心管理和技術團隊。

於2024年6月30日，本集團擁有2,614名僱員（於2023年12月31日：2,620名）。於報告期間，僱員薪酬總支出（包括董事及主要行政人員的薪酬、退休金計劃供款及以股份為基礎付款開支）約為人民幣196.7百萬元（2023年上半年：人民幣188.0百萬元），同比增長4.6%。主要由於醇源牧場3及飼料廠於2023年初投產。

戰略及展望

中國經濟及乳製品行業仍面臨巨大挑戰。然而，我們認為消費市場及乳製品的長期前景向好，且我們已接近這場重大經濟衰退的尾聲。

我們的願景是成為全球運營效率及生態可持續性排名前三的奶牛牧場運營商。我們專注於以負責任及可持續的方式為我們的利益相關者創造長期價值。為實現我們的使命，我們計劃實施重點關注以下方面的綜合戰略：

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Continue to improve our operating efficiency and diversify our customer base

We expect that there will be significant small to mid-size and less efficient dairy farms made redundant as a result of this round of industrial consolidation, while large-scale, highly efficient farm operators like us will come through with better competitive positions. We anticipate that by mid-2025 the raw milk market will restore its supply and demand equilibrium. To prepare for long-term raw milk demand growth, Pure Source Farm 3, a newly-built large scale dairy farm has commenced operation in 2023, adding A2 special raw milk to our existing portfolio. We also have a farm site reserved for future development of Pure Source Farm 4. As we announced, we will monitor the raw milk market closely to decide when to resume the Pure Source Farm 4 development. On the other hand, we will also extend our reach to potential new customers who are near our new farms, and further diversify our customer base and increase the number of our raw milk customers.

Upgrade our beef cattle business to premium markets

While China has become the second largest nation in beef consumption, the beef consumption in China on a per capital basis was significantly lower compared to all developed countries and some of the developing countries. Therefore, there remains great potential for growth in demand for beef in China as consumer taste continues to change and consumption catches up with other developed and developing countries.

We expect that the demand for high quality beef, especially premium products, such as Wagyu beef, will grow significantly. We have started our in-house Wagyu heifer selection program, and commenced Wagyu IVF embryo production and transplantation in the 2nd half of 2023. Going forward, we plan to focus on selling premium products such as Wagyu. We will further diversify our customer base and start our own beef brands in order to improve our reputation as a quality and premium beef cattle supplier and to make this business more resilient.

持續提高我們的營運效率並多元化我們的客戶群

我們預計，在此輪產業整合中，將有大量效率較低的中小型奶牛牧場被淘汰，而像我們這樣的大型高效牧場經營者則將獲得更好的競爭地位。我們預計至2025年中期，原料奶市場將恢復供需平衡。為應對原料奶需求的長期增長，於2023年，新建的大型奶牛牧場醇源牧場3已投入營運，為我們的現有組合增添A2特殊原料奶。我們亦為醇源牧場4的未來開發預留了一個牧場。正如我們所宣佈的，我們將密切關注原料奶市場，以決定何時恢復醇源牧場4的開發。我們亦將擴大我們的覆蓋範圍至鄰近新牧場的潛在新客戶，進一步多元化我們的客戶群，並增加我們的原料奶客戶數量。

升級肉牛業務至高端市場

儘管中國已經成為第二大牛肉消費國，但與所有發達國家和部分發展中國家相比，中國人均牛肉消費量明顯偏低。因此，中國仍具有較大牛肉需求增長潛力，因為消費者口味不斷變化，消費能力趕上其他發達國家和發展中國家。

我們預計，高品質牛肉產品（尤其是和牛等優質產品）的需求將大幅增長。我們已啟動自有和牛小母牛選育計劃，並於2023年下半年開始和牛體外人工受孕胚胎生產及轉移。未來，我們計劃專注於銷售和牛優質產品。我們將進一步多元化客戶群，以提升我們作為優質肉牛供應商的聲譽並發展彈性的肉牛業務。

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Enhance in-house integration through genetic breeding technology and feed mill operation to further improve our operational efficiency

Animal breeds and genetics are a key foundation for dairy farming and beef farming operations. Advancements in genetic technology can increase productivity, lower disease and mortality rates, as well as lengthen the lifespans of dairy cows and beef cattle. We will maintain core herd centres and expand the genetic improvement program in our farms with ET technology, which can enhance milk and beef cattle yields. We will continue to implement genomic testing and in vitro embryo production technology to rapidly build a core herd of cattle with desired genes and genetic traits, thereby boosting our production capacity and accelerating the genetic improvement of our existing dairy cows and beef cattle. With the support of these new technologies, we expect that our farms will achieve higher operational efficiency, larger production capacity and enhanced product quality.

Our in-house pre-mix feed mill will continue improving feed quality and help us control feed costs.

Build a sustainable business

Our commitment to sustainable development has been embedded in the Group's vision which is to become one of the top three dairy farm operators in the world in terms of operational efficiency and eco-sustainability. We have established governance structure led by the ESG Committee to oversee the implementation of our ESG strategy. We have also set up a systematic approach to collect, measure, monitor and analyse ESG-related information on a regular basis, and are making tremendous efforts to deepen the involvement of senior and middle management so as to embed ESG into the daily operational activities, ways of thinking and long-term planning. More details can be found in our ESG Report published on 29 April 2024.

發力基因育種技術和飼料營運加強內部整合，進一步提高我們的運營效率

動物品種及遺傳學是奶牛養殖及肉牛養殖業務的立根之本。基因技術的進步可提高適齡牛群的產出，降低疾病及死亡率，並延長奶牛及肉牛的壽命。我們將通過胚胎移植技術在我們的牧場維持核心畜群中心並擴大基因改良計劃，這可以提高原料奶及肉牛產量。我們將繼續採用基因組檢測及體外胚胎生產技術以快速建立具有理想基因及遺傳性狀的核心畜群，從而提升我們的產能並加快我們的現有奶牛及肉牛的基因改良。在該等新技術的支持下，我們預計我們的牧場將實現更高的運營效率、更大的產能及更高的產品質量。

我們的自有預混飼料廠將繼續改善我們的飼料質量並幫助我們控制飼料成本。

建立可持續發展的業務

我們對可持續發展的承諾已根植於本集團的願景中，即成為全球運營效率及生態可持續性排名前三的奶牛牧場運營商。我們已建立由環境、社會及管治委員會領導的管治架構，以監督環境、社會及管治策略的實施。我們亦已建立一套系統的方法，定期收集、衡量、監控及分析環境、社會及管治相關資料，並致力於深化中高層管理人員的參與，以將環境、社會及管治融入日常營運活動、思維方式及長遠規劃。更多詳情請參閱我們刊發日期為2024年4月29日的《環境、社會及管治報告》。

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Actions for the 2nd half of 2024

We expect the operating environments to remain difficult and the consumer confidence remain low for the rest of the year. On one hand, we will make relentless efforts to develop new customers and expand our customer base. On the other hand, we continue taking effective measures to lower our feed costs like what we have been doing since 2023. In addition, to enhance our advanced position in genetic and breeding, we will continue to strengthen the operation of IVF laboratory and Wagyu heifer selection, as well as Wagyu IVF productions and transplantations.

For 2024, we target to reach a milk yield of 14 tons, which will continue to keep us in the leading position in China.

2024年下半年行動

我們預計，今年下半年的經營環境依然艱難，消費者信心依然低迷。一方面，我們將堅持不懈地開發新客戶，擴大客戶群。另一方面，正如我們自2023年以來所採取的措施一樣，我們繼續採取有效措施，降低飼料成本。此外，為提高我們在遺傳及育種方面的領先地位，我們將繼續強化體外人工受孕實驗室的運營、和牛小母牛的選育及和牛體外人工受孕的生產及轉移。

2024年，我們的目標是產奶量達到14噸，這將繼續維持我們於中國的領先地位。

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AAG PERFORMANCE SHARE PLAN

On 3 July 2020, the Company adopted the AAG PSP, which was amended on 5 December 2022 and effective from the Listing Date.

The purpose of the AAG PSP is to (i) foster an ownership culture within the Group which aligns the interests of the executives and employees of the Group with the interests of Shareholders, (ii) motivate participants to achieve key financial and operational goals of the Company and/or its respective business units and (iii) make total employee remuneration sufficiently competitive to recruit and retain staff having skills that are commensurate with the Company's ambition to become a world-class company.

The AAG PSP shall continue in effect for a term of five years from 3 July 2020, provided always that the AAG PSP may continue beyond the above stipulated period with the approval of the Shareholders.

A summary of the principal terms of the AAG PSP is set out in the Annual Report 2023.

Details of the awards (the "Awards") granted under the AAG PSP which are outstanding as at 1 January 2024 and at 30 June 2024 are set out below, there is no movement (i.e. granted, exercised, lapsed and cancelled) during the Reporting Period:

AAG績效股份計劃

於2020年7月3日，本公司採納AAG績效股份計劃，該計劃於2022年12月5日經修訂，並於上市日期生效。

AAG績效股份計劃的目的是(i)在本集團內培養主人翁文化，使本集團高管及僱員的利益與股東利益一致；(ii)激勵參與者實現本公司及／或其各自業務部門的關鍵財務及運營目標；及(iii)使僱員薪酬總額具有足夠的競爭力，以招聘及挽留具備相稱技能的員工，推動本公司成為世界一流的公司。

AAG績效股份計劃自2020年7月3日起生效，有效期為五年，惟經股東批准，AAG績效股份計劃可在上述規定期限屆滿後繼續有效。

AAG績效股份計劃的主要條款概要載於2023年年報。

於2024年1月1日及2024年6月30日，根據AAG績效股份計劃授出的未行使獎勵（「獎勵」）詳情載列如下，本報告期內並無任何變動（即已授出、已行使、已失效及已註銷）：

Participant	Date of Grant	Vesting Date	Maximum number of Shares	% of issued Shares ⁽¹⁾
參與者	授出日期	歸屬日期	最高股份數目	佔已發行股份的百分比 ⁽¹⁾
Directors				
董事				
TAN Yong Nang	23 March 2022	30 April 2024	566,470 ⁽²⁾	0.08%
陳榮南	2022年3月23日	2024年4月30日		
Edgar Dowse COLLINS	23 March 2022	30 April 2024	629,000 ⁽²⁾	0.09%
Edgar Dowse COLLINS	2022年3月23日	2024年4月30日		
YANG Ku	23 March 2022	30 April 2024	251,600 ⁽²⁾	0.04%
楊庫	2022年3月23日	2024年4月30日		
GAO Lina	23 March 2022	30 April 2024	166,500 ⁽³⁾	0.02%
高麗娜	2022年3月23日	2024年4月30日		
Other participants				
其他參與者				
36 other employees of the Group	23 March 2022	30 April 2024	910,200 ⁽²⁾	0.13%
36名本集團其他僱員	2022年3月23日	2024年4月30日		

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Notes:

- (1) The calculation is based on the total number of 700,463,112 issued Shares as at 30 June 2024.

As this is an Award granted, there is no exercise period nor exercise price.

- (2) The vesting of these Awards is subject to the achievement of certain key performance indicators during the period from 1 January 2022 to 31 December 2023 and the final number of Shares subject to the Award can vary from 0% to 200% of the initial number of Shares subject to the Award. The maximum potential number of Shares which are subject to the Award has been calculated assuming the achievement of the relevant key performance indicators and based on 200% of the initial number of Shares subject to the Award. Vesting of awards has not taken place as at the date of this interim report. The company is in the process of processing the awards to be vested soonest practicable.

附註：

- (1) 該計算乃根據於2024年6月30日的已發行股份總數700,463,112股作出。

由於此為已授出的獎勵，概無行使期或行權價格。

- (2) 該等獎勵的歸屬須視乎於2022年1月1日至2023年12月31日期間若干關鍵績效指標的實現情況而定，而獎勵的最終股份數目可以為獎勵的初始股份數目的0%到200%不等。獎勵的股份最高潛在數目是在假設相關關鍵績效指標已實現的情況下，根據獎勵的初始股份數目的200%計算得出。於本中期報告日期，獎勵尚未歸屬。本公司正在盡快處理獎勵的歸屬。

AAG POST-IPO RESTRICTED SHARE UNIT SCHEME

AAG post-IPO RSU Scheme conditionally approved by the Shareholders and adopted by the Company on 5 December 2022 and effective from the Listing Date.

The purpose of the RSU Scheme is to attract skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

RSU Scheme shall be valid and effective for the period commencing on the Listing Date (30 December 2022) and expiring on the tenth anniversary (i.e. 30 December 2032) thereof or such earlier date as the Scheme is terminated in accordance with the RSU Scheme (the “**Term**”), after which period no further RSUs shall be offered or granted but the provisions of the RSU Scheme shall remain in full force and effect in all other respects. Awards granted during the Term shall continue to be valid in accordance with their terms of grant after the end of the Term.

A summary of the principal terms of the RSU Scheme is set out in the Annual Report 2023.

AAG首次公開發售後受限制股份單位計劃

AAG首次公開發售後受限制股份單位計劃已獲股東有條件批准並於2022年12月5日獲本公司採納，該計劃將於上市日期生效。

受限制股份單位計劃的目的是吸引技術熟練及經驗豐富的人員，激勵彼等留在本集團，並通過向彼等提供獲得本公司股本權益的機會，鼓勵彼等為本集團的未來發展及擴張而努力。

受限制股份單位計劃的有效期為上市日期（2022年12月30日）起至上市十週年（即2032年12月30日）止或該計劃根據受限制股份單位計劃終止的較早日期（「**期限**」），在此期間之後，不得再提供或授予受限制股份單位，但受限制股份單位計劃的規定在所有其他方面仍維持十足效力及作用。期限結束後，於期限內授予的獎勵應根據其授予條款繼續有效。

受限制股份單位計劃主要條款的概要載於2023年年報。

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As at 30 June 2024, no Award of RSUs has been granted or agreed to be granted by the Company pursuant to the RSU Scheme. The scheme mandate limit is 10% of the shares in issue on the Listing Date, that is the aggregate number of shares which may be issued pursuant to awards granted under the AAG PSP and the RSU Scheme shall not exceed 10% of the shares in issue on the Listing Date (i.e. 69,985,711 shares, being 10% of 699,857,112 shares in issue on the Listing Date), 69,985,711 shares representing approximately 10% of the shares in issue at the date of this interim report.

As at 1 January 2024 and 30 June 2024, the number of awards available for grant under the overall scheme mandate limit for both the AAG PSP and RSU schemes is 69,985,711 and 69,985,711 respectively, being approximately 10% of the issued share capital as at 1 January 2024 and 30 June 2024 respectively. The existing plans do not allow for any share awards to service providers. Therefore there is no service provider sublimit.

AAG SHARE OPTION SCHEME

At the Annual General Meeting held on 5 June 2024 (the “**Adoption Date**”), Shareholders approved the adoption of the AAG Share Option Scheme, the terms of which are in line with the relevant requirements of Chapter 17 of the Listing Rules. The AAG Share Option Scheme will be valid for 10 years commencing from the Adoption Date.

The AAG Share Option Scheme is intended to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants and for such other purposes as the Board may approve from time to time, and attract skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

Scope of Participants

Participants of the AAG Share Option Scheme include (i) any executive Director, or (ii) any full-time employee of the Group who has been employed by the Group for more than 12 months (regardless of whether he is a director of any company within the Group). Having considered the scope of the Participants and the terms of the AAG Share Option Scheme, the Directors are of the view that the adoption of the AAG Share Option Scheme would give the Company flexibility to incentivize and reward employees to contribute to the development, growth and success of the Group, thus achieving the long-term growth targets of the Group.

於2024年6月30日，本公司並無根據受限制股份單位計劃授出或同意授出受限制股份單位。計劃授權限額為上市日期已發行股份的10%，即根據AAG績效股份計劃及受限制股份單位計劃授出的獎勵可能將予發行的股份總數不得超過上市日期已發行股份的10%（即69,985,711股，佔於上市日期已發行股份699,857,112股的10%），69,985,711股股份佔本中期報告日期已發行股份的約10%。

於2024年1月1日及2024年6月30日，AAG績效股份計劃及受限制股份單位計劃的整體計劃授權限額項下可供授予的獎勵數量分別為69,985,711份及69,985,711份，分別佔於2024年1月1日及2024年6月30日已發行股本的約10%。現有計劃不允許向服務供應商授予任何股份。因此，並無服務供應商分限額。

AAG股份期權計劃

於2024年6月5日舉行的股東週年大會（「**採納日期**」），股東批准採納AAG股份期權計劃，其條款符合《上市規則》第17章的相關規定。AAG股份期權計劃將自採納日期起計十年內有效。

AAG股份期權計劃旨在使本公司可靈活地向參與者提供激勵、獎勵、酬謝、補償及／或福利，以及達成董事會不時批准的其他目的，吸引技術熟練及經驗豐富的人員，激勵彼等留任本集團，並通過向彼等提供獲得本公司股本權益的機會，推動彼等為本集團的未來發展及擴張而努力。

參與者範圍

AAG股份期權計劃的參與者包括(i)執行董事，或(ii)受僱於本集團超過12個月的本集團全職僱員（不論其是否為本集團內任何公司的董事）。經考慮參與者的範圍及AAG股份期權計劃的條款後，董事認為，採納AAG股份期權計劃將使本公司能夠靈活地激勵及獎勵僱員為其發展、增長及成功助力，從而達致本集團的長期發展目標。

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Scheme Mandate Limit

The total number of Shares which may be issued upon exercise of all Options to be granted under the AAG Share Option Scheme and any options or awards under any other schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date (i.e. 70,046,311 Shares), unless otherwise permitted by the Listing Rules or the Company obtains the approval of its Shareholders to refresh the Scheme Mandate Limit in accordance with the rules of the AAG Share Option Scheme.

No options has been granted during the Reporting Period and up to the date of this interim report.

As at 1 January 2024 and 30 June 2024, the number of options available for grant under the scheme mandate limit of AAG Share Option Scheme is nil (as the scheme is not adopted) and 70,046,311 respectively, being 10% of the issued share capital as at 1 January 2024 and 30 June 2024 respectively. The AAG Share Option Scheme do not allow for any share awards to service providers. Therefore there is no service provider sublimit.

There were no share awards granted under either the AAG PSP, the RSU schemes or the Share Option Scheme of the Company, thus the ratio of options and shares granted under all schemes against weighted average number of shares for the six months ended 30 June 2024 is not meaningful.

* Under Chapter 17 of the Listing Rules, there is in addition to the respective scheme limit, an overall 10% limit on all share plans.

計劃授權限額

因行使根據AAG股份期權計劃將予授出的所有股份期權及根據本公司任何其他計劃授出的任何股份期權或獎勵而可能發行的股份總數，合共不得超過於採納日期已發行股份總數的10%（即70,046,311股股份），除非《上市規則》另行允許或本公司根據AAG股份期權計劃規則取得股東批准更新計劃授權限額。

於報告期間及直至本中期報告日期，概無授出任何股份期權。

於2024年1月1日及2024年6月30日，AAG股份期權計劃的計劃授權限額項下可供授予的股份期權數目分別為0份（由於該計劃未獲採納）及70,046,311份，分別佔本公司於2024年1月1日及2024年6月30日已發行股本的10%。AAG股份期權計劃不允許向服務供應商授予任何股份。因此，並無服務供應商分限額。

並無根據本公司的AAG績效股份計劃、受限制股份單位計劃或股份期權計劃授予任何股份獎勵，因此，截至2024年6月30日止六個月內根據所有計劃授出的股份期權及股份與股份加權平均數的比率並無意義。

* 根據上市規則第17章，除相關計劃限額外，所有股份計劃的總體限額為10%。

Corporate Governance and Other Information

企業管治及其他資料

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

董事及最高行政人員於股份、相關股份及債權證中的權益及淡倉

As at 30 June 2024, the interests and short positions of the Directors and the Chief Executive of the Company in any of the Shares, underlying Shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

於2024年6月30日，本公司董事及最高行政人員於本公司及其相聯法團的任何股份、相關股份及債權證中的權益及淡倉（定義見《證券及期貨條例》第XV部），須根據《證券及期貨條例》第XV部第7及第8分部知會本公司及聯交所（包括其根據《證券及期貨條例》相關規定被當作或視作持有的權益及淡倉），或根據《證券及期貨條例》第352條須登記於該條所指登記冊的權益及淡倉；或根據標準守則須知會本公司及聯交所的任何權益及淡倉將如下：

Interests in Shares and underlying Shares

於股份及相關股份中的權益

Name of Director or Chief Executive 董事或最高行政人員姓名	Nature of Interest 權益性質	Number of Shares 股份數目	Approximate Percentage ⁽¹⁾ 概約百分 ⁽¹⁾
TAN Yong Nang 陳榮南	Interests in controlled corporation 受控制公司權益 Beneficial owner 實益擁有人 Interests held jointly with another person 與其他人士共同擁有的權益 Beneficial of trust 信託受益人	28,138,581(L) ⁽²⁾	4.02%
Edgar Dowse COLLINS Edgar Dowse COLLINS	Beneficial owner 實益擁有人	8,243,060(L) ⁽³⁾	1.18%
YANG Ku 楊庫	Beneficial owner 實益擁有人	3,057,600(L) ⁽⁴⁾	0.44%
GAO Lina 高麗娜	Beneficial owner 實益擁有人	166,500(L) ⁽⁵⁾	0.02%
Gabriella SANTOSA	Joint investment power holder, beneficiary of trust and beneficial owner	259,814,213(L) ⁽⁶⁾	37.09%
Gabriella SANTOSA	聯合投資權力持有人、 信託受益人及實益擁有人		

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Notes:

- (L) denotes long position
- (1) The calculation is based on the total number of 700,463,112 issued Shares as at 30 June 2024.
- (2) The shares include of Mr. Tan Yong Nang (i) 16,385,898 shares are held by Great Alpha Investments Limited, which is wholly-owned by Mr. Tan; (ii) the entitlement of Mr. Tan to receive up to 566,470 Shares pursuant to the vesting of the Awards granted to him under the AAG PSP, subject to the vesting conditions of those Awards; (iii) 586,213 shares held jointly with Mdm Puah Bee Neo; and (iv) 10,600,000 shares as a founder of a discretionary trust who can influence how the trustee exercise at Mr. Tan's discretion.
- (3) The Shares of Mr. Edgar Dowse COLLINS include the entitlement of Mr. Collins to receive up to 629,000 Shares pursuant to the vesting of the Awards granted to him under the AAG PSP, subject to the vesting conditions of those Awards.
- (4) The Shares of Mr. YANG Ku include the entitlement of Mr. Yang to receive up to 251,600 Shares pursuant to the vesting of the Awards granted to him under the AAG PSP, subject to the vesting conditions of those Awards.
- (5) The Shares of Ms. Gao Lina include the entitlement of Ms. Gao to receive up to 166,500 Shares pursuant to the vesting of the Awards granted to her under the AAG PSP, subject to the vesting conditions of those Awards.

附註：

- (L) 指好倉
- (1) 根據2024年6月30日已發行股份總數700,463,112股計算。
- (2) 陳榮南先生的股份包括(i)由陳先生全資擁有之Great Alpha Investments Limited持有的16,385,898股股份；(ii)因根據AAG績效股份計劃授予其的獎勵獲歸屬，陳先生有權獲得最多566,470股股份，但須符合該等獎勵的歸屬條件；(iii)與Puah Bee Neo女士共同持有586,213股股份；及(iv)陳先生作為全權信託的創始人以可影響受託人行使其酌情權的方式持有的10,600,000股股份。
- (3) Edgar Dowse COLLINS先生的股份包括因根據AAG績效股份計劃授予其的獎勵獲歸屬，Collins先生有權獲得最多629,000股股份，但須符合該等獎勵的歸屬條件。
- (4) 楊庫先生的股份包括因根據AAG績效股份計劃授予其的獎勵獲歸屬，楊先生有權獲得最多251,600股股份，但須符合該等獎勵的歸屬條件。
- (5) 高麗娜女士的股份包括因根據AAG績效股份計劃授予其的獎勵獲歸屬，高女士有權獲得最多166,500股股份，但須符合該等獎勵的歸屬條件。

Corporate Governance and Other Information 企業管治及其他資料

(6) Rangi Management Limited is wholly owned by Fusion Investment Holdings Limited. Tasburgh Limited holds 21,342,875 Shares. The shares in each of Fusion Investment Holdings Limited and Tasburgh Limited are collectively held by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees on trust for their sole shareholder, Highvern Trustees Limited, as trustee of the Scuderia Trust, which is a reserved power discretionary trust. The Shares held by Rangi Management Limited and Tasburgh Limited are assets of the Scuderia Trust. Mr. Renaldo Santosa and Ms. Gabriella Santosa are appointed as the joint investment power holders of the Scuderia Trust. Under the terms of the Scuderia Trust, they are jointly entitled, as investment power holders, to direct the trustee of the Scuderia Trust, Highvern Trustees Limited, to procure to the best of its ability that the directors of Fusion Investment Holdings Limited and Tasburgh Limited act in accordance with his instructions in relation to the investments of the Scuderia Trust. By virtue of the SFO, each of Mr. Renaldo Santosa, Ms. Gabriella Santosa and Highvern Trustees Limited (as trustee of the Scuderia Trust) is deemed to be interested in the Shares held by Rangi Management Limited and Tasburgh Limited, and Fusion Investment Holdings Limited is deemed to be interested in the Shares held by Rangi Management Limited. Rangi Management Limited is also deemed interested in Japfa Ltd's 12,536,038 Shares in the Company.

The beneficiaries of the Scuderia Trust are Mdm. Farida Gustimego Santosa, her children (Mr. Renaldo Santosa, Ms. Gabriella Santosa, Mr. Mikael Santosa and Mr. Raffaella Santosa) and remoter issue.

Rangi Management Limited holds 212,395,300 Shares and has pledged such Shares to an independent third party financial institution.

Tallowe Services Inc. holds 13,540,000 Shares. Tallowe Services Inc. is wholly owned by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees for the estate of Mr. Handojo Santosa. Mr. Renaldo Santosa and Ms. Gabriella Santosa are beneficiaries of Mr. Handojo Santosa's interest in Tallowe Services Inc.

(6) Rangi Management Limited由融合投資控股有限公司全資擁有。Tasburgh Limited持有21,342,875股股份。Magnus Nominees Limited及Fidelis Nominees Limited(均作為被動受託人)為其唯一股東Highvern Trustees Limited(為Scuderia Trust(一隻保留權力的全權信託)的受託人)的利益,以信託形式共同持有融合投資控股有限公司及Tasburgh Limited的股份。Rangi Management Limited及Tasburgh Limited持有的股份為Scuderia Trust的資產。Renaldo Santosa先生及Gabriella Santosa女士獲委任為Scuderia Trust的聯合投資權力持有人。根據Scuderia Trust的條款,彼等共同有權作為投資權力持有人,指示Scuderia Trust的受託人Highvern Trustees Limited,盡其所能地促使融合投資控股有限公司及Tasburgh Limited的董事按照其就Scuderia Trust投資的指示行事。根據《證券及期貨條例》,Renaldo Santosa先生、Gabriella Santosa女士及Highvern Trustees Limited(作為Scuderia Trust的受託人)均被視作於Rangi Management Limited及Tasburgh Limited持有的股份中擁有權益,而融合投資控股有限公司則被視作於Rangi Management Limited持有的股份中擁有權益。Rangi Management Limited亦被視作於Japfa Ltd持有的12,536,038股本公司股份中擁有權益。

Scuderia Trust的受益人為Farida Gustimego Santosa女士、其子女(Renaldo Santosa先生、Gabriella Santosa女士、Mikael Santosa先生及Raffaella Santosa先生)以及遠親。

Rangi Management Limited持有212,395,300股股份,並已將該等股份質押予一間獨立第三方財務機構。

Tallowe Services Inc.持有13,540,000股股份。Tallowe Services Inc.由Magnus Nominees Limited及Fidelis Nominees Limited作為Handojo Santosa先生財產的被動受託人全資擁有。Renaldo Santosa先生及Gabriella Santosa女士為Handojo Santosa先生於Tallowe Services Inc.的權益之受益人。

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企業管治及其他資料

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

於股份及相關股份中的主要股東權益及淡倉

As at 30 June 2024, so far as is known to Directors or chief executive of the Company are aware, the following persons (other than the Directors and chief executive of the Company) had or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO:

於2024年6月30日，就本公司董事或就最高行政人員所悉，下列人士（除本公司董事或最高行政人員外）擁有或被視為或被當作擁有於股份或相關股份中持有根據《證券及期貨條例》第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉或須記錄在本公司根據《證券及期貨條例》第336條存置的登記冊的權益或淡倉：

Name of Substantial Shareholders 主要股東姓名／名稱	Nature of Interest 權益性質	Number of Shares 股份數目	Approximate Percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Rangi Management Limited	Beneficial owner	224,931,338(L) ⁽²⁾	32.11%
Rangi Management Limited	實益擁有人		
Fusion Investment Holdings Limited	Interest in controlled entity	224,931,338(L) ⁽²⁾	32.11%
融合投資控股有限公司	受控實體權益		
Morze International Limited	Beneficial owner	62,155,958(L) ⁽⁵⁾	8.87%
Morze International Limited	實益擁有人		
Ms. Rachel Anastasia Kolonas	Settlor/Beneficiary of trust	62,155,958(L) ⁽⁵⁾	8.87%
Rachel Anastasia Kolonas女士	信託委託人／受益人		
Highvern Trustees Limited	Trustee of Trusts	308,430,171(L) ⁽²⁾⁽⁵⁾	44.03%
Highvern Trustee Limited	信託受託人		
Mr. Renaldo Santosa	Joint investment power holder and beneficiary of trust	260,171,073(L) ⁽²⁾⁽³⁾	37.14%
Renaldo Santosa先生	聯合投資權力持有人及信託受益人		
	Beneficial owner	356,860(L) ⁽⁴⁾	0.05%
	實益擁有人		
Ms. Gabriella Santosa	Joint investment power holder and beneficiary of trust	259,814,213(L) ⁽²⁾⁽³⁾	37.09%
Gabriella Santosa女士	聯合投資權力持有人及信託受益人		
	Beneficial owner		
	實益擁有人		
MNM Holdings Limited	Interests in controlled corporation	308,430,171(L) ⁽⁶⁾⁽⁷⁾	44.03%
MNM Holdings Limited	受控制公司權益		
Mr. Martin John Hall	Interests in controlled corporation	308,430,171(L) ⁽⁶⁾⁽⁷⁾	44.03%
Martin John Hall先生	受控制公司權益		
Ms. Naomi Julia Rive	Interests in controlled corporation	308,430,171(L) ⁽⁶⁾⁽⁷⁾	44.03%
Naomi Julia Rive女士	受控制公司權益		
Meiji (China) Investment Company, Limited	Beneficial owner	155,451,785(L)	22.19%
明治(中國)投資有限公司	實益擁有人		

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Notes:

(L) denotes long position

(1) The calculation is based on the total number of 700,463,112 issued Shares as at 30 June 2024.

(2) Rangi Management Limited is wholly owned by Fusion Investment Holdings Limited. Tasburgh Limited holds 21,342,875 Shares. The shares in each of Fusion Investment Holdings Limited and Tasburgh Limited are collectively held by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees on trust for their sole shareholder, Highvern Trustees Limited, as trustee of the Scuderia Trust, which is a reserved power discretionary trust. The Shares held by Rangi Management Limited and Tasburgh Limited are assets of the Scuderia Trust. Mr. Renaldo Santosa and Ms. Gabriella Santosa are appointed as the joint investment power holders of the Scuderia Trust. Under the terms of the Scuderia Trust, they are jointly entitled, as investment power holders, to direct the trustee of the Scuderia Trust, Highvern Trustees Limited, to procure to the best of its ability that the directors of Fusion Investment Holdings Limited and Tasburgh Limited act in accordance with his instructions in relation to the investments of the Scuderia Trust. By virtue of the SFO, each of Mr. Renaldo Santosa, Ms. Gabriella Santosa and Highvern Trustees Limited (as trustee of the Scuderia Trust) is deemed to be interested in the Shares held by Rangi Management Limited and Tasburgh Limited, and Fusion Investment Holdings Limited is deemed to be interested in the Shares held by Rangi Management Limited. Rangi Management Limited is also deemed interested in Japfa Ltd's 12,536,038 Shares in the Company.

The beneficiaries of the Scuderia Trust are Mdm. Farida Gustimego Santosa, her children (Mr. Renaldo Santosa, Ms. Gabriella Santosa, Mr. Mikael Santosa and Mr. Raffaella Santosa) and remoter issue.

Rangi Management Limited has pledged 212,395,300 of its shares to an independent third party financial institution.

(3) Tallowe Services Inc. holds 13,540,000 Shares. Tallowe Services Inc. is wholly owned by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees for the estate of Mr. Handojo Santosa. Mr. Renaldo Santosa and Ms. Gabriella Santosa are beneficiaries of Mr Handojo Santosa's interest in Tallowe Services Inc.

附註：

(L) 指好倉

(1) 根據2024年6月30日已發行股份總數700,463,112股計算。

(2) Rangi Management Limited由融合投資控股有限公司全資擁有。Tasburgh Limited持有21,342,875股股份。Magnus Nominees Limited及Fidelis Nominees Limited(均作為被動受託人)為其唯一股東Highvern Trustees Limited(為Scuderia Trust(一隻保留權力的全權信託)的受託人)的利益,以信託形式共同持有融合投資控股有限公司及Tasburgh Limited的股份。Rangi Management Limited及Tasburgh Limited持有的股份為Scuderia Trust的資產。Renaldo Santosa先生及Gabriella Santosa女士獲委任為Scuderia Trust的聯合投資權力持有人。根據Scuderia Trust的條款,彼等共同有權作為投資權力持有人,指示Scuderia Trust的受託人Highvern Trustees Limited,盡其所能地促使融合投資控股有限公司及Tasburgh Limited的董事按照其就Scuderia Trust投資的指示行事。根據《證券及期貨條例》,Renaldo Santosa先生、Gabriella Santosa女士及Highvern Trustees Limited(作為Scuderia Trust的受託人)均被視作於Rangi Management Limited及Tasburgh Limited持有的股份中擁有權益,而融合投資控股有限公司則被視作於Rangi Management Limited持有的股份中擁有權益。Rangi Management Limited亦被視作於Japfa Ltd持有的12,536,038股本公司股份中擁有權益。

Scuderia Trust的受益人為Farida Gustimego Santosa女士、其子女(Renaldo Santosa先生、Gabriella Santosa女士、Mikael Santosa先生及Raffaella Santosa先生)以及遠親。

Rangi Management Limited已將其212,395,300股股份質押予一間獨立的第三方財務機構。

(3) Tallowe Services Inc.持有13,540,000股股份。Tallowe Services Inc.由Magnus Nominees Limited及Fidelis Nominees Limited作為Handojo Santosa先生財產的被動受託人全資擁有。Renaldo Santosa先生及Gabriella Santosa女士為Handojo Santosa先生於Tallowe Services Inc.的權益之受益人。

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(4) Mr. Renaldo Santosa holds 356,860 Shares through his client account with a financial institution.

(5) The shares in Morze International Limited are held by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees on trust for their sole shareholder, Highvern Trustees Limited, as trustee of the Capital Two Trust, which is a reserved power discretionary trust. The Shares held by Morze International Limited are assets of the Capital Two Trust. Highvern Trustees Limited is the trustee of Capital Two Trust. Ms. Rachel Anastasia Kolonas is the settlor of Capital Two Trust. By virtue of the SFO, Ms. Rachel Anastasia Kolonas and Highvern Trustees Limited (as trustee of the Capital Two Trust) are each deemed to be interested in the Shares held by Morze International Limited. Ms. Rachel Anastasia Kolonas is Mr. Renaldo Santosa and Ms. Gabriella Santosa's cousin.

The beneficiaries of the Capital Two Trust are Ms. Rachel Anastasia Kolonas, her issue and remoter issue and her aunt, Ms. Tati Santosa.

(6) Highvern Trustees Limited is a professional trustee.

(7) MNM Holdings Limited is the holding company of Highvern Trustees Limited, which has an interest in the Shares as trustee of the Scuderia Trust and the Capital Two Trust. MNM Holdings Limited is wholly owned by Martin John Hall and Naomi Julia Rive in equal shareholding proportions. By virtue of the SFO, each of MNM Holdings Limited, Martin John Hall and Naomi Julia Rive is deemed to be indirectly interested in the Shares that Highvern Trustees Limited is interested in.

Save as disclosed above, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Stock Exchange or any of its associated corporations (within the meaning of Part XV of the SFO) as at 30 June 2024 as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Stock Exchange and the SFC under the Model Code.

(4) Renaldo Santosa先生通過其於一家金融機構的客戶賬戶持有356,860股股份。

(5) Magnus Nominees Limited及Fidelis Nominees Limited(均作為被動受託人)為其唯一股東Highvern Trustees Limited(為Capital Two Trust(一隻保留權力的全權信託)的受託人)的利益,以信託形式持有Morze International Limited的股份。Morze International Limited所持有的股份為Capital Two Trust的資產。Highvern Trustees Limited為Capital Two Trust的受託人。Rachel Anastasia Kolonas女士是Capital Two Trust的委託人。根據《證券及期貨條例》, Rachel Anastasia Kolonas女士及Highvern Trustees Limited(作為Capital Two Trust的受託人)均被視作於Morze International Limited持有的股份中擁有權益。Rachel Anastasia Kolonas女士是Renaldo Santosa先生及Gabriella Santosa女士的表親。

Capital Two Trust的受益人為Rachel Anastasia Kolonas女士、其後代及遠親以及其姨母Tati Santosa女士。

(6) Highvern Trustees Limited為專業受託人。

(7) MNM Holdings Limited為Highvern Trustees Limited的控股公司,該公司作為Scuderia Trust及Capital Two Trust的受託人於股份中擁有權益。MNM Holdings Limited由Martin John Hall及Naomi Julia Rive以同等持股比例全資擁有。根據《證券及期貨條例》, MNM Holdings Limited、Martin John Hall及Naomi Julia Rive均被視作於Highvern Trustees Limited所擁有權益的股份中間接擁有權益。

除上文所披露者外,於2024年6月30日,概無董事於聯交所或其任何相聯法團(定義見《證券及期貨條例》第XV部)股份、相關股份及債權中擁有記錄於根據《證券及期貨條例》第352條須存置的登記冊,或根據標準守則須知會聯交所及證監會的權益或淡倉。

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PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The trustee of the AAG PSP has pursuant to the terms of the rules of the Trusts and AAG PSP, purchased on the Stock Exchange a total of 1,060,000 Shares at a total consideration of HKD1,295,699 (equivalent to approximately RMB1,178,270) during the Reporting Period and up to the date of this interim report for the purpose of the AAG PSP.

Saved as disclosed, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares as defined under Listing Rules) during the Reporting Period and up to the date of this report.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining good corporate governance so as to deliver long-term and sustained value for the Shareholders.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) as set out in Part 2 of the Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the basis of the Company's corporate governance practices, and the Corporate Governance Code has been applicable to the Company with effect from the Listing Date.

The Board recognises certain internal control weaknesses. As announced on 17 April 2024, the Board will (i) engage an external and independent internal controls consultant to conduct a review of the Group's internal control procedures, (ii) address any deficiencies identified in that internal controls review and implement appropriate remediation steps, taking into consideration the recommendations of the internal controls consultant, and (iii) implement additional procedures to strengthen the Group's internal controls to identify, monitor transactions and arrangements which may constitute connected transactions and ensure that such arrangements and transactions are identified and the applicable Listing Rules are complied with in a timely manner in the future, including promptly making the necessary disclosure and, if needed, obtaining independent shareholders' approval. In addition, the Company will:

購買、出售或贖回本公司上市證券

就AAG績效股份計劃而言，於報告期內及直至本中期報告日期，AAG績效股份計劃的受託人根據信託及AAG績效股份計劃規則，於聯交所購買合共1,060,000股股份，總代價為1,295,699港元（相當於約人民幣1,178,270元）。

除已披露者外，於報告期內及直至本報告日期，本公司及其附屬公司均未購買、出售或贖回本公司任何上市證券（包括出售庫存股份（定義見上市規則））。

遵守企業管治守則

本公司致力於維持良好的公司治理，以便為股東帶來長期穩定的價值。

本公司已採納《聯交所證券上市規則》（「**上市規則**」）附錄C1第2部所載《企業管治守則》（「**企業管治守則**」）的原則及守則條文作為本公司企業管治常規的基礎，且企業管治守則自上市日期起適用於本公司。

董事會確認若干內部控制缺陷。誠如2024年4月17日所宣佈，董事會將(i)委聘一名外部獨立內部控制顧問對本集團的內部控制程序進行審查，(ii)考慮內部控制顧問的建議，解決內部控制審查中發現的任何缺陷並實施適當的補救措施，及(iii)實施額外程序以加強本集團的內部控制，從而識別、監察可能構成關連交易的交易及安排，確保日後及時識別該等安排及交易並遵守適用的上市規則，包括及時作出必要的披露（如需要）及取得獨立股東的批准。此外，本公司將：

Corporate Governance and Other Information

企業管治及其他資料

- | | |
|--|--|
| (a) engage a compliance adviser for an additional year; | (a) 再委聘合規顧問一年； |
| (b) procure appropriate external service providers to conduct refresher training on the Listing Rules and compliance for Directors and the heads and deputy heads of the Group's key business and compliance functions (human resources, finance, legal and compliance, internal controls and administration and procurement); and | (b) 促使適當的外部服務提供商為董事及本集團主要業務及合規部門（人力資源、財務、法律及合規、內部控制、行政以及採購）的主管及副主管進行有關上市規則及合規方面的進修培訓；及 |
| (c) convene regular meetings amongst senior management and the heads of the Group's key business and compliance functions to discuss and monitor the sufficiency. | (c) 定期召開高級管理層與本集團主要業務及合規部門負責人會議，以討論及監督充分性。 |

Update to the date of this interim report:

更新至本中期報告日期：

- | | |
|---|--|
| (a) the Company has engaged the compliance adviser up till 30 April 2025; | (a) 本公司已委聘合規顧問，直至2025年4月30日； |
| (b) refresher trainings on the connected transactions were provided by our Hong Kong legal adviser in May 2024 for some of our Directors and the heads and deputy heads of the Group's key business and compliance functions (human resources, finance, legal and compliance, internal controls and administration and procurement). The Company is arranging more Listing Rules related trainings with external service providers for Directors and heads of key business and compliance functions and such trainings will be conducted in due course; | (b) 我們的香港法律顧問於2024年5月為部分董事及本集團主要業務及合規職能部門（人力資源、財務、法律及合規、內部控制以及行政及採購）的主管及副主管提供有關關連交易的進修培訓。本公司與外部服務供應商正為董事以及主要業務及合規職能部門主管安排更多與上市規則相關的培訓，該等培訓將適時進行； |
| (c) a review of the Group's internal controls in relation to the compliance with Listing Rules has been conducted by an external and independent risk advisory service provider. The review findings, together with remedy actions by the management, have been reported to the audit committee of the Company (the " Audit Committee ") and the Board in August 2024. A follow-up review is currently being conducted by the service provider to evaluate whether remedy actions as agreed by the management have been implemented; and | (c) 外部及獨立風險諮詢服務供應商已就本集團遵守上市規則的內部控制進行審查。審查結果連同管理層的補救行動已於2024年8月向本公司審計委員會（「 審計委員會 」）及董事會報告。該服務供應商目前正在進行跟進審查，以評估管理層同意的補救措施是否已實施；及 |
| (d) the Company has convened bi-weekly meeting since April 2024 amongst senior management and the heads of the Group's key business and compliance functions to discuss and monitor the compliance with Listing Rules. | (d) 本公司自2024年4月起，每兩週召開一次高級管理層與本集團主要業務及合規職能部門主管會議，以討論及監控遵守上市規則的情況。 |

Corporate Governance and Other Information

企業管治及其他資料

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company. To the best knowledge of the Directors, the Company has complied with the applicable code provisions set out in the Corporate Governance Code during the Reporting Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in the Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions, and the Model Code has been applicable to the Company with effect from the Listing Date.

The provisions under the Listing Rules in relation to compliance with the Model Code by the Directors regarding securities transactions have been applicable to the Company since the Listing Date. All Directors have confirmed, following specific enquiry made by the Company, that they have complied with the guidelines contained in the Model Code during the Reporting Period.

No incident of non-compliance of the Model Code was noted by the Company during the Reporting Period and up to the date of this report.

CONTINUING DISCLOSURE REQUIREMENTS UNDER RULE 13.21 OF THE LISTING RULES

The Company and its subsidiaries have entered into certain facility agreements with several banks for term loan facilities, which provide, among other things, that it would constitute an event of default or the Group would need to obtain prior written consent of the lending bank if the controlling shareholder ceases to (i) own at least 30 percent (whether owned directly or indirectly) of the issued share capital in the Company and remain the single largest shareholder of the Company or (ii) have (a) the de facto ability to direct the affairs of the Company and (b) the de facto right to determine the composition of the Board, in each case, except with prior written consent of the facility agent (acting on the instructions of all lenders and such consent is not unreasonably withheld).

本公司將繼續定期審閱及監察其企業管治常規，以確保遵守企業管治守則，並保持本公司的高標準企業管治常規。據董事所悉，於本報告期間，本公司已遵守企業管治守則所載的適用守則條文。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄C3所載《上市發行人董事進行證券交易的標準守則》(「**標準守則**」)作為董事進行證券交易的行為守則，且標準守則自上市日期起適用於本公司。

上市規則內有關遵守董事進行證券交易的標準守則之條文自上市日期起已適用於本公司。經本公司作出具體查詢後，全體董事確認，彼等於本報告期間一直遵守標準守則所載指引。

於本報告期間起至本報告日期，本公司概不知悉已發生違反標準守則的事件。

根據上市規則第13.21條的持續披露規定

本公司及其附屬公司已與多家銀行就定期貸款融資訂立若干融資協議，其規定(其中包括)，倘控股股東不再(i)擁有(不論直接或間接擁有)本公司已發行股本的至少30%，並仍為本公司單一最大股東或(ii)擁有(a)指導本公司事務的實際能力及(b)決定董事會組成的實際權利，在任何情況下，除非事先獲得融資代理(根據所有貸款人的指示行事，且有關同意並非無理拒絕)的書面同意，則其將構成違約事件或本集團將須取得貸款銀行的事先書面同意。

Corporate Governance and Other Information

企業管治及其他資料

As at the date of this report, the aggregate amount of loan facilities of the Group that may be affected by a breach of covenants tied to the Controlling Shareholders is approximately US\$513 million (equivalent to approximately RMB3,656 million) and these facilities have terms of 1 to 5 years. The Group has complied with and has not breached such covenants.

Save as disclosed above, the Company did not have other disclosure obligations under Rule 13.21 of the Listing Rules.

CHANGES IN THE DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information on Directors since the date of the Company's Annual Report 2023 are as follows:

1. Mr. HIRATA Toshiyuki, a non-executive Director appointed on 3 July 2020 was retired and ceased to be a member of the Audit Committee on 5 June 2024; and
2. Mr. Tamotsu MATSUI has been appointed as a non-executive Director and a member of the Audit Committee on 5 June 2024.

Save as those disclosed above, there are no other changes in information on the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

PUBLIC FLOAT

As at the date of this interim report and based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the public float as required under the Listing Rules.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL

As at 30 June 2024, there was no significant investment held by the Company, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

於本報告日期，本集團可能因違反與控股股東有關的契諾而受影響的貸款融資總額約為513百萬美元（相當於約人民幣3,656百萬元），而該等融資的期限為1至5年。本集團已遵守且並無違反該等契諾。

除上文所披露者外，本公司並無上市規則第13.21條項下的其他披露責任。

董事資料變動

根據上市規則第13.51B(1)條，自本公司2023年年度報告日期起，董事資料變動情況如下：

1. 非執行董事平田俊行先生於2020年7月3日獲委任，於2024年6月5日退任並不再擔任審計委員會成員，及
2. Mr. Tamotsu MATSUI先生已於2024年6月5日獲委任為非執行董事及審計委員會成員。

除上文所披露者外，董事資料概無其他變動須根據上市規則第13.51B(1)條作出披露。

公眾持股量

截至本中期報告日期及根據本公司的公開可得資料及就董事所深知，本公司已維持上市規則規定的公眾持股量。

重大投資、重大收購事項及出售事項

於2024年6月30日，本公司並無持有重大投資，於報告期內亦無附屬公司、聯營公司及合營公司的任何重大收購事項或出售事項。

Corporate Governance and Other Information

企業管治及其他資料

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim report, we do not have other plans for material investments and capital assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There is no significant events affecting the Company after the six months ended 30 June 2024 and up to the date of this interim report.

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the six months ended 30 June 2024 (1H2023: nil).

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transactions (if any) and provide advices and comments to the Board. The Audit Committee consists of one non-executive Director, namely Mr. Tamotsu MATSUI, and two independent non-executive Directors, namely Messrs. SUN Patrick and CHANG Pan, Peter. Mr. SUN Patrick (being our independent non-executive Director with the appropriate professional qualifications) is the chairman of the Audit Committee.

The Audit Committee had, together with the management of the Company, reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 June 2024 and the accounting principles and policies adopted by the Group.

重大投資及資本資產的未來計劃

除本中期報告所披露者外，我們並無其他重大投資及資本資產計劃。

報告期後重大事件

截至2024年6月30日止六個月及直至本中期報告日期，本公司並無發生任何重大事件。

中期股息

董事會已議決不建議派付截至2024年6月30日止六個月的中期股息（2023年上半年：無）。

審計委員會

本公司已根據上市規則第3.21條及企業管治守則成立審計委員會，並制定其書面職權範圍。審計委員會的首要職責為審閱及監督本集團財務報告程序及內部控制系統，審閱及批准關連交易（如有）及向董事會提供意見及建議。審計委員會由一名非執行董事Tamotsu MATSUI先生以及兩名獨立非執行董事辛定華先生及張泮先生組成。辛定華先生（即我們具備合適專業資質的獨立非執行董事）為審計委員會主席。

審計委員會與本公司管理層已審閱本集團截至2024年6月30日止六個月的未經審核綜合財務報表以及本集團採納的會計原則及政策。

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益表及其他全面收益表

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

For the six months ended 30 June 2024

截至2024年6月30日止六個月

		Notes 附註	2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
REVENUE	收入	4	1,827,965	1,845,610
Cost of sales	銷售成本		(1,814,969)	(1,841,147)
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	在收穫時按公允價值減銷售成本初步確認原料奶產生的收益	12	258,914	291,122
(Losses)/gains arising from changes in fair value less cost to sell of beef cattle	來自肉牛公允價值減銷售成本變動的(虧損)/收益	12	(52,876)	16,883
Gross profit	毛利		219,034	312,468
Other income and gains	其他收入及收益	5	25,077	48,974
Losses arising from changes in fair value less costs to sell of other biological assets	來自其他生物資產公允價值減銷售成本變動的虧損	12	(605,594)	(414,615)
Selling and distribution expenses	銷售及分銷開支		(1,814)	(1,425)
Administrative expenses	行政開支		(112,895)	(109,972)
Other expenses	其他開支	5	(8,214)	(13,167)
Finance costs	融資成本	6	(143,937)	(125,842)
LOSS BEFORE TAX	稅前虧損	7	(628,343)	(303,579)
Income tax expense	所得稅開支	8	(7,670)	(6,900)
LOSS FOR THE PERIOD	期內虧損		(636,013)	(310,479)
Attributable to: Owners of the parent	以下人士應佔： 母公司擁有人		(636,013)	(310,479)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	歸屬於母公司普通股權益持有人的每股虧損	10		
Basic – For loss for the period	基本 – 期內虧損		RMB(0.91) 人民幣(0.91)元	RMB(0.44) 人民幣(0.44)元
Diluted – For loss for the period	攤薄 – 期內虧損		RMB(0.91) 人民幣(0.91)元	RMB(0.44) 人民幣(0.44)元

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益表及其他全面收益表

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 中期簡明綜合全面收益表

For the six months ended 30 June 2024

截至2024年6月30日止六個月

		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
LOSS FOR THE PERIOD	期內虧損	(636,013)	(310,479)
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods	於後續期間可能重新分類至損益的其他全面虧損		
Exchange differences	匯兌差額		
Exchange differences on translation of foreign operations	海外業務換算匯兌差額	-	(4,002)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	於後續期間可能重新分類至損益的其他全面虧損淨額	-	(4,002)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內其他全面虧損，除稅後	-	(4,002)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內全面虧損總額	(636,013)	(314,481)
Attributable to:	以下人士應佔：		
Owners of the parent	母公司擁有人	(636,013)	(314,481)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

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

As at 30 June 2024

於2024年6月30日

		Notes 附註	30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	3,258,416	3,361,082
Right-of-use assets	使用權資產		1,451,905	1,518,608
Intangible assets	無形資產		4,294	5,103
Biological assets	生物資產	12	3,322,531	3,541,014
Other long-term assets	其他長期資產		11,419	8,779
Long-term receivable	長期應收款項		5,007	–
Total non-current assets	非流動資產總值		8,053,572	8,434,586
CURRENT ASSETS	流動資產			
Inventories	存貨		884,220	1,311,682
Biological assets	生物資產	12	534,720	512,402
Trade receivables	應收款項	13	304,439	367,049
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		228,866	277,437
Cash and cash equivalents	現金及現金等價物		104,864	273,999
Pledged deposits	已抵押存款		–	209
Total current assets	流動資產總值		2,057,109	2,742,778
CURRENT LIABILITIES	流動負債			
Trade payables	應付款項	14	707,114	785,309
Other payables and accruals	其他應付款項及應計項目		375,121	368,999
Interest-bearing bank borrowings	計息銀行借款	15	1,837,841	2,016,413
Lease liabilities	租賃負債		152,947	70,513
Deferred income	遞延收入		8,640	3,628
Tax payable	應納稅款		3,118	7,787
Total current liabilities	流動負債總額		3,084,781	3,252,649
NET CURRENT LIABILITIES	流動負債淨值		(1,027,672)	(509,871)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		7,025,900	7,924,715

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

			30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
		<i>Notes</i> <i>附註</i>		
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行借款	15	1,209,419	1,383,910
Deferred tax liabilities	遞延稅項負債		4,335	4,335
Deferred income	遞延收入		28,083	26,090
Lease liabilities	租賃負債		1,342,185	1,434,714
Total non-current liabilities	非流動負債總額		2,584,022	2,849,049
Net assets	資產淨值		4,441,878	5,075,666
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	16	2,435,712	2,435,712
Treasury shares	庫存股份		(1,915)	(1,831)
Reserves	儲備		2,008,081	2,641,785
Total equity	權益總額		4,441,878	5,075,666

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

For the six months ended 30 June 2024

截至2024年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔								
		Share capital	Treasury shares	Share option reserve*	Statutory reserve*	Foreign currency translation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Merge reserve*	Retained Profits*	Total Equity
		股本	庫存股份	股份期權儲備*	法定儲備*	外幣換算儲備*	以公允價值計量且其變動計入其他全面收益的金融資產的公允價值儲備*	合併儲備*	留存利潤*	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 16)								
		(附註16)								
At 31 December 2023 (audited)	於2023年12月31日(經審核)	2,435,712	(1,831)	13,787	517,989	71,150	(52,197)	(54,866)	2,145,922	5,075,666
Loss for the period (unaudited)	期內虧損(未經審核)	-	-	-	-	-	-	-	(636,013)	(636,013)
Total comprehensive loss for the period (unaudited)	期內全面虧損總額(未經審核)	-	-	-	-	-	-	-	(636,013)	(636,013)
Equity-settled share option arrangements (unaudited)	以權益結算的股份期權安排(未經審核)	-	-	2,309	-	-	-	-	-	2,309
Shares repurchased (unaudited)	已購回股份(未經審核)	-	(84)	-	-	-	-	-	-	(84)
At 30 June 2024 (unaudited)	於2024年6月30日(未經審核)	2,435,712	(1,915)	16,096	517,989	71,150	(52,197)	(54,866)	1,509,909	4,441,878

* These reserve accounts comprise the consolidated reserves of RMB2,008,081,000 in the interim condensed consolidated statement of financial position as at 30 June 2024.

* 於2024年6月30日，該等儲備賬目包括中期簡明綜合財務狀況表中人民幣2,008,081,000元的綜合儲備。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

		Attributable to owners of the parent 母公司擁有人應佔								
		Share capital	Treasury shares	Share option reserve*	Statutory reserve*	Foreign currency translation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Merge reserve*	Retained Profits*	Total Equity
		股本	庫存股份	股份期權儲備*	法定儲備	外幣換算儲備*	以公允價值計量且其變動計入其他全面收益的金融資產的公允價值儲備*	合併儲備*	留存利潤*	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 16)								
		(附註16)								
At 31 December 2022 (audited)	於2022年12月31日(經審核)	2,432,340	-	11,840	514,777	75,152	(43,367)	(54,866)	2,637,925	5,573,801
Loss for the period (unaudited)	期內虧損(未經審核)	-	-	-	-	-	-	-	(310,479)	(310,479)
Other comprehensive loss for the period:	期內其他全面虧損:									
Exchange differences related to foreign operations (unaudited)	與海外業務有關的匯兌差額(未經審核)	-	-	-	-	(4,002)	-	-	-	(4,002)
Total comprehensive loss for the period (unaudited)	期內全面虧損總額(未經審核)	-	-	-	-	(4,002)	-	-	(310,479)	(314,481)
Equity-settled share option arrangements (unaudited)	以權益結算的股份期權安排(未經審核)	-	-	5,543	-	-	-	-	-	5,543
Issuance of shares pursuant to the exercise of the Over-allotment Option (unaudited)	根據行使超額配股權發行股份(未經審核)	3,372	-	-	-	-	-	-	-	3,372
Shares repurchased (unaudited)	已購回股份(未經審核)	-	(3,173)	-	-	-	-	-	-	(3,173)
At 30 June 2023 (unaudited)	於2023年6月30日(未經審核)	2,435,712	(3,173)	17,383	514,777	71,150	(43,367)	(54,866)	2,327,446	5,265,062

* These reserve accounts comprise the consolidated reserves of RMB2,832,523,000 in the interim condensed consolidated statement of financial position as at 30 June 2023.

* 於2023年6月30日，該等儲備賬目包括中期簡明綜合財務狀況表中人民幣2,832,523,000元的綜合儲備。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

For the six months ended 30 June 2024

截至2024年6月30日止六個月

	Notes 附註	2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax	稅前虧損	(628,343)	(303,579)
Adjustments for:	經以下事項調整：		
Provision for inventory obsolescence	計提陳舊存貨撥備	-	8,043
Provision for impairment of trade receivables	計提應收款項減值撥備	-	2,386
Amortisation of intangible assets	無形資產攤銷	809	769
Depreciation of property, plant and equipment	物業、廠房及設備折舊	90,106	75,348
Depreciation of right-of-use assets	使用權資產折舊	15,836	11,651
Gains on modification of leases	修改租賃收益	(809)	(10,520)
Net loss from changes in fair value of biological assets	生物資產公允價值變動虧損淨額	658,470	397,732
Finance costs	融資成本	143,937	125,842
Interest income	利息收入	-	(4,436)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	5,195	4,432
Share-based payments	以股份為基礎的付款	2,309	5,543
Operating cash flows before changes in working capital	營運資金變動前的經營現金流量	287,510	313,211
Decrease in inventories	存貨減少	380,484	373,241
Decrease/(increase) in trade receivables and prepayments, other receivables and other assets	應收款項及預付款項、其他應收款項及其他資產增加／(減少)	106,174	(51,918)
Decrease in trade payables and other payables and accruals	應付款項以及其他應付款項及應計項目減少	(58,972)	(418,699)
Increase in deferred income	遞延收入增加	7,004	10,510
Cash flows generated from operations	經營產生的現金流量	722,200	226,345
Income tax paid	已付所得稅	(12,340)	(5,185)
Net cash flows from operating activities	經營活動所得現金流量淨額	709,860	221,160

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

	Notes 附註	2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS USED IN INVESTING ACTIVITIES			
投資活動所用現金流量			
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(65,599)	(329,318)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	1,513	7,142
Proceeds from disposal of biological assets	出售生物資產所得款項	356,736	260,741
Additions to intangible assets	添置無形資產	-	(3,511)
Purchase capitalisation of biological assets	購買資本化生物資產	(671,022)	(603,855)
New pledged deposits	新增已抵押存款	(4)	-
Decrease in pledged deposits	已抵押存款減少	213	26
Net cash flows used in investing activities	投資活動所用現金流量淨額	(378,163)	(668,775)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES			
融資活動(所用)/所得現金流量			
Proceeds from issue of shares pursuant to the exercise of the over-allotment option	根據行使超額配股權發行股份所得款項	-	3,372
Shares repurchased	已購回股份	(84)	(3,173)
Interest paid	已付利息	(106,432)	(81,708)
Principal portion of lease payments	租賃付款的本金部分	(31,942)	(53,114)
Repayment of interest-bearing bank borrowings	償還計息銀行借款	(1,658,879)	(504,661)
New interest-bearing bank borrowings	新增計息銀行借款	1,296,462	997,788
Net cash flows (used in)/from financing activities	融資活動(所用)/所得現金流量淨額	(500,875)	358,504
Net movement in cash and cash equivalents	現金及現金等價物變動淨額	(169,178)	(89,111)
Effect of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	43	3,234
Cash and cash equivalents at beginning of period	期初現金及現金等價物	273,999	397,946
Cash and cash equivalents at end of period	期末現金及現金等價物	104,864	312,069
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	104,864	318,029
Pledged deposits	已抵押存款	-	(5,960)
Cash and cash equivalents as stated in the statements of cash flows	現金流量表所載現金及現金等價物	104,864	312,069

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim condensed consolidated financial information has been prepared under the historical cost convention, except for biological assets which have been measured at fair value. The interim condensed consolidated financial information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

As at 30 June 2024, the Group had net current liabilities of approximately RMB1,027,672,000. The consolidated financial statements have been prepared on a going concern basis, because the directors of the Company are of the opinion that based on a cash flow forecast of the Group for the 12 months ending 31 August 2025 prepared by the management, the Group would have adequate funds to meet its liabilities as and when they fall due for at least 12 months from the date of this report. Based on the forecast, the sufficiency of the Group’s working capital for the next 12 months depends on the Group’s ability to obtain the anticipated cash flows from the Group’s operating activities and the available unutilized bank loan facilities amounting to an aggregate amount of approximately RMB625,214,000, within 12 months from the date of this report.

中期簡明綜合財務報表附註

截至2024年6月30日止六個月

1. 編製基準

截至2024年6月30日止六個月的中期簡明綜合財務資料乃根據國際會計準則（「國際會計準則」）第34號中期財務報告編製。中期簡明綜合財務資料並不包括年度財務報表所要求的所有資料及披露，而應與本集團根據國際財務報告準則（「國際財務報告準則」）編製的截至2023年12月31日止年度之年度綜合財務報表一併閱讀。

除按公允價值計量的生物資產外，中期簡明綜合財務資料乃按歷史成本慣例編製。中期簡明綜合財務資料以人民幣（「人民幣」）列示，而除另有指示外，所有價值均湊整至最接近千位。

於2024年6月30日，本集團的流動負債淨額約為人民幣1,027,672,000元。綜合財務報表已按持續經營基準編製，原因是本公司董事認為，根據管理層編製的截至2025年8月31日止12個月的本集團現金流量預測，本集團將擁有充足的資金以應付自本報告日期起至少12個月到期的負債。根據該預測，本集團未來12個月的營運資金充足性取決於本集團自其經營活動獲得預期現金流量的能力，及自本報告日期起12個月內可動用未動用銀行貸款融資總額約人民幣625,214,000元。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised IFRSs for the first time for the current period's financial information.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The application of these revised IFRSs in the Reporting Period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

2. 會計政策及披露變動

於編製中期簡明綜合財務資料時採納之會計政策與於編製本集團截至2023年12月31日止年度之年度綜合財務報表所應用者一致，惟就本期間之財務資料首次採納以下經修訂國際財務報告準則除外。

國際財務報告準則第16號(修訂本)	售後租回的租賃負債
國際會計準則第1號(修訂本)	將負債分類為流動或非流動(「2020年修訂本」)
國際會計準則第1號(修訂本)	附帶契諾的非流動負債(「2022年修訂本」)
國際會計準則第7號(修訂本)及國際財務報告準則第7號(修訂本)	供應商融資安排

於報告期間應用該等經修訂國際財務報告準則對本集團本期間及過往期間的財務表現及狀況及／或該等中期簡明綜合財務報表所載的披露並無重大影響。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows: (1) Raw milk business for the production and sales of raw milk; (2) Beef cattle business for raising and sales of beef cattle; and (3) Ancillary business for sales of milk products, feeds and others.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that other income and expenses, non-lease-related finance costs from the Group's financial instruments as well as head office or corporate administrative expenses are excluded from such measurement.

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

就管理而言，本集團根據其產品和服務分為多個業務部門，並具有以下三個可報告經營分部：(1)生產及銷售原料奶的原料奶業務；(2)飼養及銷售肉牛的肉牛業務；及(3)銷售乳製品、飼料及其他的其他業務。

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定。分部表現乃根據可報告分部利潤／虧損（其為對經調整稅前利潤／虧損的一種計量）予以評估。經調整稅前利潤／虧損與本集團稅前利潤的計量保持一致，惟該等計量不包括其他收入及開支、本集團金融工具產生的非租賃相關融資成本以及總辦事處或公司行政開支。

分部間銷售及轉讓乃參考以當時的現行市場價格向第三方銷售所採用的售價進行交易。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION 3. 經營分部資料 (續)

(continued)

Segment revenue and results

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

For the six months ended 30 June 2024

分部收入及業績

以下為本集團按可報告分部劃分之收益及業績分析。

截至2024年6月30日止六個月

		Raw milk 原料奶 RMB'000 人民幣千元 (Unaudited) (未經審核)	Beef cattle 肉牛 RMB'000 人民幣千元 (Unaudited) (未經審核)	Ancillary 其他 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Segment revenue (Note 4)	分部收入 (附註4)				
Sales to external customers	銷售予外部客戶	1,424,316	219,508	184,141	1,827,965
Intersegment sales	分部間銷售	104,910	–	164,687	269,597
		1,529,226	219,508	348,828	2,097,562
Elimination of intersegment sales	抵銷分部間銷售				(269,597)
Revenue	收入				1,827,965
Segment results	分部業績	(385,197)	(55,295)	11,180	(429,312)
Finance costs (other than interest on lease liabilities)	融資成本 (不包括租賃負債的利息)				(102,999)
Unallocated corporate and administrative expenses	未分配的企業及行政開支				(112,895)
Unallocated other income and expenses	未分配的其他收入及開支				16,863
Loss before tax	稅前虧損				(628,343)

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION 3. 經營分部資料 (續)

(continued)

Segment revenue and results (continued)

For the six months ended 30 June 2023

分部收入及業績 (續)

截至2023年6月30日止六個月

		Raw milk 原料奶 RMB'000 人民幣千元 (Unaudited) (未經審核)	Beef cattle 肉牛 RMB'000 人民幣千元 (Unaudited) (未經審核)	Ancillary 其他 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Segment revenue (Note 4)	分部收入 (附註4)				
Sales to external customers	銷售予外部客戶	1,612,331	154,192	79,087	1,845,610
Intersegment sales	分部間銷售	65,320	–	42,269	107,589
		1,677,651	154,192	121,356	1,953,199
Elimination of intersegment sales	抵銷分部間銷售				(107,589)
Revenue	收入				1,845,610
Segment results	分部業績	(160,617)	14,498	3,029	(143,090)
Finance costs (other than interest on lease liabilities)	融資成本 (不包括租賃負債的利息)				(86,324)
Unallocated corporate and administrative expenses	未分配的企業及行政開支				(109,972)
Unallocated other income and expenses	未分配的其他收入及開支				35,807
Loss before tax	稅前虧損				(303,579)

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION (continued)

Segment assets and liabilities

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

Other segment information

For the six months ended 30 June 2024

3. 經營分部資料 (續)

分部資產及負債

主要經營決策者根據各分部的經營業績進行決策。由於主要經營決策者並未為資源分配和績效評估而定期審查此類資料，因此未呈列對分部資產和分部負債的分析。因此，僅呈列分部收入和分部業績。

其他分部資料

截至2024年6月30日止六個月

		Raw milk 原料奶 RMB'000 人民幣千元 (Unaudited) (未經審核)	Beef cattle 肉牛 RMB'000 人民幣千元 (Unaudited) (未經審核)	Ancillary 其他 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Amounts included in the measure of segment results:	計入分部業績計量的金額：				
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	在收穫時按公允價值減銷售成本初步確認原料奶產生的收益	258,914	—	—	258,914
Losses arising from changes in fair value less cost to sell of beef cattle	來自肉牛公允價值減銷售成本變動的虧損	—	(52,876)	—	(52,876)
Losses arising from changes in fair value less costs to sell of other biological assets	來自其他生物資產公允價值減銷售成本變動的虧損	(605,594)	—	—	(605,594)
Depreciation and amortisation charged to profit or loss	自損益扣除的折舊及攤銷	85,976	13,359	7,416	106,751
Interest on lease liabilities	租賃負債利息	38,517	2,419	2	40,938
Selling and distribution expenses	銷售及分銷開支	—	—	1,814	1,814
Capital expenditure	資本開支	571,221	260,671	249	832,141

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION 3. 經營分部資料 (續)

(continued)

Other segment information (continued)

For the six months ended 30 June 2023

其他分部資料 (續)

截至2023年6月30日止六個月

		Raw milk 原料奶 RMB'000 人民幣千元 (Unaudited) (未經審核)	Beef cattle 肉牛 RMB'000 人民幣千元 (Unaudited) (未經審核)	Ancillary 其他 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 合計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Amounts included in the measure of segment results:	計入分部業績計量的 金額：				
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	在收穫時按公允價值 減銷售成本初步 確認原料奶產生 的收益	291,122	–	–	291,122
Gains arising from changes in fair value less cost to sell of beef cattle	來自肉牛公允價值 減銷售成本變動 的收益	–	16,883	–	16,883
Losses arising from changes in fair value less costs to sell of other biological assets	來自其他生物資產 公允價值減銷售 成本變動的虧損	(414,615)	–	–	(414,615)
Depreciation and amortisation charged to profit or loss	自損益扣除的折舊 及攤銷	75,389	11,375	1,004	87,768
Interest on lease liabilities	租賃負債利息	37,124	2,385	9	39,518
Selling and distribution expenses	銷售及分銷開支	–	–	1,425	1,425
Capital expenditure	資本開支	1,252,768	226,535	9,626	1,488,929

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Mainland China	中國內地	1,827,965	1,845,610

The revenue information above is based on the locations of the customers.

上述收入資料乃按客戶所在地劃分。

(b) Non-current assets

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Mainland China	中國內地	8,048,565	8,434,586

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

上述非流動資產資料乃按資產所在地劃分，不包括金融工具及遞延稅項資產。

3. 經營分部資料 (續)

區域資料

(a) 來自外部客戶的收入

Six months ended 30 June
截至6月30日止六個月

2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
1,827,965	1,845,610

上述收入資料乃按客戶所在地劃分。

(b) 非流動資產

30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
8,048,565	8,434,586

上述非流動資產資料乃按資產所在地劃分，不包括金融工具及遞延稅項資產。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. REVENUE

An analysis of revenue is as follows:

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收入		
Sales of raw milk	原料奶銷售	1,424,316	1,612,331
Sales of beef cattle	肉牛銷售	219,508	154,192
Sales of ancillary	其他銷售	184,141	79,087
		1,827,965	1,845,610
Timing of revenue recognition	收入確認時間		
At a point in time	按時間點	1,827,965	1,845,610

Performance obligations

The Group sells raw milk to dairy product manufacturers, beef cattle to food processing companies and milk products to cafes and other end customers and feed products to farms. For sales of raw milk, beef cattle, milk products and feed products to its customers, revenue is recognised when control of the goods has been transferred, being at the point the customer received the goods and accepted the quality. Payment of the transaction price is determined based on market price. The credit term is normally 30 days upon the invoice date for raw milk customers and feed product customers, it is normally 30 to 45 days upon the invoice date for milk products customers, and no credit is provided for beef cattle customers.

4. 收入

收入分析如下：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收入		
Sales of raw milk	原料奶銷售	1,424,316	1,612,331
Sales of beef cattle	肉牛銷售	219,508	154,192
Sales of ancillary	其他銷售	184,141	79,087
		1,827,965	1,845,610
Timing of revenue recognition	收入確認時間		
At a point in time	按時間點	1,827,965	1,845,610

履約責任

本集團向乳製品製造商銷售原料奶，向食品加工公司銷售肉牛，向咖啡廳和其他終端客戶銷售乳製品及向牧場銷售飼料產品。就向其客戶銷售原料奶、肉牛、乳製品及飼料產品而言，收入於商品的控制權轉移時（即客戶收到商品並接受質量的時間點）確認。交易支付價格乃根據市場價格釐定。原料奶客戶和飼料客戶的信貸期一般為發票日期後30天，而乳製品客戶的信貸期一般為發票日期後30至45天，並未向肉牛客戶提供信貸。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

5. OTHER INCOME AND GAINS AND OTHER EXPENSES 5. 其他收入及收益以及其他開支

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<u>Other income and gains</u>		<u>其他收入及收益</u>	
Government grants	政府補助	7,399	21,130
Insurance claims	保險索賠	10,068	5,430
Technical service fee	技術服務費	1,546	7,280
Gains on modification of leases	修改租賃收益	809	10,520
Interest income	利息收入	1,076	1,547
Others	其他	4,179	3,067
Total	合計	25,077	48,974
<u>Other expenses</u>		<u>其他開支</u>	
Foreign exchange losses, net	外匯虧損淨額	2,350	6,079
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	5,195	4,432
Impairment of trade receivables	應收款項減值	–	2,386
Others	其他	669	270
Total	合計	8,214	13,167

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

6. FINANCE COSTS

An analysis of finance costs is as follows:

6. 融資成本

融資成本分析如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2024	2023
		2024年	2023年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Interest on bank loans	銀行貸款之利息	102,999	86,464
Interest on lease liabilities	租賃負債利息	40,938	39,518
Interest on contract liabilities	合約負債之利息	–	2,189
		143,937	128,171
Less: Interest expense capitalised	減：資本化利息開支	–	(2,329)
Total	合計	143,937	125,842

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

7. LOSS BEFORE TAX

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

7. 稅前虧損

本集團的稅前虧損乃經扣除以下各項後得出：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Costs of sales of raw milk	原料奶的銷售成本	1,424,316	1,612,331
Costs of sales of beef cattle	肉牛的銷售成本	219,508	154,192
Costs of sales of ancillary	其他銷售成本	171,145	74,624
Cost of sales	銷售成本	1,814,969	1,841,147
Depreciation of property, plant and equipment	物業、廠房及設備折舊	158,563	134,342
Less: Capitalised in biological assets	減：資本化生物資產	68,457	58,994
Depreciation charged to profit or loss	自損益扣除的折舊	90,106	75,348
Depreciation of right-of-use assets	使用權資產折舊	48,421	52,296
Less: Capitalised in biological assets	減：資本化生物資產	32,585	40,645
Depreciation charged to profit or loss	自損益扣除的折舊	15,836	11,651
Amortisation of intangible assets	無形資產攤銷	809	769
Lease payments not included in the measurement of lease liabilities	未計入租賃負債計量的租賃款項	10,892	12,385
Losses arising from changes in fair value less costs to sell of other biological assets	來自其他生物資產公允價值減銷售成本變動的虧損	605,594	414,615
		12	
Employee benefit expenses (including Directors and chief executive's remuneration):	僱員福利開支(包括董事及最高行政人員薪酬)：		
Wages and salaries	工資及薪金	161,556	152,265
Pension scheme contributions	退休金計劃供款	32,882	30,208
Share-based payment expenses	以股份為基礎的付款開支	2,309	5,543
		196,747	188,016
Foreign exchange differences, net	外匯差異淨額	2,350	6,079
		5	

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

8. INCOME TAX EXPENSE

8. 所得稅開支

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Current income tax	即期所得稅		
Charge for the period	期內扣除	2,669	582
(Overprovision)/Underprovision in prior years	往年(超額撥備)/撥備不足	(1,737)	8
Foreign withholding tax	外國預扣稅	6,738	6,310
		(a)	
Total tax charge for the period	期內稅項總額	7,670	6,900

Notes:

- (a) Foreign withholding tax mainly represents the withholding enterprise income tax when the subsidiaries in Chinese Mainland paid the royalty fees to the Company and the withholding enterprise income tax rate is 10% during the six months ended 30 June 2023 and 2024.
- (b) The tax charge represents income tax in Chinese Mainland and Singapore which is calculated at the prevailing tax rate on the taxable income of the subsidiaries established in these countries and regions. The statutory tax rates are as follows:

附註：

- (a) 外國預扣稅主要指附屬公司於中國內地向本公司繳納特許權使用費時的預扣企業所得稅，且於截至2023年及2024年6月30日止六個月的預扣企業所得稅稅率為10%。
- (b) 稅項指於中國內地及新加坡所產生的所得稅，該等稅項按照於該等國家和地區設立的附屬公司應課稅收入的現行稅率計算。法定稅率如下：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年	2023 2023年
Singapore	新加坡	17%	17%
Chinese Mainland	中國內地	25%	25%

- (c) The PRC subsidiaries are subject to the law of the PRC Enterprise Income Tax (the "EIT Law") at 25% during the six months ended 30 June 2023 and 2024. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. According to the prevailing tax rules and regulation of the EIT Law, certain subsidiaries of the Group in the PRC are exempted from enterprise income tax for taxable profit from the operation of agricultural business in the PRC during the six months ended 30 June 2023 and 2024.

- (c) 於截至2023年及2024年6月30日止六個月，中國附屬公司須遵守中國《企業所得稅法》(「《企業所得稅法》」)按25%的稅率納稅。於其他司法管轄區產生的稅款按相關司法管轄區的現行稅率計算。根據《企業所得稅法》現行稅收規則及法規，本集團於中國的部分附屬公司於截至2023年及2024年6月30日止六個月在中國境內經營農業業務產生的應課稅利潤免徵企業所得稅。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

9. DIVIDENDS

No dividend has been paid or declared by the Company for the six months ended 30 June 2024 (1H 2023: nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 700,412,612 and 700,463,112 in issue during the six months ended 30 June 2023 and 2024, respectively, as adjusted to reflect the rights issue during the period.

The calculation of the diluted loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss 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.

The calculations of basic and diluted loss per share are based on:

9. 股息

截至2024年6月30日止六個月，本公司並無支付或宣派任何股息（2023年上半年：零）。

10. 母公司普通股權益持有人應佔每股虧損

每股基本虧損基於母公司普通股權益持有人期內應佔虧損與截至2023年及2024年6月30日止六個月分別發行的700,412,612股及700,463,112股普通股加權平均數進行計算，並為反映期內的供股進行了調整。

每股攤薄虧損基於母公司普通股權益持有人應佔期內虧損進行計算。計算所用之普通股加權平均數乃用於計算每股基本虧損時的期內已發行普通股數目，加假設因視作行使或轉換所有潛在攤薄普通股為普通股而無償發行之普通股加權平均數。

每股基本及攤薄虧損按以下各項計算：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<u>Loss</u>	<u>虧損</u>		
Loss attributable to ordinary equity holders of the parent used in the basic and diluted loss per share calculation	用於計算每股基本及攤薄虧損之 母公司普通股權益持有人應佔虧損	(636,013)	(310,479)

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

10. 母公司普通股權益持有人應佔每股虧損(續)

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 (Unaudited) (未經審核)	2023 2023年 (Unaudited) (未經審核)
<u>Shares</u>	<u>股份</u>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	用於計算每股基本及攤薄虧損的期內已發行普通股加權平均數	700,463,112	700,412,612

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired assets at a cost of RMB62,605,000 (30 June 2023: RMB290,301,000).

Assets (other than those classified as held for sale) with a net book value of RMB6,708,000 were disposed of by the Group during the six months ended 30 June 2024 (30 June 2023: RMB11,574,000), resulting in a net loss on disposal of RMB5,195,000 (30 June 2023: RMB4,432,000).

11. 物業、廠房及設備

截至2024年6月30日止六個月，本集團按成本人民幣62,605,000元收購資產(2023年6月30日：人民幣290,301,000元)。

截至2024年6月30日止六個月，本集團出售賬面淨值為人民幣6,708,000元(2023年6月30日：人民幣11,574,000元)的資產(分類為持有出售的資產除外)，出售虧損淨額為人民幣5,195,000元(2023年6月30日：人民幣4,432,000元)。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. BIOLOGICAL ASSETS

A – Nature of activities

The biological assets of the Group are mainly dairy cows held to produce raw milk and beef cattle held for sale.

The quantity of dairy cows and beef cattle owned by the Group as at 31 December 2023 and 30 June 2024 is shown below. The Group's milkable cows are dairy cows held to produce raw milk. Heifers and calves are those dairy cows that have not reached the age that can produce milk. Beef cattle are raised for sale. Beef cattle mainly consist of Holstein, Angus and Wagyu.

		30 June 2024 2024年6月30日 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 (Audited) (經審核)
Milkable cows	成母牛	64,421	66,085
Heifers and calves	育成牛及犏牛	65,808	64,717
Beef cattle	肉牛	39,466	38,433
Total	合計	169,695	169,235

In general, the heifers are inseminated with semen when heifers reached approximately 14 months old. After an approximately nine months' pregnancy term, a calf is born and the dairy cow begins to produce raw milk and the lactation period begins. A milkable cow is typically milked for approximately 300 days before an approximately 60 days' dry period. In general, holstein will be sold when the age reaches approximately 540 days, angus are generally sold when the age reaches approximately 405 days and wagyu will be sold when the age reaches approximately 600 days.

When a heifer begins to produce raw milk, it is transferred to the category of milkable cows based on the estimated fair value on the date of transfer.

12. 生物資產

A – 活動性質

本集團的生物資產主要指為生產原料奶而飼養的奶牛及持作出售的肉牛。

於2023年12月31日及2024年6月30日，本集團擁有的奶牛和肉牛的數量如下所示。本集團的成母牛指為生產原料奶而飼養的奶牛。育成牛及犏牛指未達到產奶年齡的奶牛。肉牛乃為銷售而飼養。肉牛主要包括荷斯坦牛、安格斯牛及和牛。

一般來說，當育成牛長到約14個月大時，就用精液進行人工授精。經過約9個月的懷孕期，犏牛出生，奶牛開始生產原料奶，泌乳期開始。一頭成母牛通常在約60天的乾奶期之前，會有約300天的擠奶時間。一般來說，荷斯坦牛在年齡達到約540天時將被出售，安格斯牛一般在年齡達到約405天時被出售，和牛在年齡達到約600天時將被出售。

當育成牛開始生產原料奶時，根據轉讓日的估計公允價值，將其轉入成母牛類別。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. BIOLOGICAL ASSETS (continued)

A – Nature of activities (continued)

The Group is exposed to a number of risks related to its biological assets. The Group is exposed to the following risks:

i. Regulatory and environmental risks

The Group is subject to laws and regulations in the location in which its plantation and breeding take place. The Group has established environmental policies and procedures aimed at complying with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage these risks.

ii. Climate, disease and other natural risks

The Group's biological assets are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular inspections and disease controls and surveys and insurance.

iii. Risks from the fluctuations in market prices of raw milk, beef cattle and feeds

The Group is exposed to price fluctuations in raw milk, beef cattle and feeds. The Group has taken actions to continuously monitor the market price of commodities and an in-house feed mill has commenced production to minimize the risk from the fluctuation of feeds' price. Moreover, the Group has also take measures to upgrade the breeding technology and herd management so as to improve the quality of raw milk and beef cattle to maintain a stable growth of sales.

12. 生物資產(續)

A – 活動性質(續)

本集團面臨一系列與生物資產有關的風險。本集團面臨以下風險：

i. 監管及環境風險

本集團須遵守其經營種植業和養殖業業務所在地的法律法規。本集團已制定環境政策及程序，旨在遵守地方環境及其他法律。管理層會進行定期審查以識別環境風險並確保制定的體系足以管理該等風險。

ii. 氣候、疾病及其他自然風險

本集團的生物資產面臨因氣候變化、疾病及其他自然因素所產生的損害風險。本集團訂有詳盡的旨在監控及減緩該等風險的流程，包括定期視察、疾病控制、調查及保險。

iii. 原料奶、肉牛及飼料的市場價格波動風險

本集團面臨原料奶、肉牛及飼料價格波動的風險。本集團已採取行動持續監控商品的市價，且內部飼料廠已開始生產以將飼料價格波動的風險降至最低。此外，本集團亦採取措施升級育種技術及牛群管理，以提高原料奶及肉牛的質量，從而保持銷售的穩定增長。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. BIOLOGICAL ASSETS (continued)

B – Value of dairy cows, beef cattle and forage plants

The fair value less costs to sell of dairy cows, beef cattle and forage plants owned by the Group as at 31 December 2023 and 30 June 2024 is shown below.

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Milkable cows	成母牛	2,162,928	2,380,530
Heifers and calves	育成牛及犏牛	1,159,604	1,160,484
Beef cattle	肉牛	496,781	512,402
Forage plants	飼料作物	37,938	–
Total	合計	3,857,251	4,053,416
Current	即期	534,720	512,402
Non-current	非即期	3,322,531	3,541,014
		3,857,251	4,053,416

The Group has engaged Jones Lang LaSalle Corporate Appraisal And Advisory Limited, an independent firm of professional valuers, to assist it in assessing the fair values of the Group's dairy cows and beef cattle. The independent valuer and the management of the Group held meetings periodically to discuss the valuation techniques and changes in market information to ensure the valuation was performed properly. The valuation techniques used in the determination of fair values as well as the key inputs used in the valuation models are disclosed in note 19 to the interim condensed consolidated financial information.

12. 生物資產(續)

B – 奶牛、肉牛及飼料作物的價值

本集團擁有的奶牛、肉牛及飼料作物於2023年12月31日及2024年6月30日的公允價值減去銷售成本後的情況如下所示。

本集團聘請了獨立的專業評估公司－仲量聯行企業評估及諮詢有限公司，協助其評估本集團的奶牛和肉牛的公允價值。獨立估值師與本集團管理層定期舉行會議，討論估值技術和市場信息的變化，以確保估值的正常進行。用於確定公允價值的估值技術以及估值模型中使用的主要輸入數據於中期簡明綜合財務資料附註19中披露。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. BIOLOGICAL ASSETS (continued)

B – Value of dairy cows, beef cattle and forage plants (continued)

As at 30 June 2024, the Group's dairy cows and beef cattle in the amount of RMB3,819,313,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB3,684,156,000), as further detailed in note 15 to the interim condensed consolidated financial information.

The aggregate gain or loss arising on initial recognition of raw milk and from the changes in fair value less costs to sell of biological assets is analysed as follows:

12. 生物資產(續)

B – 奶牛、肉牛及飼料作物的價值(續)

於2024年6月30日，本集團價值為人民幣3,819,313,000元(2023年12月31日：人民幣3,684,156,000元)的奶牛及肉牛已抵押予銀行，以擔保授予本集團的若干銀行借款，詳情請參閱中期簡明綜合財務資料附註15。

原料奶的初始確認及生物資產的公允價值減銷售成本變動所產生的收益或虧損總額分析如下：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Losses arising from changes in fair value less costs to sell of dairy cows	來自奶牛公允價值減銷售成本變動的虧損	(596,555)	(407,819)
Losses arising from changes in fair value less costs to sell of forage plants	來自飼料作物公允價值減銷售成本變動的虧損	(9,039)	(6,796)
(Losses)/gains arising from changes in fair value less cost to sell of beef cattle	來自肉牛公允價值減銷售成本變動的(虧損)/收益	(52,876)	16,883
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	在收穫時按公允價值減銷售成本初步確認原料奶產生的收益	258,914	291,122
		(399,556)	(106,610)

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

13. TRADE RECEIVABLES

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收款項	311,683	374,293
Impairment	減值	(7,244)	(7,244)
		304,439	367,049

An ageing analysis of the trade receivables as at 30 June 2024 and 31 December 2023, based on the invoice date and net of loss allowance, is as follows:

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 month	1個月內	290,757	351,535
1 to 2 months	1至2個月	9,660	8,061
2 to 3 months	2至3個月	3,347	2,365
Over 3 months	3個月以上	675	5,088
Total	合計	304,439	367,049

As at 30 June 2024, included in the Group's trade receivables are amounts due from a related party of RMB13,671,000 (31 December 2023: RMB18,830,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

13. 應收款項

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收款項	311,683	374,293
Impairment	減值	(7,244)	(7,244)
		304,439	367,049

於2024年6月30日及2023年12月31日，應收款項（扣除虧損撥備）按發票日期劃分的賬齡分析如下：

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 month	1個月內	290,757	351,535
1 to 2 months	1至2個月	9,660	8,061
2 to 3 months	2至3個月	3,347	2,365
Over 3 months	3個月以上	675	5,088
Total	合計	304,439	367,049

於2024年6月30日，本集團的應收款項包括應收關聯方款項，其金額為人民幣13,671,000元（2023年12月31日：人民幣18,830,000元），須按類似於向本集團主要客戶提供的信貸條款償還。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

13. TRADE RECEIVABLES (continued)

As at 30 June 2024, trade receivables of RMB260,152,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB310,033,000).

The movements in the loss allowance for impairment of trade receivables are as follows:

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
At beginning of period/year	期／年初	7,244	–
Provision for the period/year	期／年內撥備	–	7,244
At end of period/year	期／年末	7,244	7,244

13. 應收款項 (續)

於2024年6月30日，應收款項人民幣260,152,000元(2023年12月31日：人民幣310,033,000元)已抵押予銀行，以擔保授予本集團的若干銀行借款。

應收款項減值虧損撥備的變動情況如下：

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

14. TRADE PAYABLES

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	應付款項	707,114	785,309

An ageing analysis of the trade payables as at 31 December 2023 and 30 June 2024, based on the invoice date, is as follows:

於2023年12月31日及2024年6月30日，應付款項按發票日期劃分的賬齡分析如下：

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Within 2 months	2個月以內	412,663	477,966
2 to 6 months	2至6個月	191,686	157,526
6 to 12 months	6至12個月	63,392	124,107
Over 1 year	1年以上	39,373	25,710
		707,114	785,309

As at 30 June 2024, the trade payables of RMB61,168,000 are due to a related party which are repayable within 110 days (31 December 2023: RMB34,823,000).

於2024年6月30日，應付款項人民幣61,168,000元（2023年12月31日：人民幣34,823,000元）應於110天內支付予關聯方。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

15. INTEREST-BEARING BANK BORROWINGS

15. 計息銀行借款

		30 June 2024 2024年6月30日			31 December 2023 2023年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元 (Unaudited) (未經審核)	Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元 (Audited) (經審核)
Current	即期						
Bank loans – secured	銀行貸款 – 有抵押	4.25-4.80	2025	1,382,024	4.00-4.80	2024	1,560,212
Current portion of long-term bank loans – secured	長期銀行貸款即期部分 – 有抵押	3.40-9.61	2025	455,817	3.40-8.86	2024	456,201
				1,837,841			2,016,413
Non-current	非即期						
Bank loans – secured	銀行貸款 – 有抵押	3.95-9.61	2025-2028	1,209,419	3.40-8.86	2025-2028	1,383,910
				3,047,260			3,400,323

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)		31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)	
Analysed into:	分析為：				
Bank loans:	銀行貸款：				
Within one year or on demand	一年內或按要求		1,837,841		2,016,413
In the second year	第二年		415,583		523,680
In the third to fifth years, inclusive	第三年至第五年 (包含首尾兩年)		793,836		860,230
			3,047,260		3,400,323

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

15. INTEREST-BEARING BANK BORROWINGS (continued)

Notes:

- (a) As at 30 June 2024, the Group's facilities amounted to RMB3,932,052,000 (31 December 2023: RMB4,710,046,000), of which the unutilized bank facilities were RMB625,214,000 (31 December 2023: RMB1,196,984,000). The Group's facilities are secured by the pledge of certain of the Group's assets.
- (b) The Group's bank loans are secured by:
- (i) As at 30 June 2024, there was no pledged deposit pledged to banks to secure bank borrowings granted to the Group (31 December 2023: RMB4,000);
- (ii) As at 30 June 2024, trade receivables of RMB260,152,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB310,033,000);
- (iii) As at 30 June 2024, inventories of RMB774,125,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB1,045,701,000);
- (iv) As at 30 June 2024, property, plant and equipment of RMB523,957,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB659,456,000);
- (v) As at 30 June 2024, biological assets of RMB3,819,313,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB3,684,156,000);
- (vi) As at 30 June 2024, right-of-use assets of RMB12,996,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB13,134,000);
- (vii) As at 30 June 2024, shares of a subsidiary of RMB562,000,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB562,000,000);

15. 計息銀行借款 (續)

附註：

- (a) 於2024年6月30日，本集團的貸款為人民幣3,932,052,000元（2023年12月31日：人民幣4,710,046,000元），其中未使用銀行貸款為人民幣625,214,000元（2023年12月31日：人民幣1,196,984,000元）。本集團的貸款以本集團的若干資產設立的質押作抵押。
- (b) 本集團的銀行貸款以下列各項作抵押：
- (i) 於2024年6月30日，並無存款（2023年12月31日：人民幣4,000元）抵押予銀行，作為本集團獲授銀行借款的擔保；
- (ii) 於2024年6月30日，應收款項人民幣260,152,000元（2023年12月31日：人民幣310,033,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (iii) 於2024年6月30日，存貨人民幣774,125,000元（2023年12月31日：人民幣1,045,701,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (iv) 於2024年6月30日，物業、廠房及設備人民幣523,957,000元（2023年12月31日：人民幣659,456,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (v) 於2024年6月30日，生物資產人民幣3,819,313,000元（2023年12月31日：人民幣3,684,156,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (vi) 於2024年6月30日，使用權資產人民幣12,996,000元（2023年12月31日：人民幣13,134,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (vii) 於2024年6月30日，附屬公司股份人民幣562,000,000元（2023年12月31日：人民幣562,000,000元）已抵押予銀行，作為本集團獲授若干銀行借款的擔保；

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

15. INTEREST-BEARING BANK BORROWINGS (continued)

Notes: (continued)

- (viii) As at 30 June 2024, investments in certain subsidiaries of RMB1,517,996,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2023: RMB1,517,996,000);
- (ix) As at 30 June 2024, certain of the Group's bank loans amounting to RMB3,022,115,000 were guaranteed by the Company and certain subsidiaries of the Group (31 December 2023: RMB3,236,561,000).

15. 計息銀行借款 (續)

附註：(續)

- (viii) 於2024年6月30日，若干附屬公司投資人民幣1,517,996,000元(2023年12月31日：人民幣1,517,996,000元)已抵押予銀行，作為本集團獲授若干銀行借款的擔保；
- (ix) 於2024年6月30日，本集團人民幣3,022,115,000元(2023年12月31日：人民幣3,236,561,000元)的若干銀行貸款由本公司和本集團的若干附屬公司提供擔保。

16. SHARE CAPITAL

Shares

		30 June 2024 2024年6月30日 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 (Audited) (經審核)
Issued and fully paid:	已發行及繳足：		
Number of shares in issue	已發行股份數目	700,463,112	700,463,112
Share capital (RMB'000)	股本(人民幣千元)	2,435,712	2,435,712

16. 股本

股份

A summary of movements in the Company's share capital is as follows:

本公司股本變動概要如下：

		Number of shares in issue 已發行股份數目	Share capital 股本 RMB'000 人民幣千元
At 31 December 2022 and 1 January 2023	於2022年12月31日及 2023年1月1日	699,857,112	2,432,340
Issuance of shares pursuant to the exercise of the Over-allotment Option	根據超額配股權行使發行股份	606,000	3,372
At 31 December 2023 and 1 January 2024 (Audited)	於2023年12月31日及 2024年1月1日(經審核)	700,463,112	2,435,712
At 30 June 2024 (Unaudited)	於2024年6月30日(未經審核)	700,463,112	2,435,712

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

17. COMMITMENTS

The Group had the following contractual commitments:

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Construction in progress	在建工程	510	247

17. 承擔

本集團有下列合約承擔：

18. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties during the six months ended 30 June 2023 and 2024, respectively:

18. 關聯方交易

(a) 截至2023年及2024年6月30日止六個月，本集團與關聯方分別進行了以下交易：

			Six months ended 30 June 截至6月30日止六個月	
		<i>Notes</i> 附註	2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Entity controlled by the shareholder which has significant influence over the Company	受本公司有重大影響的股東控制的實體			
Sales of products	產品銷售	<i>(i)</i>	88,145	97,218
Entities controlled by the same Controlling Shareholders of the Company	受本公司同一控股股東控制的實體			
Purchase of inventories	購置存貨	<i>(ii)</i>	78,406	51,842
Management fee expense	管理費用開支	<i>(iii)</i>	1,693	1,500

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

18. RELATED PARTY TRANSACTIONS (continued)

- (a) The Group had the following transactions with related parties during the six months ended 30 June 2023 and 2024, respectively: (continued)

Notes:

- (i) The sales of products to the entity controlled by the shareholder which has significant influence over the Company were made according to the market prices and conditions offered to the major customers of the Group.
- (ii) The purchase of inventories was mainly related to feed. The transactions have been conducted in accordance with market prices agreed between the parties.
- (iii) The management fee expense was mainly related to the service fee by the entity controlled by the same Controlling Shareholders of the Company. The fee was equal to the cost of providing the services plus 5%.

- (b) Compensation of key management personnel of the Group:

18. 關聯方交易 (續)

- (a) 截至2023年及2024年6月30日止六個月，本集團與關聯方分別進行了以下交易：(續)

附註：

- (i) 向對本公司有重大影響的股東控制的實體作出的產品銷售乃根據向本集團主要客戶提供的市場價格及條件進行。
- (ii) 購置存貨主要與飼料有關。該等交易乃根據雙方商定的市場價格進行。
- (iii) 管理費用開支主要與由本公司同一控股股東控制的實體收取的服務費有關。該費用等於提供服務的成本加5%。

- (b) 本集團主要管理人員薪酬：

		Six months ended 30 June 截至6月30日止六個月	
		2024 2024年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	8,755	8,848
Share-based payment expenses	以股份為基礎的付款開支	1,225	4,297
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	9,980	13,145

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

18. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances with related parties

		30 June 2024 2024年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2023 2023年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收款項		
Meiji Dairy (Suzhou) Co., Ltd. (and other subsidiaries of Meiji Co.)	明治乳業(蘇州)有限公司 (及明治公司的其他附屬公司)	13,671	18,830
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產		
Yang Ku	楊庫	1,278	6,442
Long-term receivable	長期應收款項		
Yang Ku	楊庫	5,007	–
Trade payables	應付款項		
Annona Pte. Ltd.	Annona Pte. Ltd.	61,168	34,823
Other payables and accruals	其他應付款項及應計項目		
Annona Technical Services Pte. Ltd.	Annona Technical Services Pte. Ltd.	1,818	2,281

18. 關聯方交易(續)

(c) 與關聯方的未償付結餘

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, pledged deposits, trade receivables, deposits and other receivables, trade payables, other payables, short-term interest-bearing bank borrowings and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of long-term receivable, long-term interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for long-term receivable, interest-bearing bank and other borrowings as at the period end were assessed to be insignificant.

19. 公允價值計量

金融資產及負債之公允價值乃按有關工具在交易雙方自願而非受脅迫或清盤銷售的情況下進行當前交易而轉手的金額入賬。下列方法及假設乃用於估計其公允價值：

現金及現金等價物、已抵押存款、應收款項、按金及其他應收款項、應付款項、其他應付款項、短期計息銀行借款及其他借款之公允價值近似於其賬面值，主要由於該等工具的短期到期性質。

長期應收款項、長期計息銀行及其他借款之公允價值已通過使用具有類似條款、信貸風險及剩餘期限的工具當前可用的利率，對預計未來現金流量進行貼現來計算。因本集團自身於期末的長期應收款項、計息銀行及其他借款的不履約風險而導致的公允價值變動已評估為並不重大。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE MEASUREMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of biological assets which was measured in level 3 as at 31 December 2023 and 30 June 2024:

19. 公允價值計量 (續)

以下為於2023年12月31日及2024年6月30日對於第三級計量的生物資產估值所用的重大不可觀察輸入數據的概要：

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公允價值計量之間的相互關係
類型	估值技術	重大不可觀察輸入數據	
Heifers and calves 育成牛及犏牛	The fair value of 14 months old heifers and calves is determined by reference to the local market selling price.	Estimated local market selling price of 14 months old heifers was RMB21,800 and RMB21,000 per head as at 31 December 2023 and 30 June 2024, respectively.	An increase in the estimated local market selling price used would result in increase in the fair value measurement of the heifers and calves, and vice versa.
	14個月大育成牛及犏牛的公允價值乃參照當地市場售價釐定。	於2023年12月31日及2024年6月30日，14個月大育成牛的當地市場售價估計分別為每頭人民幣21,800元及人民幣21,000元。	所採用的估計當地市場售價上升將導致育成牛及犏牛的公允價值增加，反之亦然。
	For age groups of heifers and calves younger than 14 months old, incremental costs required to raise the cows from their respective age as at 31 December 2023 and 30 June 2024 to 14 months were subtracted.	Incremental costs for the age younger than 14 months old ranged from RMB9,531 to RMB18,502 and RMB9,351 to RMB18,125 per head as at 31 December 2023 and 30 June 2024, respectively.	An increase in the incremental costs used would result in a decrease in the fair value measurement of heifers and calves younger than 14 months, and vice versa.
對於不滿14個月的育成牛及犏牛，減去於2023年12月31日及2024年6月30日將奶牛從各自年齡飼養至14個月所需的增量成本。	於2023年12月31日及2024年6月30日，不滿14個月的每頭育成牛及犏牛的增量成本分別介乎人民幣9,531元至人民幣18,502元及人民幣9,351元至人民幣18,125元。	所採用的增量成本增加將導致不滿14個月的育成牛及犏牛的公允價值減少，反之亦然。	
For heifers and calves between 14 and 24 months, incremental costs required to raise the heifers from 14 months to their respective age as at 31 December 2023 and 30 June 2024 were added.	Incremental costs for heifers and calves between 14 and 24 months were RMB13,555 and RMB13,273 per head as at 31 December 2023 and 30 June 2024, respectively.	An increase in the incremental costs used would result in an increase in the fair value measurement of heifers and calves between 14 and 24 months, and vice versa.	
對於14至24個月的育成牛及犏牛，增加於2023年12月31日及2024年6月30日將育成牛從14個月飼養至各自年齡所需的增量成本。	於2023年12月31日及2024年6月30日，14至24個月的育成牛及犏牛的每頭增量成本分別為人民幣13,555元及人民幣13,273元。	所採用的增量成本增加將導致14至24個月的育成牛及犏牛的公允價值增加，反之亦然。	

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE MEASUREMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of biological assets which was measured in level 3 as at 31 December 2023 and 30 June 2024: (continued)

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurements
類型	估值技術	重大不可觀察輸入數據	重大不可觀察輸入數據與公允價值計量之間的相互關係
Milkable cows 成母牛	The fair values of milkable cows are determined using the multi-period excess earnings method, which is based on the discounted future cash flows to be generated by such milkable cows. 成母牛的公允價值使用多期超額收益法釐定，該方法乃基於有關成母牛將產生的貼現未來現金流量。	The estimated feed costs per kg of raw milk used in the valuation process ranged from RMB2.35 to RMB2.90 and RMB2.16 to RMB2.60 as at 31 December 2023 and 30 June 2024, respectively. 於2023年12月31日及2024年6月30日，於估值過程中採用的每千克原料奶的估計飼料成本分別介乎人民幣2.35元至人民幣2.90元及人民幣2.16元至人民幣2.60元。	An increase in the estimated feed costs per kg of raw milk used would result in a decrease in the fair value measurement of the milkable cows, and vice versa. 所採用的每千克原料奶的估計飼料成本增加將導致成母牛的公允價值減少，反之亦然。
		A milkable cow could have as many as six lactation cycles. Estimated average daily milk yield per head at each lactation cycle ranges from 28kg to 40kg and 29kg to 40kg as at 31 December 2023 and 30 June 2024, respectively. 每頭成母牛的泌乳週期多達六次。於2023年12月31日及2024年6月30日，每頭處於泌乳週期的成母牛的估計平均每日產奶量分別介乎28千克至40千克及29千克至40千克。	An increase in the estimated average daily milk yield per head used would result in an increase in the fair value measurement of milkable cows, and vice versa. 所採用的每頭成母牛的估計平均每日產奶量增加將導致成母牛的公允價值增加，反之亦然。
		Estimated average prices of raw milk per kg ranged from RMB4.17 to RMB4.83 and RMB3.85 to RMB4.46 as at 31 December 2023 and 30 June 2024, respectively. 於2023年12月31日及2024年6月30日，每千克原料奶的估計平均價格分別介乎人民幣4.17元至人民幣4.83元及人民幣3.85元至人民幣4.46元。	An increase in the estimated average price of raw milk would result in an increase in the fair value measurement of milkable cows, and vice versa. 原料奶估計平均價格的增加將導致成母牛的公允價值計量增加，反之亦然。
		Discount rate for estimated future cash flows used was 12% and 12% as at 31 December 2023 and 30 June 2024, respectively. 於2023年12月31日及2024年6月30日，所採用的估計未來現金流量貼現率分別為12%及12%。	An increase in the estimated discount rate used would result in a decrease in the fair value measurement of milkable cows, and vice versa. 所採用的估計貼現率增加將導致成母牛的公允價值計量減少，反之亦然。

19. 公允價值計量（續）

以下為於2023年12月31日及2024年6月30日對於第三級計量的生物資產估值所用的重大不可觀察輸入數據的概要：（續）

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE MEASUREMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of biological assets which was measured in level 3 as at 31 December 2023 and 30 June 2024: (continued)

19. 公允價值計量 (續)

以下為於2023年12月31日及2024年6月30日對於第三級計量的生物資產估值所用的重大不可觀察輸入數據的概要：(續)

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurements 重大不可觀察輸入數據與公允價值計量之間的相互關係
類型	估值技術	重大不可觀察輸入數據	
Beef cattle 肉牛	The fair value of newborn beef cattle and mature beef cattle were determined by reference to the local market selling price.	Estimated local market selling prices of newborn beef cattle per head ranged from RMB1,080 to RMB1,720 and RMB780 to RMB1,640 as at 31 December 2023 and 30 June 2024, respectively.	An increase in the estimated local market selling prices of newborn beef cattle used would result in an increase in the fair value measurement of beef cattle, and vice versa.
	新生肉牛及成熟肉牛的公允價值乃參照當地市場售價釐定。	於2023年12月31日及2024年6月30日，每頭新生肉牛的估計當地市場售價分別介乎人民幣1,080元至人民幣1,720元及人民幣780元至人民幣1,640元。	所採用新生肉牛的估計當地市場售價上升將導致肉牛的公允價值增加，反之亦然。
	The fair value of immature beef cattle was determined by reference to the local market selling price of newborn beef cattle and mature beef cattle, adjusted by the estimated incremental daily gain in weights as at 31 December 2023 and 30 June 2024.	Estimated local market selling prices of mature beef cattle per head ranged from RMB16,926 to RMB25,680 and RMB18,253 to RMB31,968 as at 31 December 2023 and 30 June 2024, respectively.	An increase in the estimated local market selling prices of mature beef cattle used would result in an increase in the fair value measurement of beef cattle, and vice versa.
於2023年12月31日及2024年6月30日，未成熟肉牛的公允價值乃參照新生肉牛和成熟肉牛的當地市場售價釐定，並根據估計的日增重增量進行調整。	於2023年12月31日及2024年6月30日，每頭成熟肉牛的估計當地市場售價分別介乎人民幣16,926元至人民幣25,680元及人民幣18,253元至人民幣31,968元。	An increase in the average daily gain in weight per head would result in the increase in the fair value measurement of the immature beef cattle, and vice versa.	
		The average daily gain in weight per head ranged from 0.87kg to 1.43kg and 0.87kg to 1.43kg as at 31 December 2023 and 30 June 2024, respectively.	每頭平均日增重的增加將導致未成熟肉牛的公允價值增加，反之亦然。
		於2023年12月31日及2024年6月30日，每頭平均日增重分別介乎0.87千克至1.43千克及0.87千克至1.43千克。	

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE MEASUREMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value
As at 30 June 2024

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 活躍市場 報價 (第一級) RMB'000 人民幣千元 (Unaudited) (未經審核)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元 (Unaudited) (未經審核)	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) (未經審核)	Total 合計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Biological assets – current	生物資產 – 流動	–	–	534,720	534,720
Biological assets – non current	生物資產 – 非流動	–	–	3,322,531	3,322,531
		–	–	3,857,251	3,857,251

As at 31 December 2023

於2023年12月31日

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 活躍市場 報價 (第一級) RMB'000 人民幣千元 (Audited) (經審核)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元 (Audited) (經審核)	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) (經審核)	Total 合計 RMB'000 人民幣千元 (Audited) (經審核)
Biological assets – current	生物資產 – 流動	–	–	512,402	512,402
Biological assets – non current	生物資產 – 非流動	–	–	3,541,014	3,541,014
		–	–	4,053,416	4,053,416

20. EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events undertaken by the Company or by the Group after 30 June 2024 and up to the date of this report.

19. 公允價值計量 (續)

公允價值層級

下表列示本集團金融工具的公允價值計量層級：

按公允價值計量的資產
於2024年6月30日

20. 報告期後事項

於2024年6月30日之後及直至本報告日期，本公司或本集團無重大期後事項發生。

Definitions and Glossary

釋義及詞彙表

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings: 於本中期報告內，除文義另有所指外，以下詞彙具有下列涵義：

“1H 2022” 「2022年上半年」	指	six months ended 30 June 2022 截至2022年6月30日止六個月
“1H 2023” 「2023年上半年」	指	six months ended 30 June 2023 截至2023年6月30日止六個月
“1H 2024” 「2024年上半年」	指	six months ended 30 June 2024 截至2024年6月30日止六個月
“AAG PSP” 「AAG績效股份計劃」	指	the AAG Performance Share Plan adopted by the Company on 3 July 2020, which was amended on 5 December 2022 本公司於2020年7月3日採納的AAG績效股份計劃，該計劃於2022年12月5日修訂
“Annona” 「Annona」	指	Annona Pte. Ltd., a private company limited by shares incorporated under the laws of Singapore on 3 November 2009 and a wholly-owned subsidiary of Japfa Annona Pte. Ltd.，一家於2009年11月3日根據新加坡法律註冊成立的私人股份有限公司，為佳發的全資附屬公司
“Audit Committee” 「審計委員會」	指	the audit committee of the Board 董事會審計委員會
“Board” or “Board of Directors” 「董事會」	指	the board of directors of the Company 本公司董事會
“CG Code” 「企業管治守則」	指	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules 上市規則附錄C1所載的企業管治守則
“Company” 「本公司」	指	AustAsia Group Ltd., a company incorporated under the laws of Singapore with limited liability on 17 April 2009 AustAsia Group Ltd.，一家於2009年4月17日根據新加坡法律註冊成立的有限公司
“Companies Ordinance” 「《公司條例》」	指	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第622章《公司條例》(經不時修訂或補充)

Definitions and Glossary

釋義及詞彙表

“Constitution” 「組織章程」	指	the constitution of the Company (as amended from time to time), adopted on 11 November 2022 and effective from the Listing Date 本公司於2022年11月11日採納並於上市日期後生效的組織章程（經不時修訂）
“Controlling Shareholders” 「控股股東」	指	has the meaning given to it in the Listing Rules and, unless the context requires otherwise, refers to the group of Controlling Shareholders comprising Mr. Renaldo Santosa, Ms. Gabriella Santosa, the Scuderia Trust, Highvern Trustees Limited (as trustee of the Scuderia Trust), Magnus Nominees Limited, Fidelis Nominees Limited, Fusion Investment Holdings Limited, Rangji Management Limited, Tasburgh Limited and Tallowe Services Inc. 具有上市規則所賦予的含義，且除文義另有所指外，指由Renaldo Santosa先生、Gabriella Santosa女士、Scuderia Trust、Highvern Trustees Limited（作為Scuderia Trust的受託人）、Magnus Nominees Limited、Fidelis Nominees Limited、融合投資控股有限公司、Rangji Management Limited、Tasburgh Limited及Tallowe Services Inc.組成的一組控股股東
“Director(s)” 「董事」	指	the director(s) of the Company 本公司董事
“ESG” 「ESG」	指	Environmental, Social and Governance 環境、社會及管治
“ESG Report” 「ESG報告」	指	Environmental, Social and Governance Report 環境、社會及管治報告
“Global Offering” 「全球發售」	指	the Hong Kong public offering and the international offering of the Shares 有關股份的香港公开发售及國際發售
“Group”, “we”, “our” or “us” 「本集團」或「我們」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” or “Hong Kong dollars” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Japfa” 「佳發」	指	Japfa Ltd., a company incorporated in Singapore on 8 October 2008 and listed on the Mainboard of SGX-ST (stock code: UD2) 佳發，一家於2008年10月8日在新加坡註冊成立及於新交所主板上市的公司（證券代碼：UD2）

Definitions and Glossary

釋義及詞彙表

“Listing” 「上市」	指	The listing of the Shares on the Main Board of the Stock Exchange 股份在聯交所主板上市
“Listing Date” 「上市日期」	指	30 December 2022, being the date of listing of the Shares of the Company on the Stock Exchange 2022年12月30日，本公司股份首次於聯交所上市日期
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time 《香港聯合交易所有限公司證券上市規則》(經不時修訂或補充)
“Model Code” 「標準守則」	指	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules 上市規則附錄C3所載上市發行人董事進行證券交易的標準守則
“Nomination Committee” 「提名委員會」	指	the nomination committee of the Board 董事會提名委員會
“PRC” or “China” 「中國」	指	the People’s Republic of China, but for the purposes of this report only, except where the context requires, references in this report to PRC or China exclude Hong Kong, Macau and Taiwan 中華人民共和國，但僅就本報告而言，除文義另有所指外，本報告對中國的提述不包括香港、澳門及台灣
“Prospectus” 「招股章程」	指	The prospectus of the Company dated 16 December 2022 本公司日期為2022年12月16日之招股章程
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國的法定貨幣人民幣
“Remuneration Committee” 「薪酬委員會」	指	the remuneration committee of the Board 董事會薪酬委員會
“Reporting Period” 「報告期」	指	for the six months ended 30 June 2024 截至2024年6月30日止六個月

Definitions and Glossary

釋義及詞彙表

“RSU” 「受限制股份單位」	指	restricted share units granted under the RSU Scheme 根據受限制股份單位計劃授予的限制性股份單位
“RSU Scheme” 「受限制股份單位計劃」	指	the post-IPO RSU Scheme adopted by the Company on 5 December 2022 本公司於2022年12月5日採納的首次公開發售後受限制股份單位計劃
“SFO” 「《證券及期貨條例》」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章《證券及期貨條例》(經不時修訂或補充)
“Shares” 「股份」	指	ordinary shares in the share capital of the Company 本公司股本中的普通股
“Shareholder(s)” 「股東」	指	holder(s) of Shares 股份持有人
“Singapore” 「新加坡」	指	the Republic of Singapore 新加坡共和國
“Singapore Companies Act” 「新加坡《公司法》」	指	the Companies Act 1967 of Singapore, as amended, supplemented or otherwise modified from time to time 新加坡1967年《公司法》，經不時修訂、補充或以其他方式修改
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“U.S.” or “United States” 「美國」	指	the United States of America, its territories and possessions, any state of the United States and the District of Columbia 美利堅合眾國，其領土及屬地，美國任何州及哥倫比亞特區
“US\$” or “USD” 「美元」	指	Dollars, the lawful currency of the U.S. 美國的法定貨幣美元



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