



好品质 绿生活

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

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

Stock Code 股份代碼 : 2319



Annual Report
2010 年報



健康一家人



CORPORATE PROFILE

China Mengniu Dairy Company Limited (Stock Code: 2319) and its subsidiaries (the "Group") manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with **MENGNIU** as its core brand. The Group's diversified products range include liquid milk products, such as UHT milk, milk beverages and yogurt, ice cream and other dairy products such as milk powder. In December 2010, the Group's annual production capacity reached 6.50 million tons.

公司簡介

中國蒙牛乳業有限公司 (股份代號：2319) 及其子公司 (統稱「本集團」) 於中國生產及銷售乳製品。憑藉其主要品牌**蒙牛**，本集團已成為中國領先的乳製品生產商之一。本集團提供多元化的產品，包括液體奶(如UHT奶、乳飲料及酸奶)、冰淇淋及其他乳製品(如奶粉)等。於二零一零年十二月，本集團乳製品的年生產能力達650萬噸。

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Annual Report 2010

中國蒙牛乳業有限公司
二零一零年年報

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FINANCIAL HIGHLIGHTS

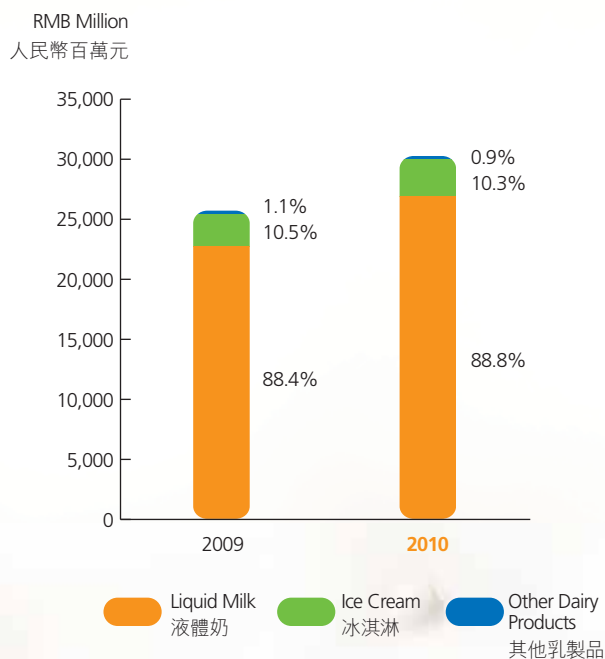
財務摘要

For the year ended 31 December	截至十二月三十一日止年度	2010	2009
		二零一零年 RMB'000 人民幣千元	二零零九年 RMB'000 人民幣千元
Revenue	收入	30,265,415	25,710,460
Net profit attributable to owners of the Company	本公司擁有人應佔淨利潤	1,237,273	1,115,799
Net cash flows from operating activities	經營業務所得淨現金流入	2,485,117	2,131,571
Net cash balances	淨現金	5,997,027	5,476,428
Basic earnings per share (RMB)	每股基本盈利 (人民幣元)	0.712	0.681
Proposed final dividend per share (RMB)	擬派每股期末股息 (人民幣元)	0.16	0.1413

- The Group further optimised its product portfolio to consolidate the market share of its high-end products. The revenue during the year increased by 17.7% to RMB30,265.4 million as compared with 2009. Net profit attributable to owners of the Company was RMB1,237.3 million.
- The Group continuously expanded its production capacity and its aggregate annual production capacity reached 6.5 million tons in December 2010.
- In the top 20 global dairy enterprises issued by Rabobank, the Netherlands, Mengniu's ranking jumped to 16th, reflecting that its corporate strengths have been recognised internationally.
- In November 2010, Mengniu successfully acquired Shijiazhuang Junlebao Dairy Co., Ltd. (石家莊君樂寶乳業有限公司), the largest yogurt manufacturer in northern China. Through this acquisition, Mengniu created development synergies in terms of milk sources, markets and channels in specific competitive areas, commencing industry consolidation and further reinforcing the leading position of Mengniu in the national yogurt market.
- 本集團持續優化產品組合，鞏固高端產品市場份額，於回顧年內之收入為人民幣302.654億元，較二零零九年增加17.7%。本公司擁有人應佔淨利潤為人民幣12.373億元。
- 本集團持續擴張產能，於二零一零年十二月合計年產能達到650萬噸。
- 在荷蘭合作銀行發佈的世界乳業20強排名上，蒙牛上升至16強，企業實力進一步受到國際認可。
- 於二零一零年十一月，蒙牛成功收購華北最大酸奶生產商石家莊君樂寶乳業有限公司，在局部競爭區域形成奶源、市場、渠道的協同發展效應，開啟了產業整合的發展方式，進一步鞏固了蒙牛在全國酸奶市場的領先地位。

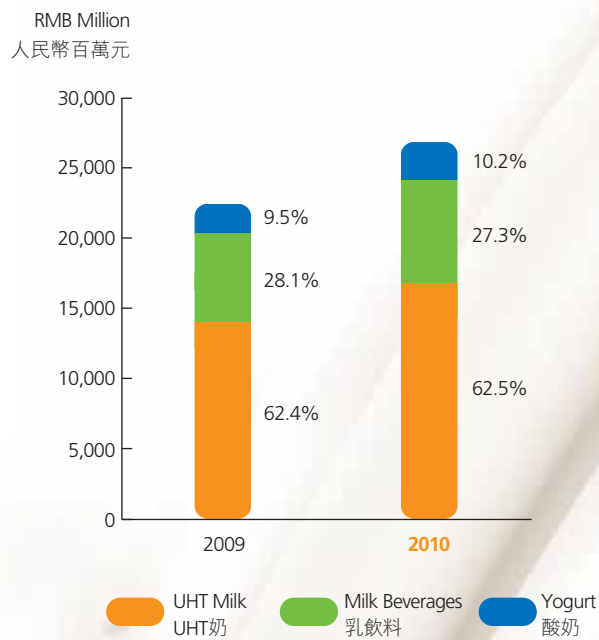
Revenue by Product Mix
For the year ended 31 December

按產品劃分之收入
截至十二月三十一日止年度



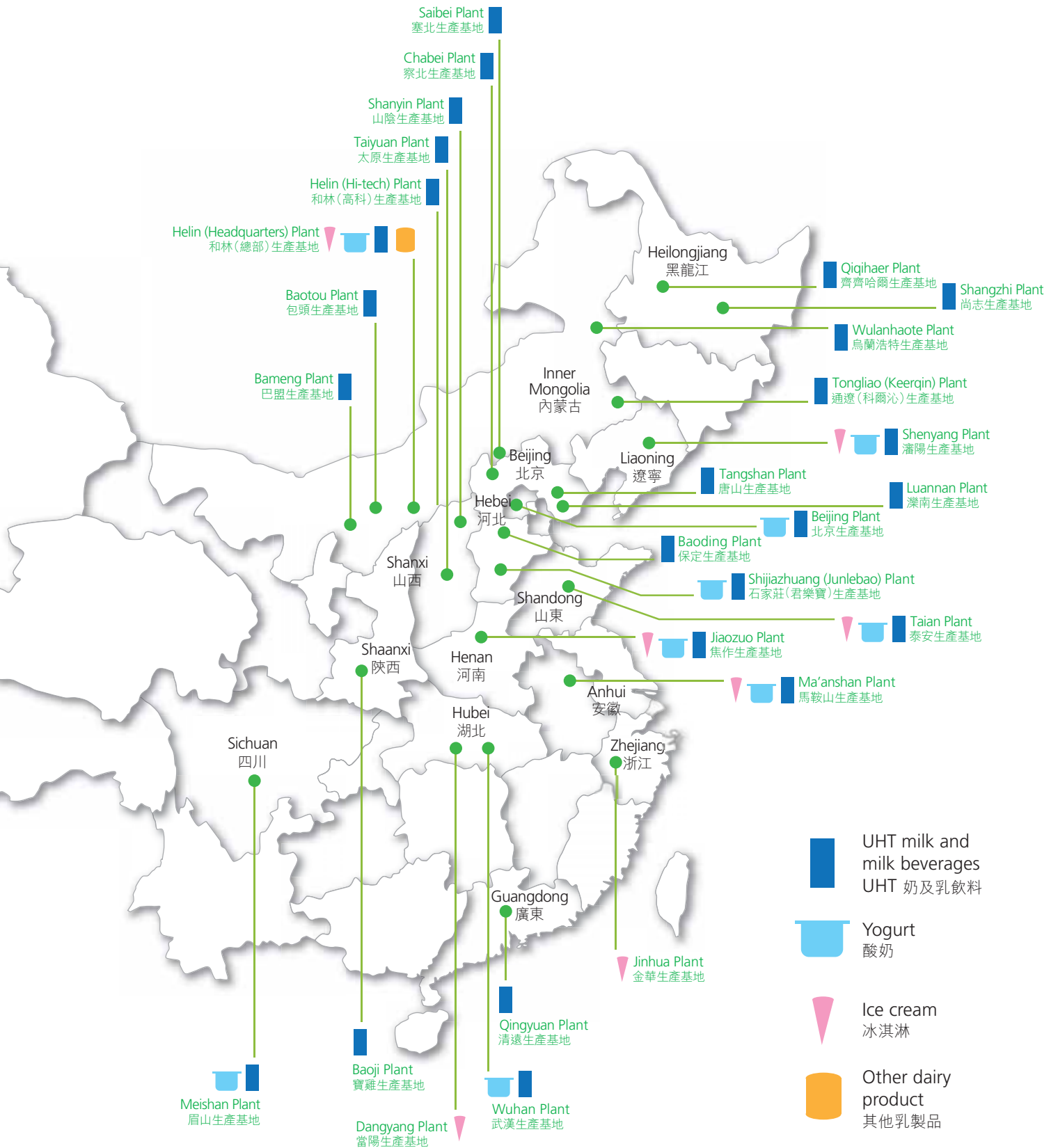
Product Mix in Liquid Milk Segment
For the year ended 31 December

按液體奶產品劃分之收入
截至十二月三十一日止年度



PLANT MAP

生產基地位置圖



MAJOR AWARDS AND ACHIEVEMENTS

主要獎項及殊榮

04-05



Mengniu Products:

- Mengniu's *Champion* and *Future Star* were presented with the "Innovative Products Award" at the French International Food Fair (SIAL)
- Mengniu's *Champion* was presented with the "International Food Industry Award" by the International Union of Food Science and Technology

The Group:

- Ranked 16th in the "Report of Global Dairy Enterprises 2010" issued by Rabobank, the Netherlands
- Ranked 28th among "Asia's Fab 50 Companies 2010" as compiled by Forbes, the only dairy enterprise in China on the roll, indicating Mengniu has the best brand value in China's dairy industry
- Presented with the "Most-Watched Low Carbon Contribution Enterprise Award" at the First Annual China Low Carbon Forum
- Garnered the "Eco-China Contribution Award" at the First Ecological China Forum
- Named as "China's Outstanding Low Carbon and Energy Saving Enterprise" at the International Forum on Innovation and Development of High-tech Enterprises of the 13th CHITEC

Mengniu Brand:

- Selected among the "Top 500 Asian Brands" for five consecutive years and ranked as the second largest dairy brand in Asia
- Selected among the "Top 50 Most Valuable Chinese Brands 2010" by WPP, a world leader in marketing communications
- Mengniu dairy products ranked first, in both sales volume and sales value, among similar products in China in 2010, according to the China Industrial Information Issuing Centre, National Bureau of Statistics of China, the fifth time Mengniu has led this market category

蒙牛產品：

- 蒙牛冠益乳、未來星兩項產品同時榮膺法國SIAL國際食品展「創新產品大獎」
- 蒙牛冠益乳獲國際食品科技聯盟頒發「國際食品工業大獎」

本集團：

- 獲荷蘭合作銀行2010年度全球乳業排名第十六位
- 入選福布斯「2010年亞洲上市公司50強」排行榜，排行28位，為中國唯一入榜的乳品企業，成為中國乳業第一價值品牌
- 獲低碳中國論壇首屆年會上「最受關注的低碳貢獻企業大獎」
- 獲首屆生態中國論壇頒發「生態中國貢獻獎」
- 獲第十三屆科博會中國高新企業發展國際論壇頒發「中國低碳節能優秀企業獎」

蒙牛品牌：

- 連續五年入選「亞洲品牌500強」，榮膺亞洲第二乳業品牌
- 獲國際權威品牌溝通服務集團WPP選為「2010年中國最具價值品牌50強」
- 根據國家統計局中國行業企業信息發佈中心公佈的資料，蒙牛乳製品榮列2010年度全國市場同類產品銷量及銷售額第一名，蒙牛第五度蟬聯此項冠軍

CEO'S STATEMENT

總裁報告書



Pursuit of Excellence in
Quality Leading the Way
to a Green Life

Endeavor to Become One
of the World's Top Ten
Dairy Companies

打造好品質
開創綠生活
向世界乳業十強邁進

Yang Wenjun 楊文俊
Chief Executive Officer 總裁

I am pleased to present the annual results of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries ("Mengniu" or the "Group") for the year ended 31 December 2010 to our shareholders.

In 2010, China's rapid and sustained economic growth created favourable conditions for the steady growth of its dairy industry. However, upsurges in prices of raw materials and intense market competition also put dairy corporations under enormous pressure. Under such a tough environment, we adopted various initiatives to alleviate market pressure and achieved satisfactory results. According to statistics of China Industrial Information Issuing Centre under China's National Bureau of Statistics, Mengniu's dairy products ranked first, in both sales volume and sales value, among similar products in China for five consecutive years from 2006 to 2010. Total revenue of the Group was RMB30,265.4 million for the year, representing a growth of 17.7%. Net profit attributable to owners of the Company increased to RMB1,237.3 million and basic earnings per share were RMB0.712. The Board of Directors of the Company (the "Board of Directors") recommended a final dividend payment of RMB0.16 per share for the year ended 31 December 2010.

本人謹此欣然向全體股東呈報中國蒙牛乳業有限公司（「本公司」）及其子公司（統稱「蒙牛」或「本集團」）截至二零一零年十二月三十一日止年度之全年業績。

二零一零年，中國經濟持續高速發展為中國乳製品行業的穩健成長提供了良好的條件，但同時原材料價格的大幅上漲和激烈的市場競爭環境也給乳製品企業帶來巨大壓力。於這樣的艱難環境之下，我們透過多項應對措施有效緩解了市場壓力，並獲得不負眾望的成績，根據國家統計局下屬的中國行業企業信息發佈中心發佈的調查統計，蒙牛乳製品於2006-2010年度連續五年榮列全國市場同類產品銷量、銷售額第一名。本集團全年收入共計人民幣302.654億元，實現17.7%的增長。本公司擁有人應佔淨利潤增長至人民幣12.373億元，每股基本盈利為人民幣0.712元。本公司董事會（「董事會」）建議派付截至二零一零年十二月三十一日止年度期末股息每股人民幣0.16元。

Mengniu's sound performance in these challenging times was mainly attributable to the Group's advanced planning and decisive and effective measures. Through stringent cost control measures, we continued to streamline each source of costs and introduced cost saving proposals to reduce the cost burden. During the year, the Group carried out structural reform and merged horizontally similar departments though responsibilities and management mechanisms. Overall synergies to be created year-by-year will assist to reduce the costs of the Group.

In addition, we identified new opportunities for business development and successfully acquired Shijiazhuang Junlebao Dairy Co., Ltd. (石家莊君樂寶乳業有限公司), the largest yogurt manufacturer in northern China. This competitor then became our partner to create development synergies in terms of milk sources, markets and channels in local competitive areas. The win-win cooperation brought consolidation in the industry, further reinforcing the leading position of Mengniu in the national yogurt market.

Through ongoing optimisation of its product portfolio, the Group increased the proportion of high-end dairy products, and strengthened the market influence in various categories while maintaining steady growth of the Group's earnings, thereby boosting our position as a leading brand of China high-end dairy products. In particular, the Group's liquid milk segment maintained its competitive edge in the market with revenue increased by 18.2% to RMB26,871.8 million, accounting for 88.8% of the Group's revenue. *Milk Deluxe* (特侖蘇), as a mainstay high-end product, continued to rank first in terms of market share in the high-end milk market segment. The Group launched a new product *Milk Deluxe Chunxian* (醇纖特侖蘇), with phytosterol esters and food fibre, in addition to other existing products to cater for consumers' pursuance of a healthy life. The well received and recognised *Future Star Milk* (未來星兒童奶) series was upgraded as a whole by adding DHA algal oil, and was expanded with three new products, *Upgraded Wisdom* (升級智慧型), *Upgraded Vitality* (升級活力型) and *Upgraded Youhu* (升級優護型), which catered for different stages of growth. Targeting female consumers, Mengniu also launched *XinYangDao Zhenyang Milk* (新養道珍養牛奶), which contains essences of food considered to be beneficial to blood circulation and skin beauty of females. These initiatives once again demonstrated Mengniu's emphasis on niche markets and care for the needs of different consumer groups. Featuring a high-end fashionable image, *Fruit Milk Drink* (真果粒) obtained three independent intellectual property patents during the

蒙牛於逆境之中取得如此成就，與本集團早著先機的規劃佈局和果斷有效的應對措施有不可分割的緊密聯繫。我們持續以成本精準化管理為基礎，逐一梳理成本原始可控點，出台成本節約方案，降低成本負擔。年內，本集團進行組織架構變革，將同類部門橫向合併，形成按系統分工管理的體制，逐年發揮出整體協同效應，將為本集團帶來成本節約。

另外，我們亦為本集團業務發展尋找新契機，成功收購華北最大酸奶生產商石家莊君樂寶乳業有限公司，將競爭對手轉為合作夥伴，在局部競爭區域形成奶源、市場、渠道的協同發展效應，開啟了產業整合、合作共贏的發展方式，進一步鞏固了蒙牛在全國酸奶市場的領先地位。

本集團通過持續優化產品組合，提升高端乳製品在產品結構中的比重，加強優勢品類的市場影響力，維持本集團盈利水平穩定增長，確立了中國高端乳製品領導品牌形象。其中，本集團的液體奶業務保持市場領先優勢，收入增長18.2%至人民幣268.718億元，佔本集團收入的88.8%。高端主打產品特侖蘇的市場份額繼續穩居高端奶市場第一位，並在原有基礎上推出添加植物甾醇酯並搭配膳食纖維的醇纖特侖蘇，滿足都市人群對健康生活的追求；廣受市場和行業好評的未來星兒童奶系列，增添DHA藻油進行整體升級，並針對不同的成長階段延伸出升級智慧型、升級活力型及升級優護型三種選擇；針對女性消費者，蒙牛推出萃取補血食材精華的新養道珍養牛奶，具有補血養顏的功效，再次體現蒙牛專注市場細分、對不同人群不同需求的細緻呵護。



year. *Suan Suan Ru* (酸酸乳) series closely aligned its brand image with musical dreams through "Mengniu Suan Suan Ru Music Dream Academy" (蒙牛酸酸乳音樂夢想學院) and established one of the most influential charity platforms in China for teenage music fans to realise their dreams. Our market share therefore steadily expanded. Mengniu also vigorously developed the yogurt market. Following on the heels of *Champion* (冠益乳), our high-end brand, becoming the first yogurt product of the Group to obtain national certification as a health-care product, Mengniu went ahead to develop the natural, pure and quality *Inner Mongolia Old Yogurt* (內蒙古老酸奶), which received an overwhelming market response together with *Youyi C* (優益C), which is rich with probiotic lactobacillus casei. During the year, revenue from our ice cream products, with the three major brands, *Sui Bian* (隨變), *Ice+* (冰+) and *Mood for Green* (綠色心情), as mainstay products increased by 15.9% to RMB3,111.5 million, accounting for 10.3% of the Group's revenue. Revenue from other dairy products was RMB282.1 million, accounting for 0.9% of the Group's revenue. Catering for the taste preference of domestic consumers, the Group also conducted research and development ("R&D") and innovations leading to the strategic promotion of three major product series, namely *Family Breakfast Cheese* (家庭早餐), *Growth Cheese* (兒童成長) and *Soft Cheese* (軟質乳酪) to further expand into the cheese market.

Mengniu has always attached great importance to quality control, enhancement of milk sources and R&D capability, and has worked to ensure the quality edge and market adaptability of our products in each process. During the year, the Chinese Academy of Inspection and Quarantine (中國檢驗檢疫科學研究院) and Mengniu co-established the "Joint Dairy Products Laboratory" (乳品聯合實驗室) to collaboratively develop and study new methods for supervision and control of food safety, marking Mengniu's position at the forefront of the industry in respect of research on and practice of food safety control. Furthermore, factory laboratories of the Group in five locations were granted the qualification certificates in recognition of their national management and technology standard.

In 2010, the Group further developed its milk source enhancement strategy by stepping up investment in the construction of the facilities in upstream and actively adopting the large-scale breeding model. In addition to the establishment of dairy farmers technology service centres (奶農技術服務中心) for the provision of all-round services, including technical support for scientific breeding, prevention of and treatment for diseases, etc., to dairy farmers, the Group also planned its raw milk distribution centering on the concept of "Farm in the Front and Factory at the Back" (前牧後廠) to increase the proportion of raw milk sourcing from scaled farms and ranches with advanced husbandry techniques to more than 70%, thus ensuring good quality for Mengniu's dairy products starting at the source.

主打高端時尚營養路線的真果粒於年內獲得三項獨立自主知識產權專利，而酸酸乳系列通過「蒙牛酸酸乳音樂夢想學院」將品牌形象與音樂夢想緊密聯結，搭建成中國最有影響力之一的年輕音樂人實現夢想的公益平台，穩步擴大市場。蒙牛大力開發酸奶市場，繼旗下高端品牌冠益乳成為本集團首個獲批「國食健字號」保健酸奶之後，蒙牛再接再厲開發自然純高品質的內蒙古老酸奶，與含有豐富益生C菌的優益C一併受到市場熱捧。年內，冰淇淋產品以隨變、冰+、綠色心情三大品牌為主打，收入上升15.9%至人民幣31.115億元，佔本集團收入的10.3%。其他乳製品收入為人民幣2.821億元，佔本集團收入的0.9%。本集團根據中國消費者的口味偏好進行研發創新，主推家庭早餐、兒童成長及軟質乳酪三大產品系列，進一步開拓乳酪市場。

蒙牛長期堅持對品質監控、奶源建設、研發能力等方面的注重，從各個環節確保產品品質優勢和市場適應性。年內，中國檢驗檢疫科學研究院與蒙牛聯合成立「乳品聯合實驗室」，共同開發研究新的食品安全監控檢測方法，標誌著蒙牛在食品安全管控研究和實踐方面已經走在行業前列。本集團亦有五個地區的工廠實驗室取得實驗室認可證書，獲國家級管理技術標準認可。

二零一零年，本集團更加明晰了奶源發展戰略，持續加大在奶源建設方面的投入，積極推動規模化養殖模式，不僅設立了專門針對奶農提供全面服務的「奶農技術服務中心」，為養殖戶在科學養殖、疫病防治等方面予以技術支持，還圍繞「前牧後廠」理念打造奶源佈局，使擁有先進養殖技術的養殖小區、牧場奶源比例超過70%，從源頭為蒙牛乳製品的「好品質」提供保證。



Mengniu has been committed to the introduction of internationally advanced technologies and has established overseas R&D and information stations in Paris (France), Geneva (Switzerland) and Tokyo (Japan). The scientific research project themed “Development of Lactic Acid Bacteria and Fermentation Agents with Self-owned Intellectual Property Rights” (開發自主知識產權乳酸菌及發酵劑) jointly conducted with the Harbin Institute of Technology also attained breakthrough progress. The project was evaluated by experts of the Chinese Institute of Food Science and Technology (中國食品科學技術學會) in Beijing. The committee unanimously agreed that the achievement has attained the international standard and was vital to the development of lactic acid bacteria and the production of patented fermentation agents in China.

In line with the Government's requirements on economic transformation and environmental protection, Mengniu launched a new brand slogan “High Quality for a Green Life” (好品質，綠生活) to redefine its determination towards product responsibility, public responsibility, practice and advocacy of a low-carbon lifestyle, and commitment to corporate responsibility as its mission. Taking the new brand slogan as a long-term objective, Mengniu is enhancing its production efficiency through continued application of energy saving and consumption reduction technologies. Internally, all waste water and other wastes generated in the course of production are to be recycled and reused to achieve zero emission. Mengniu also conveyed the Green concepts of low carbon and environmental protection to the public through

蒙牛致力於國際領先技術的引進，於法國巴黎、瑞士日內瓦和日本東京分別創建了海外研發工作站及信息站。我們與哈爾濱工業大學聯合進行的「開發自主知識產權乳酸菌及發酵劑」科研項目亦取得突破性進展。此項目由中國食品科學技術學會在京組織專家進行成果鑒定，鑒定委員會一致認為，該成果對自主開發國內乳酸菌菌種資源、生產具有我國自主知識產權的乳品發酵劑具有重要的意義，總體研究水準達到國際先進水平。

順應國家經濟轉型和對環境保護的需求，蒙牛提出「好品質，綠生活」為新的品牌口號，重新詮釋了本集團對產品負責、對公眾負責、踐行和倡導低碳生活的決心，彰顯企業的責任感與使命感。蒙牛將視這一新品牌口號為一項長期使命，通過不斷提升節能降耗技術的採用，提高生產效率。在企業內部，所有生產過程中產生的廢水、廢物全部回收再利用，達到零排放。蒙牛還通過一系列生態公益活動向公眾傳達低

CEO'S STATEMENT (CONTINUED)

總裁報告書(續)

promoting large-scale public environmental protection activities such as the campaign themed "Ecological Movement Support China" (生態行動·助力中國), the online "Carbon Test" (碳測試) and initiated the use of packaging materials which were certified by FSC in the industry. These activities served as good illustration of both its social responsibility and contribution to a green and low-carbon economy to boost brand image and product sales.

With its numerous green community campaigns, Mengniu garnered the award as the "Most-Watched Low Carbon Contribution Enterprise" (最受關注的低碳貢獻企業大獎) at the First Annual China Low Carbon Forum (低碳中國論壇首屆年會), "China's Outstanding Low Carbon and Energy Saving Enterprise" (中國低碳節能優秀企業獎) at the International Forum on Innovation and Development of High-tech Enterprises of the 13th CHITEC (第十三屆科博會中國高新企業發展國際論壇) and the "Eco-China Contribution Award" (生態中國貢獻獎) during the First Ecological China Forum (首屆生態中國論壇) in 2010. These honours showcased its green achievements. Meanwhile, the Group spared no efforts on its long-term caring community campaigns and extended the "Love Gifts Action" (愛心禮物行動) to cover Guangai School in Beijing, Dabieshan School in Shanghai and Chaping Town School in An County, Mianyang City, Sichuan. Coupled with ongoing community campaigns included a donation for relief for drought in southwestern China and disaster relief for the earthquake in Yushu, our image as an enterprise concerned about social responsibility was further reinforced.

Our brand image again gained wide recognition during the year. In the Report of Global Dairy Enterprises issued by Rabobank, the Netherlands, in June 2010, Mengniu's ranking further jumped from 19th last year to 16th this year. Mengniu was one of the "Top 500 Asian Brands" (亞洲品牌500強) for the fifth consecutive year, ranking 132nd in the list and the second among dairy enterprises in Asia. It also ranked as one of the "Asia's Fab 50 Companies 2010" (2010年亞洲上市公司50強) as compiled by Forbes, being the only dairy enterprise in China on the roll. In the meantime, Mengniu was ranked 20th among the "Top 50 Most Valuable Chinese Brands 2010" (2010年中國最具價值品牌公司50強) published by WPP, a world leader in marketing communications.

In conclusion, we are proud of our achievements in 2010, as we managed to deliver remarkable results and marked a milestone in our history. The achievements were due to the concerted efforts of all Mengniu's staff in overcoming difficulties against the backdrop of various unfavourable conditions including an upsurge in raw material costs and intense industry competition during the past year.

碳環保的綠色理念，並推廣大型環保公益活動如「生態行動·助力中國」生態體驗活動、線上趣味「碳測試」，以及率先倡議在行業內使用FSC認證包材，切實履行社會責任，踐行綠色低碳經濟，為品牌形象提升和產品銷售助力。

憑藉眾多綠色公益行動，蒙牛於年內榮獲低碳中國論壇首屆年會頒發「最受關注的低碳貢獻企業大獎」、第十三屆科博會中國高新企業發展國際論壇頒發「中國低碳節能優秀企業獎」，以及獲得首屆生態中國論壇的「生態中國貢獻獎」，綠色成就有目共睹。與此同時，本集團絲毫沒有忽視長期以來堅持的愛心公益活動，繼續將「愛心禮物行動」覆蓋到北京光愛學校、上海大別山小學和四川綿陽市安縣茶坪鄉小學，並通過西南旱災捐款到玉樹抗震救災等持續不斷的公益行動，使企業社會責任形象更加豐滿。

我們的品牌形象於年內再度獲得廣泛認可，在荷蘭合作銀行於二零一零年六月發佈的全球乳業排行榜上，蒙牛由去年的第19位上升到第16位；並連續五年上榜「亞洲品牌500強」，位列榜單第132位，為亞洲第二乳業品牌；我們還作為中國唯一乳品企業挺進福布斯「2010年亞洲上市公司50強」。同時，蒙牛還名列國際權威品牌溝通服務集團WPP發佈的「2010年中國最具價值品牌公司50強」中的第20強。

回望二零一零年，我們倍感驕傲，因為在過去的一年即使面臨如原材料成本大幅上漲、行業競爭激烈等種種困難，蒙牛上下依然齊心協力、排除萬難，並且再獲佳績，書寫了一段不平凡的歷史。

In 2011, the first year within Mengniu's second five-year plan, the Group will enter an entirely new stage of development. Aiming for inclusion among the "World's Top 10 Dairy Companies" (世界乳業前10強) and internationalisation, the Group has formulated a clear business development strategy and a strategy to nurture core competencies. Passing through industry fluctuations in conjunction with the reformation of China's dairy industry in the past, Mengniu has long ago managed cohesion of the Group and overcome obstacles, which had led to its rapid emergence as a Chinese brand to be proud of and which will lead the Group towards the position of a world leading dairy brand in the future. The year 2011 is to be a meaningful year for the Group's development, as well as a year of hope for Mengniu.

On behalf of Mengniu, I would like to take this opportunity to express our heartfelt gratitude to all sectors of the society for their consistent support and affection. We will adhere to a serious and sincere work attitude and strengthen the capabilities of the Group to maximise returns for investors and shareholders. In addition, we will perform our responsibilities in a practical manner as an outstanding Chinese enterprise and contribute to the development of the China dairy industry and Chinese society as a whole.

Yang Wenjun

Chief Executive Officer

Hong Kong, 31 March 2011

二零一一年為蒙牛第二個五年規劃開局之年，本集團將進入全新的發展階段，朝著「世界乳業前10強」和國際化的目標進軍，並為此制定了清晰的業務增長戰略和核心能力培養戰略。在過去中國乳製品行業的震蕩變革中所經歷的磨礪，早已將蒙牛上上下下凝聚成為一股團結一致、無堅不摧的力量，這支力量曾經帶領蒙牛迅速崛起成為民族品牌的驕傲，又將在今後的日子裏繼續將本集團推向世界乳業大品牌之列。二零一一年對本集團發展具有十分重大的意義，也正是蒙牛的希望之年。

本人在此謹代表蒙牛衷心感謝社會各界長久以來給予我們的支持與厚愛。我們將秉持嚴謹誠懇的工作態度，繼續壯大本集團的力量，為投資者與股東創造最大利益。我們也將切實履行身為中國優秀民族企業的重責大任，為中國乳製品行業乃至中國社會的整體發展貢獻我們應盡的力量。

楊文俊

總裁

香港，二零一一年三月三十一日





Mengniu's High-Intelligence Production Base has a total of 22 production lines with a daily processing capacity of 2,000 tons of fresh milk.

蒙牛的高科技乳品研究院暨高智慧化生產基地共有22條生產線，日處理鮮奶能力達2,000噸。





Daily production capacity
每天生產產能

2,000 tons
噸



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

In the context of strengthening domestic consumption, the Group further optimised its product portfolio to consolidate the market share of its high-end products, and implemented stringent cost control measures, as well as adjusted the selling prices of certain products to cope with market change. These and other initiatives together contributed to the satisfactory results of the Group. During the year under review, revenue of the Group amounted to RMB30,265.4 million, an increase of 17.7% as compared with RMB25,710.5 million in 2009. Net profit attributable to owners of the Company was RMB1,237.3 million (2009: RMB1,115.8 million). Basic earnings per share were RMB0.712 (2009: RMB0.681).

Gross Profit

During the year under review, the Group recorded a gross profit of RMB7,786.4 million, an increase of 13.6% as compared with RMB6,852.2 million in 2009. Despite the rising raw material prices as a result of growing inflation in China, the Group managed to control the overall gross profit margin for the year at 25.7% (2009: 26.7%), attributable to the increased portion of high-end products, optimisation of product portfolio, stringent cost control measures and adjustment on selling prices of certain products, which effectively offset the effects brought by the surge in raw material prices.

Operating Expenses

In 2010, as the scale of operation of the Group expanded, the operating expenses of the Group increased to RMB6,524.9 million (2009: RMB5,630.3 million). However, its percentage to the Group's revenue declined to 21.6% (2009: 21.9%) as a result of precise management and effective cost control.

財務回顧

隨著國民消費水平日益提高，本集團持續優化產品組合，鞏固高端產品市場份額，同時通過加強成本控制及因應市場環境調整部分產品銷售價格等措施，使本集團錄得令人滿意的成績。本集團於回顧年內之收入為人民幣302.654億元，較二零零九年的人民幣257.105億元增加17.7%。本公司擁有人應佔淨利潤為人民幣12.373億元（二零零九年：人民幣11.158億元）。每股基本盈利為人民幣0.712元（二零零九年：人民幣0.681元）。

毛利

本集團於回顧年內的毛利較二零零九年之人民幣68.522億元，增長13.6%至人民幣77.864億元。雖然內地通脹不斷加劇致使原材料價格持續上升，但本集團透過進一步提升高端產品比例，積極優化產品組合、成本精準化控制以及調整部分產品銷售價格，有效抵銷原材料價格上漲的影響，全年整體毛利率控制在25.7%水平（二零零九年：26.7%）。

經營費用

隨著本集團經營規模不斷擴大，二零一零年的經營費用上升至人民幣65.249億元（二零零九年：人民幣56.303億元），但通過精細化管理和有效的成本控制，其佔本集團收入比例下降至21.6%（二零零九年：21.9%）。





Selling and distribution costs for the year accounted for 17.9% of the Group's revenue, down from 18.1% in 2009. The Group implemented specified marketing campaigns for its products and maximised the utilisation of marketing resources to ensure enhancement of the brand image of **MENGNIU** and market share of the Group whilst lowering related costs. The percentage of advertising and promotion expenses to the Group's revenue decreased from 10.3% in 2009 to 7.8% in the year under review.

The percentage of administrative and other operating expenses to the Group's revenue was effectively lowered to 3.7% (2009: 3.8%), which was attributable to the Group's initiatives on internal structural reform and stringent control of related expenses.

Profit from Operating Activities and Net Profit Attributable to Owners of the Company

The Group's EBITDA for the year was RMB2,208.2 million (2009: RMB1,997.9 million). Although the Group was under cost pressure arising from the upsurge in raw material prices, EBITDA margin slightly adjusted to 7.3% (2009: 7.8%) through an upgrade of product portfolio and effective cost control measures. During the year under review, net profit attributable to owners of the Company was RMB1,237.3 million (2009: RMB1,115.8 million), and net profit margin attributable to owners of the Company for the year was 4.1% (2009: 4.3%).

全年銷售及經銷費用佔本集團收入比例由二零零九年的18.1%下降到二零一零年的17.9%。其中，本集團通過具有針對性的產品宣傳活動，最大化利用營銷資源，在確保提升**蒙牛**品牌形象，提高本集團的市場份額的同時，亦有效降低了相關成本，全年的廣告及宣傳費用佔集團的收入比例由二零零九年的10.3%下降至回顧年內的7.8%。

本集團通過內部架構重整以及嚴控相關支出，將行政及其他經營費用佔本集團收入的比例有效降低至3.7% (二零零九年：3.8%)。

經營業務利潤及本公司擁有人應佔淨利潤

本集團於年內的息稅折舊攤銷前利潤(EBITDA)為人民幣22.082億元(二零零九年：人民幣19.979億元)。由於原材料價格的大幅上漲，給本集團帶來成本壓力，但通過產品組合升級及有效的成本控制措施，使EBITDA利潤率略為調至7.3%(二零零九年：7.8%)。回顧年內，本公司擁有人應佔淨利潤錄得人民幣12.373億元(二零零九年：人民幣11.158億元)，全年本公司擁有人應佔淨利潤率為4.1%(二零零九年：4.3%)。



Capital Structure, Liquidity and Financial Resources

For the year ended 31 December 2010, the Group's net cash inflow from operating activities amounted to RMB2,485.1 million (2009: RMB2,131.6 million). Net cash balances (cash and bank balances net of total bank loans) reached RMB5,997 million as at 31 December 2010 (31 December 2009: RMB5,476.4 million), indicating the strong financial position and healthy cash flow of the Group.

As at 31 December 2010, the outstanding bank loans of the Group amounted to RMB700.8 million (31 December 2009: RMB673.6 million), of which RMB550.8 million (31 December 2009: RMB323.6 million) was repayable within one year and RMB150 million (31 December 2009: RMB350 million) was repayable beyond one year. The bank loans totalling RMB270.8 million (31 December 2009: RMB323.6 million) were fixed interest-bearing loans.

The total equity of the Group was RMB10,217.5 million as at 31 December 2010 (31 December 2009: RMB8,911.7 million), and the debt-to-equity ratio (total bank loans over total equity) of the Group was 6.9% (31 December 2009: 7.6%).

For the year ended 31 December 2010, the Group's finance costs amounted to RMB45.2 million (2009: RMB61.15 million), representing approximately 0.1% of the Group's revenue (2009: 0.2%).

資本架構、流動資金及財務資源

截至二零一零年十二月三十一日止年度，本集團的經營業務所得現金淨額為人民幣24.851億元(二零零九年：人民幣21.316億元)，而本集團於二零一零年十二月三十一日之淨現金(現金及銀行存款扣除銀行貸款總額)為人民幣59.97億元(二零零九年十二月三十一日：人民幣54.764億元)，顯示本集團之財務狀況穩健，且現金流量非常健康。

於二零一零年十二月三十一日，本集團的尚未償還銀行貸款為人民幣7.008億元(二零零九年十二月三十一日：人民幣6.736億元)，其中人民幣5.508億元(二零零九年十二月三十一日：人民幣3.236億元)須於一年內償還，而人民幣1.5億元(二零零九年十二月三十一日：人民幣3.5億元)的償還期則為一年以上。另外，其中人民幣2.708億元之銀行貸款(二零零九年十二月三十一日：人民幣3.236億元)為按固定利率計算。

本集團於二零一零年十二月三十一日的總權益為人民幣102.175億元(二零零九年十二月三十一日：人民幣89.117億元)，及債務權益比率(銀行貸款總額除以總權益)為6.9%(二零零九年十二月三十一日：7.6%)。

截至二零一零年十二月三十一日止年度，本集團的融資成本為人民幣4,520萬元(二零零九年：人民幣6,115萬元)，佔本集團收入約0.1%(二零零九年：0.2%)。

Market Review

China's dairy companies pressed ahead amidst a market environment with opportunities and challenges abounding in 2010.

Following a development theme of "Adjusting Structure and Promoting Consumption", the Government aimed at vigorously boosting consumption demand and facilitating stable economic growth by speeding up urbanisation and expanding domestic consumption. Driven by the continuing increase in spending on food consumption and demand for quality consumption by Chinese people, the China dairy industry grew steadily in 2010. At the same time, the Government continued to strengthen safety control on the dairy industry. In 2010, 66 new national safety standards including those related to raw milk (《生乳》) were revised and re-promulgated and the Notice of Further Strengthening of Measures Regarding the Quality and Safety of Dairy Products (《關於進一步加強乳品質量安全工作的通知》) and the Rules Governing the Review of Permission Granted for the Production of Dairy Products (《乳製品生產許可審查細則》) were promulgated to regulate the dairy market and accelerate industry consolidation.

On the other hand, inflation in China with a rise in the consumer price index exceeded expectations, thus surging prices of raw milk and other raw materials had brought considerable cost pressures to bear on dairy companies. Meanwhile, as a result of industry competition, dairy companies sought to expand their foothold. Under the environment of high raw material prices and market competition, Mengniu implemented stringent cost control, optimised its product portfolio and adjusted selling prices to effectively alleviate the pressure arising from the soaring costs. The Group also carried out structural reform and formulated its five-year development plan to strengthen its leading position in the industry and lay a solid foundation for its future development.

市場回顧

二零一零年，對中國乳製品企業來說，是在充滿機遇與挑戰的市場環境中奮力前行的一年。

一方面，在「調結構、促消費」的發展主題下，國家以推進城鎮化、擴大內需等手段有力地刺激了消費需求和促進了經濟穩定發展。中國居民用於食品消費的支出及對消費質量的要求不斷提高，推動了中國乳製品行業在二零一零年的穩健發展。同時，國家繼續加強對乳製品行業的安全監管，於二零一零年修訂及重新頒佈《生乳》等66項食品安全國家標準，並發佈《關於進一步加強乳品質量安全工作的通知》和《乳製品生產許可審查細則》，規範乳製品市場，加速行業整合。

另一方面，中國通貨膨脹和居民消費指數上漲超過預期，原料鮮奶及其他原輔材料價格亦一路走高，給乳製品企業帶來了巨大的成本壓力。而行業競爭使乳製品企業紛紛擴張佈局。面對原料價格高企和市場競爭的環境，蒙牛通過嚴謹執行成本控制、產品結構調整及調整銷售價格等相應措施，有效緩解了成本上漲造成的壓力。本集團亦開展了組織架構重組、制定五年發展規劃，為鞏固本集團的行業領先地位和未來發展奠定堅實基礎。



Business Review

Unique market insights and well-advanced development strategies were the keys to the Group's success in overcoming the tough situation across the dairy industry during the year.

By implementing stringent cost control measures, Mengniu streamlined each source of costs and implemented cost improvement scheme within its various processes, ranging from raw materials, procurement, production, logistics, marketing and administrative management. The Group also introduced focused cost saving proposals and adjusted the selling prices of certain products timely to secure profitability.

With reference to international enterprises, Mengniu carried out structural reform to reclassify business segments, adopt systematic responsibilities and management, facilitate exchange and cooperation between different departments and optimise resource allocation. Overall synergies to be created year-by-year will effectively reduce the costs of the Group.

In line with the development strategy for high-end functional dairy products, whilst strengthening the enhancement of milk sources and enhancing product quality, the Group also forged ahead with the development and promotion of high value-added products and tapped market opportunities to add new growth drivers to the Group's business. In November 2010, the Group successfully acquired 51% equity interest in Shijiazhuang Junlebao Dairy Co., Ltd., the largest yogurt manufacturer in northern China, becoming its largest shareholder. Through this acquisition, Mengniu turned the competitor into its partner to create development synergies in terms of milk sources, markets and channels in local competitive areas. The win-win cooperation commenced industry consolidation and further reinforced the leading position of Mengniu in the national yogurt market. The acquisition is beneficial to the Group's overall planning and conducive to its long-term development.

Leveraging its advanced planning and timely and effective adjustment measures, Mengniu outperformed its peers amid intense competition and delivered outstanding results better than the average industry level during the year. According to statistics of China Industrial Information Issuing Centre under China's National Bureau of Statistics in 2010, market share of the Group's dairy products ranked first in terms of sales volume and sales value among similar products in China for the fifth consecutive year. Furthermore, according to monitoring statistics of Nielsen Company, the Group's liquid milk and yogurt both ranked first in terms of market share. The Group's leading position in the industry was demonstrably consolidated.

業務回顧

敏銳獨到的市場眼光和高瞻遠矚的發展戰略，是本集團於年內順利化解乳製品行業困境的致勝關鍵。

蒙牛以成本精準化管理為基礎，逐一梳理成本原始可控點，從原料、採購、生產、物流、營銷、行政管理等各項環節推進成本立項改善，針對性出台成本節約方案及適時將旗下部分產品銷售價格進行調整，充分保障盈利水平。

參照國際化企業設置，蒙牛進行了組織架構變革，按業務模塊重新劃分，按系統分工及管理，推動不同部門之間的交流合作，實現資源最優配置，逐年發揮出整體協同效應，將為本集團帶來成本節約。

為配合開發功能性高端乳製品的發展戰略，本集團在繼續加強奶源建設、提升產品質量的同時，促進高附加值產品的開發和推廣，並且把握市場機遇為本集團業務發展增添新力量。於二零一零年十一月，本集團成功收購華北最大酸奶生產商石家莊君樂寶乳業有限公司51%股權，成為其最大股東。通過此次併購，蒙牛將競爭對手轉為合作夥伴，在局部競爭區域形成奶源、市場、渠道的協同發展效應，開啓了產業整合的發展方式，進一步鞏固了蒙牛在全國酸奶市場的領先地位。這一收購有利於本集團的整體佈局，對長遠發展發揮積極作用。

通過提前佈局和及時有效的調整措施，蒙牛在激烈競爭中脫穎而出，於本年度取得高於行業平均水平的優秀業績。根據國家統計局中國行業企業信息發佈中心發佈的資料，蒙牛的乳製品產品於二零一零年所佔市場份額再次獨佔鰲頭，第五度榮列全國市場同類產品銷量、銷售額第一名。根據尼爾森公司的監測數據，本集團之液體奶市場份額及酸奶市場份額亦均穩居市場佔有率第一位，彰顯本集團行業領導者的地位。



Branding and Marketing

In 2010, Mengniu launched its brand new image of “High Quality for a Green Life” (好品質·綠生活), demonstrating its determination towards becoming a green enterprise, offering green products and advocating green consumption. The Group also focused on the society and the future, contributing to the exploration of the low-carbon economic development model. As a brand of pastures, Mengniu is committed to extending its green source dependence on a green environment and performing its necessary responsibility and mission as a leading Chinese dairy enterprise.

While organising various large-scale eco-activity campaigns in China, Mengniu also launched large-scale marketing campaigns for its mainstay products. Examples include a large-scale music talents cultivation programme “Mengniu Suan Suan Ru Music Dream Academy” (蒙牛酸酸乳音樂夢想學院), the “Cholesterol Health Dissemination Expert Seminar Tour” (膽固醇健康傳播行動專家巡講) aiming at dissemination of health knowledge and the “Champion Technology Pavilion” (冠益乳科技館) for promotion of the high-tech value of products at the Shanghai World Expo, to boost its product sales as well as enhance its brand reputation among consumers.

Through a series of focused activities, the Group further enhanced its corporate brand image and became the only dairy product partner of the Boao Forum for Asia for the fifth time. In the top 20 global dairy enterprises issued by Rabobank, the Netherlands, in June 2010, Mengniu’s ranking jumped to 16th, reflecting that its corporate strengths have been recognised internationally. Mengniu was one of the “Top 50 Asian Brands” (亞洲品牌50強) for the fifth consecutive year, ranking 132nd, up 41 places, in the list and the second among dairy brands in Asia. It was included as one of the “Asia’s Fab 50 Companies 2010” (2010年亞洲上市公司50強) compiled by Forbes, the only dairy company in China on the roll, and ranked 20th in the “Top 50 Most Valuable Chinese Brands 2010” (2010年中國最具價值品牌50強) published by WPP, a world leader in marketing communications, recognising its brand value.

品牌及市場推廣

二零一零年，蒙牛以「好品質·綠生活」的嶄新品牌形象出現，標誌本集團致力成為綠色企業、提供綠色產品及倡導綠色消費的決心。本集團還放眼社會及未來，為探索低碳經濟發展模式貢獻自身力量。這是蒙牛作為草原品牌的綠色基因的延續，也是蒙牛作為民族領先乳企必須履行的責任和使命。

蒙牛在國內發起多個大型生態體驗活動的同時，亦針對主推產品展開大型營銷活動，如大型音樂人才培養計劃「蒙牛酸酸乳音樂夢想學院」、旨在普及健康知識的「膽固醇健康傳播行動專家巡講」，以及在上海世博會期間宣傳產品高科技價值的「冠益乳科技館」，為產品銷售造勢的同時亦提升消費者對品牌的認知度。

通過一系列具有針對性的活動，企業品牌形象再度獲得昇華，並第五次成為博鰲亞洲論壇唯一乳品合作夥伴。在荷蘭合作銀行於二零一零年六月發佈的世界乳業20強排名上，蒙牛上升至16強，企業實力進一步受到國際認可。蒙牛亦連續五年上榜「亞洲品牌50強」，攀升41位名列第132位，成為亞洲第二乳業品牌。蒙牛作為中國唯一乳品企業，率先進入福布斯「2010年亞洲上市公司50強」，並在國際權威品牌溝通服務集團WPP首次發佈的「2010年中國最具價值品牌50強」上名列第20強，品牌價值受到肯定。



Products

Catering for consumers in pursuit of a healthy life and quality products along with the enhancement of society standards, the Group stepped up its efforts on the enhancement of milk sources and upgraded the supply of raw milk fully guaranteeing quality products manufactured from superior grades of milk. Meanwhile, Mengniu also focused on market segmentation, product R&D, quality improvement and portfolio enhancement to meet the needs of the market. By offering consumers natural dairy products with premium quality and advocating the concept of green living, Mengniu led the market through innovations and the concept of healthy life.

Liquid milk

Revenue from the liquid milk segment amounted to RMB26,871.8 million, an increase of 18.2% as compared with RMB22,736.2 million in 2009, accounting for 88.8% (2009: 88.4%) of the revenue of the Group as its major income source.

UHT milk

Revenue from UHT milk products grew by 18.3% to RMB16,790.4 million (2009: RMB14,196.2 million), accounting for 62.5% (2009: 62.4%) of liquid milk segment revenue.

The *Future Star Milk* (未來星兒童奶) series was upgraded by adding DHA algal oil through the application of advanced technologies. The *Upgraded Wisdom* (升級智慧型), *Upgraded Vitality* (升級活力型) and *Upgraded Youhu* (升級優護型) series were launched to cater for different stages of growth of children. *Future Star Milk* (未來星兒童奶) garnered numerous awards during the year, including the Innovative Product Award at the French International Food Fair (SIAL) (法國SIAL國際食品展創新產品大獎), the Monde Selection prize by the Belgian International Institute for Quality Selections, which is known as the Food Nobel Prize (食品界諾貝爾獎), evidence of its remarkable success. *Milk Deluxe* (特侖蘇) continued to be a mainstay high-end milk product, and under its product series, *Milk Deluxe Chunxian* (醇纖特侖蘇) was launched. With phytosterol esters and food fiber, it effectively balances the level of cholesterol in the human body, and enhances health, digestion and absorption. The product was well received by white-collar workers. *Milk Deluxe* (特侖蘇) high-end product

產品

消費者對健康生活及產品素質的追求隨著社會水平日益提升，本集團繼續加大奶源建設力度，全面提高原奶供應水平，為好產品源自好牛奶提供充分保證；同時，蒙牛亦更加專注市場細分、產品研發及提升，致力提高產品質素，豐富產品品類以符合市場的需要。蒙牛通過為消費者提供優質天然的乳製品，提倡綠色生活主義，以創新品質和健康的生活理念領先市場。

液體奶

液體奶收入為人民幣268.718億元，較二零零九年的人民幣227.362億元增長18.2%，佔本集團收入的88.8%（二零零九年：88.4%），繼續成為本集團的主要收入來源。

UHT奶

UHT奶收入增長18.3%至人民幣167.904億元（二零零九年：人民幣141.962億元），佔液體奶收入的62.5%（二零零九年：62.4%）。

未來星兒童奶系列整體升級，透過領先技術增添DHA藻油，並根據孩子不同階段的成長需求，推出升級智慧型、升級活力型及升級優護型系列。未來星兒童奶於年內獲得多個獎項，包括法國SIAL國際食品展創新產品大獎、比利時世界食品品鑒大會頒發的Monde Selection獎—食品界諾貝爾獎，成績有目共睹。特侖蘇繼續成為高端奶的主打產品，推出了添加植物甾醇酯並搭配膳食纖維的醇纖特侖蘇，有效平衡體內膽固醇水平，促進健康及消化吸收，成為白領新寵兒。

series sponsored the “On the Stage with Lang Lang, a Splendid Life with Milk Deluxe” (與朗朗同台·卓越特倫蘇人生), leveraging the outstanding musical achievements of Lang Lang and his image as an international elite to highlight the top brand image of the product. Currently, members of the Milk Deluxe Club (特倫蘇名仕會) reached 1.22 million, which gathered a social group with relatively greater influence and demand for high-end living quality. Mengniu launched *XinYangDao Zhenyang Milk* (新養道珍養牛奶), which was the first in China developed for improving blood circulation and skin beauty of females. The mid-range to high-end product tailor-made for female consumers has combined essences of donkey-skin, medlar and red jujube, considered to be beneficial to blood circulation.

Milk beverages

Revenue from the milk beverages segment was RMB7,336.2 million (2009: RMB6,387.3 million), increased by 14.9% from last year, accounting for 27.3% (2009: 28.1%) of the liquid milk segment revenue.

Mengniu continued to devote efforts on innovation and R&D. Featuring a high-end fashionable style, *Fruit Milk Drink* (真果粒) obtained three independent intellectual property patents across the world, including one formula development patent and two production process patents, and has gained wide recognition in the market. The brand affinity of *Suan Suan Ru* (酸酸乳) was strengthened by charity and through sponsorship of the “Mengniu Suan Suan Ru Music Dream Academy” (蒙牛酸酸乳音樂夢想學院), and achieved market penetration aided by its positive brand image associates with “Music, Dream and Charity”. Its *Fruit and Vegetable Suan Suan Ru* (果蔬酸酸乳) contains a variety of nutritional elements to build a “Pyramid of Nutrition” (膳食寶塔) and supplement daily nutritional requirement for consumers pursuing health. Specially designed for children, *Miao Miao Fruit and Vegetable* (妙妙果蔬) focused on the two new tasty strawberry and pineapple flavours. Added with isomaltose (低聚異麥芽糖), the product is effective in aiding digestion. Not only does the product cater for children’s demand for tasty beverages, but also helps children to ingest balanced nutrition and spur healthy growth. In addition, Mengniu launched a brand new series of *Yiyou Te* (益優特), produced in plastic packages featuring vitamins and newly added special nutrients derived from quality milk (galacto-oligosaccharides, whey protein and milk minerals). This new product has further expanded the Group’s product mix.

特倫蘇高端產品系列舉行了「與朗朗同台·卓越特倫蘇人生」，借助朗朗的卓越音樂成就及國際化的精英形象，充分突出了特倫蘇的頂尖品牌形象；而特倫蘇名仕會會員人數目前已經達到122萬人，集合了一個具有較大影響力的追求高端品質生活的社會群體。蒙牛推出的國內首款專為女性研製補血養顏的新養道珍養牛奶，萃取優質阿膠、枸杞及紅棗三種補血食材精華，是為女性消費者量身打造的中高端產品。

乳飲料

乳飲料產品收入為人民幣73.362億元(二零零九年：人民幣63.873億元)，較去年增長14.9%，佔液體奶收入的27.3%(二零零九年：28.1%)。

憑藉蒙牛不斷創新及研發，主打高端時尚營養路線的**真果粒**先後獲得全球三項獨立自主知識產權專利，包括一項配方發明專利和兩項生產工藝專利，產品廣受市場認同及肯定。**酸酸乳**透過「蒙牛酸酸乳音樂夢想學院」強化品牌的公益形象及親和力，讓「音樂、夢想、公益」的正面品牌形象滲透市場。同時旗下的**果蔬酸酸乳**含有各種營養元素，為追求健康的消費者築起「膳食寶塔」，補充每日所需營養。專為兒童特製的**妙妙果蔬**，主推草莓及菠蘿兩種新口味，產品添加低聚異麥芽糖，有效促進腸胃蠕動，既符合小朋友的口味需求，亦有助兒童吸收均衡營養，健康成長。另外，蒙牛還創新推出了採用塑膠包裝的**益優特**系列產品，特別添加源於品質牛奶的呵護營養群(低聚半乳糖、乳清蛋白粉、乳礦物鹽)及維生素群，進一步豐富了產品種類。





Yogurt

Revenue from the yogurt segment grew by 27.5% to RMB2,745.2 million (2009: RMB2,152.7 million), accounting for 10.2% (2009: 9.5%) of the liquid milk segment revenue.

Champion (冠益乳), the bi-functional yogurt with a dominant position in the yogurt market, was honoured with the “Innovative Products Award” at the French International Food Fair (SIAL) (法國SIAL國際食品展創新產品大獎), the “International Food Industry Award” (國際食品工業大獎) presented by the International Union of Food Science and Technology (國際食品科技聯盟) and the “Most Innovative Product Idea Award” (最具創新意識產品獎) at the China International Health Brand Introduction Conference (中國國際健康品牌推介大會). It was the first yogurt brand of Mengniu to obtain national certification as a health-care product and has enjoyed overwhelming favourable market response. Besides, *Champion (冠益乳)* spread consumers’ understanding and knowledge of its products and enhanced its image as the top yogurt brand through the Champion Technology Pavilion (冠益乳科技館) during the Shanghai World Expo period. The natural, pure and quality *Inner Mongolia Old Yogurt (內蒙古老酸奶)*, produced with Mengniu’s modernised technology to enhance its smooth and delicate texture, has become one of the best-selling yogurt products during the year. *Youyi C (優益C)*, which is rich with probiotic lactobacillus casein and fat-free, was well received by health-conscious consumers as it aids digestion.

Ice cream

Revenue of the ice cream segment amounted to RMB3,111.5 million (2009: RMB2,685.1 million), up 15.9% from last year, accounting for 10.3% (2009: 10.5%) of the revenue of the Group.

By enriching product categories, strengthening the development of mid-range to high-end products and expanding market coverage, its product sales grew continually. With *Sui Bian (隨變)*, *Ice+ (冰+)* and *Mood for Green (綠色心情)* as the three major brands, Mengniu continued to enrich its product series. *Sui Bian (隨變)* maintained its brand image of “Ready-for-Change” (勇於改變) and initiated the “Endless Joy with One More” (歡樂無限·再來一支) campaign for a second time to stimulate the consumption market. It has launched the new *Euro (歐羅)* series with big chocolate chips

酸奶

酸奶收入增加27.5%至人民幣27.452億元(二零零九年：人民幣21.527億元)，佔液體奶收入的10.2%(二零零九年：9.5%)。

在酸奶市場中一枝獨秀的雙功能酸奶冠益乳，不但獲得法國SIAL國際食品展「創新產品大獎」、國際食品科技聯盟頒發的「國際食品工業大獎」及中國國際健康品牌推介大會頒發的「最具創新意識產品獎」，更成為蒙牛旗下首個獲批「國食健字號」的保健酸奶品牌，產品獲市場一致好評。此外，冠益乳亦通過上海世博會期間的冠益乳科學館，有效加深消費者對產品的了解及認識，進一步提升酸奶第一品牌的形象。自然純高品質的內蒙古老酸奶，配合蒙牛現代技術，口感爽滑細膩，成為年內最暢銷酸奶產品之一。而有助腸道蠕動的優益C，添加豐富益生C菌，不含脂肪，深受健康一族喜愛。

冰淇淋

冰淇淋收入為人民幣31.115億元(二零零九年：人民幣26.851億元)，較去年增長15.9%，佔本集團收入的10.3%(二零零九年：10.5%)。

透過豐富產品種類、加強中高端產品的發展及擴大市場的覆蓋率，產品銷售持續增長。蒙牛繼續圍繞隨變、冰+及綠色心情三大品牌，豐富其產品線。隨變維持「勇於改變」的品牌形象，再次以「歡樂無限，再來一支」刺激消費市場，新推的歐羅系列，添加大塊巧克力，口感獨特，讓消費者享受雙重美味。冰+推

added to bring an unique texture and a double taste to consumers. *Ice+* (冰+) launched *Cranberry+Yogurt Flavor Bar* (蔓越莓+酸奶口味冰棒), offering consumers with taste sensations for summer refreshment. Under the *Mood for Green* (綠色心情) brand, *Lueshasha* (綠莎莎) was launched, which is an authentic flavour with green beans and cane sugar-free, satisfying health conscious consumers.

Other dairy products

Revenue from other dairy products amounted to RMB282.1 million (2009: RMB289.2 million), accounting for 0.9% (2009: 1.1%) of the revenue of the Group.

For milk powder, *ChaoJinZhuang ZhiJiYi* (超金裝智佳益), a product of *MENGNUI ARLA* (蒙牛阿拉), was launched with the amount of probiotics increased fourfold to provide sufficient nutrition for infants and improve their immune systems and their all-round development. In view of the growing demand for international branded milk powder in the market at present, Mengniu is poised to tap business opportunities through internal structure reform and rebranding. In addition, Mengniu has conducted market research during the year to gain a thorough understanding of market preferences. Tracing closely the trend of market development, the Chinese name of *MENGNUI ARLA* (蒙牛阿拉) was renamed as *MENGNUI ARLA* (歐世蒙牛) in December 2010 to focus on the high-end market. *MENGNUI ARLA* (歐世蒙牛) is undergoing a comprehensive quality upgrade and is to be launched into the market with a brand new packaging, aiming to build a clear international brand image, embellishing the position of Mengniu's milk powder in the high-end market.

In respect of cheese, the Group has continued its R&D to develop cheese products that are suitable for the taste of Chinese. Focusing on the promotion of three major product series, namely *Family Breakfast Cheese* (家庭早餐), *Growth Cheese* (兒童成長) and *Soft Cheese* (軟質乳酪), the Group further enhanced its market penetration. In particular, the *Growth Cheese* (兒童成長乳酪) series was Mengniu's focus in promotion. The "Tour to Woolearn Academy" (帶你暢遊《烏龍學院》) campaign was organised to increase product exposure, deepen consumers' knowledge of the product and capture the expanding market share of children's cheese.

出蔓越莓+酸奶口味冰棒，為消費者帶來夏天清涼的新體驗。綠色心情推出綠莎莎，為純正的綠豆口味雪糕，不添加蔗糖，以滿足追求健康的消費群。

其他乳製品

其他乳製品收入達人民幣2.821億元(二零零九年：人民幣2.892億元)，佔本集團收入的0.9%(二零零九年：1.1%)。

奶粉方面，蒙牛阿拉推出超金裝智佳益產品，提升四倍益生元，為寶寶提供足夠的營養，提升免疫力及有助全方位發展。目前市場對國際品牌奶粉的需求不斷增加，為抓緊契機，蒙牛重整了內部架構，為品牌的發展作出全新部署。此外，蒙牛亦於年內進行了市場調研，深入了解市場看法。為緊貼市場發展趨勢，蒙牛阿拉已於二零一零年十二月將中文名字改為歐世蒙牛，專注於高端市場。歐世蒙牛將全面提升產品質素，並以煥然一新的包裝推出市場，旨在建立明確的國際品牌形象，推高蒙牛奶粉在高端市場的地位。

乳酪方面，本集團持續研發適合中國人口味的乳酪產品，主推家庭早餐、兒童成長及軟質乳酪三大產品系列，進一步提高市場滲透率。其中，蒙牛重點推進兒童成長乳酪系列產品，透過舉行「帶你暢遊《烏龍學院》」活動，提高產品的曝光率，增加消費者對產品的認識，搶佔不斷擴大的兒童乳酪市場份額。



Quality Control

In response to the further implementation of various national policies in the PRC to strengthen the supervision and evaluation of the safety of dairy products, the Group adhered to its serious attitude towards quality control at every stage of its production process. Efforts have been made to enhance the testing level and supervision over food safety. On the basis of the certifications already obtained for its quality control, environmental management, occupational health and safety management as well as food safety management, the Group continued to embark upon its implementation of GMP for dairy products production, obtaining GMP certification for seven of its production plants. The Group's five laboratories in Beijing, Jiaozuo, Ma'anshan, Wuhan and Shenyang also passed evaluation earning qualification certificates, providing a sound guarantee for the Group's technological advancement in daily inspection of its products. To actively foster external cooperation in respect of laboratory testing projects, the Group collaborated with the Chinese Academy of Inspection and Quarantine (中國檢驗檢疫科學研究院) to establish a "Joint Dairy Products Laboratory" (乳品聯合實驗室), to jointly engage in the R&D of new methods for supervising and testing food safety. To strengthen its control over suppliers' quality and ensure the quality and safety of the raw materials, the Group has also established a supplier quality management department to engage in regular guidance work in evaluating its suppliers.

Production and Operations

During the year, the Group continued to strive to expand production capacity. The aggregate annual production capacity increased to 6.5 million tons in December 2010 (2009: 5.76 million tons).

By introducing technologically advanced production facilities including a fully automated high-speed injection machine (全自動高速灌裝機) and fully automated packaging machines (全自動裹包機) from France and Italy, the Group's per-capita production capacity and production rate of labour had been effectively boosted. Working around the idea of "selling to where it is produced", the Group has established additional liquid milk production bases in northeastern China and more milk beverages production bases in southern China as well, in accordance with the regional diversification of the raw milk supply and market demand. Plant facilities were deployed for the second time, by enhancing the utilisation of its facilities and achieving the matching of production and sales, so that allocation of resources can be optimised. Further, in constructing new production plants, the Group paid special attention to the use of energy-saving equipment to reduce its operating costs.

品質監控

為回應國家進一步出台各項政策加強乳製品安全性的監測和審核，本集團秉持嚴謹認真的態度，將品質監控落實到所有生產環節，更不斷提升檢驗水平、加強食品安全監控能力。本集團在原有品質管制體系、環境管理體系、職業健康安全體系及食品安全管理系統的認證基礎上，繼續開展乳製品GMP的推行工作，並獲得了七個工廠的乳製品GMP證書。本集團位於北京、焦作、馬鞍山、武漢及沈陽的五個實驗室亦通過評審，取得認可證書，為本集團產品的日常檢驗提供了良好的技術保證。為積極推動實驗室檢測項目的合作，本集團與中國檢驗檢疫科學研究院聯合成立「乳品聯合實驗室」，共同開發研究新的食品安全監控檢測方法。本集團還特別成立供應商質量管理部，通過定期開展供應商審核指導工作，加強供應商質量管理能力，確保本集團原輔材料的質量安全。

生產和運營

本集團年內繼續致力於產能擴充，於二零一零年十二月，合計年產能提升至650萬噸(二零零九年：576萬噸)。

通過引進法國和意大利的全自動高速灌裝機、全自動裹包機等國外先進生產設備，本集團的人均產能和勞動生產率得到有效提高。以「產地銷」為方向，本集團根據區域化奶源供應量和市場需求量的不同，於東北部區域增設液體奶生產基地，於華南區域新增乳飲料生產基地，並將工廠設備進行二次佈局，提高設備使用率，實現產能銷量的互相匹配，使資源獲得最優配置，並且在新建工廠項目中，注重採用節能降耗設備，以降低運營成本。

The reform of the Group's internal structure has contributed to the integration of the existing production units under the Group which had previously been running quite separately. This move has created favorable conditions for the sharing of resources and cost saving. In addition, asset enhancement projects have been initiated, which have involved the handling of idle equipment and slow-moving components in operations by way of redeployment, re-sale or disposal. Meanwhile, an operating costs reduction project was put under trial run by the High Tech Department of the Group which aimed at reducing operating costs and enhancing the level of operational management. The project has delivered a promising initial performance and is planned to be promoted to various production regions under the Group.

Enhancement of Milk Sources

The enhancement of milk sources is taken by Mengniu as the key to being a leader in the industry. For years, the Group has been putting in continuous efforts in building up a pool of milk sources, stressing the modernisation of raw milk production and the tracking of such milk sources, which would secure the production of safe and reliable dairy products. During the year, the Group invested more than RMB700 million in enhancing these milk sources and supporting their production. This included providing of

經過本集團的內部組織架構改革，原本獨立運作的各生產部門整合在營運系統的統一規劃之下，為資源共享和成本節省提供了有利條件。同時，本集團亦開展資產優化項目，通過調撥、轉售退廠、報廢等方式處理營運系統閒置設備和呆滯備件。另外，本集團於高科事業部試行運營管理成本改善(OCR)項目，旨在削減運營成本、提高運營管理水平，已取得初步成效，並計劃於各生產區域進行推廣。

奶源建設

蒙牛視奶源建設為領先行業的制高點，持續多年大力度加強奶源建設，強調原奶生產的現代化和來源的可追溯性，為生產安全可靠的乳製品提供了根本保障。年內，本集團在奶源支持及建設方面的投入超過人民幣7億元，包括提供委托貸款、預支奶款、參股大型牧場及投資建設現代化牧場設備。牧場均配備標準化專業設備，並鼓勵推行現代化養殖技術，為穩定原



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entrusted loans, prepaying for raw milk, investing in large scaled ranches and constructing in modernised ranches facilities. These ranches are all equipped with standardised and professional equipment and encouraged to apply modern cattle raising technology, creating favorable conditions for the provision of stable raw milk production and quality, and further raising the proportion of milk sources provided by ranches and scaled farms to more than 70% in 2010, well above the industry level. In addition, the Group has extended its reach to dairy farmers for providing technical services, establishing dairy farm technology service centres to provide all-round services to milk farmers who could learn scientific techniques in cattle raising and in disease prevention and treatment. The Group also provided instruction in actively enhancing the level of supervision of the safety of fodder and drugs, monitoring the use of cleansing equipment by milk farmers and the inspection of cattle's health, adjusting and reducing the transportation time of milk-carriers for enhancing freshness of raw milk, all with a view to fully securing the good quality of Mengniu's dairy products at the upstream links of the production chain.

R&D Achievements

The Group has been stressing the importance of investing in R&D. This investment has given rise to the continuous increase in the technological level of the Group and kept the Group in a leading position well ahead of its peers. During the year, Mengniu set up its overseas R&D station in Paris and overseas information stations in Geneva and Tokyo, for closer connection with the latest development trends of global technology and timely introduction of internationally leading technology. Meanwhile, Mengniu has also strengthened its independent innovation and R&D capability, and has been approved by the PRC's Ministry of Human Resources and Social Security for establishing a post-doctoral scientific research centre. Adding to that is the Group's breakthrough development in its joint scientific research project with Harbin Institute of Technology on "Development of Lactic Acid Bacteria and Fermentation Agents with Self-owned Intellectual Property Rights" (開發自主知識產權乳酸菌及發酵劑). The project was evaluated by experts of the Chinese Institute of Food Science and Technology (中國食品科學技術學會) that the achievement was vital to the development of lactic acid bacteria for domestic dairy enterprises. This achievement is also a boon to the Group in its R&D of yogurt products which are better suited to the body features of Chinese. As at 31 December 2010, Mengniu has, on a cumulative basis, submitted 1,012 patent applications and obtained patents in respect of 750 items, out of which 88 patents were applied for and 83 patents were obtained during the year. The fruitful technological achievements have been widely deployed in the development of products and have provided the wherewithal for maintaining the leading market position of Mengniu in technological advancement.

奶產量和質量提供有利條件，進一步將本集團的牧場奶源和養殖小區規模化奶源比例於二零一零年提升到超過70%，處於行業領先水平。此外，本集團深入奶戶提供技術服務，設立了奶農技術服務中心，為養殖戶科學飼養、疫病防治等方面提供全方位服務，並主動提升飼料、獸藥安全監管力度，監測奶戶清洗設備的使用和牛隻健康的檢查，調整壓縮奶車在途時間以提升原奶新鮮度，從源頭充分保證了蒙牛乳製品的「好品質」。

研發成果

本集團一直十分重視在研發方面的投入，研發費用投入能實現本集團技術水平持續上升，遠居於行業領先水平。蒙牛年內建立位於巴黎的海外研發工作站以及位於日內瓦和東京的海外信息站，致力於緊密跟蹤國際技術發展趨勢，及時引進國際領先技術。同時，蒙牛亦加強自主創新研發能力的建設，於年內獲得國家人力資源和社會保障部批准設立博士後科研工作站，並且與哈爾濱工業大學聯合進行的「開發自主知識產權乳酸菌及發酵劑」科研項目取得突破性進展，中國食品科學技術學會組織專家鑒定認為該成果對於打破國內乳製品企業使用「洋菌種」的格局意義重大，且有利於本集團研發更適合國人體質現狀的酸奶產品。於二零一零年十二月三十一日，蒙牛累計申請專利1,012件，授權專利750件，其中於年內申請專利88件，授權專利83件。豐碩的技術成果被廣泛應用於產品開發，為蒙牛以技術領先市場提供了源源不斷的動力。

Environmental Protection

The Group has taken numerous actions in support of a green and low-carbon economy by paying attention to various aspects of resources protection and bringing awareness of environmental protection to every detailed aspect of the Group as part of its commitment to promoting the green concept to the community as a whole.

In its production operation, the Group implemented energy-saving and emission-reduction measures in each of its systems, including wise use of electricity, the renovation of equipment for reducing energy consumption, the adoption of recycling of cold/hot water in its self-built ranches, which effectively improved the utilisation of resources. Other environmentally-friendly projects include methane power generation, sewage treatment, and turning abandoned mountains to green areas as part of its production process. Mengniu became the first dairy enterprise in the PRC to engage in carbon auditing for the full range of its production processes, in the hope of creating new approaches to the low-carbon development of the industry.

In respect of brand building, the Group closely linked its corporate image to the concept of a green lifestyle and advocated the community's general recognition of environmental awareness. The Group is committed to involving all citizens in the PRC to let the "Eco-China" dream come true. During the year, the Group initiated 90 large-scale ecological experience activities "Ecological Movement Support China" (生態行動，助力中國) in 30 cities across the PRC, and launched an online "Carbon Test" (碳測試) in collaboration with cooperation partners on the network, to let consumers

環境保護

本集團切實踐行綠色低碳經濟，處處注重資源保護，將環保意識深入到本集團的每一個細節，並致力於將綠色理念推廣至社會層面。

在生產運營方面，本集團在各個系統廣泛推行節能減排措施，其中包括節約用電、改造設備以降低能耗，在自建牧場採用製冷熱水回收系統，有效提高資源的利用率，並將沼氣發電、污水處理、荒山綠化等環保項目納入生產環節。蒙牛成為中國乳業第一家全面對生產環節開展碳排查的企業，希望為行業探索一條低碳發展的新模式。

在品牌活動方面，本集團將企業形象與綠色概念緊密結合，倡導社會對環保理念的普遍認同。本集團致力於將生態中國夢想全民化，於年內在國內30個城市發起了90次「生態行動，助力中國」的大型生態體驗活動，並與網絡合作夥伴聯合推出線上「碳測試」，讓不同地方的消費者，隨時隨地都能計算自己的碳足跡。



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)

from different localities to easily calculate their own carbon footprints. Advocating the formation of a green ecological production chain in the dairy industry, Mengniu became a pioneer in the industry in using packaging materials which were certified by FSC. The Group has also successfully kicked off a package recycling activity in Shanghai under the slogan of “Press it Flat after Drinking and Support the Recycling of Milk Cartons” (喝完壓扁，支持回收)。In addition, Mengniu also initiated a three-year “Low-Carbon Enterprise Responsibility Programme” (低碳企業責任行動) in cooperation with about 10 industry leaders such as Lenovo, Haier Group and Sohu, to harness the power of the pioneers from various sectors and jointly fostered the implementation and development of a low-carbon economy of the PRC.

During the year, leveraging its efforts in low-carbon economy and its long-term green charitable deeds which have been widely applauded by the community, Mengniu was recognised as the “Most-Watched Low Carbon Contribution Enterprise” (最受關注的低碳貢獻企業大獎) at the First Annual China Low Carbon Forum (低碳中國論壇首屆年會), the most authoritative and highest-ranking low-carbon forum in the PRC. Further, it was recognised as “China’s Outstanding Low Carbon and Energy Saving Enterprise” (中國低碳節能優秀企業獎) at the International Forum on Innovation and Development of the High-tech Enterprises of the 13th CHITEC (第十三屆科博會中國高新企業發展國際論壇)。It was also granted an “Eco-China Contribution Award” (生態中國貢獻獎) at the First Ecological China Forum (首屆生態中國論壇), becoming a widely recognised ecological pioneer.

Social Responsibilities

The Group strongly believes that an enterprise which benefits from the community shall also contribute to the community, so it cares about social issues and participates in charitable activities all the way. During the year, Mengniu extended its “Love Gifts Action”, joining hands with The Foundation for Children and Teenagers (兒童少年基金會) and China Milk Caring Fund (中國牛奶愛心基金) to bring the love of millions of netizens to children and promote good health and good fortune through campaigns such as the “New Year’s Love Gifts” for Beijing Guangai School, “Love Gifts Scheme” for Shanghai Dabieshan Elementary School, and “Wenchuan’s Wishes” in Chapingxiang Elementary School in An County, Mianyang City,

蒙牛發出了乳業建立綠色生態產業鏈的倡議，率先在行業內啓用了FSC認證包材，並在上海成功開展「喝完壓扁，支持回收」包裝回收活動。蒙牛還與聯想、海爾集團、搜狐等十家各行業領袖企業聯合發起為期三年的「低碳企業責任行動」，集合各行業的先鋒企業力量，共同推動中國低碳經濟的實踐和發展。

蒙牛憑藉低碳循環經濟所取得的成就以及長期延續的綠色公益行動受到社會各界的廣泛認可和贊譽。年內，蒙牛在國內最權威、出席規格最高的低碳領域論壇低碳中國論壇首屆年會上榮獲「最受關注的低碳貢獻企業大獎」；在第十三屆科博會中國高新企業發展國際論壇上榮獲「中國低碳節能優秀企業獎」；及榮獲首屆生態中國論壇的「生態中國貢獻獎」，成為各界認可的生態先鋒企業。

社會責任

本集團深信企業受惠於社會，亦應回饋社會，自始至終堅持關注社會問題，熱心公益事業。年內，蒙牛延伸「愛心禮物行動」，從北京光愛學校舉辦的「愛的新年禮」到上海大別山小學的「愛心禮物計劃」，再到四川綿陽市安縣茶坪鄉小學的「汶川的心願」，蒙牛與兒童少年基金會、中國牛奶愛心基金一起將千萬網友





Sichuan Province. Mengniu has been actively and continuously participating in various charitable deeds including the donation campaign for drought relief in southwestern China, the disaster rescue action in Yushu after the earthquake, the “Mengniu Lets Your Dream Come True” campaign which attempted to locate lost parents of 3,000 orphans, the donation in collaboration with the General Administration of Sport of China for helping Hulunbeier Elementary School, the visit to the Shanghai Expo Security Guard Teams, and the visit to Xichang Satellite Launch Centre, contributing to the community.

Joint Ventures and Alliances

During the year, the Group continued to explore cooperation with top-notch enterprises in different industries for exploring complementary resources advantage for supporting our development. Mengniu has forged an alliance with China Modern Dairy Holdings Ltd. (“China Modern Dairy”), the largest cattle-raising company and raw milk producer in the PRC, for priority supply. Under this arrangement, Mengniu has the priority to purchase most of the raw milk of China Modern Dairy for the next six years, laying a solid foundation for securing a reliable and safe milk supply source. Mengniu’s milks also passed a stringent investigation by the Office of Lunar Exploration Program of the PRC (中國探月工程辦公室) and has become the only designated dairy product for the Lunar Exploration Program. It has been providing products exclusively for China’s Space Programme for eight successive years. In addition, Mengniu once again became the exclusive milk products for all of the athletes under the General Administration of Sport of China in their preparation for the Olympic Games, and once again engaged in official cooperation with NBA China. In addition, it was the sole dairy product cooperation partner in the Boao Forum for Asia for the fifth time.

的愛帶到了孩子們的身邊，送去健康和祝福。從西南旱災捐款到玉樹抗震救災，從「蒙牛傳情草原圓夢」為三千孤兒尋親活動到聯合國國家體育總局為呼倫貝爾小學捐款，從慰問上海世博護衛隊到探訪西昌衛星發射中心，蒙牛通過持續不斷的公益行動，著力回饋社會。

合營和聯盟

本集團於年內繼續開拓與不同行業內頂尖企業的合作關係，實現強強聯手，為蒙牛的發展開拓互惠互補的資源優勢。蒙牛與中國最大的乳牛畜牧公司及原料鮮奶生產商中國現代牧業控股有限公司(「現代牧業」)建立優先供應關係，擁有未來六年現代牧業絕大部分原料鮮奶的購買優先權，為蒙牛奶源的穩定性與安全性奠定了堅實的基礎。蒙牛奶奶還通過了中國探月工程辦公室的嚴格考察，成為探月工程唯一指定乳製品，亦連續第八年成為「中國航天員專用牛奶」。蒙牛再次成為國家體育總局全體運動員備戰奧運會的運動員專用產品，並再度與美國國家籃球協會(NBA)中國展開官方合作，同時第五次成為博鰲亞洲論壇唯一乳品合作夥伴。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)

Human Resources

As at 31 December 2010, the Group had approximately 21,500 employees in Mainland China and Hong Kong. Total staff costs for the year, excluding directors' remuneration, were approximately RMB1,556.9 million (2009: RMB1,317.3 million).

In 2010, the Group was in full gear in kicking off its employment qualification system and clarifying with employees a behavioral code of conduct and necessary knowledge and skills in their workplace. This served to enhance their business operating capability, enabling the Group to provide personalised training to its employees, identifying the employee's potential and achieving the rational deployment of human resources. Other efforts included ongoing development of pre-job orientation and on-the-job training to staff members and arranging tests of the professional knowledge for enhancing their business skills and expertise. The human resources centre also enlisted overseas experts and specialists in the dairy industry to instruct its six divisions responsible for R&D, sales and marketing, strategy formulation, legal affairs, international business and investment to bolster the overall strategic planning and operational needs of the Group, thereby facilitating the smooth operation of the Group.

Prospects

2011 will be a year of good prospects as well as a year of change for the dairy industry in China. It is therefore vital for an enterprise to do its best and be flexible in facing the challenges.

At present, the dairy industry has resumed the steady growth rate of around 10%. The relatively low level of liquid milk consumption per capita in China compared with the international standard, increasing urbanisation, the growth of residents' incomes in urban and rural areas, and the continuous rise in consumption, are all favorable factors to boost future demand for dairy products. Under the 12th Five-Year Plan starting in 2011, it has been proposed to implement a strategy of expanding domestic demand and fostering the modernisation of the agricultural sector, which are favorable conditions for the future development of the industry. Mengniu is a pioneer in proposing a strategy of green development, creating a green industry chain and initiating a low-carbon economy, which is in line with China's policy direction of expediting the construction of a resources-conservation society and bolstering the country's environmental protection during the 12th Five-Year Plan period.

人力資源

於二零一零年十二月三十一日，本集團於中國大陸及香港合共聘用約21,500位僱員。年內僱員總成本(不包括董事酬金)約為人民幣15.569億元(二零零九年：人民幣13.173億元)。

本集團於二零一零年全面啟動任職資格體系，使員工清楚認識在工作中要達到的行為規範和必備知識技術，促進業務水平提高，令本集團更有依據性地對員工進行針對性培訓，發掘員工潛力，實現人力資源的合理配置。除繼續推進職前及在職培訓和專業知識考試以提升員工業務素質之外，人力資源中心還根據本集團整體戰略規劃及工作需要，於研發、營銷、戰略、法務、國際業務、投資合作等六個領域內招聘多名海外專才及乳品業專家，為本集團運作提供良好的促進作用。

展望

二零一一年，對於中國乳製品行業來說，是前景美好的一年，也將是充滿變革的一年，因此更需要企業全力以赴、靈活應變。

目前，中國乳製品行業已經回復以往約10%的穩定增速，且現時中國人均液體乳消費量尚處於國際人均液體乳消費量的較低水平，隨著城市化推進、城鄉居民收入增長和消費結構不斷改善，預計未來乳品消費需求發展空間巨大。自二零一一年開始施行的「十二五規劃」，提出堅持擴大內需戰略，推進農業現代化，為行業未來的發展提供了有利條件。蒙牛率先提出「綠色發展戰略」，打造綠色產業鏈，開展低碳經濟，順應了國家在十二五期間加快建設資源節約型社會、加大環境保護力度的政策方針。

During the year, the PRC Government rolled out the Rules Governing the Review of Permission Granted for the Production of Dairy Products (《乳製品生產許可審查細則》), which requires those enterprises without production permits to exit from the dairy market. The increasingly stringent policy of the PRC towards the supervision of food safety in the dairy industry has provided a healthy industry environment for the development of dairy enterprises. It can also inspire consumer confidence in branded products.

As an industry leader, the Group will engage in its strategic deployment from the long-term perspectives of the enterprise as well as the industry and formulate the five-year development plan of Mengniu, with the goal of becoming one of the world's top ten dairy companies. In order to realise this strategic vision, Mengniu will in the future focus on five aspects namely enhancement of milk sources, product portfolio, R&D capability, management system and brand building, via which it is envisaged to enhance the competitive strengths of the Group and lead the dairy industry of the PRC to enter a new stage of development.

中國政府於年內出台《乳製品生產許可審查細則》，責令未成功申請到生產許可證的企業退出乳製品市場。國家對乳製品行業食品安全監管日益嚴厲，為乳製品企業的發展塑造良性的行業環境，有利於增強消費者對品牌產品的信心。

肩負行業領軍重任，本集團將從企業和行業的長遠角度出發進行戰略部署，擬定蒙牛的五年發展規劃，並以進入世界乳業前10強為目標。為實現此戰略遠景，未來蒙牛將會以奶源建設、產品組合、研發能力、管理系統、品牌形象等五個方面為主要突破方向，全面提升自身實力，引領中國乳製品行業邁向全新階段。



I. Enhancement of Milk Sources – Further Implement the Group’s Strategy of Standardising Ranches and Enhancing the Management of Milk Sources Renders, to Build Its Advantage in Milk Sources As a Core Competitive Edge for Future Development

To ensure product quality in upstream, on the basis of the enhancement of milk sources, the Group will continue its strategy of ranches standardisation by building its own ranches facilities and investing in ranch areas, aiming to further increase the proportion of ranch and scaled farm milk sources. Currently, the Group is already in full control of the quality-related process of its raw milk sources and the proportion of the milk source from ranches to total milk source is far higher than the industry average. In the fiercely competitive dairy market, milk sources, which are closely related to product quality, represent the core competence of an enterprise. Therefore the Group will consolidate the advantage of its already-existing milk sources and continue to step up efforts in the exploration of milk sources as well as further expand its modern ranch construction through various measures, thereby promoting an advanced approach to cattle raising and contributing to the modernised raw milk production of the PRC’s dairy industry.

II. Product Portfolio – Continue to Optimise Product Portfolio, Increase the Proportion of High-end Products, and Enrich its Product Line with Market Segmentation

Under the rapid growth of the consumption level of the Chinese society and the significant upgrade of consumption demand, high quality and functionality of dairy products will become the focus of the market in future. On the foundation of established leading position in UHT milk, yogurt and ice cream markets, Mengniu will continue to strengthen its influence and maintain its market leadership. For high-end products, Mengniu will continue to focus on different niche demographic markets, especially children and the elderly segments which have vast growth potential, to develop functional products with high added value. The Group will optimise its product portfolio and enhance profitability, as well as consolidate its market leading position by improving innovative quality, in order to solidify its image as a high-end brand. Mengniu will keep itself abreast of market trends and proactively explore and identify market demand. It will keep on delivering new and diversified products in response to the increasingly high-quality and healthy lifestyle of the consumers in the PRC.

一. 奶源建設—深入開展牧場化戰略，加強奶源管理，把奶源優勢打造為企業發展的核心競爭力

為從源頭上保證產品的優良品質，本集團將會在目前奶源建設的基礎上，繼續推進牧場化戰略，通過自建牧場建設和參股牧場小區等形式，進一步提高規模化養殖生產的牧場奶在原奶收集中的比例。目前，本集團已經做到奶源質量相關環節的全面可控，牧場奶在原奶中的比例遠遠高於行業平均水平。在競爭激烈的乳製品市場，與產品品質息息相關的奶源將是企業核心競爭力，因此本集團將鞏固已有奶源優勢，繼續加大奶源開發力度，並採用多種形式，繼續加大擴大現代化牧場建設，大力推廣集約化健康養殖方法，為締造中國乳業現代化的原奶生產模式作出貢獻。

二. 產品組合—繼續優化產品結構，增加高端產品比重，針對細分市場豐富產品線

在中國社會消費水平快速提高、消費需求顯著升級的大趨勢下，乳製品的高品質和功能性將成為未來市場的主要訴求。在原本優勢品類如常溫奶、低溫酸奶、冰淇淋方面，蒙牛將繼續加強市場影響力，保持領先地位。在高端產品方面，蒙牛將繼續針對不同人群細分市場，尤其是潛力巨大的兒童、老年市場，開發高附加值功能性產品，搶佔高端市場。本集團將一方面優化產品結構提高盈利能力，一方面通過精益求精的創新品質鞏固市場領導地位，塑造高端品牌形象。蒙牛將時刻緊貼市場脈搏，積極探索市場需求，不斷推陳出新，為中國消費者提供多元化的乳品選擇和高品質的健康生活。

III. R & D Capability – Introduce Advanced International Technology, Enhance Internal R&D Capability and Ensure a Leading Position in Technological Advance

R&D capability represents a momentum to drive the sound development of an enterprise. As a leader in the Chinese dairy industry, Mengniu is committed to cultivating its R&D capability in the dairy industry which is considered domestically as a leader and internationally as top-notch. Accordingly, the Group will continue to establish additional overseas R&D stations and strengthen its management over overseas information stations. It shall cooperate with internationally leading R&D teams, forging strong collaboration and shall keep itself abreast of development trends within the industry and advanced technology around the world. It shall leverage overseas technological advances to drive the improvement of the core competence of the enterprise and bring the Group's R&D capability to an internationally leading level. In addition, the Group also attaches importance to the research of fundamental technology and the enhancement of internal R&D capability, so as to lay the foundation for its R&D innovation and guide the overall development of the industry via enhancing its own internal technological capability.

三. 研發能力—引進國外先進技術，提升自主研發能力，確保技術領先地位

研發能力是企業長足發展的後續力量，作為中國乳製品行業的領先代表，蒙牛將致力培養國內領先、世界一流的乳業研發能力。因此，本集團將繼續增設海外研發工作站，並加強對海外信息站的管理，與國際頂尖乳品技術研發力量展開強強合作，緊密跟踪國際行業先進技術和發展趨勢，借助海外技術實力帶動企業核心競爭能力的提升，實現本集團研發實力比肩國際領先水平。另外，本集團亦強調基礎類技術的研究和自主研發能力的提升，為產品研發創新奠定技術基礎，並通過提升自身科技能力引導整個行業水平的發展。



IV. Management System – Foster Organisational Reform, Solidify Employment Qualification System and Emphasise Precise Management

In the course of growth and development, Mengniu attaches great importance to its people and has continuously reformed its internal system for enhancing management level and laying the solid foundation for an enterprise to last a century. In 2010, Mengniu completed the initial reform of its organisational structure and will, on an orderly basis in the future, continue to implement reform, so as to achieve synergies among the systems upon integration. For the employment qualification system which is already in place, its functions will also be solidified and put into practice, in order to secure specialised development of staff and thus a solid human resources platform to support the development of the Group. Mengniu will also continue to enhance the level of its precise management as one of its focal points, and shall streamline its production, procurement, operation, marketing and R&D. It shall enhance its standardised management approach and stringently administer according to the standards applicable to an internationally advanced dairy enterprise. It will apply these standards to the areas of ranch construction and quality inspection, ensuring that its internal system can be aligned with the development scale of Mengniu as a leading dairy enterprise in the PRC and fully safeguard the system upon which the future development of the Group will be based.

四. 管理系統—推進組織架構變革，深化任職資格體系，強調精細化管理

在不斷發展壯大的過程中，蒙牛以人為本，堅持內部系統改革以提升管理水平，為奠造百年基業打下堅實基礎。蒙牛二零一零年初步完成的組織架構變革，將在未來繼續有序推進，務求充分發揮出各系統整合之後的協同效應。已建立的任職資格體系，其作用亦將得到深化實踐，實現人才專業化發展，為本集團發展搭建良好的人力資源平台。蒙牛亦將繼續提升精細化管理水平作為工作重點之一，梳理生產、採購、運營、營銷、研發等領域的各個環節，提升管理規範性，在牧場建設、品質檢驗等各方面嚴格按照世界級領先乳品企業的標準來進行管理，確保內部體制可以高度配合蒙牛作為中國領先乳製品企業的發展規模，並為未來發展充分提供體制上的保障。



V. Brand Building – Work around “High Quality for a Green Life”, Advocate its Low-carbon Initiative and Build its International Brand Image Fulfilling Social Responsibility

With the increasing concern about environmental protection around the world, “green” and “ecology” will be the key focuses for the future economic development, and also an important signpost guiding the economic transformation of the PRC under the country’s 12th Five-Year Plan. The concept of “High Quality for a Green Life” articulated by Mengniu will also be a theme throughout the course of the Group’s development in the next few years. The Group shall fully comprehend and analyse the concept and adhere to its green strategy. It will build a brand image of caring for the society and caring for the environment, with an aim to become one of the top five most valuable and most influential brands within the fast moving consumer goods industry in the PRC. Mengniu will not only upgrade its product level, but also insist on natural and ecological “good quality”. Embracing a strong sense of social responsibility, it shall take action for achieving low-carbon economy by saving energy and reducing emissions in its production process and promote environmental protection in its marketing activities. It shall commit itself towards leading the PRC’s development of ecological awareness among all citizens, bringing the growth of Mengniu in tandem with social development, achieving positive brand equity and resulting in a win-win situation of both the enterprise and the society.

Mengniu is fully confident of the future, given the vast potential of growth in the dairy product consumption market in the PRC. In response to market development trends, the Group’s efforts will centre around its five-year plan and adhere to reform and innovation, enhance its management level, and foster the further international development, striving to become one of the world’s top ten dairy companies.

五. 品牌形象—圍繞「好品質，綠生活」，推行低碳主張，打造具有社會責任感的國際品牌形象

在全球對環境保護日益關注的今天，「綠色」、「生態」將是未來經濟發展過程中的重要標籤，亦是中國「十二五規劃」經濟轉軌的重要方向。蒙牛提出的「好品質，綠生活」也將會是未來數年本集團發展過程中的長期主題，以此為中心進行深度解讀與剖析，堅持綠色戰略，樹立關愛社會、關愛環境的品牌形象，努力成長為中國前五位最具價值、最具影響力的快速消費品品牌。蒙牛不僅努力提高產品水平，堅持天然生態的「好品質」，並將以強烈的社會責任感，通過在生產過程中節能減排、在營銷活動中宣傳環境保護，以行動實踐低碳經濟，以引領中國全民生態的探索為己任，將蒙牛的成長融入社會發展的宏觀背景下，藉此形成良好的品牌效應，實現企業與社會的雙贏。

面對極具增長潛力的中國乳製品消費市場，蒙牛對未來充滿信心。針對市場發展趨勢，本集團將圍繞五年規劃的藍圖堅持改革創新，提升管理水平，推動企業進一步向國際化發展，實現進入世界乳業前10強的宏偉目標。



DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive Directors

Mr. Yang Wenjun, aged 44, is the Chief Executive Officer (“CEO”) of the Company and Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”) and one of the founders of Inner Mongolia Mengniu. Mr. Yang graduated from Inner Mongolia Light Industry Institute and holds a Master’s degree from Inner Mongolia Agricultural University. Mr. Yang has over 20 years of management experience in the large-scale dairy products industry and extensive experience in production management and sales and marketing of dairy products. Mr. Yang was elected as one of the “World Economy’s Top 10 Outstanding Chinese Professional Managers” by the Professional System Assessment Committee of the appraisal system of World Chinese Economy (WCE) at the Annual Conference for Investment and Financing in Asia Pacific in 2008, and as one of the “China’s Top 10 Celebrities for Industry Leaders” and “Tenth Session of Top 10 Celebrities for China’s Reform Programme” in 2010. Mr. Yang currently serves as the Deputy Chairman of the Dairy Association of China.

Mr. Bai Ying, aged 40, is an executive Director of the Company and a Vice President in Operation of Inner Mongolia Mengniu. Mr. Bai graduated with a Master’s degree from Inner Mongolia Agricultural University and holds a Master of Business Administration degree from China Europe International Business School. Mr. Bai was the Vice President of Inner Mongolia Mengniu and the general manager of UHT milk division of Inner Mongolia Mengniu. He has been working in the dairy products industry for almost 20 years and has extensive experience and advanced management concepts in the dairy industry. In 2010, Mr. Bai was elected as “Advanced Staff of Hohhot” and “Inner Mongolia Autonomous Region Labour Model” for the second time.

Mr. Wu Jingshui, aged 45, is the Chief Financial Officer of the Company and a Vice President in Finance of Inner Mongolia Mengniu. Mr. Wu graduated from Inner Mongolia Light Industry Institute majoring in industrial enterprise financial accounting and holds a Master’s degree from Inner Mongolia Agricultural University and a Master of Business Administration degree from China Europe International Business School. He also holds a senior accountant qualification. Before being appointed as the Vice President in Finance of Inner Mongolia Mengniu in April 2008, Mr. Wu served as the Chief Financial Officer of liquid milk division and the Chief Financial Officer of Inner Mongolia Mengniu, and has extensive experience in financial management. In 2010, Mr. Wu was honoured as a “Labour Model (Advanced Staff) of Hohhot”.

執行董事

楊文俊先生，44歲，本公司兼內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)總裁及內蒙蒙牛發起人之一。楊先生於內蒙古輕工業學院畢業，並持有內蒙古農業大學碩士學位。楊先生擁有二十多年的大型乳品行業管理經歷，積累了豐富的乳製品生產管理和營銷經驗。楊先生二零零八年在亞太(投融資)經濟年會上被世界華人經濟(WCE)測評體系專家系統評審委員會評為「世界經濟十大華人傑出職業經理人獎」，二零一零年被選為「中國十大產業領軍經濟新聞人物」，及「第十屆中國改革十大新聞人物」。楊先生目前擔任中國乳業協會副理事長。

白瑛先生，40歲，本公司執行董事及內蒙蒙牛營運副總裁。白先生畢業於內蒙古農業大學，持有碩士學位，並持有中歐國際工商學院工商管理碩士學位。白先生曾任內蒙蒙牛副總裁及歷任內蒙蒙牛常溫液體奶本部總經理，從事乳製品行業將近二十年，擁有豐富的乳品業從業經驗及先進的管理理念。白先生於二零一零年第二度當選「呼和浩特市先進工作者」及「內蒙古自治區勞動模範」。

吳景水先生，45歲，本公司首席財務官及內蒙蒙牛財務副總裁。吳先生畢業於內蒙古輕工業學院工業企業財務會計專業，持有內蒙古農業大學碩士學位、中歐國際工商學院工商管理碩士學位及持有高級會計師職稱。二零零八年四月獲委任為內蒙蒙牛財務副總裁前，吳先生曾任內蒙蒙牛液體奶本部財務總經理、內蒙蒙牛財務總監等職務，擁有豐富的財務管理經驗。二零一零年，吳先生榮獲「呼和浩特市勞動模範(先進工作者)」稱號。

Mr. Ding Sheng, aged 43, is an executive Director of the Company and a Vice President in Sales and Marketing of Inner Mongolia Mengniu. Mr. Ding graduated from Inner Mongolia Light Industry Institute majoring in dairy products techniques and is a senior engineer. During his work, he pursued studies in Inner Mongolia University and Nankai University majoring in economics and management and business administration. Mr. Ding joined Inner Mongolia Mengniu in 2003. He served as a Vice President and the general manager of yogurt division of Inner Mongolia Mengniu and has extensive management and sales and marketing experience in the dairy industry. Mr. Ding was elected as a "Labour Model (Advanced Staff) of Inner Mongolia Autonomous Region" in 2010. Mr. Ding currently serves as a member of the Chinese Institute of Food Science and Technology and the vice chairman of the lactic acid bacteria branch of the Chinese Institute of Food Science and Technology.

Non-Executive Directors

Mr. Niu Gensheng, aged 53, is Chairman of the Board of Directors of the Company and is one of the founders of Inner Mongolia Mengniu. Mr. Niu graduated from Inner Mongolia University with a degree in Administration and Management and obtained a Master's degree in Enterprise Management at the Chinese Academy of Social Sciences Graduate School. With his extensive experience and insights in China's dairy industry, Mr. Niu receives high reputation in the industry. In 2007, Mr. Niu was elected as one of "China's Most Influential Business Leaders" for the fifth consecutive year, and was honored the "2007 Hong Kong Bauhinia Award". Mr. Niu is devoted to charity. He was among "China's Top 10 Philanthropists" guided and published by the Ministry of Civil Affairs of the People's Republic of China in 2007 and ranked third in the "2007 Hurun Top 10 for Charity", and received the first and only "Lifetime Achievement in Philanthropy Award" presented by the "China Philanthropists List" in 2010. Mr. Niu currently serves as the Deputy chairman of the Second China National Committee of International Dairy Federation and also an independent non-executive director of Alibaba.com Limited, a company listed in Hong Kong and an independent director of Shanghai Metersbonwe Fashion & Accessories Company, a company listed in Shenzhen.

丁聖先生，43歲，本公司執行董事及內蒙牛營銷副總裁。丁先生畢業於內蒙古輕工業學院乳品工藝專業，具有高級工程師資格。工作期間曾先後在內蒙古大學、南開大學學習經濟管理專業、工商管理專業。丁先生於二零零三年加盟內蒙牛，曾任內蒙牛副總裁及低溫本部總經理，擁有豐富的乳品業管理營銷經驗。丁先生二零一零年當選「內蒙古自治區勞動模範(先進工作者)」。丁先生目前還擔任中國食品科學技術學會理事、中國食品科學技術學會乳酸菌分會副理事長。

非執行董事

牛根生先生，53歲，本公司董事會主席及內蒙牛發起人之一。牛先生畢業於內蒙古大學，持有行政管理學位，並在中國社會科學院研究生院取得企業管理碩士學位。牛先生對中國乳品業的認識透徹，憑藉豐富的行業經驗，於行業中擁有崇高地位。牛先生於二零零七年第五度當選「中國最具影響力的企業領袖」，並獲授予「二零零七年香港紫荊花獎」。牛先生致力於慈善事業，於二零零七年入選中華人民共和國民政部指導發佈的「中國十大慈善家」榜單，並於「二零零七年胡潤十大慈善榜」中排名第三，又於二零一零年獲「中國慈善排行榜」首次設立的唯一的「慈善終身成就獎」。牛先生目前擔任國際乳品聯合會(IDF)中國國家委員會第二屆理事會副主席，同時亦擔任香港上市公司阿里巴巴網絡有限公司獨立非執行董事及深圳上市公司上海美特斯邦威服飾股份有限公司獨立董事。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. Ning Gaoning, aged 52, was appointed as a non-executive Director and the Vice-Chairman of the Board of Directors of the Company with effect from August 2009. Mr. Ning is currently the chairman of COFCO Corporation and COFCO (Hong Kong) Limited, an executive director and chairman of China Foods Limited, a company listed in Hong Kong, a non-executive director and chairman of China Agri-Industries Holdings Limited, a company listed in Hong Kong, a non-executive director of CPMC Holdings Limited, a company listed in Hong Kong, and an independent director of Huayuan Property Co., Ltd., a company listed in Shanghai. Mr. Ning is also a director of BOC International Holdings Limited. Mr. Ning was a non-executive director of Lippo China Resources Limited, a company listed in Hong Kong, from December 1998 to August 2009 and a director of Smithfield Foods, Inc., a company listed in New York, from 27 August 2008 to 2 March 2011. Before joining COFCO Corporation, Mr. Ning held various positions such as vice-chairman, director and general manager of China Resources (Holdings) Company Limited. Mr. Ning has over 20 years of experience in corporate management, investment and corporate finance, business restructurings and governmental relations. Mr. Ning graduated from Shandong University in China with a Bachelor's degree in Economics and from the University of Pittsburgh in the United States with a Master of Business Administration degree in Finance.

Mr. Jiao Shuge (alias Jiao Zhen), aged 45, is a Vice-Chairman of the Board of Directors of the Company. Mr. Jiao joined the Group in September 2002 and is currently a director of CDH China Fund, L.P.. Mr. Jiao received a Bachelor's degree in Mathematics from Shandong University and a Master's degree in Engineering from the Ministry of Aeronautics and Astronautics. Currently, Mr. Jiao also serves as a non-executive director of China Yurun Food Group Limited and China Shanshui Cement Group Limited, both companies listed in Hong Kong and a director of Joyoung Company Limited, a company listed in Shenzhen.

Mr. Julian Juul Wolhardt, aged 37, joined the Group in January 2006. Mr. Wolhardt is currently a partner of KKR Asia Limited focusing on private equity transactions in the Greater China region. Mr. Wolhardt is a CPA and CMA and received a B.S. with honors in Accounting from the University of Illinois (Urbana-Champaign) in the United States. Mr. Wolhardt currently serves as a non-executive director of China Modern Dairy Holdings Ltd., a company listed in Hong Kong.

Mr. Yu Xubo, aged 45, is currently the president of COFCO Corporation and a director of COFCO (Hong Kong) Limited, and also an executive director and the managing director of China Agri-Industries Holdings Limited, a company listed in Hong Kong. Mr. Yu holds a Bachelor's degree in Economics from the University of International Business and Economics in Beijing and an Executive Master of Business Administration degree from China Europe International Business School.

寧高寧先生，52歲，於二零零九年八月獲委任為本公司非執行董事及董事會副主席。寧先生現為中糧集團有限公司及中糧集團(香港)有限公司主席、香港上市公司中國食品有限公司執行董事及主席、香港上市公司中國糧油控股有限公司非執行董事及主席、香港上市公司中糧包裝控股有限公司非執行董事、上海上市公司華遠地產股份有限公司獨立董事。寧先生亦為中銀國際控股有限公司董事。寧先生自一九九八年十二月至二零零九年八月曾任香港上市公司力寶華潤有限公司非執行董事、自二零零八年八月二十七日至二零一一年三月二日曾任紐約上市公司Smithfield Foods, Inc. 董事。加入中糧集團有限公司前，寧先生曾於華潤(集團)有限公司擔任副主席、董事、總經理等多個職位。寧先生於企業管理、投資及企業融資、重組及政府關係方面逾二十年經驗。寧先生畢業於中國山東大學、獲經濟學學士學位，其後畢業於美國匹茲堡大學，獲金融學工商管理碩士學位。

焦樹閣(亦稱焦震)先生，45歲，本公司董事會副主席。焦先生於二零零二年九月加盟本集團，現時為CDH China Fund, L.P. 董事。焦先生畢業於山東大學，持有數學學士學位及航空航天工業部工學碩士學位。焦先生目前亦擔任兩家香港上市公司—中國雨潤食品集團有限公司及中國山水水泥集團有限公司—非執行董事，及深圳上市公司九陽股份有限公司董事。

Julian Juul Wolhardt先生，37歲，於二零零六年一月加盟本集團。Wolhardt先生現任KKR Asia Limited的合夥人，主要致力於大中華區直接投資業務。Wolhardt先生為執業註冊會計師及美國註冊管理會計師，於美國伊利諾大學Urbana-Champaign分校取得會計學榮譽生學士學位。Wolhardt先生目前擔任香港上市公司中國現代牧業控股有限公司非執行董事。

于旭波先生，45歲，現為中糧集團有限公司總裁及中糧集團(香港)有限公司董事，亦為香港上市公司中國糧油控股有限公司執行董事兼董事總經理。于先生畢業於北京對外經濟貿易大學並獲經濟學學士學位，後又獲中歐國際工商學院高級管理人員工商管理碩士學位。

Mr. Ma Jianping, aged 47, is currently a vice president of COFCO Corporation. He is also a non-executive director of China Foods Limited, a company listed in Hong Kong, and a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen. Mr. Ma graduated from the University of International Business and Economics in Beijing with a degree of Executive Master of Business Administration. Mr. Ma has extensive experience in corporate finance, investment, strategic planning and management and worked in Japan for over five years.

Mr. Fang Fenglei, aged 59, is Chairman of HOPU Investment Management Co., Ltd. and Chairman of Goldman Sachs Gaohua Securities Company Limited. Previously, Mr. Fang was a deputy CEO of China International Capital Corporation Limited, CEO of BOC International Holdings Limited and CEO of ICEA Finance Holdings Limited. He was an independent non-executive director of Central China Real Estate Limited, a company listed in Hong Kong, from January 2008 to December 2009. Mr. Fang holds a Bachelor of Arts degree from Sun Yat-sen University.

Mr. Ma Wangjun, aged 46, was appointed as a non-executive Director of the Company with effect from 1 March 2010. Mr. Ma is currently an assistant to president and vice chief financial controller of COFCO Corporation. He is also a non-executive director of China Agri-Industries Holdings Limited, a company listed in Hong Kong. He was a director of COFCO Tunhe Co., Ltd., a company listed in Shanghai, from July 2005 to January 2007. Mr. Ma holds a Bachelor's degree in Economics from Beijing Technology and Business University and an Executive Master of Business Administration degree from Cheung Kong Graduate School of Business.

Independent Non-Executive Directors

Mr. Zhang Julin, aged 67, is a professor of accounting. Mr. Zhang graduated from the Economics Department of Lanzhou University. Mr. Zhang served as an assistant dean to the Inner Mongolia Finance and Economics University and a vice chairman of the Inner Mongolia Autonomous Region Audit Society. Mr. Zhang is currently an independent director of Inner Mongolia BaoTou Steel Union Co., Ltd., a company listed in Shanghai. Mr. Zhang was an independent director of Inner Mongolia Lantai Industrial Co., Ltd, a company listed in Shanghai, from April 2002 to May 2009. Mr. Zhang is also a member of the Chinese Institute of Certified Public Accountants. Mr. Zhang was appointed as an independent director for Inner Mongolia Mengniu on 18 October 2002 and became an independent director of the Company on 23 February 2004.

馬建平先生，47歲，現為中糧集團有限公司副總裁。馬先生亦為香港上市公司中國食品有限公司非執行董事及深圳上市公司中糧地產(集團)股份有限公司董事。馬先生畢業於北京對外經濟貿易大學，獲高級管理人員工商管理碩士學位。馬先生於企業融資、投資、戰略規劃及管理方面具備廣泛經驗，並曾於日本工作逾五年。

方風雷先生，59歲，現任厚樸投資管理公司董事長及高盛高華證券有限責任公司的董事長。此前，方先生曾先後擔任中國國際金融有限公司執行副總裁、中銀國際控股有限公司執行總裁、工商東亞金融控股有限公司執行總裁。方先生於二零零八年一月至二零零九年十二月曾任香港上市公司建業地產股份有限公司獨立非執行董事。方先生擁有中山大學文學學士學位。

馬王軍先生，46歲，於二零一零年三月一日獲委任為本公司非執行董事。彼現為中糧集團有限公司總裁助理兼副總會計師。馬先生亦為香港上市公司中國糧油控股有限公司非執行董事。馬先生於二零零五年七月至二零零七年一月期間曾任上海上市公司中糧屯河股份有限公司董事。馬先生持有北京工商大學經濟學學士學位及長江商學院高級工商管理碩士學位。

獨立非執行董事

張巨林先生，67歲，會計學教授。張先生於蘭州大學經濟系畢業，曾擔任內蒙古財經學院副院長，以及內蒙古自治區審計學會副會長。目前擔任上海上市公司內蒙古包鋼鋼聯股份有限公司獨立董事。張先生於二零零二年四月至二零零九年五月期間曾任上海上市公司內蒙古蘭太實業股份有限公司獨立董事。張先生亦是中國註冊會計師協會會員。張先生於二零零二年十月十八日獲委任為內蒙古蒙牛獨立董事，並於二零零四年二月二十三日獲委任為本公司獨立董事。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. Liu Fuchun, aged 65, was a graduate of the Beijing Foreign Trade Institute and now a senior commerce specialist. Mr. Liu was the deputy consulate of the Chinese Consulate-General in Vancouver. He also worked in various companies in the past, including serving as an officer in the finance department, the business planning department, and the general office of COFCO Corporation. He was also an officer of COFCO Corporation's sales representative office in the US, the deputy director and director of COFCO Corporation's cereals and oils department and the general manager, executive director, deputy president and president of Top Glory (London) Ltd., which was based in the United Kingdom. Currently, Mr. Liu serves as an independent non-executive director of DaChan Food (Asia) Limited, a company listed in Hong Kong, and an independent director of China Aviation Oil (Singapore) Corporation Ltd., a company listed in Singapore.

Mr. Zhang Xiaoya, aged 49, was a graduate of the Shandong University and the school of management at the Beihang University and is now a senior engineer. Mr. Zhang has served various companies in the past, including project manager of the Trust Investment Company for Development of Rural Villages in China, director and deputy general manager of Dalian Zhong Xing Industrial Company, the head of investment consulting department of Zhong Zhi Investment Consulting Company and a director and president of Airmedia which was listed on NASDAQ in the US. He was mainly engaged in the feasibility study of construction projects, investment decisions consulting, verification of project assessments and planning of project finance proposals.

Senior Management

Mr. Lu Jianjun, aged 34, is the Chief Administrative Officer of the Company and the Secretary of the Board of Directors of Inner Mongolia Mengniu. Mr. Lu was graduated from Inner Mongolia Normal University with an art degree in Chinese Language. Mr. Lu joined the Group in June 2000, and served as various important positions including Secretary to CEO Office, Secretary to CEO, Secretary to Chairman of the Board of Directors Office, Executive Assistant to Chairman. After ten years' work experience in such important positions, Mr. Lu has accumulated extensive management experience and gained unique industry insight. Mr. Lu was re-designated as the Secretary of the Board of Directors of Inner Mongolia Mengniu in 2009. In May 2010, Mr. Lu was awarded the professional qualification as secretary of board of directors by the Shanghai Stock Exchange.

Mr. Yao Haitao, aged 48, is a President in Administration of Inner Mongolia Mengniu. He graduated from Inner Mongolia Finance and Economics College with a Bachelor's degree in Economics and holds a Master of Business Administration degree from China Europe International Business School. He also holds an accountant qualification. Mr. Yao joined Inner Mongolia Mengniu in 2003 and served as various positions including Assistant to President, Vice President in Administration and deputy general manager of the liquid milk division of Inner Mongolia Mengniu during his term. He has solid experience in administrative management. Mr. Yao currently serves as the Deputy Chairman of the China Dairy Industry Association.

劉福春先生，65歲，於北京外貿學院畢業，現為高級商務師。劉先生曾任中國駐溫哥華總領事館副領事，亦曾於多家公司任職，包括中糧集團有限公司財務部、業務策劃部及綜合辦公室。劉先生曾於中糧集團有限公司駐美國銷售代表處任職，亦曾擔任中糧集團有限公司糧油部副處長及處長、總部在英國的鵬利(倫敦)有限公司的總經理、執行董事、副總裁及總裁。劉先生現為香港上市公司大成食品(亞洲)有限公司的獨立非執行董事，新加坡上市公司中國航油(新加坡)股份有限公司的獨立董事。

張曉亞先生，49歲，畢業於山東大學及北京航空航天大學管理學院，現為高級工程師。張先生曾於多家公司任職，包括歷任中國農村發展信託投資公司項目經理、大連中興實業公司董事及副總經理、中諮投資顧問公司投資諮詢部主任，並在美國納斯達克交易所上市的航美傳媒任董事兼總裁。彼主要從事建設項目可行性研究、投資決策諮詢、項目評估核證及策劃項目融資建議等工作。

高級管理層

盧建軍先生，34歲，本公司首席行政官兼內蒙蒙牛董事會秘書。盧先生畢業於內蒙古師範大學漢語言文學系。盧先生於二零零零年六月加盟本集團，先後擔任集團總裁辦公室綜合事務秘書、總裁秘書，董事會辦公室董事長秘書、董事長行政助理等多項機要職務。通過十年的機要工作經歷，盧先生積累了豐富的管理經驗，具備獨特的行業視角。盧先生於二零零九年調任內蒙蒙牛董事會秘書，二零一零年五月，獲上海證券交易所頒發的董事會秘書從業資格認證。

姚海濤先生，48歲，內蒙蒙牛行政總裁。姚先生畢業於內蒙古財經學院，持有經濟學士學位，並於中歐國際工商學院取得工商管理碩士學位，具有會計師職稱。姚先生於二零零三年加盟內蒙蒙牛，期間曾擔任內蒙蒙牛總裁助理、行政副總裁、內蒙蒙牛液體奶本部行政副總經理等多項職務，有豐富的行政管理經驗。姚先生目前擔任中國乳製品工業協會副理事長。

Ms. Zhao Yuanhua, aged 47, is a Vice President in Branding of Inner Mongolia Mengniu. Ms. Zhao graduated from Inner Mongolia University of Science and Technology (formerly known as Baotou University of Iron and Steel Technology) with a Bachelor's degree in Technology and obtained a Master of Business Administration degree from China Europe International Business School. Ms. Zhao joined Inner Mongolia Mengniu in 2000. She served as directors of sales, marketing and sales and marketing of the UHT milk liquid division of Inner Mongolia Mengniu and director of sales and marketing and Vice President of Inner Mongolia Mengniu. She has extensive experience in sales and marketing and management. Ms. Zhao also serves as a member of the China Association of Outstanding Women and a member of the Second Economics and Market Committee of China Dairy Industry Association. In 2009, Ms. Zhao was honored as "National Professional Model of Female Workers" and the "Outstanding Leader Award for Advertisements of Renowned Enterprises" of China Advertising Great-wall Awards.

Mr. Liu Weixing, aged 50, is a Vice President in Quality Control of Inner Mongolia Mengniu. Mr. Liu graduated with a Master's degree from Inner Mongolia Agricultural University and is a senior engineer. Mr. Liu joined Inner Mongolia Mengniu in 1999. He served as Deputy General Manager, Quality Control Director and Assistant to President of Inner Mongolia Mengniu and has extensive experience in processing techniques and quality control in the dairy industry. In 2010, Mr. Liu was awarded the Third Prize for Technological Improvement in Inner Mongolia Autonomous Region. Mr. Liu currently serves as a Standing Committee Member of the Inner Mongolia Autonomous Region Dairy Industry Association.

Company Secretary and Qualified Accountant

Mr. Kwok Wai Cheong, Chris, aged 38, the Financial Controller and Company Secretary of the Company, joined the Group in May 2007. Prior to joining the Group, Mr. Kwok was the Financial Controller of a Hong Kong Main Board listed company and he also had served in an international accounting firm. Mr. Kwok graduated from The Hong Kong Polytechnic University with a Bachelor's degree in Accountancy. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of Association of Chartered Certified Accountants.

趙遠花女士，47歲，內蒙蒙牛品牌副總裁。趙女士畢業於內蒙古科技大學(原包頭鋼鐵學院)，持有工學學士學位，並於中歐國際工商學院取得工商管理碩士學位。趙女士二零零零年加盟內蒙蒙牛，歷任內蒙蒙牛常溫液態奶事業本部銷售總監、市場總監、營銷總監，內蒙蒙牛營銷總監、副總裁，擁有豐富的營銷管理經驗。趙女士亦同時擔任中國傑出女性協會理事，中國乳製品工業協會第二屆經濟市場委員會委員。二零零九年，趙女士榮獲「全國女職工建功立業標兵」稱號、中國廣告主長城獎之「名企廣告領軍人功勳獎」。

劉衛星先生，50歲，內蒙蒙牛品質副總裁。劉先生畢業於內蒙古農業大學，持有內蒙古農業大學碩士學位，具有高級工程師資格。劉先生於一九九九年加盟內蒙蒙牛，歷任內蒙蒙牛副總經理、品質總監、總裁助理等，擁有豐富的乳品加工工藝及品質控制經驗。二零一零年，劉先生獲內蒙古自治區科技進步三等獎。劉先生目前還擔任內蒙古自治區奶業協會常務理事。

公司秘書及合資格會計師

郭偉昌先生，38歲，本公司財務總監及公司秘書，於二零零七年五月加盟本集團。在加盟本集團前，郭先生曾任一香港主板上市公司之財務總監，並曾於國際性會計師事務所工作。郭先生畢業於香港理工大學，取得會計學學士學位，亦為香港會計師公會會員及英國特許公認會計師公會資深會員。

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CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is dedicated to ensure high standards of corporate governance with an emphasis on a diligent Board of Directors (the “Board”), sound internal control, and increasing transparency and accountability to shareholders. The Board acknowledges that good corporate governance practices and procedures are beneficial to the Group and its shareholders. The Company is committed to improving those practices and maintaining its ethical corporate culture.

The Company has adopted the code provisions set out in the Code of Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance practices.

Throughout the year, the Group has fully complied with all the compulsory code provisions set out in the CG Code.

The Board

As at 31 December 2010, the Board comprised fifteen Directors, including four executive Directors, namely, Mr. Yang Wenjun, Mr. Bai Ying, Mr. Wu Jingshui and Mr. Ding Sheng, eight non-executive Directors, namely, Mr. Niu Gensheng, Mr. Ning Gaoning, Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt, Mr. Yu Xubo, Mr. Ma Jianping, Mr. Fang Fenglei and Mr. Ma Wangjun and three independent non-executive Directors, namely, Mr. Zhang Julin, Mr. Liu Fuchun and Mr. Zhang Xiaoya. The Chairman of the Board is Mr. Niu Gensheng and the Chief Executive Officer of the Company is Mr. Yang Wenjun.

The Board is responsible for the leadership and management of the Company. Key responsibilities of the Board comprise formulation of the Group’s overall strategies and policies, setting of performance and management targets, evaluation of business performance and supervision of management’s performance. The management was delegated the authority and responsibility by the Board for the management and operations of the Group. In addition, the Board has also delegated various responsibilities to the Board Committees as detailed in this report.

Biographies of the Directors are set out on pages 38 to 43 of the annual report, which demonstrates a diversity of skills, expertise, experience and qualifications. There is no other material financial, business or relevant relationships among the Directors.

本公司致力確保企業管治達致高水平，尤其著重組建勤勉盡職的董事會（「董事會」）和健全的內部監控制度，以及提高透明度和對股東之問責性。董事會知悉，良好企業管治常規及程序對本集團及其股東有利。本公司致力改善該等常規及維持其道德企業文化。

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「企業管治守則」）的守則條文作為其本身的企業管治常規守則。

本集團於本年度內均全面遵守企業管治守則所載的所有強制性守則條文。

董事會

於二零一零年十二月三十一日，董事會有董事十五名，包括四名執行董事（楊文俊先生、白瑛先生、吳景水先生及丁聖先生）、八名非執行董事（牛根生先生、寧高寧先生、焦樹閣（又名焦震）先生、Julian Juul Wolhardt先生、于旭波先生、馬建平先生、方風雷先生及馬王軍先生）和三名獨立非執行董事（張巨林先生、劉福春先生及張曉亞先生）。本公司董事會主席是牛根生先生，本公司總裁是楊文俊先生。

董事會負責領導和管理本公司。董事會主要負責制訂本集團整體策略和政策、訂立績效和管理目標、評估業務表現和監察管理層表現。董事會向管理層轉授權力和責任，以管理和經營本集團。此外，董事會亦向各個董事委員會轉授多項責任，詳情載於本報告。

董事簡歷載於年報第38頁至第43頁，當中列出董事多方面的技能、專長、經驗和資格。董事之間概無其他重大財務、業務或相關關係。

Independence of Independent Non-Executive Directors

The independent non-executive Directors possess appropriate professional qualifications, or accounting or related financial management expertise. Their role is to provide independent and objective opinions to the Board for its consideration and decisions. The Company has received annual confirmation of independence from Mr. Zhang Julin, Mr. Liu Fuchun and Mr. Zhang Xiaoya in accordance with Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all independent non-executive Directors are independent within the definition of the Listing Rules.

Board Proceedings

The Board meets at least four times a year and additional operational meetings are also held, when required. The Company Secretary is responsible for preparing agenda and notices for the meetings. Senior management of the Group also provides the Directors with relevant information on a timely basis regarding key business developments of the Group and issues affecting the Group. Agenda and other information packages are normally delivered to the Directors before the meetings. The Directors also have independent access to the senior management in respect of operating issues. The Directors may take independent professional advice where appropriate to discharge their duties, at the Company's expenses.

獨立非執行董事的獨立性

獨立非執行董事具備合適的專業資格、會計或相關財務管理專長。彼等職責乃提供獨立及客觀的意見以供董事會考慮及作出決定。張巨林先生、劉福春先生及張曉亞先生已根據上市規則第3.13條向本公司發出有關其獨立性的年度確認書。董事會已評估其獨立性，並作出總結，認為按上市規則之釋義，全體獨立非執行董事均為獨立。

董事會處理事務程序

董事會每年最少舉行四次會議，並在有需要時也會舉行其他業務會議。公司秘書負責編製會議議程和通告。本集團高級管理層亦適時向董事提供有關本集團主要業務發展和影響本集團事項的資料。一般而言，議程和其他資料會一併在舉行會議前寄發給董事。而董事也可就營運事宜個別與高級管理層商討。董事可在適當情況下徵詢獨立專業意見，以便履行職責，費用由本公司負擔。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

During the year ended 31 December 2010, the Board held six meetings. Details of Director's attendance at the Board and Board committee meetings held in 2010 are set out in the following table. The overall attendance rate of Directors at Board meetings was 91.86%.

截至二零一零年十二月三十一日止年度，董事會舉行了六次會議。各董事出席於二零一零年舉行之董事會及董事委員會會議情況詳情載於下表。董事會會議之董事整體出席率為91.86%。

Directors	董事	Meeting Attended/Held				Strategy and Development Committee
		Board Meetings ⁽¹⁾	Audit Committee	Remuneration Committee	Nomination Committee	
		董事會會議 ⁽¹⁾	審核委員會	薪酬委員會	提名委員會	策略及發展委員會
Executive Director	執行董事					
Yang Wenjun	楊文俊	6/6				1/1
Yao Tongshan ⁽²⁾	姚同山 ⁽²⁾	2/2				
Bai Ying	白瑛	5/6				
Wu Jingshui ⁽²⁾	吳景水 ⁽²⁾	4/4				1/1
Ding Sheng ⁽²⁾	丁聖 ⁽²⁾	4/4				
Non-executive Director	非執行董事					
Niu Gensheng ⁽³⁾	牛根生 ⁽³⁾	5/6				
Ning Gaoning	寧高寧	4/6			1/1	
Jiao Shuge (alias Jiao Zhen)	焦樹閣(又名焦震)	6/6	3/4		1/1	1/1
Julian Juul Wolhardt	Julian Juul Wolhardt	6/6		3/3		
Yu Xubo	于旭波	6/6		3/3		
Ma Jianping	馬建平	6/6				1/1
Fang Fenglei	方風雷	6/6				0/1
Ma Wangjun ⁽²⁾	馬王軍 ⁽²⁾	4/4	3/3			1/1
Independent Non-executive Director	獨立非執行董事					
Zhang Julin	張巨林	5/6	4/4	3/3	1/1	
Liu Fuchun	劉福春	4/6	4/4	2/3	0/1	
Zhang Xiaoya ⁽⁴⁾	張曉亞 ⁽⁴⁾	6/6	3/3	3/3	1/1	

Notes:

- (1) During the year, the Company held four quarterly meetings and two other meetings to handle operational-level matters. According to the Company's articles of association, the quorum for convening a Board meeting is two members.
- (2) Mr. Wu Jingshui and Mr. Ding Sheng were appointed as executive Directors and Mr. Ma Wangjun was appointed as a non-executive Director with effect from 1 March 2010. Mr. Yao Tongshan resigned as executive Director with effect from 1 March 2010.

註:

- (1) 本公司於年內舉行了四次季度會議及兩次其他會議以處理運作層面事宜。根據本公司組織章程細則，召開董事會會議的法定人數為二人。
- (2) 吳景水先生及丁聖先生獲委任為執行董事，而馬王軍先生獲委任為非執行董事，自二零一零年三月一日起生效。姚同山辭任執行董事，自二零一零年三月一日起生效。

- (3) Mr. Niu Gensheng was re-designated from his position as an executive Director to a non-executive Director with effect from 9 June 2010.
- (4) Mr. Zhang Xiaoya was appointed as a member of Audit Committee with effect from 1 March 2010.

- (3) 牛根生先生辭任其執行董事職務並擔任非執行董事，自二零一零年六月九日起生效。
- (4) 張曉亞先生獲委任為審核委員會成員，自二零一零年三月一日起生效。

Minutes of meetings of the Board and Board Committees are kept by the Company Secretary of the Company and are not only open for inspection by the Directors but also sent to the Directors for their records. All Directors have access to the Company Secretary of the Company, who is responsible for ensuring that the Board procedures are complied with and advising the Board on compliance matters.

董事會和董事委員會的會議紀錄由本公司的公司秘書負責存置，其後不但供董事查閱，同時也呈交各董事以作記錄。全體董事均可與本公司的公司秘書聯絡，公司秘書負責確保董事會程序已經符合並就遵例事宜向董事會提出意見。

Chairman and Chief Executive Officer

The role of the Chairman is separate from that of the Chief Executive Officer to ensure a balance of power and authority. The Chairman is responsible for overseeing the functioning of the Board while the Chief Executive Officer is responsible for managing the Group's business.

主席及總裁

本公司對主席與總裁角色加以區分，以確保權力得到平衡。主席負責監察董事會履行職能，而總裁則負責管理本集團的業務。

The Chairman shall ensure that Board meetings are planned and conducted effectively and all Directors are properly briefed on issues arising at Board meetings. He is also responsible for ensuring that the Directors receive adequate information in a timely manner, which must be complete and reliable.

主席須確保董事會會議有效籌劃和進行，而在董事會會議上就產生的問題，應向全體董事妥為簡報。他亦負責確保董事及時收取充足資料，該等資料必須完整和可靠。

Appointment, Re-election and Removal of Directors

Each Director has entered into a service contract with the Company for a term of three years. The Directors are subject to retirement by rotation and re-election at each annual general meeting of the Company in accordance with article 112 of the Company's articles of association. The Directors appointed as an addition to the Board or to fill a casual vacancy on the Board shall be subject to re-election by the shareholders at the first general meeting after the appointment.

董事之委任、重選和罷免

每名董事已與本公司訂立為期三年的服務合約。董事須根據本公司的組織章程細則第112條在本公司每屆股東週年大會上輪值告退和重選。委任為董事會新增成員或填補董事會臨時空缺的董事，須於獲委任後於首次股東大會上由股東重選。

Board Committees

To oversee particular aspects of the Company's affairs and to assist in the execution of its responsibilities, the Company has established four Board Committees under the Board, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and Strategy and Development Committee, each of which is governed by specific terms of reference approved by the Board, covering its functions, duties and powers. The terms of reference of the respective Board Committees have complied with the CG Code provisions and are available for public inspection at the Company's principal place of business in Hong Kong.

董事委員會

為了監察本公司特定事務及協助履行其責任，本公司董事會下設四個董事委員會，分別為審核委員會、薪酬委員會、提名委員會和策略及發展委員會，各委員會分別受限於經董事會批准的特定職權範圍，其中涵蓋了職能、職責及權力。董事委員會各自的職權範圍已遵從企業管治守則條文，並置放於本公司的香港主要營業地點供公眾查閱。

Remuneration Committee

As at 31 December 2010, the Remuneration Committee comprised five members, three of whom are independent non-executive Directors (Mr. Zhang Julin, Mr. Liu Fuchun and Mr. Zhang Xiaoya) and the remaining two members are non-executive Directors (Mr. Julian Juul Wolhardt and Mr. Yu Xubo). The Remuneration Committee is chaired by Mr. Julian Juul Wolhardt.

The duties of the Remuneration Committee are to review annually and recommend to the Board the overall remuneration policy for the directors and senior management to ensure that the level of remuneration is linked to their level of responsibilities undertaken. The Remuneration Committee shall also evaluate annually the performance of the directors and the senior management and recommend to the Board specific adjustments in their remuneration and/or reward payments.

The Company's policy on remuneration is to maintain fair and competitive packages based on business needs and industry practice. For determining the level of fees paid to members of the Board, market rates and factors such as each director's workload and required commitment will be taken into account. In addition, factors comprising economic and market situations, individual contributions to the Group's results and development as well as individual potential are considered when determining the remuneration packages of executive Directors.

The Remuneration Committee held three meetings during the year ended 31 December 2010 and one further meeting since 1 January 2011 and up to the date of this report. During the year, the Remuneration Committee had performed the following:

- assessed the performance of the Directors and senior management;
- reviewed and approved the remuneration for the Directors and senior management;
- reviewed the remuneration policy and recommended to the Board; and
- reviewed the proposal of granting of share options according to the Company's share option scheme, and made recommendations to the Board.

薪酬委員會

於二零一零年十二月三十一日，薪酬委員會有五名成員，其中三名為獨立非執行董事（張巨林先生、劉福春先生及張曉亞先生），其餘兩名為非執行董事（Julian Juul Wolhardt先生及于旭波先生）。Julian Juul Wolhardt先生擔任薪酬委員會主席。

薪酬委員會的職責包括每年審閱董事和高級管理層的整體薪酬政策，並向董事會提出有關建議，以確保薪酬水平與責任承擔相符。薪酬委員會每年須評估董事和高級管理層的表現，並就其薪酬及／或獎勵金應作出的特定調整，向董事會提出建議。

本公司的薪酬政策乃根據業務需要及行業慣例維持公平及具競爭力的薪酬福利。對於釐定支付予董事會各董事之袍金，會考慮市場水平與各項因素，如董事之工作量及彼所承擔之責任。此外，當釐定執行董事薪酬福利時會考慮之因素包括：經濟及市場情況、彼對本集團業績及發展之貢獻，以及個人之潛能等。

薪酬委員會於截至二零一零年十二月三十一日止年度舉行了三次會議，而由二零一一年一月一日至本報告日期亦舉行了另外一次會議。本年度內，薪酬委員會完成了下列各項工作：

- 評估董事及高級管理層的表現；
- 檢討及批准董事及高級管理層的薪酬；
- 檢討薪酬政策並向董事會提出建議；及
- 審議本公司按購股權計劃授出購股權的方案，並向董事會提出建議。

Nomination Committee

As at 31 December 2010, the Nomination Committee comprised five members, three of whom are independent (Mr. Zhang Julin, Mr. Liu Fuchun and Mr. Zhang Xiaoya) and the remaining two members are non-executive Directors (Mr. Ning Gaoning and Mr. Jiao Shuge). The Nomination Committee is chaired by Mr. Jiao Shuge.

The responsibilities of the Nomination Committee are to review the structure, size and composition, including the skills, knowledge and experiences of the Board and make recommendations to the Board regarding any proposed changes. The Nomination Committee is also responsible for identifying and nominating suitable candidates qualified to become Board members and makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors if necessary, in particular, candidates who can add value to the management through their contributions in the relevant strategic business areas and which appointments will result in the constitution of a stronger and more diverse Board. In the selection process, the Nomination Committee makes reference to criteria including, inter alia, reputation for integrity, accomplishment and experience in the dairy industry, professional and educational background, and commitment in respect of available time.

The Nomination Committee held one meeting in the year ended 31 December 2010 to discuss mainly the nomination of two executive Directors, namely, Mr. Wu Jingshui and Mr. Ding Sheng and one additional non-executive Director, namely, Mr. Ma Wangjun.

Audit Committee

As at 31 December 2010, the Audit Committee comprised five non-executive Directors, three of whom are independent and possess the relevant professional qualifications required under the Listing Rules. The Committee is chaired by Mr. Zhang Julin, an independent non-executive Director.

The Audit Committee serves as a focal point for communication between other directors, the external auditors, and the management as their duties relate to financial and other reporting, internal controls and the auditing. The Audit Committee assists the Board in fulfilling its responsibilities by providing an independent review of financial reporting and by satisfying themselves as to the effectiveness of the Company's internal controls and as to the efficiency of the audits.

提名委員會

於二零一零年十二月三十一日，提名委員會有五名成員，其中三名為獨立董事（張巨林先生、劉福春先生及張曉亞先生），其餘兩名成員為非執行董事（寧高寧先生及焦樹閣先生）。焦樹閣先生擔任提名委員會主席。

提名委員會負責就董事會的架構、規模和組成（包括技能、知識和經驗）作出檢討，並就任何變動方案向董事會提出建議。提名委員會亦負責識別並提名適合成為董事會成員的人選，並就有關董事之委任或重新委任（如有需要）的相關事宜，向董事會提出建議；倘若有關人選能夠在有關的策略性業務領域作出貢獻，從而對管理層起增值作用，並且有關委任會導致董事會成員組合更為強勁和全面，就更為合適。在篩選過程中，提名委員會所參照的標準包括有關人選的持正信譽、乳業的成就和經驗、專業和教育背景以及其對時間投入的承擔。

提名委員會於截至二零一零年十二月三十一日止年度舉行了一次會議，主要討論兩名執行董事（即吳景水先生及丁聖先生）及新增一名非執行董事（即馬王軍先生）的提名。

審核委員會

於二零一零年十二月三十一日，審核委員會成員包括五名非執行董事，其中三名為獨立董事，並擁有上市規則所規定的相關專業資格。張巨林先生擔任該委員會主席，彼為獨立非執行董事。

審核委員會充當其他董事、外部核數師和管理層之間的溝通渠道，因為此等人士的職責涉及財務和其他申報、內部監控和核數事宜。審核委員會應對財務報告作出獨立審閱，並確保本身信納本公司內部監控的效益和核數效率，藉此協助董事會履行其職責。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

The Audit Committee held four meetings in the year ended 31 December 2010 and one further meeting since 1 January 2011 up to the date of this report. During the year, the Audit Committee has performed the following:

- met with the external auditors to discuss the general scope and findings of their audit and interim review works;
- reviewed external auditors' management letter and management's response;
- reviewed and recommended to the Board for approval of the external auditors' remuneration;
- made recommendations to the Board on the re-appointment of the external auditors;
- reviewed the external auditors' independence, objectivity and the effectiveness of the audit process;
- reviewed and monitored the integrity of financial statements, annual and interim reports, and annual and interim announcements of the Company; and
- discussed auditing, internal control, risk management and financial reporting matters before recommending them to the Board for approval.

All issues raised by the external auditors and the Audit Committee have been addressed by the senior management. The work and findings of the Audit Committee have been reported to the Board. During the year, no issues brought to the attention of the senior management and the Board were of sufficient significance for disclosure in the annual report.

Other than the reporting responsibilities of the Company's auditors (please refer to the independent auditors' report set out on pages 69 to 70), the Directors acknowledge their responsibility for preparing the financial statements of the Group and the Company which give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2010 and the profit and cash flows of the Group for the year then ended.

審核委員會於截至二零一零年十二月三十一日止年度舉行了四次會議，而由二零一一年一月一日至本報告日期亦舉行了另外一次會議。在本年度內，審核委員會完成了下列各項工作：

- 與外部核數師討論其核數和中期審閱工作的一般範疇和結果；
- 審閱外部核數師的管理建議書和管理層的回應；
- 檢討外部核數師酬金並建議董事會予以批准；
- 就重新委任外部核數師事宜，向董事會提出建議；
- 檢討外部核數師的獨立性、客觀性和核數程序的效益；
- 檢討並監察本公司的財務報表、年報和中期報告以及年度和中期業績公佈的完整；及
- 就審核、內部監控、風險管理和財務報告事項，於建議董事會予以批准前進行討論。

高級管理層已就外部核數師和審核委員會提出的所有問題作出回應。審核委員會的工作和結果已經向董事會匯報。本年度內，需要高級管理層和董事會注意的問題之重要性不足以在年報內作出有關披露。

董事知悉，除本公司核數師肩負申報責任(請參閱第69至第70頁所載的獨立核數師報告)外，董事亦須負責編製本集團及本公司的財務報表，此等財務報表須真實公允地反映本集團及本公司於二零一零年十二月三十一日的財政狀況及本集團截至該日止年度的利潤及現金流量。

Internal Control

The Board is responsible for maintaining an established and effective internal control system, to safeguard the assets of the Group and the interest of shareholders, and for reviewing its effectiveness regularly. Aiming at strengthening the risk management culture of the Group and minimizing the impacts of the major risks on the business and earnings of the Group, the senior management of the Group meets to actively evaluate and review the significant risks to which the Group is exposed and reports to the Board on a regular basis. The Group also appoints external consultants, when considered appropriate, to review the Group's internal control, working systems and workflows, as well as the management systems, and to make suggestions on system enhancement.

Besides strict implementation of a performance assessment system and training programs for its staff, the Group has in place a series of written working systems in respect of business, production, finance, legal compliance and administration aspects, to ensure the significant risks, to which the Group is exposed, are contained:

- Control environment – The Group has established defined organizational structures. Authority to operate various business functions is delegated to respective management within limits set by senior management of the headquarters or the executive Directors. The senior management meets on a regular basis to discuss and approve business strategies, plans and budgets prepared by individual business units. The performance of the Group is reported to the Board on a regular basis.
- Risk assessment – The Group identifies, assesses and ranks the risks that are most relevant to the Group's business according to their likelihood, financial consequence and reputational impact on the Group.
- Control activities – Policies and procedures are set for each business function, in which approvals, authorization, verification, recommendations, performance reviews, asset security and segregation of duties are included.
- Information and communication – The Group's working systems document operational procedures of all business units, as well as authorization and approval procedures for significant decision making.
- Monitoring – The Group adopts a control and risk self-assessment methodology, continuously assessing and managing its business risks by way of assessment by the headquarters of the Group and each business unit on a regular basis, and communication of key control procedures to employees.

內部監控

董事會有責任維持穩健而有效的內部監控機制以保障本集團的資產及股東的權益，並定期檢討有關機制是否有效。本集團之高級管理團隊定期舉行會議，積極評估及檢討本集團面對之重大風險，旨在強化本集團之風險管理文化，盡量減低主要風險對本集團業務及盈利所帶來之影響，並會定期向董事會匯報情況。本集團也適時聘用外部顧問以檢討本集團的內部監控、工作制度和流程，以及管理體系等方面，並提供優化系統的建議。

本集團已設立一系列就業務、生產、財務、法律及行政等方面的書面工作制度，以及對員工的表現實施嚴格考核制度及為員工提供培訓，以確保本集團面對的重大風險得以控制。當中包括：

- 監控環境 – 本集團有清晰的組織架構，授權各管理層經營不同業務職能之權力，惟該權力乃受限於總部高級管理團隊或執行董事之限制。高級管理團隊定期討論及批核個別業務單位所編制之業務策略、計劃及預算，而本集團的表現將定期向董事會報告。
- 風險評估 – 本集團根據業務最關鍵的風險發生的可能性、及該等風險對本集團之財務及信譽所造成的影響，進行識別、評估及評級。
- 監控活動 – 為各業務功能設定政策及程序，當中包括批文、認可、核證、建議、表現檢討、資產擔保及職責劃分。
- 資訊及溝通 – 本集團的工作制度書面列明所有業務單位的經營程序，以及重大決策的授權及批准程序。
- 監察 – 本集團採用監控及風險自我評估方法，透過本集團總部及各業務單位定期進行的考核及向員工傳遞主要監控程序，以持續評估及管理其業務風險。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

During the year ended 31 December 2010, the Board had examined the internal control system and reviewed the evaluation performed by the Audit Committee, the management and internal and external auditors, on the effectiveness of internal control. No significant areas of concern were identified.

The Board also reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting functions and their training programmes and budget and considered that they are adequate.

External Auditors

The Group's independent external auditors are Ernst & Young. The Audit Committee is responsible for the appointment of the external auditors and reviewing the non-audit functions performed by the external auditors for the Group. In particular, the Committee will, prior to the execution of contract with external auditors and the commencement of their duties, consider whether the non-audit functions will result in any potential material conflict of interest.

Details of fees paid or payable to Ernst & Young for the year ended 31 December 2010 are as follows:

Services rendered	提供的服務	2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Annual audit	年度審計	3,400	3,250
Interim review	中期審閱	540	540
Non-audit service	非審計服務		
Review on continuing connected transactions	審閱持續關連交易	40	—
Other professional services	其他專業服務	860	—
		4,840	3,790

The Board is satisfied with the audit fees, process and effectiveness of Ernst & Young and has recommended their reappointment as the Company's external auditors at the forthcoming annual general meeting.

截至二零一零年十二月三十一日止年度，董事會已審查內部監控系統，並已檢討了由審核委員會、管理層和內部及外部核數師執行有關內部監控效能的評審。概無發現重大事宜。

董事會亦檢討了本公司負責會計及財務匯報職能方面的資源、員工的資歷及經驗、彼等的培訓計劃及預算等的足夠性，檢討後認為是足夠的。

外部核數師

本集團的獨立外部核數師為安永會計師事務所。審核委員會負責委聘外部核數師及審閱該等核數師為本集團進行的非核數工作。特別是該委員會將於與外部核數師簽訂合約及開始履行其職責前，考慮有關非核數工作會否導致出現任何潛在重大利益衝突。

截至二零一零年十二月三十一日止年度支付或應支付予安永會計師事務所的費用詳情如下：

董事會滿意安永會計師事務所的核數費用、程序及效益，並已建議在應屆股東週年大會續聘安永會計師事務所為本公司的外部核數師。

Strategy and Development Committee

The Company has established a Strategy and Development Committee on 27 August 2009, which currently comprised two executive Director, Mr. Yang Wenjun and Mr. Wu Jingshui and four non-executive Directors, Mr. Ma Jianping, Mr. Jiao Shuge, Mr. Fang Fenglei and Mr. Ma Wangjun. The Strategy and Development Committee is chaired by Mr. Ma Jianping.

The principal duties of the Strategy and Development Committee include drawing up long-term development strategies and significant investments on financing plans of the Company, proposing significant capital investment for operation projects, and conducting studies and making recommendation on important matters that would affect the development of the Company.

The Strategy and Development Committee held one meeting during the year ended 31 December 2010 to discuss mainly the significant investment plans, budget and performance target for 2011.

Directors' Securities Transactions

The Company has adopted, in terms no less exacting than, the standard required by the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the Company's code of conduct and rules governing dealings by all the directors in the securities of the Company ("Model Code"). Having made specific enquiry of all the Directors, the Company confirms that, during the year ended 31 December 2010, all the Directors have strictly complied with the Model Code.

Investor Relations and Communications

The Company adopts a proactive policy in promoting investor relations and communications. Regular meetings are held with institutional investors and financial analysts to ensure two-way communications on the Company's performance and development. When the Company announces its interim and annual results, briefings are conducted to apprise investors, analysts and the press of the Group's operating results as well as business strategies and outlook. Investor relations website is updated on a timely basis to ensure that investors are able to have access to the Company's information, latest news and reports. Nine out of the fifteen Directors, including the Chairman, have attended the annual general meeting in June 2010 to be available to answer questions at the meeting.

Separate resolutions are proposed at general meetings for each substantially separate issue, including election of Directors. Poll voting has been adopted for decision-making at shareholders' meeting. Details of poll voting procedures were included in the circular dispatched to the shareholders of the Company. The circular also included relevant details of proposed resolutions and biographies of the Directors standing for election.

策略及發展委員會

本公司於二零零九年八月二十七日成立策略及發展委員會，目前由兩名執行董事(楊文俊先生及吳景水先生)及四名非執行董事(馬建平先生、焦樹閣先生、方風雷先生及馬王軍先生)組成。馬建平先生擔任策略及發展委員會主席。

策略及發展委員會的主要職責為草擬本公司長期發展策略及融資計劃的重大投資、就經營項目提出重大資本投資建議，並對影響本公司發展的重要事宜進行研究及作出建議。

策略及發展委員會於截至二零一零年十二月三十一日止年度舉行了一次會議，主要討論二零一一年度的重大投資計劃、預算及表現目標。

董事的證券交易

本公司已採納不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則之規定準則，作為規管本公司所有董事進行本公司證券交易的行為守則和規則(「標準守則」)。對所有董事作出特定查詢後，本公司確認所有董事於截至二零一零年十二月三十一日止年度一直嚴格遵守標準守則。

投資者關係及溝通

本公司採取積極政策推動投資者關係及增進溝通。本公司定期與機構投資者及財務分析員舉行會議，以確保就本公司的表現及發展維持雙向的溝通。當本公司宣佈中期及年度業績時，會以簡報會形式知會投資者、分析員及媒體有關本集團的營運業績以及業務策略及展望。本集團會及時更新投資者關係網站，以確保投資者可查閱本公司的資訊、最新消息及報告。在二零一零年六月舉行的股東週年大會上，十五名董事中九名董事(包括主席)出席，以便在會上解答各界提問。

股東大會上就每一重要事項呈獨立決議案，包括董事選舉。股東大會上採用投票表決方式作出決策。有關投票表決程序的詳情載於寄發予本公司股東的通函內。該份通函亦詳列有關提呈決議案的詳情及候選董事的履歷。

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the “Directors”) presents its report together with the audited financial statements of the Company and the Group for the year ended 31 December 2010.

Principal Activities and Analysis of Operations

The principal activity of the Company is investment holding. The principal activities of the Group’s main operating subsidiary, Inner Mongolia Mengniu Dairy (Group) Company Limited (“Inner Mongolia Mengniu”), and its subsidiaries are manufacturing and distribution of dairy products including liquid milk (comprising UHT milk, milk beverages and yogurt), ice cream and other dairy products (such as milk powder) in China.

Particulars of the Company’s subsidiaries are set out in note 19 to the financial statements.

The Group’s revenue is derived principally from business activities in China. An analysis of the Group’s performance for the year ended 31 December 2010 by business segments is set out in note 3 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2010 are set out in the consolidated income statement on page 71.

The Directors have recommended the payment of a final dividend of RMB0.16 (2009: RMB0.1413) per share, amounting to approximately RMB278,078,000 (2009: RMB245,465,000) in total, to shareholders whose names appear on the register of members on 10 June 2011.

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group and the Company during the year are set out in note 12 to the financial statements.

Reserves

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on pages 75 to 76 and note 40 to the financial statements. The Company’s distributable reserves, calculated in accordance with statutory provisions applicable in the Company’s place of incorporation, amounted to approximately RMB7,814,927,000 as at 31 December 2010 (2009: RMB8,075,450,000).

Donations

Charitable and other donations made by the Group during the year amounted to approximately RMB12,941,000 (2009: RMB12,901,000).

董事會(「董事」)提呈其年度報告，連同本公司及本集團截至二零一零年十二月三十一日止年度的經審核財務報表。

主要業務及營運分析

本公司主要業務為投資控股。本集團主營子公司——內蒙古蒙牛乳業(集團)股份有限公司(「內蒙蒙牛」)及其子公司的主要業務為在中國生產及經銷乳製品，產品計有液體奶(包括超高溫滅菌奶(「UHT奶」)、乳飲料及酸奶)、冰淇淋及其他乳製品(例如奶粉等)。

本公司子公司的詳情載於財務報表附註19。

本集團的收入主要來自中國業務。本集團截至二零一零年十二月三十一日止年度按業務分部資料劃分的業績分析載於財務報表附註3。

業績及分配

本集團截至二零一零年十二月三十一日止年度的業績載於第71頁綜合利潤表。

董事建議向二零一零年六月十日名列股東名冊的股東派付期末股息每股人民幣0.16元(二零零九年：人民幣0.1413元)，合共約人民幣278,078,000元(二零零九年：人民幣245,465,000元)。

物業、廠房及設備

本集團及本公司本年度物業、廠房及設備的變動詳情載於財務報表附註12。

儲備

本集團及本公司年內的儲備變動詳情載於第75至76頁綜合權益變動表及財務報表附註40。本公司於二零一零年十二月三十一日的可供分派儲備(根據本公司註冊成立地點適用的法定條文計算)約為人民幣7,814,927,000元(二零零九年：人民幣8,075,450,000元)。

捐款

本集團於年內捐獻約人民幣12,941,000元(二零零九年：人民幣12,901,000元)作為慈善及其他捐款。

Share Capital and Share Options

Details of movement in the Company's share capital and share options during the year are set out in notes 39 and 42 to the financial statements.

Directors

The Directors during the year ended 31 December 2010 were:

Executive Directors

Mr. YANG Wenjun
 Mr. YAO Tongshan (resigned on 1 March 2010)
 Mr. BAI Ying
 Mr. WU Jingshui (appointed on 1 March 2010)
 Mr. DING Sheng (appointed on 1 March 2010)

Non-Executive Directors

Mr. NIU Gensheng (re-designated to a non-executive director on 9 June 2010)
 Mr. NING Gaoning
 Mr. JIAO Shuge (alias JIAO Zhen)
 Mr. Julian Juul WOLHARDT
 Mr. YU Xubo
 Mr. MA Jianping
 Mr. FANG Fenglei
 Mr. MA Wangjun (appointed on 1 March 2010)

Independent Non-Executive Directors

Mr. ZHANG Julin
 Mr. LIU Fuchun
 Mr. ZHANG Xiaoya

In accordance with Article 112 of the Company's articles of association, Mr. Yang Wenjun, Mr. Bai Ying, Mr. Fang Fenglei, Mr. Liu Fuchun and Mr. Zhang Xiaoya, will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company considers that Mr. Zhang Julin, Mr. Liu Fuchun and Mr. Zhang Xiaoya are independent pursuant to the criteria set out in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules") and that a confirmation of independence has been received from each of them.

Biographical Details of Directors and Senior Management

Brief biographical details of the Directors and the senior management are set out on pages 38 to 43.

Directors' Service Contracts

No director proposed for re-election at the forthcoming annual general meeting has service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

股本及購股權

本公司年內股本及購股權變動的詳情載於財務報表附註39與42。

董事

於截至二零一零年十二月三十一日止年度內，董事如下：

執行董事

楊文俊先生
 姚同山先生 (於二零一零年三月一日辭任)
 白瑛先生
 吳景水先生 (於二零一零年三月一日委任)
 丁聖先生 (於二零一零年三月一日委任)

非執行董事

牛根生先生 (於二零一零年六月九日調任為非執行董事)
 寧高寧先生
 焦樹閣(亦稱焦震)先生
 Julian Juul WOLHARDT先生
 于旭波先生
 馬建平先生
 方風雷先生
 馬王軍先生 (於二零一零年三月一日委任)

獨立非執行董事

張巨林先生
 劉福春先生
 張曉亞先生

根據本公司組織章程細則第112條，楊文俊先生、白瑛先生、方風雷先生、劉福春先生及張曉亞先生將會輪值告退，惟彼等合資格及願意於應屆股東週年大會膺選連任。

根據香港聯合交易所有限公司證券上市規則(「上市規則」)所載之準則，以及張巨林先生、劉福春先生及張曉亞先生各人之獨立性確認書，本公司認為彼等均為獨立人士。

董事及高級管理人員履歷詳情

董事及高級管理人員履歷概要詳情載於第38頁至第43頁。

董事之服務合約

將於應屆股東週年大會提呈重選之董事概無與本公司簽訂不可由本公司於一年內免付補償(法定補償除外)予以終止之服務合約。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Interests, Long and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2010, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance) ("SFO") as recorded in the register required to be kept under Section 352 of SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Long positions in shares of the Company/Associated Corporation:

董事之合約權益

於年底時或年內任何時間，本公司或其任何子公司概無簽訂任何涉及本集團的業務而任何董事直接或間接在其中擁有重大權益之重大合約。

董事於股份、相關股份及債權證之權益、好倉及淡倉

於二零一零年十二月三十一日，本公司董事及主要行政人員於本公司及任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有已列入證券及期貨條例第352條規定存置的登記冊內之權益及淡倉，或根據上市公司董事進行證券交易之標準守則(「標準守則」)須知會本公司和香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

本公司/相聯法團股份之好倉：

Name of Director 董事姓名	Company/Name of Associated Corporation 公司/相聯法團名稱	Nature of Interest 權益性質	Total Number of Ordinary Shares 普通股總數	Percentage of the Company's/Associated Corporation's Issued Share Capital 佔本公司/相聯法團已發行股本之百分比
Niu Gensheng (Note 3) 牛根生(附註3)	Company 本公司	Corporate Interest (Note 1) 公司權益(附註1)	78,466,049 (L)	4.51%
		Interests under Concert Party Agreement (Note 2) 一致行動方協議之權益(附註2)	144,056,371 (L)	8.29%
Yang Wenjun 楊文俊	Company 本公司	Personal Interest 個人權益	1,506,196 (L)	0.09%
		Interests under Concert Party Agreement (Note 2) 一致行動方協議之權益(附註2)	144,056,371 (L)	8.29%
	Inner Mongolia Mengniu 內蒙蒙牛	Personal Interest 個人權益	4,510,460 (L)	0.30%
Bai Ying 白瑛	Company 本公司	Personal Interest 個人權益	148,837 (L)	0.01%
		Interests under Concert Party Agreement (Note 2) 一致行動方協議之權益(附註2)	144,056,371 (L)	8.29%
	Inner Mongolia Mengniu 內蒙蒙牛	Personal Interest 個人權益	448,201 (L)	0.03%

Notes:

1. 78,466,049 shares are held by Yinniu Milk Industry Limited (“Yinniu”), a shareholder of the Company, which is controlled as to 95.53% by Xin Niu International Limited (“Xin Niu”). Niu Gensheng, by virtue of a proxy, has been delegated voting rights of the shares in Yinniu held by Xin Niu.
2. On 24 July 2008, Xin Niu, Yinniu, Jinniu Milk Industry Limited (“Jinniu”), Niu Gensheng and a group of 21 individuals comprising Directors and management staff of the Group (the “Management Shareholders”) (together, the “Concert Parties”) entered into a concert party agreement (the “Concert Party Agreement”) regarding their interest in the Company. The Concert Party Agreement constitutes an agreement under section 317 of the SFO. Details of the shareholding of the Concert Parties (who are not Directors of the Company) are set out in the section headed “Substantial Shareholders’ Interests” below.
3. On 24 December 2010, Mr. Niu Gensheng has transferred all the equity interests registered in his name in the Company (68,781,022 ordinary shares), representing 3.96% interests of the Company’s issued capital, to Hengxin Trust for charity.

(L) Indicates a long position.

Certain Directors of the Company have been granted options under the Company’s share option scheme, details of which are set out in the section “Share Option Scheme” below.

Save as disclosed above, as at 31 December 2010, none of the Directors and the Chief Executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Substantial Shareholders’ Interests

As at 31 December 2010, the interests or short positions of substantial shareholders, other than the Directors or the Chief Executives of the Company whose interests, long and short positions in the shares of the Company and of its associated corporations (within the meaning of Part XV of the SFO) are set out above, in the shares and underlying shares of the Company as recorded in the register required to be maintained under section 336 of the SFO were as follows:

附註：

1. 78,466,049股股份由本公司股東Yinniu Milk Industry Limited(「銀牛」)持有，銀牛95.53%權益由Xin Niu International Limited(「信牛」)控制。牛根生透過一名委任代表獲交託信牛所持有之銀牛股份之投票權。
2. 於二零零八年七月二十四日，信牛、銀牛、Jinniu Milk Industry Limited(「金牛」)、牛根生及由21名個人組成的團體包括本集團董事及管理層(「管理層股東」)(統稱「一致行動方」)就彼等於本公司之權益訂立一致行動方協議(「一致行動方協議」)。根據證券及期貨條例第317條，一致行動方協議構成協議。一致行動方(非本公司董事)的持股詳情載於下文「主要股東權益」一節。
3. 於二零一零年十二月二十四日，牛根生先生轉讓其名下之所有本公司股權(68,781,022股普通股)，相當於本公司已發行股本之3.96%權益予Hengxin信託作慈善用途。

(L) 表示好倉。

本公司若干董事根據本公司之購股權計劃獲授購股權，詳情載於下文「購股權計劃」一節。

除上文所披露者外，於二零一零年十二月三十一日，本公司各董事及主要行政人員概無擁有任何本公司或其任何相聯法團(定義見證券及期貨條例第XV部)股份、相關股份及債權證之權益及淡倉。

主要股東權益

於二零一零年十二月三十一日，根據證券及期貨條例第336條規定存置之登記冊所紀錄，主要股東(於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份中所擁有的權益、好倉及淡倉已於上文載列的本公司董事及主要行政人員除外)於本公司股份及相關股份中的權益或淡倉如下：

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)

Name of Substantial Shareholder	主要股東姓名／名稱	Number of Ordinary Shares 普通股數目	Percentage of Issued Share Capital 佔已發行股本百分比
COFCO Limited	中國糧油食品集團有限公司	348,000,000 (L)	20.02%
COFCO Dairy Holdings Limited	COFCO Dairy Holdings Limited	347,600,000 (L)	20.00%
Fang Fenglei	方風雷	347,600,000 (L)	20.00%
Hopu Investment Management Co., Ltd	Hopu Investment Management Co., Ltd	347,600,000 (L)	20.00%
Ong Tiong Sin	Ong Tiong Sin	347,600,000 (L)	20.00%
Xin Niu	信牛	78,466,049 (L) (Note 附註 1)	4.51%
		144,056,371 (L) (Note 附註 2)	8.29%
Yinniu	銀牛	78,466,049 (L) (Note 附註 1)	4.51%
		144,056,371 (L) (Note 附註 2)	8.29%
Jinniu	金牛	26,489,292 (L)	1.52%
		144,056,371 (L) (Note 附註 2)	8.29%
Sun Yubin	孫玉斌	144,056,371 (L) (Note 附註 2)	8.29%
Deng Jiuqiang	鄧九強	144,056,371 (L) (Note 附註 2)	8.29%
Lu Jun	盧俊	144,056,371 (L) (Note 附註 2)	8.29%
Sun Xianhong	孫先紅	144,056,371 (L) (Note 附註 2)	8.29%
Wang Fuzhu	王福柱	144,056,371 (L) (Note 附註 2)	8.29%
Bai Jun	白君	144,056,371 (L) (Note 附註 2)	8.29%
Hou Jiangbin	侯江斌	144,056,371 (L) (Note 附註 2)	8.29%
Qiu Lianjun	邱連軍	144,056,371 (L) (Note 附註 2)	8.29%
Pang Kaitai	龐開泰	144,056,371 (L) (Note 附註 2)	8.29%
Chu Xiuli	初秀麗	144,056,371 (L) (Note 附註 2)	8.29%
Li Shurong	李淑榮	144,056,371 (L) (Note 附註 2)	8.29%
Liu Xiaoling	劉曉玲	144,056,371 (L) (Note 附註 2)	8.29%
Wang Guisheng	王貴生	144,056,371 (L) (Note 附註 2)	8.29%
Wang Ai Suo	王埃鎖	144,056,371 (L) (Note 附註 2)	8.29%
Wang Jishan	王繼山	144,056,371 (L) (Note 附註 2)	8.29%
Wang Jianbang	王建邦	144,056,371 (L) (Note 附註 2)	8.29%
Jiang Hong	江紅	144,056,371 (L) (Note 附註 2)	8.29%
Zheng Wenping	鄭文平	144,056,371 (L) (Note 附註 2)	8.29%
Ren Meicheng	任美成	144,056,371 (L) (Note 附註 2)	8.29%
UBS AG	UBS AG	173,669,071 (L)	9.99%
		1,370,142 (S)	0.08%
J P Morgan Chase & Co	J P Morgan Chase & Co	155,977,861 (L)	8.97%
		2,188,845 (S)	0.13%
		150,375,497 (P)	8.65%

Notes:

- (1) 788,466,049 shares are held by Yinniu, a shareholder of the Company, which is controlled as to 95.53% by Xin Niu. Niu Gensheng, by virtue of a proxy, has been delegated voting rights of the shares in Yinniu held by Xin Niu.
- (2) On 24 July 2008, Xin Niu, Yinniu, Jinniu, Niu Gensheng and the Management Shareholders entered into the Concert Party Agreement regarding their interest in the Company. The Concert Party Agreement constitutes an agreement under section 317 of the SFO and the aggregate number of shares under the Concert Party Agreement is 144,056,371, representing approximately 8.29% of the issued shares of the Company as at 31 December 2010. These shares are beneficially owned by Yinniu, Jinniu, Yang Wenjun, Bai Ying (the shareholdings of these parties are set out in the table above or in the section headed "Directors' Interests, long and short position in shares, underlying shares and debentures") and Sun Yubin (as to 2,498,444 shares), Deng Jiuqiang (as to 2,753,636 shares), Lu Jun (as to 1,134,104 shares), Wang Fuzhu (as to 704,721 shares), Bai Jun (as to 570,542 shares), Hou Jiangbin (as to 7,085,491 shares), Qiu Lianjun (as to 9,001,526 shares), Li Shurong (as to 2,029,598 shares), Liu Xiaoling (as to 2,029,598 shares), Wang Guisheng (as to 1,587,596 shares), Wang Ai Suo (as to 2,282,170 shares), Jiang Hong (as to 507,399 shares), Zheng Wenping (as to 3,748,654 shares) and Ren Meicheng (as to 1,512,518 shares).

(S) Indicates a short position.

(L) Indicates a long position.

(P) Indicates a lending position.

Saved as disclosed above and in the section "Share Option Scheme" below, as at 31 December 2010, no other interest or short position in the shares or underlying shares of the Company were recorded in the register maintained under section 336 of the SFO.

Continuing Connected Transactions

On 20 January 2010, the Company entered into the Master Sale and Purchase Agreement with COFCO Corporation, a connected person which holds 20.02% of the Company, pursuant to which the Group will, subject to the Group's regular review and at the Group's option, purchase white sugar, oil, other raw materials and other related products from COFCO Corporation, its subsidiaries and certain associated companies (collectively "COFCO Corporation Group Companies") and COFCO Corporation Group Companies will supply white sugar, oil, other raw materials and other related products to the Group, for a period commencing from 20 January 2010 to 19 January 2012.

附註：

- (1) 788,466,049 股股份由本公司股東銀牛持有，銀牛 95.53% 權益由信牛控制。牛根生透過一名委任代表獲交託信牛所持有之銀牛股份之投票權。
- (2) 於二零零八年七月二十四日，信牛、銀牛、金牛、牛根生及管理層股東就彼等於本公司之權益訂立一致行動方協議。根據證券及期貨條例第317條，一致行動方協議構成協議，而在一致行動方協議下股份數目合共為144,056,371股，佔本公司於二零一零年十二月三十一日已發行股份約8.29%。該等股份由銀牛、金牛、楊文俊、白瑛(各方持股量載於上表或「董事於股份、相關股份及債權證之權益、好倉及淡倉」一節)及孫玉斌(有關2,498,444股股份)、鄧九強(有關2,753,636股股份)、盧俊(有關1,134,104股股份)、王福柱(有關704,721股股份)、白君(有關570,542股股份)、侯江斌(有關7,085,491股股份)、邱連軍(有關9,001,526股股份)、李淑榮(有關2,029,598股股份)、劉曉玲(有關2,029,598股股份)、王貴生(有關1,587,596股股份)、王埃鎖(有關2,282,170股股份)、江紅(有關507,399股股份)、鄭文平(有關3,748,654股股份)及任美成(有關1,512,518股股份)實益擁有。

(S) 表示淡倉。

(L) 表示好倉。

(P) 表示借出。

除上文及下文「購股權計劃」一節所披露者外，於二零一零年十二月三十一日，根據證券及期貨條例第336條規定存置之登記冊所示，概無任何其他於本公司股份或相關股份中之權益或淡倉。

持續關連交易

於二零一零年一月二十日，本公司與中糧集團有限公司(持有本公司20.02%權益的關連人士)訂立總購銷協議，據此，在本集團定期檢討及本集團有權選擇之情況下，由二零一零年一月二十日至二零一二年一月十九日期間，本集團將從中糧集團有限公司、其子公司及其若干聯營公司(統稱「中糧集團公司」)購入白砂糖、食油、其他原料及其他相關產品及中糧集團公司將向本集團供應白砂糖、食油、其他原料及其他相關產品。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)

The transactions under the Master Sale and Purchase Agreement constitute continuing connected transactions of the Group. The annual value of the transactions amount under the Master Sale and Purchase Agreement for each of the two years ending 31 December 2010 and 2011 is not expected to exceed RMB290,000,000.

For the year ended 31 December 2010, the total amount paid/payable by the Group to the COFCO Corporation Group Companies for the purchase of white sugar, oil, other raw materials and other related products was approximately RMB110,963,000.

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Ernst & Young, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Hong Kong Stock Exchange.

總購銷協議項下的交易構成本集團的持續關連交易。總購銷協議截至二零一零年及二零一一年十二月三十一日止兩年各年之交易額按每年計算預期不超過人民幣290,000,000元。

截至二零一零年十二月三十一日止年度，本集團就購入白砂糖、食油、其他原料及其他相關產品已付／應付中糧集團公司之總金額約為人民幣110,963,000元。

本公司獨立非執行董事已審閱上文所載持續關連交易，並已確認該等持續關連交易乃(i)於本集團日常及一般業務過程中進行；(ii)按正常商業條款，或不遜於本集團向獨立第三方提供或獲獨立第三方提供之條款而進行；及(iii)根據規管上述交易的相關協議條款進行，而該等條款屬公平合理並符合本公司股東之整體利益。本公司確認其已遵守上市規則第14A章的披露規定。

本公司之核數師安永會計師事務所獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號「對過往財務資料進行審核或審閱以外的核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」對本集團的持續關連交易進行報告。安永會計師事務所已根據上市規則第14A.38條發出無保留意見函件，當中載有彼等就本集團於上文披露之持續關連交易之發現及結論。本公司已向香港聯交所提供核數師函件之副本。

Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The following share options were outstanding under the Scheme during the year.

購股權計劃

本公司採納一項購股權計劃(「計劃」)，藉此向對本集團業務成功有貢獻之合資格參與者作出鼓勵及獎賞。年內，計劃內尚未行使之購股權如下。

Name or Category of Participant 參與者名稱或類別	Number of share options 購股權數目				As at 31 December 2010 於二零一零年 十二月 三十一日	Date of grant of share options 授出購股權日期	Exercise Period of share options (both dates inclusive) ⁽²⁾ 購股權行使期間 (包括首尾兩天) ⁽²⁾	Exercise price of share options 購股權 行使價 HK\$ 港元
	As at 1 January 2010 於二零一零年 一月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效				
Executive directors 執行董事								
Yang Wenjun ⁽¹⁾ 楊文俊 ⁽¹⁾	9,000,000	-	-	-	9,000,000	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	6,600,000	-	-	-	6,600,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
Yao Tongshan ⁽⁴⁾ 姚同山 ⁽⁴⁾	1,000,000	-	-	-	1,000,000	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	1,000,000	-	-	-	1,000,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
Bai Ying ⁽¹⁾ 白瑛 ⁽¹⁾	34,250	-	-	-	34,250	26.10.2006 二零零六年 十月二十六日	26.10.2007 to 25.10.2012 二零零七年十月二十六日至 二零一二年十月二十五日	13.40
	3,680,000	-	-	-	3,680,000	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	3,210,000	-	-	-	3,210,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
Wu Jingshui ⁽⁴⁾ 吳景水 ⁽⁴⁾	31,500	-	-	-	31,500	26.10.2006 二零零六年 十月二十六日	26.10.2007 to 25.10.2012 二零零七年十月二十六日至 二零一二年十月二十五日	13.40
	1,650,000	-	-	-	1,650,000	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	1,500,000	-	-	-	1,500,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)

Name or Category of Participant 參與者名稱或類別	Number of share options 購股權數目				As at 31 December 於二零一零年 十二月 三十一日	Date of grant of share options 授出購股權日期	Exercise Period of share options (both dates inclusive) ⁽²⁾ 購股權行使期間 (包括首尾兩天) ⁽²⁾	Exercise price of share options 購股權 行使價 HK\$ 港元
	As at 1 January 2010 於二零一零年 一月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效				
Ding Sheng ⁽⁴⁾ 丁聖 ⁽⁴⁾	24,000	-	-	-	24,000	26.10.2006 二零零六年 十月二十六日	26.10.2007 to 25.10.2012 二零零七年十月二十六日至 二零一二年十月二十五日	13.40
	1,850,000	-	-	-	1,850,000	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	1,800,000	-	-	-	1,800,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
Employees in Aggregate ⁽¹⁾ 僱員總計 ⁽¹⁾	1,930,919	-	(206,056)	(56,971)	1,667,892	26.10.2006 二零零六年 十月二十六日	26.10.2007 to 25.10.2012 二零零七年十月二十六日至 二零一二年十月二十五日	13.40
	57,809,000	-	(589,759)	(1,273,961)	55,945,280	18.8.2008 二零零八年 八月十八日	18.8.2010 to 17.8.2014 二零一零年八月十八日至 二零一四年八月十七日	22.03
	74,915,000	-	-	(2,487,000)	72,428,000	23.11.2009 二零零九年 十一月二十三日	23.11.2011 to 22.11.2015 二零一一年十一月二十三日至 二零一五年十一月二十二日	24.40
	-	4,470,000	-	-	4,470,000	6.12.2010 二零一零年 十二月六日	6.12.2012 to 5.12.2016 二零一二年十二月六日至 二零一六年十二月五日	22.80 ⁽³⁾
	166,034,669	4,470,000	(795,815)	(3,817,932)	165,890,922			

- (1) Xin Niu, Yinniu, Jinniu and the Management Shareholders entered into the Concert Party Agreement on 24 July 2008 and accordingly, Xin Niu, Yinniu, Jinniu and the Management Shareholders (who include Yang Wenjun and Bai Ying) were all deemed to be interested in an aggregate of 31,564,500 share options in the Company under the SFO as at 31 December 2010.
- (1) 信牛、銀牛、金牛及管理層股東於二零零八年七月二十四日訂立一致行動方協議，因此於二零一零年十二月三十一日，信牛、銀牛、金牛及管理層股東(包括楊文俊及白瑛)根據證券及期貨條例被視為於合計之31,564,500份本公司購股權中擁有權益。
- (2) The exercise period of the share options granted commences after a certain vesting period and the fulfilment of certain performance targets, and ends on a date which is no later than six years from the date of grant of such options. Further details of the share option scheme are set out in note 42 to the financial statements.
- (2) 該等購股權之行使期由若干歸屬期及達成若干表現目標後開始生效，並至授出該等購股權日期起屆六年當日為止。有關購股權計劃的其他詳情載於財務報表附註42。
- (3) The closing price of the Company's shares immediately before the date of grant (i.e. 6 December 2010) was HK\$22.90.
- (3) 本公司股份於緊接授出日期(即二零一零年十二月六日)前之收市價為22.90港元。
- (4) Mr. Yao Tongshan was resigned as executive Director with effect from 1 March 2010. On the same date, Mr. Wu Jingshui and Mr. Ding Sheng were appointed as executive Directors.
- (4) 姚同山先生辭任執行董事，由二零一零年三月一日起生效。同日，吳景水先生及丁聖先生獲委任為執行董事。

The values of share options calculated using the binomial model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty related to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. Details of the valuation are set out in note 42 to the financial statements.

The value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to its existing shareholders.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Public Float

As at the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Customers and Suppliers

The percentage of purchases attributable to the five largest suppliers of the Group combined was less than 30% of the total purchases of the Group.

The percentage of revenue attributable to the five largest customers of the Group combined was less than 30% of the total revenue of the Group.

購股權之價值採用二項計價模式計算，但由於模式所採納的多項未來表現假設所存在的主觀性及不肯定因素，以及模式本身之若干內在限制，故此計算方法受到若干基本限制。估值詳情載於財務報表附註42。

購股權價值隨著若干主觀假設之不同變數而變動。所使用變數之任何變動或會對購股權之估計公允價值造成重大影響。

優先認購權

本公司之組織章程細則或開曼群島法例並無訂出任何有關本公司須向現有股東按比例發售新股的優先認購權規定。

購買、出售或贖回本公司上市股份

年內，本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

公眾持股量

基於公開予本公司查閱的資料及據董事所知悉，於本報告日，本公司已維持上市規則所訂明的公眾持股量。

管理合約

本公司於年內概無訂立或存在牽涉本公司整體業務或任何重大業務部分的管理及行政合約。

主要客戶及供應商

本集團五大供應商合共應佔的採購百分比不足本集團總採購額的30%。

本集團五大客戶合共應佔的收入百分比不足本集團收入總額的30%。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)

Pledge of Assets

As at 31 December 2010, the Group pledged certain bank deposits, land use rights and certain property, plant and equipment aggregating to approximately RMB291,881,000 (2009: RMB459,410,000). Details are set out in respective notes to the financial statements.

Commitments and Contingent Liabilities

Details of commitments and contingent liabilities are set out in notes 45 and 46 to the financial statements.

Financial Summary

A summary of the results for the year and of the assets and liabilities of the Group as at 31 December 2010 and for the previous four financial periods are set out on page 204.

Corporate Governance

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 46 to 55.

Auditors

The financial statements have been audited by Ernst & Young. A resolution for the re-appointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board of Directors

Yang Wenjun

Chief Executive Officer

Hong Kong, 31 March 2011

資產抵押

於二零一零年十二月三十一日，本集團已抵押之若干銀行存款、土地使用權及若干物業、廠房及設備合共約人民幣291,881,000元(二零零九年：人民幣459,410,000元)。有關詳情載於財務報表相關附註。

承擔及或然負債

承擔及或然負債的詳情載於財務報表附註45及46。

財務概要

本集團於二零一零年十二月三十一日及過去四個財政期間的年度業績及資產負債概要載於第204頁。

企業管治

本公司的企業管治原則及慣例載於第46頁至第55頁所載的企業管治報告內。

核數師

財務報表由安永會計師事務所審核。應屆股東週年大會將提呈決議案，續聘安永會計師事務所為本公司核數師。

承董事會命

楊文俊

總裁

香港，二零一一年三月三十一日

CORPORATE INFORMATION

公司資料

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Board of Directors

Executive Directors

Mr. YANG Wenjun
Mr. YAO Tongshan (resigned on 1 March 2010)
Mr. BAI Ying
Mr. WU Jingshui (appointed on 1 March 2010)
Mr. Ding Sheng (appointed on 1 March 2010)

Non-Executive Directors

Mr. NIU Gensheng (re-designated to a non-executive director on 9 June 2010)

Mr. NING Gaoning
Mr. JIAO Shuge (alias JIAO Zhen)
Mr. Julian Juul WOLHARDT
Mr. YU Xubo
Mr. MA Jianping
Mr. FANG Fenglei
Mr. MA Wangjun (appointed on 1 March 2010)

Independent Non-Executive Directors

Mr. ZHANG Julin
Mr. LIU Fuchun
Mr. ZHANG Xiaoya

Senior Management

Mr. LU Jianjun
Mr. YAO Haitao
Ms. ZHAO Yuanhua
Mr. LIU Weixing
Mr. KWOK Wai Cheong, Chris
(Qualified Accountant & Company Secretary)

Stock Code

Hong Kong Stock Exchange 2319

Investor Relations Contact

Mr. KWOK Wai Cheong, Chris
Unit 1001, 10th Floor, Jubilee Centre
18 Fenwick Street, Wanchai
Hong Kong
Email: info@mengniu.com
Website: www.mengniu.com

董事會

執行董事

楊文俊先生
姚同山先生 (於二零一零年三月一日辭任)
白瑛先生
吳景水先生 (於二零一零年三月一日委任)
丁聖先生 (於二零一零年三月一日委任)

非執行董事

牛根生先生 (於二零一零年六月九日調任為非執行董事)

寧高寧先生
焦樹閣(亦稱焦震)先生
Julian Juul WOLHARDT先生
于旭波先生
馬建平先生
方風雷先生
馬王軍先生 (於二零一零年三月一日委任)

獨立非執行董事

張巨林先生
劉福春先生
張曉亞先生

高級管理層

盧建軍先生
姚海濤先生
趙遠花女士
劉衛星先生
郭偉昌先生
(合資格會計師及公司秘書)

股份代號

香港聯合交易所2319

投資者關係聯絡人

郭偉昌先生
香港
灣仔分域街18號
捷利中心10樓1001室
電郵地址: info@mengniu.com
網址: www.mengniu.com

CORPORATE INFORMATION (CONTINUED)

公司資料(續)

Place of Business in Hong Kong

Unit 1001, 10th Floor, Jubilee Centre
18 Fenwick Street, Wanchai
Hong Kong

Registered Office

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

Principal Share Registrar

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1107
Cayman Islands

Hong Kong Branch Share Registrar

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

Legal Advisors

As to Hong Kong Law
Norton Rose

As to Cayman Islands Law
Maples and Calder Asia

Principal Bankers

Agricultural Bank of China
Bank of China
Industrial Commercial Bank of China
BNP Paribas

Auditors

Ernst & Young

Investor Relations Consultant

Strategic Financial Relations (China) Limited

香港營業地點

香港
灣仔分域街18號
捷利中心10樓1001室

註冊辦事處

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

主要股份過戶登記處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1107
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心46樓

法律顧問

香港法律
諾頓羅氏律師事務所

開曼群島法律
Maples and Calder Asia

主要往來銀行

中國農業銀行
中國銀行
中國工商銀行
法國巴黎銀行

核數師

安永會計師事務所

投資者關係顧問

縱橫財經公關顧問(中國)有限公司

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

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Ernst & Young
18th Floor
Two International Finance Centre
8 Finance Street, Central
Hong Kong

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安永會計師事務所
香港中環金融街8號
國際金融中心二期18樓
電話: (852) 2846 9888
傳真: (852) 2868 4432
www.ey.com

To the shareholders of China Mengniu Dairy Company Limited
(Incorporated in the Cayman Islands with limited liability)

致：中國蒙牛乳業有限公司全體股東
(於開曼群島註冊成立之有限公司)

We have audited the consolidated financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 71 to 203, which comprise the consolidated and company statements of financial position as at 31 December 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

我們已完成審核中國蒙牛乳業有限公司(「貴公司」)及其子公司(統稱「貴集團」)刊於第71至203頁的綜合財務報表，包括於二零一零年十二月三十一日的綜合及公司財務狀況表、截至該日止年度的綜合利潤表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他解釋資料。

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of these consolidated financial statement that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

董事對綜合財務報表的責任

貴公司董事須遵照國際會計準則委員會頒佈的國際財務報告準則以及香港公司法的披露規定，負責編製作出真實而公允反映的綜合財務報表，並落實董事認為就編製並無重大錯誤陳述(不論其由欺詐或錯誤引起)的綜合財務報表而言屬必要的內部監控。

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

核數師的責任

我們則負責根據我們的審核結果對綜合財務報表發表意見。本報告僅為全體股東編製，並不能作其他用途。我們概不會就本報告內容對任何其他人士承擔或接受任何責任。

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

我們按照香港會計師公會頒佈的香港核數準則進行審核工作。該等準則要求我們遵守道德規範，策劃和進行審核工作以合理確定該等綜合財務報表是否不存在重大錯誤陳述。

INDEPENDENT AUDITORS' REPORT (CONTINUED)

獨立核數師報告(續)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2010, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

Hong Kong, 31 March, 2011

審核範圍包括進行程序以取得與綜合財務報表所載數額及披露事項有關的審核憑證。選用之程序須視乎核數師的判斷，包括評估綜合財務報表的重大錯誤陳述(不論由欺詐或錯誤引起)的風險。在作出該等風險評估時，核數師將考慮與公司編製作出真實而公允反映的綜合財務報表有關的內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策的恰當性，董事所作會計估算的合理性，並就綜合財務報表的整體呈列方式作出評估。

我們相信，就得出審核意見而言，我們所獲審核憑證屬充分而恰當。

意見

我們認為，綜合財務報表符合國際財務報告準則且能真實公允地反映 貴公司及 貴集團於二零一零年十二月三十一日的財務狀況以及 貴集團截至該日止年度的利潤和現金流量狀況，並已按照香港公司法的披露規定妥為編製。

安永會計師事務所

執業會計師

香港，二零一一年三月三十一日

CONSOLIDATED INCOME STATEMENT

綜合利潤表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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			2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
REVENUE	收入	4	30,265,415	25,710,460
Cost of sales	銷售成本		(22,478,979)	(18,858,229)
GROSS PROFIT	毛利		7,786,436	6,852,231
Other income and gains	其他收入及收益	4	193,472	80,959
Selling and distribution costs	銷售及經銷費用		(5,429,141)	(4,653,460)
Administrative expenses	行政費用		(1,036,039)	(863,750)
Other operating expenses	其他經營費用	5	(59,745)	(113,045)
PROFIT FROM OPERATING ACTIVITIES	經營業務利潤		1,454,983	1,302,935
Interest income	利息收入		87,884	85,042
Finance costs	融資成本	8	(45,203)	(61,153)
Share of profits and losses of associates	應佔聯營公司利潤及虧損		40,438	19,522
PROFIT BEFORE TAX	稅前利潤	6	1,538,102	1,346,346
Income tax expense	所得稅支出	9	(182,185)	(126,240)
PROFIT FOR THE YEAR	本年利潤		1,355,917	1,220,106
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		1,237,273	1,115,799
Non-controlling interests	非控股股東		118,644	104,307
			1,355,917	1,220,106
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (EXPRESSED IN RMB PER SHARE)	本公司普通股擁有人 應佔每股盈利 (以每股人民幣元計)	11		
– Basic	– 基本		0.712	0.681
– Diluted	– 攤薄		0.711	N/A 不適用

Details of the dividends payable and proposed for the year are disclosed in note 10 to the financial statements.

本年應付及建議派付股息的詳情於財務報表附註10披露。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

			2010	2009
			二零一零年	二零零九年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
PROFIT FOR THE YEAR	本年利潤		1,355,917	1,220,106
OTHER COMPREHENSIVE INCOME	其他全面收益			
Available-for-sale investments:	可供出售投資：			
Changes in fair value	公允值變動	22	145,366	—
Income tax effect	所得稅的影響	22	(39,865)	—
			105,501	—
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額		(150,885)	(4,535)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	年度其他全面收益，扣除稅項		(45,384)	(4,535)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年度全面收益總額		1,310,533	1,215,571
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		1,183,864	1,111,264
Non-controlling interests	非控股股東		126,669	104,307
			1,310,533	1,215,571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2010 於二零一零年十二月三十一日

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			2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	5,380,385	4,919,608
Construction in progress	在建工程	13	535,104	326,679
Land use rights	土地使用權	14	484,572	367,191
Goodwill	商譽	15	451,613	199,143
Other intangible assets	其他無形資產	16	221,508	31,637
Investments in associates	於聯營公司的投資	20	113,857	67,383
Available-for-sale investments	可供出售投資	22	301,681	17,409
Deferred tax assets	遞延所得稅資產	23	81,060	131,741
Other financial assets	其他金融資產	24	71,754	20,868
			7,641,534	6,081,659
CURRENT ASSETS	流動資產			
Inventories	存貨	25	1,176,423	714,897
Bills receivable	應收票據	26	20,539	52,449
Trade receivables	應收賬款	27	554,933	527,303
Prepayments and deposits	預付款及按金	28	942,303	272,627
Other receivables	其他應收款項	29	169,897	66,202
Pledged deposits	保證金存款	30	102,399	230,968
Cash and bank balances	現金及銀行結存	30	6,697,813	6,150,021
			9,664,307	8,014,467
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬款	31	2,061,193	1,531,366
Bills payable	應付票據	32	1,487,302	808,409
Deferred income	遞延收益	37	15,082	13,162
Accruals and customers' deposits	預提費用及客戶訂金	33	880,142	559,291
Other payables	其他應付款項		1,061,253	1,211,172
Interest-bearing bank loans	計息銀行貸款	34	550,786	323,593
Other loans	其他貸款	35	140,018	106,947
Income tax payable	應付所得稅		42,513	–
			6,238,289	4,553,940
NET CURRENT ASSETS	淨流動資產		3,426,018	3,460,527
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		11,067,552	9,542,186

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況表(續)

As at 31 December 2010 於二零一零年十二月三十一日

			2010	2009
		Notes	二零一零年	二零零九年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank loans	計息銀行貸款	34	150,000	350,000
Long term payables	長期應付款項	36	14,102	49,879
Deferred income	遞延收益	37	226,049	230,613
Deferred tax liabilities	遞延所得稅負債	23	39,865	–
Other financial liabilities	其他金融負債	38	420,027	–
			850,043	630,492
NET ASSETS	淨資產		10,217,509	8,911,694
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued capital	已發行股本	39	178,679	178,611
Retained earnings	保留利潤		2,050,216	1,294,766
Other reserves	其他儲備	40(A)	7,529,169	7,102,301
			9,758,064	8,575,678
Non-controlling interests	非控股股東權益		459,445	336,016
TOTAL EQUITY	總權益		10,217,509	8,911,694

Niu Gensheng

牛根生

Director

董事

Yang Wenjun

楊文俊

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

		Attributable to owners of the Company					Non-controlling interests	Total equity
		本公司擁有人應佔權益						
		Issued capital	Other reserves	Retained earnings	Total			
		已發行股本	其他儲備	保留利潤	合計	非控股股東	總權益	
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			Note 40(A)					
			附註40(A)					
At 1 January 2009	於二零零九年一月一日	163,137	3,937,924	363,555	4,464,616	273,355	4,737,971	
Profit for the year	本年利潤	-	-	1,115,799	1,115,799	104,307	1,220,106	
Other comprehensive income for the year:	年度其他全面收益：							
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	(4,535)	-	(4,535)	-	(4,535)	
Total comprehensive income for the year	年度全面收益總額	-	(4,535)	1,115,799	1,111,264	104,307	1,215,571	
Issue of shares	發行股份	39	15,320	2,679,163	-	2,694,483	2,694,483	
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	42	154	20,515	-	20,669	20,669	
Equity-settled share option arrangements	以股份支付的購股權安排	42	-	284,646	-	284,646	284,646	
Transfer to statutory reserves	轉撥至法定儲備	-	184,588	(184,588)	-	-	-	
Dividends paid to non-controlling shareholders	向非控股股東派付股息	-	-	-	-	(33,563)	(33,563)	
Deemed disposal of a subsidiary	視同出售一家子公司	44	-	-	-	(8,083)	(8,083)	
At 31 December 2009	於二零零九年十二月三十一日	178,611	7,102,301	1,294,766	8,575,678	336,016	8,911,694	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔權益						
		Issued capital 已發行股本	Other reserves 其他儲備	Retained earnings 保留利潤	Total	Non- controlling interests 非控股股東	Total equity 總權益	
Notes		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
		Note 40(A) 附註40(A)						
At 1 January 2010	於二零一零年一月一日	178,611	7,102,301	1,294,766	8,575,678	336,016	8,911,694	
Profit for the year	本年利潤	-	-	1,237,273	1,237,273	118,644	1,355,917	
Other comprehensive income for the year:	年度其他全面收益：							
Changes in fair value of available- for-sale investments, net of tax	可供出售投資公允價值 變動，扣除稅項	-	97,476	-	97,476	8,025	105,501	
Exchange difference on translation of foreign operations	換算海外業務的匯兌 差額	-	(150,885)	-	(150,885)	-	(150,885)	
Total comprehensive income for the year	年度全面收益總額	-	(53,409)	1,237,273	1,183,864	126,669	1,310,533	
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權 安排發行股份	42	68	13,343	-	13,411	-	13,411
Equity-settled share option arrangements	以股份支付的購股權 安排	42	-	366,183	-	366,183	-	366,183
Transfer to statutory reserves	轉撥至法定儲備	-	-	236,378	(236,378)	-	-	
Final 2009 dividend declared	已宣派二零零九年期 末股息	10	-	-	(245,445)	(245,445)	-	(245,445)
Dividends paid to non-controlling shareholders	向非控股股東派付股息	-	-	-	-	(27,228)	(27,228)	
Acquisition of a subsidiary	收購一家子公司	43	-	-	-	221,287	221,287	
Derecognition of puttable non-controlling interests	終止確認可沽售非控股股 東權益	38	-	(135,627)	-	(135,627)	(197,299)	(332,926)
At 31 December 2010	於二零一零年 十二月三十一日	178,679	7,529,169	2,050,216	9,758,064	459,445	10,217,509	

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
	Notes 附註		
Cash flows from operating activities	經營業務產生的現金流量		
Profit before tax	稅前利潤	1,538,102	1,346,346
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(87,884)	(85,042)
Finance costs	融資成本	45,203	61,153
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	697,996	663,863
Amortisation of land use rights	土地使用權攤銷	9,172	7,231
Amortisation of other intangible assets	其他無形資產攤銷	5,608	4,304
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備虧損	18,661	7,834
Share-based payment expense	以股份為基礎的支付	366,183	284,646
Provision/(write-back of provision) for trade receivables and other receivables	應收賬款及其他應收款項撥備/(撥備撥回)	(1,013)	15,980
Share of profits and losses of associates	應佔聯營公司利潤及虧損	(40,438)	(19,522)
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	865	1,033
Amortisation of deferred income	遞延收益攤銷	(14,857)	(13,795)
Foreign exchange differences, net	匯兌差額淨額	(57,338)	(541)
Loss on disposal of a subsidiary acquired with a view to resale	出售持有待售的一家子公司虧損	-	407
Loss on deemed disposal of a subsidiary	視同出售一家子公司虧損	-	1,073
Gain on deemed disposal of an associate	視同出售一家聯營公司收益	(6,256)	-
		2,474,004	2,274,970
Increase in other financial assets	其他金融資產增加	(58,552)	(22,750)
Decrease/(increase) in inventories	存貨減少/(增加)	(425,877)	103,062
Decrease/(increase) in trade and bills receivables	應收賬款及應收票據減少/(增加)	41,417	(241,101)
Decrease/(increase) in pledged deposits	保證金存款減少/(增加)	57,389	(103,195)
Decrease/(increase) in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少/(增加)	(632,163)	51,441
Increase/(decrease) in trade and bills payables	應付賬款及應付票據增加/(減少)	1,053,248	(54,627)
Increase in accruals and other payables	預提費用及其他應付款項增加	116,273	210,969
Cash generated from operations	經營業務產生的現金	2,625,739	2,218,769
Interest paid	支付利息	(38,864)	(50,610)
Income taxes paid	支付所得稅	(101,758)	(36,588)
Net cash flows from operating activities	經營業務產生的淨現金流量	2,485,117	2,131,571

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

				2010	2009
				二零一零年	二零零九年
				RMB'000	RMB'000
				人民幣千元	人民幣千元
		Notes			
		附註			
Cash flows from investing activities	投資活動產生的現金流量				
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備所得款項			3,740	9,722
Purchase of items of property, plant and equipment	購置物業、廠房及設備			(218,080)	(244,431)
Purchase of construction in progress	在建工程增加	13		(865,743)	(368,265)
Purchase of other intangible assets	其他無形資產增加	16		(1,678)	(11,047)
Purchase of land use rights	土地使用權增加			(54,166)	(72,195)
Disposal/(purchase) of available-for-sale investments	出售/(購買)可供出售投資			(129,776)	620
Acquisition of subsidiaries	收購子公司			(281,639)	–
Capital injection to associates	對聯營公司注資			(4,374)	(4,077)
Capital injection to a jointly-controlled entity	對一家共同控制實體注資			–	(40,000)
Receipt of government grants	收取政府補助金			10,713	51,422
Purchase of time deposits with original maturity of more than three months	原到期日為三個月以上的定期存款增加			(759,161)	(1,340,397)
Interest received	收取利息			82,020	67,735
Dividends received from associates	收取聯營公司股息			12,559	25,364
Dividends received from an available-for-sale investment	從可供出售投資收取的股息			867	–
Disposal of associates	出售聯營公司			250	–
Disposal of a subsidiary acquired with a view to resale	出售持有待售的一家子公司			–	96,199
Deemed disposal of a subsidiary	視同出售一家子公司	44		–	(6,288)
Net cash flows used in investing activities	投資活動所用淨現金流量			(2,204,468)	(1,835,638)
Cash flows from financing activities	融資活動產生的現金流量				
Proceeds from interest-bearing bank loans	計息銀行貸款所得款項			139,246	665,582
Repayment of interest-bearing bank loans	償還計息銀行貸款			(311,694)	(1,720,636)
Decrease/(increase) in pledged deposits for bank loans	銀行貸款的保證金存款減少/(增加)			81,180	(86,080)
Dividends paid to owners of the Company	支付本公司擁有人的股息	10		(245,445)	–
Dividends paid to non-controlling shareholders	支付非控股股東的股息			(27,228)	(32,640)
Proceeds from other loans	其他貸款所得款項			42,356	48,565
Repayment of long term payables	償還長期應付款項			(87,407)	(154,209)
Capital contribution by the joint venture partner	合營夥伴注資			–	40,000
Shares issued under equity-settled share option arrangements	根據以股份支付的購股權安排發行股份	42		13,411	20,669
Proceeds from issuance of new shares	發行新股所得款項	39		–	2,696,341
Share issue costs	發行股份成本	39		–	(1,858)
Net cash flows from financing activities	融資活動產生的淨現金流量			(395,581)	1,475,734

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

			2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
		Notes 附註		
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		(114,932)	1,771,667
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	30	3,986,624	2,218,965
Effect of foreign exchange rate changes, net	匯率變動的影響(淨額)		(96,437)	(4,008)
Cash and cash equivalents at end of year	年終的現金及現金等價物	30	3,775,255	3,986,624
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析			
Cash and bank balances as stated in the consolidated statement of financial position	於綜合財務狀況表中列賬的現金及銀行結存	30	6,697,813	6,150,021
Time deposits with original maturity more than three months	原到期日為三個月以上的定期存款	30	(2,922,558)	(2,163,397)
Cash and cash equivalents as stated in the consolidated statement of cash flows	於綜合現金流量表中列賬的現金及現金等價物	30	3,775,255	3,986,624

STATEMENT OF FINANCIAL POSITION

財務狀況表

As at 31 December 2010 於二零一零年十二月三十一日

			2010	2009
			二零一零年	二零零九年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	17	28
Available-for-sale investments	可供出售投資	22	114,831	–
Loans to a subsidiary	應收一家子公司款項	18	2,680,430	–
Investments in subsidiaries	於子公司的投資	19	5,017,482	4,819,857
			7,812,760	4,819,885
CURRENT ASSETS	流動資產			
Dividends receivable	應收股息		357,247	106,355
Prepayments, deposits and other receivables	預付款、按金及其他			
	應收款項	29	36,949	1,437,024
Cash and cash equivalents	現金及現金等價物	30	599,995	2,354,922
			994,191	3,898,301
CURRENT LIABILITIES	流動負債			
Accruals and other payables	預提費用及其他應付款項		1,544	2,516
			1,544	2,516
NET CURRENT ASSETS	淨流動資產		992,647	3,895,785
NET ASSETS	淨資產		8,805,407	8,715,670
EQUITY	權益			
Issued capital	已發行股本	39	178,679	178,611
Reserves	儲備	40(B)	8,626,728	8,537,059
TOTAL EQUITY	總權益		8,805,407	8,715,670

Niu Gensheng
牛根生
Director
董事

Yang Wenjun
楊文俊
Director
董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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1. Corporate Information

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

2.1 Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared on a historical cost basis except for share options and certain available-for-sale equity investments which have been measured at fair value. They are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2010. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full. The result of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the day that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

1. 公司資料

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

2.1 編製基準

該等財務報表是按照國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)及香港公司法的披露規定編製而成。財務報表以歷史成本法編製，惟購股權及若干可供出售股本投資以公允值計量。財務報表以人民幣(「人民幣」)呈列，而所有數值除另有指明外，均調整至最接近的千位。

綜合基準

綜合財務報表包括本公司及其子公司(統稱「本集團」)截至二零一零年十二月三十一日止年度的財務報表。編製子公司財務報表的呈報期間與本公司相同，會計政策亦貫徹一致。所有集團內公司間結餘、交易、因集團內公司間交易產生的未變現收益及虧損及股息均已於綜合入賬時全數對銷。子公司業績由收購日期(即本集團取得控制權當日)起綜合入賬，直至控制權不再存在當日為止。

非控股股東須分享子公司之虧損，即使非控股股東權益結餘為負數。

子公司的所有權變動(並無失去控制權)按權益交易入賬。據此，本集團與非控股股東分享的子公司權益賬面價值需作調整以反映相應之變化。而調整的非控股股東權益金額與已付或已收對價之公允值的差額直接計入權益並歸屬於本公司擁有人。

倘本集團失去對子公司的控制權，則其終止確認(i)該子公司的資產(包括商譽)及負債、(ii)任何非控股股東權益的賬面值及(iii)於權益內記錄的累計換算差額；及確認(i)所收代價的公允值、(ii)所保留任何投資的公允值及(iii)損益賬中任何因此產生的盈餘或虧損。先前於其他全面收益內確認的本集團應佔部分重新分類為損益或保留利潤(如適用)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.2 Impact of New and Revised IFRSs

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 1 (Revised)	<i>First-time Adoption of International Financial Reporting Standards</i>
IFRS 1 Amendments	<i>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards – Additional Exemptions for First-time Adopters</i>
IFRS 2 Amendments	<i>Amendments to IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions</i>
IAS 39 Amendment	<i>Amendment to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i>
IFRIC 17	<i>Distributions of Non-cash Assets to Owners</i>
Amendments to IFRS 5 included in <i>Improvements to IFRSs (May 2008)</i>	<i>Amendments to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary</i>
Improvements to IFRSs (April 2009)	Amendments to a number of IFRSs

Other than as further explained below, the adoption of the new and revised IFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised IFRSs are as follows:

Improvements to IFRSs (April 2009)

In April 2009, the IASB issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group.

2.2 新頒佈及經修訂國際財務報告準則的影響

本集團已於本年度的財務報表首次採納以下新頒佈及經修訂國際財務報告準則。

國際財務報告準則第1號(經修訂)	首次採納國際財務報告準則
國際財務報告準則第1號的修訂	國際財務報告準則第1號「首次採納國際財務報告準則—首次採納者的額外豁免」的修訂
國際財務報告準則第2號的修訂	國際財務報告準則第2號「以股份為基礎的支付—集團以現金結算的股份支付款項的交易」的修訂
國際會計準則第39號的修訂	國際會計準則第39號「金融工具：確認和計量—符合條件的對沖項目」的修訂
國際財務報告詮釋委員會—第17號	向擁有人分配非現金資產
包含在國際財務報告準則的改進(二零零八年五月)內的國際財務報告準則第5號的修訂	國際財務報告準則第5號「持有待售非流動資產及已終止經營業務—計劃出售於子公司的控制權益」的修訂
國際財務報告準則的改進(二零零九年四月)	國際財務報告準則的改進

除於下文作進一步詮釋者外，採納該等新頒佈及經修訂國際財務報告準則對該等財務報表並無重大財務影響。

採納該等新頒佈及經修訂國際財務報告準則的主要影響如下：

國際財務報告準則的改進(二零零九年四月)

於二零零九年四月，國際會計準則委員會發佈了對準則的第二次綜合修改，主要是為了刪去不一致性和澄清措辭。每項準則均有各自的過渡條款。採納以下修訂導致本集團的會計政策發生變動，但不會對本集團的財務狀況或業績產生重大影響。

2.2 Impact of New and Revised IFRSs (CONTINUED)

Improvements to IFRSs (April 2009) (CONTINUED)

- IFRS 8 *Operating Segment*: Clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker. As the Group's chief operating decision maker does review segment assets and liabilities, the Group has continued to disclose this information in note 3.
- IAS 7 *Statement of Cash Flows*: States that only expenditure that results in recognising an asset can be classified as a cash flow from investing activities. This amendment will impact amongst others, the presentation in the statement of cash flows of the contingent consideration on the business combination completed in 2010 upon cash settlement.
- IAS 36 *Impairment of Assets*: Clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in IFRS 8 before aggregation for reporting purposes. The amendment has no impact on the Group as the annual impairment test is performed before aggregation.

Other amendments resulting from Improvements to IFRSs did not have any impact on the accounting policies, financial position or performance of the Group.

2.2 新頒佈及經修訂國際財務報告準則的影響(續)

國際財務報告準則的改進(二零零九年四月)(續)

- 國際財務報告準則第8號「經營分部」：闡明分部資產及負債僅須於主要經營決策者所採用的衡量方法包括該等資產及負債時方會呈報。由於本集團的主要經營決策者負責審閱分部資產及負債，故本集團已於附註3繼續披露有關資料。
- 國際會計準則第7號「現金流量表」：規定僅導致確認一項資產的支出可被歸類為投資活動現金流量。該項修訂將對(其中包括)於二零一零年完成的採用現金結算的業務合併的或然代價在現金流量表的呈列產生影響。
- 國際會計準則第36號「資產減值」：闡明了分配因業務合併所得的商譽所允許的最大單位為於報告合併前國際財務報告準則第8號所界定的經營分部。該項修訂對本集團並無影響，因為年度減值測試乃於合併前進行。

因國際財務報告準則的改進所導致的其他修訂對本集團的會計政策、財務狀況或業績並無任何影響。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.3 Issued But Not Yet Effective IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IFRS 1 Amendment	Amendment to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters</i> ²
IFRS 1 Amendment	Amendment to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Replacement of “fixed dates” for Certain Exceptions with “the date of transition to IFRSs”</i> ⁴
IFRS 1 Amendment	Amendment to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Reporting Standards – Additional Exemption for Entities Ceasing to Suffer from Severe Hyperinflation</i> ⁴
IFRS 7 Amendments	Amendments to IFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i> ⁴
IFRS 9	<i>Financial Instruments</i> ⁵
IAS 12 Amendments	Amendments to IAS 12 <i>Income Taxes – Recovery of Underlying Assets</i> ⁵
IAS 24 (Revised)	<i>Related Party Disclosures</i>
IAS 32 Amendment	Amendment to IAS 32 <i>Financial Instruments: Presentation-Classification of Rights Issues</i> ¹
IFRIC-Int 14 Amendments	Amendments to IFRIC-Int 14 <i>Prepayments of a Minimum Funding Requirement</i> ³
IFRIC-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> ²

2.3 已頒佈惟尚未生效的國際財務報告準則

本集團尚未於本財務報表應用下列已頒佈惟尚未生效的新頒佈及經修訂國際財務報告準則。

國際財務報告準則第1號的修訂	國際財務報告準則第1號「首次採納國際財務報告準則 – 有限豁免採納可資比較的國際財務報告準則第7號首次採納者的披露」的修訂 ²
國際財務報告準則第1號的修訂	國際財務報告準則第1號「首次採納國際財務報告準則 – 以「過渡至國際財務報告準則日期」取代若干豁免之「既定日期」」的修訂 ⁴
國際財務報告準則第1號的修訂	國際財務報告準則第1號「首次採納國際財務報告準則 – 報告準則 – 不再受高通貨影響的實體的額外豁免」的修訂 ⁴
國際財務報告準則第7號的修訂	國際財務報告準則第7號「金融工具：披露 – 轉讓金融資產」的修訂 ⁴
國際財務報告準則第9號	金融工具 ⁵
國際會計準則第12號的修訂	國際會計準則第12號「所得稅 – 收回相關資產」的修訂 ⁵
國際會計準則第24號(經修訂)	關連人士的披露
國際會計準則第32號的修訂	國際會計準則第32號「金融工具：呈列 – 供股的分類」的修訂 ¹
國際財務報告詮釋委員會 – 詮釋第14號的修訂	國際財務報告詮釋委員會 – 詮釋第14號「最低資金要求的預付款」的修訂 ³
國際財務報告詮釋委員會 – 詮釋第19號	以權益工具消除金融負債 ²

2.3 Issued But Not Yet Effective IFRSs (CONTINUED)

Apart from the above, the IASB has issued Improvements to IFRSs 2010 which sets out amendments to a number of IFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to IFRS 3 and IAS 27 are effective for annual periods beginning on or after 1 July 2010, whereas the amendments to IFRS 1, IFRS 7, IAS 1, IAS 34 and IFRIC-Int 13 are effective for annual periods beginning on or after 1 January 2011 although there are separate transitional provisions for each standard.

- 1 Effective for annual periods beginning on or after 1 February 2010
- 2 Effective for annual periods beginning on or after 1 July 2010
- 3 Effective for annual periods beginning on or after 1 January 2011
- 4 Effective for annual periods beginning on or after 1 July 2011
- 5 Effective for annual periods beginning on or after 1 July 2012
- 6 Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. The Group considers that these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 Summary of Significant Accounting Policies

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries that are not classified as held-for-sale in accordance with IFRS 5 are stated at cost less any impairment losses.

2.3 已頒佈惟尚未生效的國際財務報告準則(續)

除上述者外，國際會計準則委員會已發佈二零一零年國際財務報告準則的改進，主要是為了修訂若干國際財務報告準則互有矛盾的陳述，並予以澄清。國際財務報告準則第3號及國際會計準則第27號的修訂於二零一零年七月一日或之後開始的年度期間生效，而儘管各準則均有各自的過渡條款，國際財務報告準則第1號、國際財務報告準則第7號、國際會計準則第1號、國際會計準則第34號及國際財務報告詮釋委員會－詮釋第13號的修訂均於二零一一年一月一日或之後開始的年度期間生效。

- 1 於二零一零年二月一日或之後開始的年度期間生效
- 2 於二零一零年七月一日或之後開始的年度期間生效
- 3 於二零一一年一月一日或之後開始的年度期間生效
- 4 於二零一一年七月一日或之後開始的年度期間生效
- 5 於二零一二年七月一日或之後開始的年度期間生效
- 6 於二零一三年一月一日或之後開始的年度期間生效

本集團現正評估該等新頒佈及經修訂國際財務報告準則於初次應用時的影響。本集團認為該等新頒佈及經修訂國際財務報告準則應不會對本集團的經營業績及財務狀況造成重大影響。

2.4 重大會計政策概要

子公司

子公司指本公司直接或間接控制其財務及營運政策的公司，以便能從其業務中獲利。

子公司的業績計入本公司的利潤表中，並以已收和應收股息為限。本公司之子公司權益(並不根據國際財務報告準則第5號分類為持有待售)以成本值減去任何減值損失列賬。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates and is not individually tested for impairment.

The results of associates are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in associates are treated as non-current assets and are stated at cost less any impairment losses.

Jointly-controlled entities

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's investments in its jointly-controlled entities are accounted for by the proportionate consolidation method, which involves recognising its share of the jointly-controlled entities' assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's investments in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.4 重大會計政策概要(續)

聯營公司

聯營公司指本集團持有其一般不少於20%投票權的長期權益而對其有重要影響力的公司，但該公司既非子公司，亦非共同控制實體。

本集團於聯營公司的投資，是採用權益會計法按本集團所佔資產淨值減任何減值損失在綜合財務狀況表列賬。本集團所佔聯營公司的收購後業績及儲備分別計入綜合利潤表及綜合儲備。本集團與其聯營公司之間交易所產生的未變現收益及虧損，均以本集團於聯營公司的投資為限予以抵銷，惟未變現虧損是由所轉讓資產減值導致則除外。收購聯營公司產生的商譽乃作為本集團於聯營公司的投資的一部分入賬，且並不會單獨作減值測試。

聯營公司業績以已收及應收股息為限計入本公司的利潤表。本公司於聯營公司的投資當作非流動資產處理並按成本減任何減值損失列賬。

共同控制實體

共同控制實體指受共同控制的合營企業，致使參與各方於共同控制實體的經濟活動中均無單方面控制權。

本集團於共同控制實體的投資以比例綜合法入賬，當中涉及逐項確認其分佔共同控制實體的資產、負債、收入及開支於綜合財務報表中類似項目。本集團與其共同控制實體之間交易所產生的未變現收益及虧損，均以本集團於共同控制實體的投資為限予以抵銷，惟未變現虧損是由所轉讓資產減值導致則除外。任何可能存在的不同會計政策已作出調整以使其一致。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Business combinations and goodwill**Business combinations from 1 January 2009**

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策概要(續)

業務合併及商譽**於二零零九年一月一日起進行的業務合併**

業務合併採用收購法入賬。所轉讓的代價按收購日期的公允值計量，乃本集團所轉讓資產、本集團對被收購方前擁有人所承擔的負債及本集團所發行以換取被收購方控制權的股權於收購日期公允值的總和。就每宗業務合併而言，收購方按公允值或按應佔被收購方可識別淨資產的比例計量於被收購方的非控股股東權益。收購成本於產生時支銷。

當本集團收購業務時，其根據合約條款、經濟情況及於收購日期的相關條件評估金融資產及所承擔的負債以作出適當的分類及指定。這包括被收購方區分主合約的嵌入式衍生工具。

倘業務合併分階段完成，收購方以往持有被收購方的股權須於收購日期重新以公允值計量，差額計入損益。

收購方將轉讓的任何或然代價按收購日期的公允值確認。被視為一項資產或負債的或然代價的公允值其後出現變動，根據國際會計準則第39號於損益或作為其他全面收益變動確認。倘或然代價分類為權益，則最終於權益中結算前不予重新計量。

商譽初步按成本計量，而成本乃指所轉讓代價、就非控股股東權益確認的金額及本集團以往持有被收購方的股權的任何公允值的總和超出所購入可識別資產及所承擔負債淨額的差額。倘此代價與其他項目的總和低於所收購子公司淨資產的公允值，則經重新評估後的差額於損益確認為議價購入的收益。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Business combinations and goodwill (CONTINUED)

Business combinations from 1 January 2009 (CONTINUED)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Business combinations prior to 1 January 2009 but after 1 January 2005

In comparison to the above-mentioned requirements which were applied on a prospective basis, the following differences applied to business combinations prior to 1 January 2009:

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Any additional acquired share of interest did not affect previously recognised goodwill.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

於二零零九年一月一日起進行的業務合併(續)

繼最初確認後，商譽按成本值減任何累計減值損失計算。商譽每年測試是否有所減值，若有事件或情況變化顯示賬面值可能出現減值，則會更頻密進行測試。本集團於十二月三十一日進行年度商譽減值測試。就減值測試而言，業務合併收購之商譽自收購日期起分配至本集團各現金產生單位(或現金產生單位組別)，不論本集團其他資產或負債是否分配至該等單位或單位組別，預期彼等將從合併之協同效益中受益。

減值按與商譽有關的現金產生單位(現金產生單位組別)可收回金額評估釐定。倘若現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值損失。已確認的商譽減值損失不會在以後期間撥回。

倘商譽構成現金產生單位(現金產生單位組別)一部分及該出售單位中的業務一部分，則於釐定該業務的出售收益或虧損時，與該已出售業務相關的商譽計入該業務的賬面值。在此情況下出售的商譽根據所出售業務的相關價值及所保留現金產生單位的部分計量。

於二零零九年一月一日前但於二零零五年一月一日後進行的業務合併

相對於上述適用於未來適用法的規定，以下差異適用於二零零九年一月一日前進行的業務合併：

業務合併採用購買法入賬。可直接歸屬於業務合併的交易成本屬於收購成本一部分。非控股股東權益(前稱少數股東權益)按應佔被收購方的可識別淨資產的比例計量。

分階段完成的業務合併按個別步驟入賬。任何額外獲得的應佔權益並不影響以往確認的商譽。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Business combinations and goodwill (CONTINUED)

Business combinations prior to 1 January 2009 but after 1 January 2005 (CONTINUED)

When the Group acquired a business, embedded derivatives separated from the host contract by the acquirer were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

Property, plant and equipment, other than construction in progress, are stated at cost (or valuation) less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

於二零零九年一月一日前但於二零零五年一月一日後進行的業務合併(續)

當本集團收購一項業務時，被收購方自主合約區分出的嵌入式衍生工具不會於收購時重新評估，除非該宗業務合併導致合約的條款改變，以致大幅度改變根據合約原應需要的現金流量。

或然代價當及僅當本集團有現有責任、很可能有經濟流出及可釐定可靠估計時方予確認。或然代價的後續調整確認為商譽一部分。

物業、廠房及設備(在建工程除外)是按成本值(或估值)減去累計折舊及任何減值損失後列賬。倘物業、廠房及設備項目分類為持有待售或當其為分類為持有待售的處置組的一部分時，其不予折舊並根據國際財務報告準則第5號入賬，進一步闡釋見會計政策「持有待售之非流動資產及處置組」。物業、廠房及設備項目成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接應佔成本。

物業、廠房及設備項目投入運作後產生的支出(例如維修及保養)，一般於其產生期間於利潤表扣除。而大修支出在符合確認條件時，計入資產的賬面值作為更換成本。當物業、廠房及設備的重要部件須定期更換，本集團將該等部件確認為獨立的資產，並在特定可使用年期下單獨計提折舊。

折舊乃按物業、廠房及設備的各個項目於其估計可使用年期以直線法撇減其成本至剩餘價值。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Property, plant and equipment and depreciation

The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	20 years
Plant and machinery	5 to 10 years
Office equipment	5 years
Motor vehicles	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress

Construction in progress represents plants and properties under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 重大會計政策概要(續)

物業、廠房及設備和折舊

物業、廠房及設備的估計可使用年期如下：

房屋及建築物	20年
廠房及機器	5至10年
辦公設備	5年
汽車	5年

倘一項物業、廠房及設備的各部分有著不同可使用年期，則有關項目的成本以合理基準分配於各部分，而每部分將作獨立折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度結算日審閱及調整(如適用)。

物業、廠房及設備項目以及經確認為資產的任何重要部件，乃在處置時或在預計未來不可從其使用或處置中獲得經濟利益時終止確認。於終止確認資產當年的利潤表中確認的處置或廢棄而產生的任何收益或虧損乃銷售所得款項淨額與相關資產賬面值之間的差額。

在建工程

在建工程是指正在興建的廠房及物業，乃以成本值減任何減值損失列賬。在建工程不計提折舊。成本值包括在建期間的直接建築成本以及已借相關資金所屬已撥充資本的借貸費用。當在建工程竣工、隨時可供使用時，在建工程重新分類歸入物業、廠房及設備內的適當類別。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併時所收購無形資產的成本相等於收購日期的公允值。

無形資產的可使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年內攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度結算日複核一次。

2.4 Summary of Significant Accounting Policies (CONTINUED)**Intangible assets (other than goodwill) (CONTINUED)**

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Trademarks

Trademarks acquired separately are measured at cost. Trademarks acquired as part of a business combination are valued at fair value based on the royalty relief method.

Trademarks with finite useful life are amortised on the straight-line basis over their estimated useful lives of 10 years. Trademarks with indefinite useful life are tested for impairment annually.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Research and development costs

All research costs are charged to the income statement as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products commencing from the date when the products are put into commercial production.

2.4 重大會計政策概要(續)**無形資產(商譽除外)(續)**

可使用年期無限的無形資產於每年按個別或現金產生單位作減值測試，且不予攤銷。對年期無限的無形資產需每年對其使用年期作複核，以釐定無限可使用年期的評估是否持續可靠。否則，可使用年期評估按預期法自此由無限年期更改為有限年期。

商標

所收購商標按成本單獨計量。作為業務合併一部分所收購的商標根據特許權費減免法按公允值進行估值。

可使用年期有限的商標按估計可使用年期10年以直線法攤銷。可使用年期無限的商標每年測試減值。

專利及特許權

所購買專利及特許權乃按成本減任何減值損失列賬，且按估計可使用年期10年以直線法攤銷。

研究開發費用

所有研究費用在產生時於利潤表支銷。

開發新產品的項目產生的支出，僅當本集團可顯示下列各項，方予資本化及遞延：完成該項無形資產使其可供使用或出售在技術上的可行性、其完成的意向，及使用或出售該資產的能力、該資產日後如何產生經濟利益、是否有資源可以完成該項目，以及在開發過程中是否可以可靠地計量該項支出。不符合該等條件的產品開發支出在產生時支銷。

遞延開發費用按成本值減任何減值損失列賬並以直線法按相關產品自其投產日期起計的商業年期攤銷。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Intangible assets (other than goodwill) (CONTINUED)

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the straight-line basis over their estimated useful lives of 3 to 10 years.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets, financial assets, investment properties, goodwill and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset.

2.4 重大會計政策概要(續)

無形資產(商譽除外)(續)

電腦軟件

購入的電腦軟件特許權根據購買及使用該特定軟件所引起的成本進行資本化。有關成本按其估計可使用年期3至10年以直線法攤銷。

持有待售之非流動資產及處置組

倘非流動資產及處置組之賬面值將主要透過一項銷售交易而非透過持續使用得以收回，該等非流動資產及處置組則分類為持有待售。為此，該資產(或處置組)必須在其當前情況下僅根據出售此類資產(或處置組)的通常和慣用的條款即可立即出售，並且出售必須極可能發生。所有分類為處置組的子公司資產及負債重新分類為持有待售，而不論本集團於出售後有否保留其前子公司的非控股股東權益。

分類為持有待售之非流動資產及處置組乃按其賬面值及公允值減銷售成本後的餘額孰低計量。分類為持有待售的物業、廠房及設備以及無形資產不予折舊或攤銷。

非金融資產減值

當有跡象顯示出現減值，或當須進行資產年度減值測試(存貨、建築合約資產、金融資產、投資物業、商譽及分類為持有待售之非流動資產／處置組除外)，則估計資產之可收回金額。資產的可收回金額乃選取資產或現金產生單位的使用價值及其公允值減銷售成本之較高者，並對個別資產釐定，惟倘資產並無產生大致獨立於其他資產或資產組別的現金流入，則可收回金額在該資產所屬之現金產生單位基礎上確定。

減值損失僅於資產賬面值超逾其可收回金額時確認。在評估使用價值時，估計未來現金流量乃按稅前折現率折現至現值。所用稅前折現率反映了當前市場對貨幣時值及該資產特定風險的評估。減值損失於產生期間自利潤表中與減值資產功能一致的支出類別扣除。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Impairment of non-financial assets (CONTINUED)

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises (only if there are revalued assets in the financial statements), unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials – cost on a weighted average basis;
- Finished goods – cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs on a weighted average basis.

Net realisable value is the estimated selling price less any estimated costs of completion and the estimated costs necessary to make the sale.

2.4 重大會計政策概要(續)

非金融資產減值(續)

於各報告期末，本集團評估是否有任何跡象顯示先前確認的減值損失可能不再存在或已經減少。如有該等跡象，本集團會估計可收回金額。僅若用以釐定商譽除外資產的可收回金額的估計有變動，方會撥回先前確認該資產的減值損失，惟金額不得超過假使該資產在過往年度並無確認減值損失，原應釐定的賬面值(扣減任何折舊／攤銷後)。減值損失撥回計入產生期間的利潤表中(僅在財務報表中存在重估資產的情況下)，惟倘資產以重估金額列值，則減值損失的撥回根據該重估資產的相關會計政策入賬。

存貨

存貨以其成本值與可變現淨值兩者中的較低數額計值。

將各產品運至現址和達致現狀產生的成本的會計處理方法如下：

- 原材料 – 成本(按加權平均法計算)；
- 成品 – 直接材料及直接人工成本，以及根據正常運作量比例計算的生產經常費用，但不包括借貸費用(按加權平均法計算)。

可變現淨值按估計售價減去任何估計完工成本及估計銷售所需之費用釐定。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of three months or less when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classifications of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and bank balances, trade and bills receivables, other receivables, entrusted loans and quoted and unquoted available-for-sale equity investments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

2.4 重大會計政策概要(續)

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月或三個月內到期的短期高流動性投資，扣減須應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款)及與現金性質相似的資產。

投資及其他金融資產

初始確認和計量

國際會計準則第39號範圍內的金融資產分類為以公允值計量且其變動計入損益的金融資產、貸款和應收款項及可供出售投資或於有效對沖中指定為對沖工具的衍生工具(如適用)。本集團於初始確認時釐定其金融資產的分類。當金融資產首次確認，乃按公允值計量，倘並非為以公允值計量且其變動計入損益的投資，則另加直接應佔的交易成本。

正常的購買和出售金融資產事項全部在交易日(即本集團購買或出售資產之日)確認。所謂正常的購買或出售金融資產事項，是指按市場監管規例或慣例所訂定的時限內交付有關資產的買賣活動。

本集團的金融資產包括現金及銀行結存、應收賬款及應收票據、其他應收款項、委託貸款以及有報價及無報價可供出售股本投資。

後續計量

金融資產的後續計量取決於其分類如下：

2.4 Summary of Significant Accounting Policies (CONTINUED)

Investments and other financial assets (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance income in the consolidated income statement. The loss arising from impairment is recognised in the consolidated income statement in other operating expenses.

Available-for-sale investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available for sale investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment valuation reserve until the investment is derecognised, at which time the cumulative gain and loss is recognised in the consolidated income statement in other income, or until the investment is determined to be impaired at which time the cumulative gain or loss is recognised in the consolidated income statement in other operating expenses and removed from the available-for-sale investment valuation reserve. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the consolidated income statement as "Other income and gains" in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

貸款及應收款項

貸款及應收款項為並無活躍市場報價而具有固定的或可確認付款額的非衍生金融資產。經初步計算後，該等貸款及應收款項其後採用實際利率法，按攤銷成本減任何減值撥備計量。攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入綜合利潤表的融資收入中。減值產生的虧損確認為綜合利潤表的其他經營費用。

可供出售投資

可供出售金融投資為上市及非上市權益性及債務證券的非衍生金融資產。歸類為可供出售的股本投資乃既未被歸類為持有作交易的股本投資亦未指定為以公允值計量且其變動計入損益的股本投資。屬於此類之債務證券指有意無限期持有及可能因應流動資金需要或因應市況變動而出售的投資。

於初步確認後，可供出售投資隨後按公允值計量，而未變現收益或虧損乃於可供出售的投資估值儲備中確認為其它全面收益，直至投資被終止確認，屆時，累計收益及虧損計入綜合利潤表的其它收入，或直至投資被釐定出現減值時，屆時累計收益或虧損會計入綜合利潤表內的其他經營費用並從可供出售投資估值儲備中扣除。所賺取的利息及股息分別呈報為利息收入及股息收入，並根據下文所載「收入確認」的政策在綜合利潤表內確認為「其他收入及收益」。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Investments and other financial assets (CONTINUED)

Available-for-sale investments (CONTINUED)

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

The Group evaluates its available-for-sale financial assets whether the ability and intention to sell them in the near term are still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. The reclassification to the held-to-maturity category is permitted only when the entity has the ability and intent to hold until the maturity date of the financial asset.

For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

可供出售投資(續)

當非上市權益性證券的公允值，由於(a)該投資於合理公允值估計數目範圍的變動很重大，或(b)於範圍內不同估計數目的概率不能合理地評估並用於估計公允值而不能可靠地計量時，該等證券將按成本減任何減值損失列賬。

本集團評估其可供出售的金融資產於短期內出售的能力及意向是否仍適用。倘本集團無法交易金融資產，乃由於在可預見的將來市場不活躍及管理層的意向有重大變化，本集團可以選擇在罕見情況下重新歸類金融資產。當金融資產符合貸款和應收款項的定義，而本集團有意向及能力在可預見的將來持有該等資產或持有該等資產直至到期日，才允許重新歸類金融資產至貸款和應收款項。只有當實體有能力及意向持有金融資產直至到期日，才被允許重新歸類為持有至到期日類別。

金融資產被重新歸類為不屬於可供出售的類別，資產的任何過往收益或虧損已列入權益的，在投資餘下的年期內使用實際利率攤銷至損益賬。任何新攤銷費用與預期現金流之間的差額也在資產餘下的年期內使用實際利率攤銷。如果資產隨後被認為減值，則列入權益的金額被重新歸類入利潤表。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

2.4 重大會計政策概要(續)

金融資產減值

本集團會於各報告期末評估是否有任何客觀證據顯示某項金融資產或一組金融資產出現減值。當及僅當有客觀證據顯示由於其初始確認後發生一宗或多宗事件(發生的「損失事件」)致使某項金融資產或一組金融資產的預計未來現金流量受影響,且該影響金額可以可靠估計而發生減值,則有關資產被視為已發生減值。發生減值的證據可包括債務人或一組債務人出現重大財政困難,違約或拖欠利息或本金支付,有面臨破產或進行其他財務重組的可能以及有公開資料表明其估計未來現金流量確已減少且可計量,如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本列賬的金融資產

對於按攤銷成本列賬的金融資產,本集團首先單獨評估單項金額重大的金融資產是否存在減值客觀證據,或對單項金額不重大的金融資產按組合評估是否存在減值客觀證據。對本集團釐定為不存在減值客觀證據的單獨評估金融資產,無論其金額是否重大,其應當包括在具有類似信用風險特性的金融資產組合內並按組合進行減值測試。已單獨進行減值測試及已確認減值損失或繼續確認減值損失的資產,不應包括在組合中進行減值測試。

倘有客觀證據顯示已發生減值損失,虧損金額按該資產的賬面值與估計未來現金流量的現值兩者的差額計量(不包括尚未發生的未來信貸虧損)。估計未來現金流量的現值按該金融資產的原實際利率(即初始確認時使用的實際利率)折現。對於浮動利率貸款,在計算任何減值損失時可採用現行實際利率作為折現率。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Impairment of financial assets (CONTINUED)

Financial assets carried at amortised cost (CONTINUED)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of the event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a further write-off is later recovered, the recovery is credited to the income statement.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the consolidated income statement, is removed from other comprehensive income and recognised in the consolidated income statement.

2.4 重大會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產(續)

該資產的賬面值可通過使用備抵賬目方式來抵減，虧損金額則於綜合利潤表確認。利息收入就削減賬面值持續累算，並按計量減值損失時對未來現金流進行折現時使用之利率累算。當並無可變現的未來減值恢復跡象時，貸款及應收款項連同任何相關備抵可予撇銷。

倘在後續期間，在減值確認後發生致使估計減值損失的金額增加或減少的事件，則會調整備抵賬目以增加或減少先前確認的減值損失。倘未來撇銷其後收回，則收回金額記入利潤表。

按成本列賬的資產

倘有客觀證據表明一項無報價權益工具已產生減值損失，而該項工具由於公允值無法可靠計量而並無按公允值列賬，則損失的金額乃按該資產的賬面值與將該資產的預計未來現金流量按當前市場上相似金融資產的回報率折現的現值兩者的差額計算。該等資產的減值損失不得撥回。

可供出售金融投資

對於可供出售的金融投資，本集團於各報告期末評估是否存在客觀證據顯示一項或一組投資出現減值。

倘可供出售資產出現減值，則成本(已扣減任何本金及攤銷)與當時公允值的差額，於扣減任何過往在綜合利潤表確認的減值損失後，自其他全面收益轉撥至綜合利潤表確認。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Impairment of financial assets (CONTINUED)

Available-for-sale financial investments (CONTINUED)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is “significant” or “prolonged” requires judgement. “significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated income statement – is removed from other comprehensive income and recognised in the consolidated income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the consolidated income statement. Increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Impairment losses on debt instruments are reversed through the income statement if the increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

2.4 重大會計政策概要(續)

金融資產減值(續)

可供出售金融投資(續)

倘被分類為可供出售的股本投資，客觀證據可包括該投資的公允值大幅或長期低於其成本。界定「大幅」或「長期」需要作出判斷。「大幅」乃與該投資的原始成本對照評估而「長期」乃評價其公允值低於原始成本的時間。倘有證據顯示出現減值，則累計損失(按照收購成本與當前公允值的差異並扣除該投資之前已在綜合利潤表確認的任何減值損失所計算)自其他全面收益轉出至綜合利潤表確認。分類為可供出售的權益工具減值損失不會通過綜合利潤表撥回。已計減值後公允值的增加直接計入其他全面收益。

倘被分類為可供出售的債務證券，則會按與按攤銷成本列賬之金融資產相同之標準進行減值評估，惟減值金額為按攤銷成本與當前公允值的差異計量之累計損失(減過往就該項投資於利潤表確認之減值損失)。日後利息收入會就該項資產之削減賬面值持續累算，並按計量減值損失時對未來現金流量進行折現時使用之利率累算。利息收入作為融資收入的一部分列賬。若債務工具的公允值增加可客觀地連繫至於減值損失在利潤表確認後發生的事件，債務工具的減值損失可透過利潤表撥回。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

2.4 重大會計政策概要(續)

終止確認金融資產

金融資產(或，倘適用，一項金融資產的一部分或一組類似金融資產的一部分)在下列情況下將終止確認：

- 收取該項資產所得現金流量的權利經已屆滿；或
- 本集團已轉讓其收取該項資產所得現金流量的權利，或根據「轉手」安排承擔在無重大延誤下向第三方全數支付已收取現金流量的責任；及(a)本集團已轉讓資產絕大部分風險及回報，或(b)本集團並無轉讓或保留資產的絕大部分風險及回報，但已轉讓資產的控制權。

倘本集團已轉讓從資產收取現金流量的權利或已訂立轉手安排，且並無轉讓或保留資產絕大部分風險及回報，亦無轉讓資產的控制權，則按本集團持續參與資產的程度確認資產。在此情況下，本集團將確認相應的負債。已轉移資產及相關負債以本集團保留的權利與義務為基礎進行計量。

通過對已轉讓資產作出擔保的形式持續參與的計量，按資產原賬面值與本集團或須償還的最高代價兩者較低者計算。

金融負債

初始確認和計量

國際會計準則第39號範圍內的金融負債分類為以公允值計量且其變動計入損益的金融負債，貸款及借款，或指定為有效對沖的對沖工具的衍生工具(如適用)。本集團在初始確認時釐定其金融負債的分類。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Financial liabilities (CONTINUED)**Initial recognition and measurement (CONTINUED)**

All financial liabilities are recognised at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables, financial guarantee contracts, interest-bearing loans and borrowings and other financial liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the effective interest rate method amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated income statement.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

2.4 重大會計政策概要(續)

金融負債(續)**初始確認和計量(續)**

所有金融負債按公允值確認，而貸款和借款則須在此基礎上另加直接應佔交易成本。

本集團的金融負債包括應付賬款及應付票據、其他應付款項、財務擔保合約、計息貸款及借款及其他金融負債。

後續計量

金融負債的後續計量取決於其分類如下：

貸款和借款

於初始確認後，計息貸款和借款其後採用實際利率法以攤銷成本計量，除非折現影響非屬重大，在此情況下，則按成本列賬。當負債終止確認時，收益及虧損於綜合利潤表並透過以實際利率法攤銷程序確認。攤銷成本乃經考慮收購的任何折價或溢價以及屬實際利率組成部分的費用或成本後計算。實際利率攤銷金額列入綜合利潤表的融資成本中。

財務擔保合約

本集團發行的財務擔保合約乃因特定債務人不能支付到期款項(與債務工具所述條款一致)而應向持有人支付款項以彌補其由此招致的損失的合約。財務擔保合約首次按公允值並對與發行擔保的直接應佔交易成本進行調整後確認為負債。於首次確認後，本集團按下列兩者的較高者計量財務擔保合約：(i)於報告期末履行現時責任的最佳估計開支金額；及(ii)首次確認金額減累計攤銷金額(如適用)。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active financial markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and a discounted cash flow analysis.

Provisions

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

2.4 重大會計政策概要(續)

終止確認金融負債

當負債項下的責任解除、終止或屆滿，即終止確認金融負債。

倘現有的金融負債被另一項從同一貸款人按相當不同的條款訂定的金融負債取代，或現有負債的條款有相當修改，該項交換或修改乃被視作終止確認原負債並確認新負債，而各賬面值的差額乃於綜合利潤表中確認。

金融工具的抵銷

倘且僅倘目前有強制執行的法律權力要求抵銷已確認的金額且有按照淨額結清，或同時變現資產和結清負債的意圖，金融資產和金融負債可抵銷並按淨值列報於財務狀況表中。

金融工具的公允值

在活躍金融市場交易的金融工具的公允值乃參考市場報價或交易商報價(多頭的買價及空頭的賣價)而釐定，不扣除任何交易成本。沒有活躍市場的金融工具，公允值的釐定使用適當估值技術。該等技術包括採用近期公平市場交易、參考大致上相同的另一工具的當前市場價值及折現現金流量分析。

撥備

本集團若因過往事項而現時有法定或推定債務，而且可能需要有涉及經濟利益的資源外流以償付這些債務，並能對債務數額作出可靠估計，便確認撥備。

如折現的影響重大，則確認的撥備額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而增加的折現現值，列作融資成本計入利潤表。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Provisions (CONTINUED)

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general guidance for provisions above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the guidance for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into considerations and practices prevailing in the countries in which the Group operates.

Deferred income tax

Deferred tax is provided, using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and a joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重大會計政策概要(續)

撥備(續)

於業務合併中確認的或然負債按其公允值初步計量。期後以(i)根據上述計提準備的一般原則確認的金額；及(ii)初始確認金額扣減按照收入確認原則確認的累計攤銷金額(如適用)中較高者計量。

所得稅

所得稅包括即期及遞延稅項。損益賬外確認的相關所得稅項目，計入損益賬外的其他全面收益或直接計入權益。

即期所得稅

當期或前期的即期稅項資產及負債乃按預期可收回的數額或支付予稅務機關數額根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)計算，並考慮本集團經營所在國家的現行詮釋及慣例。

遞延所得稅

於報告期末的資產及負債的稅基與其就財務報告而言的賬面值之間的暫時性差異，須按債務法計提遞延所得稅撥備。

所有應課稅暫時性差異均會確認遞延所得稅負債，惟下列各項除外：

- 倘若遞延所得稅負債的起因，是由於在非業務合併交易中商譽或資產或負債的初始確認，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的應課稅暫時性差異，倘若撥回暫時性差異的時間可以控制，且該暫時性差異在可預見的將來很可能不會撥回。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Deferred income tax (CONTINUED)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 重大會計政策概要(續)

遞延所得稅(續)

對於所有可扣減暫時性差異及結轉之未用稅項抵免及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、結轉之未用稅項抵免及未用稅項虧損的，則遞延所得稅資產一律確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延所得稅資產的起因，是由於在一宗非屬業務合併的交易中首次確認資產或負債，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於涉及子公司、聯營公司及合營企業的投資的可扣減暫時性差異，只有在暫時性差異有可能在可預見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延所得稅資產。

遞延所得稅資產的賬面值，在報告期末予以審閱。若不再可能有足夠應課稅利潤用以抵扣遞延所得稅資產的全部或部分金額，則扣減遞延所得稅資產賬面值。並無確認的遞延所得稅資產，在報告期末重新評估，若日後可能有應課稅利潤將可收回遞延所得稅資產，則予確認。

變現資產或清償負債的年度預期適用的稅率，會用作計量遞延所得稅資產及負債，並以報告期末已經頒佈或實質上已經頒佈的稅率(及稅法)為基準。

若存在法律上可強制執行的權利，藉以用即期所得稅資產抵銷即期所得稅負債，而遞延所得稅與同一應課稅實體及同一稅務當局相關，則遞延所得稅資產及遞延所得稅負債相互抵銷。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Interest income

Revenue is recognised as interest accrues using the effective interest method by applying the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated income statement over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the consolidated income statement by way of a reduced depreciation charge.

2.4 重大會計政策概要(續)

收入確認

收入是在經濟利益很可能流入本集團以及能夠可靠地計量時按下列準則確認入賬：

貨品銷售

當貨品所有權附帶的重大風險及回報轉給買家，且本集團不再對所售貨品具有通常與所有權有關的管理權，亦無實際控制權時即確認收入。

利息收入

在利息產生時確認利息收入，採用實際利率法計算，該比率為將金融工具估計未來收回現金按金融工具的估計年期或更短期間(如適用)折現至金融資產賬面淨值的折現率。

股息

當股東收取款項的權利得以確立時確認收入。

政府補助金

當有相當把握將會收到補助金及將符合所有附帶條件時，政府補助金即按公允值確認入賬。若補助金與支出項目有關，即於期內以能夠有系統地將該筆補助金配對所擬補償的成本為合確認為收入。

若補助金與資產有關，即將其公允值計入遞延收益賬戶，並於有關資產的預計可使用年期內，以等額年金調撥往綜合利潤表或從資產賬面值中扣減並以經扣減折舊開支調撥往綜合利潤表。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Government grants (CONTINUED)

Where the Group receives a non-monetary grant, the asset and the grant are recorded at the fair value of the non-monetary asset and released to the consolidated income statement over the expected useful life of the relevant asset by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the consolidated income statement over the expected useful life of the relevant asset by equal annual instalments.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to prepare for their intended use, are capitalised as a part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

All other borrowing costs are recognised as expenses in the consolidated income statement in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 重大會計政策概要(續)

政府補助金(續)

當本集團收取非貨幣補助金，資產及補助金按非貨幣資產的公允值入賬，並於有關資產的預計可使用年期內，以等額年金調撥往綜合利潤表。

當本集團因興建合資格資產而收取無息或低於市場利率的政府貸款，則政府貸款的初步賬面值採用實際利率法釐定(上文有關「金融負債」的會計政策中有進一步解釋)。所授出無息或低於市場利率的政府貸款的利益(即貸款的初步賬面值與所收取款項的差額)視為政府補助金並於有關資產的預計可使用年期內，以等額年金調撥往綜合利潤表。

借貸費用

若借貸費用直接屬於購買、興建或生產合資格資產(即需要相當長時間才可擬定用途的資產)，即撥充資本作為該等資產成本的一部分，而當相關資產大致達到擬定用途時，即不再把該等借貸費用撥充資本。用以支付合資格資產的特定借款的臨時投資所賺取的投資收益從撥充資本的借貸費用中扣除。

所有其他借貸費用皆於產生期間在綜合利潤表支銷。

借貸費用包括利息及實體因資金借貸而產生的其他成本。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating lease are initially stated at cost and subsequently recognised as an expense in the consolidated income statement on the straight-line basis over the lease terms of 50 years.

Foreign currency translation

Each entity in the Group determines its functional currency based on the assessment of its specific facts and circumstances. The Company, established in the Cayman Islands, uses the Hong Kong dollar as its functional currency and the subsidiaries, established in the PRC, use the RMB as their functional currency. As the Group mainly operates in Mainland China, RMB is used as the presentation currency of the Group. Transactions in foreign currencies are initially recorded at the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences are taken to the consolidated income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.4 重大會計政策概要(續)

租賃

若出租者保留資產所有權的絕大部分風險及回報，則有關租賃歸類為經營租賃。當本集團為出租者時，本集團根據經營租賃出租的資產計入在非流動資產，而經營租賃下之應收租金按租賃期以直線法計入利潤表。當本集團為承租人時，經營租賃下之應付租金扣除從出租者收取的任何獎勵按租賃期以直線法自利潤表扣除。

經營租賃下之土地租賃預付款最初按成本值列賬，其後按50年的租賃期以直線法在綜合利潤表確認為支出。

外幣換算

本集團各實體按其特定事實及情況釐定其功能貨幣。本公司於開曼群島成立，功能貨幣為港元，各子公司則於中國成立，功能貨幣為人民幣。由於本集團主要於中國大陸營業，故使用人民幣作為本集團的呈列貨幣。外幣交易最初以交易當日的適用功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債，則按報告期末的適用功能貨幣匯率再換算。所有差額均計入綜合利潤表內。以外幣列值及按歷史成本計量的非貨幣項目，乃按最初進行交易當日的匯率換算。以外幣列值及按公允值計量的非貨幣項目，須按釐定公允值當日的匯率換算。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Foreign currency translation (CONTINUED)

As at the reporting date, the assets and liabilities of companies whose functional currency differs from the presentation currency are translated into the presentation currency of the Group at the rates of exchange ruling at the end of the reporting period and their income statements are translated at the weighted average exchange rates for the reporting period. The exchange differences arising on the retranslation are recognised in other comprehensive income and accumulated in a separate component of equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

Employee benefits

Retirement benefits

The Group's subsidiaries operating in Mainland China except for Hong Kong participate in a central defined contribution retirement plan managed by the local municipal government in the locations in which they operate. Contributions are made based on a percentage of the companies' payroll costs and are charged to the consolidated income statement as they become payable in accordance with the rules of the central pension scheme.

The Company also participates in the defined contribution Mandatory Provident Fund retirement scheme (the "MPF Scheme") in Hong Kong. Contributions are made to a separately administered fund based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 重大會計政策概要(續)

外幣換算(續)

於報告日期，倘公司的功能貨幣與呈列貨幣不同，其資產及負債乃按報告期末的適用匯率換算為本集團的呈列貨幣，而利潤表則按該報告期間的加權平均匯率換算。因再換算而產生的匯兌差額乃於其他全面收益內確認並於權益的一個獨立組成部分內累計。於處置外國業務時，與該特定外國業務有關的其他全面收益的組成部分於綜合利潤表內確認。

就綜合現金流量表而言，海外子公司的現金流量按產生現金流量當日的適用匯率換算為人民幣。海外子公司全年經常產生的現金流量則按當年的加權平均匯率換算為人民幣。

僱員福利

退休福利

本集團在中國大陸(香港除外)營運的子公司，參與其營業所在地的地方政府管理的中央界定供款退休計劃，有關供款乃根據公司薪金費用的某百分比計算，並根據中央退休計劃的規則，應付時在綜合利潤表內支銷。

本公司亦參與香港一項界定供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金的某個百分比計算，計入一項個別管理的基金內，並根據強積金計劃的規則，應付時在綜合利潤表內支銷。當本集團就強積金計劃作出僱主供款時，供款全數歸屬僱員。

2.4 Summary of Significant Accounting Policies (CONTINUED)

Employee benefits (CONTINUED)

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 42 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated income statement for the period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

2.4 重大會計政策概要(續)

僱員福利(續)

以股份為基礎的支付交易

本公司採納一項購股權計劃，藉此對本集團業務有貢獻的合資格參與者作出鼓勵及獎賞。本集團僱員(包括董事)會收取以股份為基礎的支付交易形式的酬金，而僱員會提供服務作為換取股本工具的代價(「股權結算交易」)。

與僱員進行的股權結算交易乃參考授出權利當日的公允值計算成本。公允值乃由外聘估價師按二項式計價模式釐定(詳情見財務報表附註42)。

股權結算交易的成本連同權益的相應升幅會於業績及服務條件達到的期間內確認。歸屬日之前的各報告期末就股權結算交易確認的累計支出反映歸屬期屆滿之部分以及本集團最終將歸屬的股本工具數目的最佳估計。期間內於綜合利潤表扣除或計入的數額指於該期間初及終已確認累計支出的變動。

最終未完成歸屬的報酬不會確認支出，除非歸屬的股權結算交易附帶市況或非歸屬條件，則該情況下不論是否達到該市況或非歸屬條件均會視作歸屬處理，惟其他所有業績及／或服務條件必須達成。

當股權結算報酬條款修訂時，倘報酬的原條款達到，需按條款並無進行修訂之情形確認最少的支出。此外，倘任何修訂導致於修訂日期所計量的以股份為基礎的支付交易的總公允值增加或以其他方式令僱員受惠，則所產生的任何額外支出予以確認。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2.4 Summary of Significant Accounting Policies (CONTINUED)

Employee benefits (CONTINUED)

Share-based payment transactions (CONTINUED)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellation of equity-settled transaction awards are treated equally.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share (further details are given in note 11).

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained earnings within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends are approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

2.4 重大會計政策概要(續)

僱員福利(續)

以股份為基礎的支付交易(續)

當股權結算報酬註銷時，視作報酬於註銷當日已經歸屬，而報酬尚未確認的任何支出會即時確認。此包括本集團或僱員並未達致惟可控制之非歸屬條件之任何報酬。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為對原有報酬的修訂處理。所有股權結算交易報酬的註銷以相同方式處理。

尚未行使購股權的攤薄影響應通過計算每股盈利時的額外股份攤薄反映(進一步詳情見附註11)。

股息

董事擬派付的期末股息，未經股東在股東大會上批准以前，須作為保留利潤的單獨分配歸入綜合財務狀況表中權益項內。該等股息一經股東批准及宣派，即確認為負債。

由於本公司的組織章程大綱及細則授權董事宣派中期股息，故中期股息同時建議及宣派。因此，中期股息在建議及宣派時直接確認為負債。

2.5 Significant Accounting Judgements and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of goodwill are given in note 15 to the financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

2.5 重大會計判斷及估計

管理層於編製本集團的財務報表時，須對報告期末列報的收入、開支、資產及負債，以及披露或然負債時作出判斷、估計及假設。然而，由於該等假設及估計具有不確定性，可能導致資產或負債的賬面值須於未來作出重大調整。

估計的不確定性

對未來事項的主要假設及於報告期末估計的不確定性的其他主要來源(存有重大風險可能導致資產及負債賬面值須於下一財政年度內作出重大調整者)於下文論述。

商譽減值

本集團每年最少一次釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽的現金產生單位的使用價值作出估計。估計使用價值時，本集團須估計預期來自現金產生單位之日後現金流量，並挑選合適之折現率以計算該等現金流量的現值。商譽詳情請參閱財務報表附註15。

非金融資產(商譽除外)減值

於每個報告期末，本集團評估所有非金融資產是否存在任何減值跡象。無特定年限的無形資產按年及於該等跡象出現時測試減值。倘跡象顯示其他非金融資產的賬面值可能無法收回時，將對該等資產進行減值測試。減值存在於當某一資產或某一現金產生單位的賬面值超過其可回收金額時，即其公允值減其銷售成本與其使用價值的較高者。公允值減銷售成本的計算基於在相似資產公平交易中，可獲得的具約束性銷售交易信息或可觀察市場價格減處置該資產的增量成本。計算使用價值時，管理層須估計來自資產或現金產生單位的預期未來現金流量，並選擇合適的折現率，以計算現金流量的現值。

2.5 Significant Accounting Judgements and Estimates

(CONTINUED)

Estimation uncertainty (CONTINUED)***Impairment of trade and other receivables***

The Group determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition. Management reassesses the provisions at the end of each reporting period.

Useful lives, residual values and depreciation of property, plant and equipment

The Group determines the estimated useful lives and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charges where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expenses in the future periods.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used are disclosed in note 42 to the financial statements.

2.5 重大會計判斷及估計(續)

估計的不確定性(續)***應收賬款及其他應收款項減值***

本集團按應收款項可收回程度的評估就應收賬款及其他應收款項釐定減值撥備。該等評估乃基於客戶及其他債務人的信貸紀錄及現時市況。管理層於各報告期末重新評估撥備。

物業、廠房及設備的使用年期、剩餘價值及折舊

本集團就其物業、廠房及設備釐定估計可使用年期及相關折舊開支。此項估計乃按照性質及用途相似的物業、廠房及設備的實際可使用年期的過往經驗而作出。倘可使用年期與過往的估計年期有出入，本集團將調整折舊開支，或將撤銷或撇減技術上陳舊或非策略性而已遭廢棄或出售之資產。實際經濟年期或會與估計可使用年期有所不同；實際剩餘價值亦可能會與估計剩餘價值有所不同。定期審閱可導致可予折舊年期及剩餘價值有所更改，從而導致未來期間的折舊開支有所更改。

以股份為基礎的支付

本集團計量與僱員的股權結算交易的成本時乃參考權益工具授出當日的公允值。估算公允值須釐定授出權益工具(視乎授出的條款及條件)的最合適估值模式，亦須釐定估值模式最適合的輸入數據，包括購股權的預計年期、波動率及股息率，以及就此作出假設。各項假設及所採用的模式於財務報表附註42披露。

2.5 Significant Accounting Judgements and Estimates

(CONTINUED)

Estimation uncertainty (CONTINUED)**Deferred tax assets**

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, which affects the probability of utilisation and the tax rate to be used in the calculations. Details of deferred tax assets are contained in note 23 to the financial statements.

Fair value measurement of contingent consideration

Contingent consideration, resulting from a business combination, is valued at fair value at the acquisition date as part of the business combination. Where the contingent consideration meets the definition of a derivative and thus, a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factors.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of available-for sale investments

The Group classifies certain assets as available for sale and recognises movements of their fair values in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the consolidated income statement.

2.5 重大會計判斷及估計(續)

估計的不確定性(續)**遞延所得稅資產**

遞延所得稅資產就所有可扣減暫時性差異加以確認，惟僅限於日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異的情況。在釐定可予確認的遞延所得稅資產金額時，須根據影響可用作扣減的可能性及將用於計算的稅率之日後應稅利潤的大致時間及水平，作出重要的管理層判斷。遞延所得稅資產的詳情請參閱財務報表附註23。

或然代價的公允值計量

業務合併產生的或然代價按收購日期的公允值進行估值作為業務合併的一部分。倘或然代價符合衍生工具的定義，則作為金融負債於各報告日期其後重新計量至公允值。公允值按照折現現金流量釐定。所考慮的主要假設為達致各表現目標及折現因素之可能性。

金融工具之公允值

當於綜合財務狀況表內入賬的金融資產及金融負債的公允值不能由交投活躍市場取得時，則使用估值法(包括折現現金流量模式)釐定其公允值。該等模式的輸入數據在可能情況下從可觀察市場取得，惟在不可行情況下，則須作一定程度的判斷以釐定公允值。判斷包括考慮如流動資金風險、信貸風險及波動性等輸入數據。有關該等因素假設的變動可能對金融工具的已呈報公允值造成影響。

可供出售投資減值

本集團分類若干資產為可供出售並於權益中確認其公允值變動。當公允值下跌時，管理層作出有關價值下跌的假設以釐定應否於綜合利潤表中確認減值。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

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:

- Liquid milk products segment – manufacture and distribution of ultra-high temperature milk (“UHT milk”), milk beverages and yogurt;
- Ice cream products segment – manufacture and distribution of ice cream; and
- Other dairy products segment – mainly manufacture and distribution of milk powder.

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

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

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

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

3. 經營分部資料

出於管理需要，本集團按產品及服務構組業務單元，共有下列三個可報告經營分部：

- 液體奶產品分部－生產及經銷超高溫滅菌奶(「UHT奶」)、乳飲料及酸奶；
- 冰淇淋產品分部－生產及經銷冰淇淋；及
- 其他乳製品分部－主要生產及經銷奶粉。

管理層獨立監察各經營分部的業績，以作出有關資源分配及表現評估的決策。分部表現乃根據可報告分部利潤／(虧損)(其為對經調整稅前利潤／(虧損)的一種計量)予以評估。經調整稅前利潤／(虧損)乃貫徹以本集團的稅前利潤／(虧損)計量，惟利息收入、融資成本、股息收入及總部及公司支出不包含於該計量內。

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

分部負債並無包括其他不分部的總部及公司負債，因該等負債按集團層面管理。

分部間銷售及轉讓是參考以當時市價向第三者銷售所採用的售價進行交易。

3. Operating Segment Information (CONTINUED)

Year ended 31 December 2010

3. 經營分部資料(續)

截至二零一零年十二月三十一日止年度

		Liquid milk products	Ice cream products	Other dairy products	Total
		液體奶產品	冰淇淋產品	其他乳製品	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment revenue:	分部收入：				
Sales to external customers	銷售予外部客戶	26,871,834	3,111,521	282,060	30,265,415
Intersegment sales	分部間銷售	75,917	736	250,196	326,849
		26,947,751	3,112,257	532,256	30,592,264
Reconciliation:	調整：				
Elimination of intersegment sales	對銷分部間銷售				(326,849)
Revenue	收入				30,265,415
Segment results	分部業績	1,836,040	17,125	(25,181)	1,827,984
Interest income	利息收入				87,884
Finance costs	融資成本				(45,203)
Share of profits and losses of associates	應佔聯營公司利潤及虧損				40,438
Unallocated corporate expenses	不分部的公司支出				(373,001)
Profit before tax	稅前利潤				1,538,102
Income tax expense	所得稅支出				(182,185)
Profit for the year	本年利潤				1,355,917
Segment assets	分部資產	11,499,448	1,387,524	372,228	13,259,200
Reconciliation:	調整：				
Elimination of intersegment receivables	對銷分部間應收款項				(3,938,771)
Unallocated corporate assets	不分部的公司資產				7,985,412
Total assets	總資產				17,305,841
Segment liabilities	分部負債	8,995,050	848,956	275,372	10,119,378
Reconciliation:	調整：				
Elimination of intersegment payables	對銷分部間應付款項				(3,938,771)
Unallocated corporate liabilities	不分部的公司負債				907,725
Total liabilities	總負債				7,088,332

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

3. Operating Segment Information (CONTINUED)

Year ended 31 December 2010 (CONTINUED)

3. 經營分部資料(續)

截至二零一零年十二月三十一日止年度
(續)

		Liquid milk products 液體奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Other dairy products 其他乳製品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other segment information:	其他分部資料：				
Depreciation and amortisation Unallocated amounts	折舊及攤銷 不分部款項	569,016	83,855	22,727	675,598 37,178
Total depreciation and amortisation	折舊及攤銷總額				712,776
Capital expenditure Unallocated amounts	資本開支 不分部款項	1,305,886	70,429	4,325	1,380,640 45,423
Total capital expenditure	資本開支總額				1,426,063*
Impairment losses recognised in the consolidated income statement	於綜合利潤表確認 的減值虧損	(889)	178	563	(148)
Other non-cash expenses Unallocated amounts	其他非現金支出 不分部款項	147,262	8,814	4,140	160,216 205,967
Total non-cash expenses	非現金支出總額				366,035

* Capital expenditure consists of additions to property, plant and equipment, construction in progress, intangible assets, land use rights, and assets from the acquisition of associates and subsidiaries.

* 資本開支包括添置物業、廠房及設備、在建工程、無形資產、土地使用權及收購聯營公司和子公司獲得的資產。

3. Operating Segment Information (CONTINUED)

Year ended 31 December 2009

3. 經營分部資料(續)

截至二零零九年十二月三十一日止年度

		Liquid milk products 液體奶產品 RMB'000 人民幣千元	Ice cream products 冰淇淋產品 RMB'000 人民幣千元	Other dairy products 其他乳製品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue:	分部收入:				
Sales to external customers	銷售予外部客戶	22,736,162	2,685,056	289,242	25,710,460
Intersegment sales	分部間銷售	61,408	16,115	4,633	82,156
		22,797,570	2,701,171	293,875	25,792,616
Reconciliation:	調整:				
Elimination of intersegment sales	對銷分部間銷售				(82,156)
Revenue	收入				25,710,460
Segment results	分部業績	1,648,996	29,149	(11,901)	1,666,244
Interest income	利息收入				85,042
Finance costs	融資成本				(61,153)
Share of profits and losses of associates	應佔聯營公司利潤及虧損				19,522
Unallocated corporate expenses	不分部的公司支出				(363,309)
Profit before tax	稅前利潤				1,346,346
Income tax expense	所得稅支出				(126,240)
Profit for the year	本年利潤				1,220,106
Segment assets	分部資產	8,398,855	1,172,153	336,725	9,907,733
Reconciliation:	調整:				
Elimination of intersegment receivables	對銷分部間應收款項				(2,870,958)
Unallocated corporate assets	不分部的公司資產				7,059,351
Total assets	總資產				14,096,126
Segment liabilities	分部負債	5,139,046	766,052	216,681	6,121,779
Reconciliation:	調整:				
Elimination of intersegment payables	對銷分部間應付款項				(2,870,958)
Unallocated corporate liabilities	不分部的公司負債				1,933,611
Total liabilities	總負債				5,184,432

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

3. Operating Segment Information (CONTINUED)

Year ended 31 December 2009 (CONTINUED)

3. 經營分部資料(續)

截至二零零九年十二月三十一日止年度
(續)

	Liquid milk products	Ice cream products	Other dairy products	Total
	液體奶產品	冰淇淋產品	其他乳製品	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元

Other segment information: 其他分部資料：

Depreciation and amortisation	折舊及攤銷	530,942	87,577	22,357	640,876
Unallocated amounts	不分部款項				34,522
<hr/>					
Total depreciation and amortisation	折舊及攤銷總額				675,398
<hr/>					
Capital expenditure	資本開支	556,128	16,049	11,913	584,090
Unallocated amounts	不分部款項				56,115
<hr/>					
Total capital expenditure	資本開支總額				640,205*
<hr/>					
Impairment losses recognised in the consolidated income statement	於綜合利潤表確認的減值虧損	15,631	233	1,149	17,013
Other non-cash expenses	其他非現金支出	110,786	26,419	4,063	141,268
Unallocated amounts	不分部款項				143,378
<hr/>					
Total non-cash expenses	非現金支出總額				301,659

* Capital expenditure consists of additions to property, plant and equipment, construction in progress, intangible assets, land use right, and assets from the acquisition of associates and subsidiaries.

* 資本開支包括添置物業、廠房及設備、在建工程、無形資產、土地使用權及收購聯營公司和子公司獲得的資產。

Geographical information

(a) Revenue from external customers

Over 90% of the revenue is contributed by customers in Mainland China.

(b) Non-current assets

Over 90% of the Group's non-current assets are located in Mainland China.

地區資料

(a) 來自外部客戶的收入

90% 以上的收入來自位於中國大陸的客戶。

(b) 非流動資產

本集團90%以上的非流動資產均位於中國大陸。

4. Revenue, Other Income and Gains

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

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

4. 收入、其他收入及收益

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

本集團的收入、其他收入及收益的分析如下：

		2010	2009
		二零一零年	二零零九年
Notes		RMB'000	RMB'000
附註		人民幣千元	人民幣千元
Revenue:	收入：		
Sales of goods	商品銷售	30,265,415	25,710,460
Other income and gains:	其他收入及收益：		
Government grants	政府補助金	(a) 77,365	48,474
Amortisation of deferred income	遞延收益攤銷	(b) 14,857	13,795
Gain on deemed disposal of an associate	視同出售一家聯營公司收益	6,256	—
Foreign exchange gains, net	匯兌收益淨額	57,338	541
Others	其他	37,656	18,149
		193,472	80,959
		30,458,887	25,791,419

Notes:

- (a) The government grants in the form of cash donations have been received for the Group's contribution to the local economy with respect to the establishment of infrastructure relating to the dairy products industry. There are no unfulfilled conditions or contingencies attaching to these grants.
- (b) The Group has received certain government grants in the form of property, plant and equipment donations or cash donations to purchase items of property, plant and equipment. The grants are initially recorded as deferred income and amortised to match the depreciation charge of the underlying property, plant and equipment in accordance with the assets' estimated useful lives.

附註：

- (a) 本集團因建設有關乳製品行業基礎設施而對地方經濟有所貢獻，故獲現金捐獻形式的政府補助金。該等補助金並無附帶任何未達成的條件或然事項。
- (b) 政府以物業、廠房和設備捐獻或現金捐獻以購買物業、廠房及設備方式，向本集團金授予若干補助。該等補助金初始確認為遞延收益，並根據資產的估計可使用年期攤銷，以配對相關物業、廠房及設備的折舊開支。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

5. Other Operating Expenses

5. 其他經營費用

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Write-off of inventories	撇銷存貨	6,740	45,305
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	865	1,033
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備虧損	18,661	7,834
Donations	捐贈支出	12,941	12,901
Provision/(write-back of provision) for trade receivables and other receivables	應收賬款及其他應收款項撥備/ (撥備撥回)	(1,013)	15,980
Compensation to customers	賠付客戶之款項	—	18,699
Others	其他	21,551	11,293
		59,745	113,045

6. Profit Before Tax

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

6. 稅前利潤

本集團的稅前利潤乃經扣除/(計入)下列各項後計算所得：

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Cost of inventories sold	銷售存貨成本	22,478,979	18,858,229
Employee benefit expense (excluding directors' remuneration as disclosed in note 7)	僱員福利費用(不包括附註7所披露的董事酬金)		
– Wages, salaries, housing benefits and other allowances	– 工資、薪金、住房福利及其他津貼	1,172,323	1,021,717
– Retirement benefit contributions	– 退休福利供款	93,941	71,695
– Share-based payment expense (note 42)	– 以股份為基礎的支付(附註42)	290,587	223,902
		1,556,851	1,317,314
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	697,996	663,863
Amortisation of land use rights	土地使用權攤銷	9,172	7,231
Amortisation of other intangible assets	其他無形資產攤銷	5,608	4,304
Research and development costs – current year expenditure	當年研究開發費用	37,111	42,158
Provision/(write-back of provision) for trade receivables and other receivables	應收賬款及其他應收款項撥備/(撥備撥回)	(1,013)	15,980
Minimum lease payments under operating leases on buildings and certain production equipment	房屋及若干生產設備的經營租賃最低租金	252,888	222,429
Display space leasing fees	陳列空間租賃費	495,076	172,306
Auditors' remuneration	核數師酬金	3,980	3,790

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

7. Directors' and Senior Executives' Emoluments

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

7. 董事及高級行政人員酬金

根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條披露的本年度董事酬金如下：

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Fees	袍金	1,001	320
Other emoluments	其他酬金		
– Basic salaries, housing benefits, other allowances and benefits in kind	– 基本薪金、住房福利、其他津貼及實物利益	8,729	6,280
– Retirement benefit contributions	– 退休福利供款	201	91
		9,931	6,691

7. Directors' and Senior Executives' Emoluments

(CONTINUED)

7. 董事及高級行政人員酬金(續)

			Basic salaries, housing benefits, other allowances and benefits	Retirement benefit contributions	Total remuneration	
	Notes	Fees	in kind			
	附註	袍金	實物利益	退休福利供款	總酬金	
		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	
2010						
		二零一零年				
Executive directors		執行董事				
– Mr. Yang Wenjun		– 楊文俊先生	30	2,625	34	2,689
– Mr. Yao Tongshan	(a)	– 姚同山先生	3	13	3	19
– Mr. Wu Jingshui	(a)	– 吳景水先生	28	1,149	34	1,211
– Mr. Bai Ying		– 白瑛先生	30	2,050	34	2,114
– Mr. Ding Sheng	(a)	– 丁聖先生	28	1,566	62	1,656
Non-executive directors		非執行董事				
– Mr. Niu Gensheng		– 牛根生先生	30	1,326	34	1,390
– Mr. Ning Gaoning	(b)	– 寧高寧先生	100	–	–	100
– Mr. Jiao Shuge	(b)	– 焦樹閣先生	–	–	–	–
– Mr. Julian Juul Wolhardt		– Julian Juul Wolhardt先生	–	–	–	–
– Mr. Yu Xubo	(b)	– 于旭波先生	100	–	–	100
– Mr. Ma Jianping	(b)	– 馬建平先生	100	–	–	100
– Mr. Fang Fenglei	(b)	– 方風雷先生	100	–	–	100
– Mr. Ma Wangjun	(a)(b)	– 馬王軍先生	92	–	–	92
Independent non-executive directors		獨立非執行董事				
– Mr. Zhang Julin		– 張巨林先生	120	–	–	120
– Mr. Zhang Xiaoya		– 張曉亞先生	120	–	–	120
– Mr. Liu Fuchun		– 劉福春先生	120	–	–	120
			1,001	8,729	201	9,931

7. Directors' and Senior Executives' Emoluments

(CONTINUED)

Notes:

- (a) Mr. Sun Yubin, Mr. Wang Huaibao and Mr. Yao Tongshan resigned as directors on 27 August 2009, 1 May 2009 and 1 March 2010, respectively. Mr. Wu Jingshui, Mr Ding Sheng and Mr. Ma Wangjun were appointed as directors on 1 March 2010.
- (b) The two (2009: six) non-executive directors agreed to waive their entitlements to directors' fees totalling RMB200,000 (2009: RMB183,000) for the year. Other than the aforementioned, there was no arrangement under which a director waived or agreed to waive any remuneration during the year.
- (c) Mr. Li Jianxin passed away on 20 February 2009. Details were disclosed in the Company's announcement dated 23 February 2009.
- (d) During the year, certain directors were granted share options in respect of their services to the Group under the share option scheme of the Company, further details of which are set out in note 42 to the financial statements. In accordance with IFRS 2, share option benefits represent the fair value at grant date of the share options issued under the share option scheme of the Company amortised to the consolidated income statement during the year disregarding whether the options have been vested/exercised or not. During the year, the share option benefits relating to the share options granted to Mr. Yang Wenjun, Mr. Yao Tongshan, Mr. Wu Jingshui, Mr. Bai Ying and Mr. Ding Sheng were approximately RMB37,189,000 (2009:RMB34,709,000), RMB5,332,000(2009: RMB5,660,000), RMB7,575,000 (2009:RMB6,582,000), RMB16,686,000 (2009: RMB14,954,000) and RMB8,814,000 (2009: RMB7,487,000), respectively. Share option benefits relating to the share options granted to the five directors are not included in the above analysis.

Four (2009: three) of the five highest paid individuals were directors whose emoluments have been shown above. Details of emoluments paid to the remaining one (2009: two) non-director, highest paid individual who is a senior executive for the year was as follows:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、其他 津貼及實物利益	1,364	2,003
Retirement scheme contributions	退休福利計劃供款	61	114
		1,425	2,117

7. 董事及高級行政人員酬金(續)

附註：

- (a) 孫玉斌先生、王懷寶先生及姚同山先生分別於二零零九年八月二十七日、二零零九年五月一日及二零一零年三月一日辭任董事。吳景水先生、丁聖先生及馬王軍先生於二零一零年三月一日獲委任為董事。
- (b) 於本年度，兩位(二零零九年：六位)非執行董事同意放棄其董事袍金，金額合共人民幣200,000元(二零零九年：人民幣183,000元)。除前述者外，本年度並無任何有關董事放棄或同意放棄任何酬金的安排。
- (c) 李建新先生於二零零九年二月二十日辭世，有關詳情載於本公司日期為二零零九年二月二十三日的公佈。
- (d) 年內，若干董事就其對本集團的服務獲本公司根據購股權計劃授出購股權(有關詳情載於財務報表附註42)。根據國際財務報告準則第2號，購股權福利指按本公司購股權計劃所發行的購股權於授出日期的公允值，年內已於綜合利潤表內予以攤銷，而不論該等購股權是否已歸屬/行使。年內，有關授予楊文俊先生、姚同山先生、吳景水先生、白瑛先生及丁聖先生購股權的購股權福利分別約為人民幣37,189,000元(二零零九年：人民幣34,709,000元)、人民幣5,332,000元(二零零九年：人民幣5,660,000元)、人民幣7,575,000元(二零零九年：人民幣6,582,000元)、人民幣16,686,000元(二零零九年：人民幣14,954,000元)及人民幣8,814,000元(二零零九年：人民幣7,487,000元)。上述分析並無包括有關向五名董事授出購股權的購股權福利。

五位最高薪人士包括四位(二零零九年：三位)董事，有關彼等的酬金資料已於上文披露。本年度支付予其餘一位(二零零九年：兩位)非董事、最高薪高級行政人員的酬金如下：

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

7. Directors' and Senior Executives' Emoluments

(CONTINUED)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2010 二零一零年	2009 二零零九年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
		1	2

During the year, share options were granted to one (2009: two) non-director, highest paid employee in respect of his services to the Group, further details of which are set out in note 42 to the financial statements. During the year, the share option benefits relating to the share options granted to the non-director, highest paid employee is approximately RMB9,300,000 (2009: RMB15,471,000) in aggregate. The share option benefits relating to the share options granted to this non-director, highest paid employee is not included in the above analysis.

7. 董事及高級行政人員酬金(續)

酬金列入以下組別的最高薪非董事僱員的數目如下：

年內，一名(二零零九年：兩名)最高薪非董事僱員就其對本集團的服務獲授購股權(有關詳情在財務報表附註42中披露)。年內，有關向該名最高薪非董事僱員授出購股權的購股權福利合共約為人民幣9,300,000元(二零零九年：人民幣15,471,000元)。上述分析並無包括有關向該名最高薪非董事僱員授出購股權的購股權福利。

8. Finance Costs

An analysis of finance costs is as follows:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Interest on long term payables	長期應付款項利息	6,339	10,543
Interest on bank loans wholly repayable within five years	須於五年內全數償還的銀行貸款利息	38,864	50,610
		45,203	61,153

8. 融資成本

融資成本的分析如下：

9. Income Tax Expense

Hong Kong profits tax has not been provided as the Group had no assessable profits arising in Hong Kong during the year. The tax charge represents the provision for the PRC corporate income tax ("CIT") and deferred tax for the year.

Under the PRC income tax law, except for certain preferential treatment available to twenty-two (2009: twenty-one) of the Group's subsidiaries and a jointly-controlled entity, the entities within the Group are subject to CIT at a rate of 25% (2009: 25%) on the taxable income as reported in their statutory accounts which are prepared in accordance with the PRC accounting standards and financial regulations.

9. 所得稅支出

本集團在本年度並無在香港產生任何應課稅利潤，故無計提香港利得稅撥備。稅項支出指在本年內計提的中國企業所得稅（「企業所得稅」）及遞延所得稅撥備。

根據中國所得稅法，除了本集團二十二間（二零零九年：二十一間）子公司及一間共同控制實體獲得若干稅務優惠外，本集團旗下的企業應就其法定賬目所呈報應課稅利潤按25%（二零零九年：25%）之稅率交納企業所得稅，法定賬目是按照中國會計準則及財務法規編製。

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Current income tax	即期所得稅		
Current income tax charge	即期所得稅支出	131,504	71,100
Deferred income tax	遞延所得稅		
Relating to origination and reversal of tax losses and temporary differences (note 23)	有關稅項虧損及暫時性差異的產生及回撥(附註23)	50,681	55,140
		182,185	126,240

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

9. Income Tax Expense (CONTINUED)

A reconciliation of the income tax expense applicable to profit before tax at the statutory income tax rate to the income tax expense at the Group's effective income tax rate for the year is as follows:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
	Notes 附註		
Profit before tax	稅前利潤	1,538,102	1,346,346
At CIT rate of 25% (2009: 25%)	按25%(二零零九年: 25%) 企業所得稅稅率計算	384,525	336,587
Non-deductible items and others, net	不可抵扣稅的項目及其他 (淨額)	55,376	63,888
Adjustment recognised in the year for current tax of prior years	年內就往年當期所得稅確認 的調整	953	1,017
Effect of preferential tax rates	優惠稅率的影響 (a)	(148,950)	(173,623)
Effect of tax exemptions	稅務減免的影響 (a)	(68,368)	(55,432)
Tax losses not recognised	未確認稅務虧損	7,514	1,092
Utilisation of previously unrecognised tax credits	使用先前未確認的稅務抵免	(48,865)	(47,289)
At the effective income tax rate of 11.8% (2009: 9.4%)	按11.8%(二零零九年: 9.4%)實際所得稅稅率 計算	182,185	126,240

Notes:

- (a) Twenty-two (2009: twenty-one) subsidiaries and a jointly-controlled entity were subject to tax concessions in 2010. The total taxable profits of the subsidiaries that are subject to tax concessions amounted to approximately RMB804,315,000 (2009: RMB792,749,000) in aggregate. Out of the twenty-two subsidiaries, fifteen (2009: sixteen) plus the jointly-controlled entity were granted tax concessions by the state tax bureau in accordance with the New Tax Law and the corresponding transitional tax concession policy and "The notice of preferential tax policies for companies located in West China". Ten (2009: five) subsidiaries were granted tax concessions in accordance with the policy of "The notice of preferential tax policy for preliminary processing of agriculture products".
- (b) The share of tax attributable to associates amounting to approximately RMB9,948,000 (2009: RMB8,178,000) is included in the share of profits and losses of associates on the face of the consolidated income statement.

9. 所得稅支出(續)

在年度內，就稅前利潤按法定所得稅稅率計算的所得稅支出，與按照本集團實際所得稅稅率計算的所得稅支出，調節如下：

附註：

- (a) 於二零一零年，二十二間(二零零九年：二十一間)子公司及一間共同控制實體享受稅務減免。該等獲稅務減免的子公司的應課稅利潤總額合計約人民幣804,315,000元(二零零九年：人民幣792,749,000元)。二十二間子公司中，有十五間(二零零九年：十六間)子公司及該共同控制實體獲國家稅務局授予的稅務減免以新稅法及有關稅收優惠過渡政策及《財政部、國家稅務總局、海關總署關於西部大開發優惠政策問題的通知》的政策為據。十間(二零零九年：五間)子公司的稅務減免以《關於發佈享受企業所得稅優惠政策的農產品初加工範圍(試行)的通知》的政策為據。
- (b) 聯營公司應佔稅項約為人民幣9,948,000元(二零零九年：人民幣8,178,000元)，已計入綜合利潤表的應佔聯營公司利潤及虧損內。

10. Dividends

10. 股息

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		Notes	
		附註	
<i>Declared and paid during the year</i>	本年度宣派及支付		
Equity dividends on ordinary shares	普通股股息	245,445	—
<i>Proposed for approval at the AGM</i>	建議提呈於股東週年大會 批准		
Equity dividends on ordinary shares:	普通股股息：		
Proposed final – 0.16 (2009: 0.1413)	擬派期末股息—每股普通 股0.16元(二零零九年： 0.1413元)	(a)/(b)	278,078
per ordinary share			245,465

Notes:

- (a) The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting (the "AGM"). This dividend was not recognised as a liability in the consolidated financial statements as at 31 December 2010 but was reflected as an appropriation of retained earnings for the year ending 31 December 2011.
- (b) The proposed final dividend for the year is appropriated from the undistributed profit earned before 1 January 2008.

附註：

- (a) 擬派年度期末股息須由本公司的股東在應屆股東週年大會(「股東週年大會」)批准。該等股息並未在二零一零年十二月三十一日的綜合財務報表確認為負債，但已反映為截至二零一一年十二月三十一日止年度的保留利潤分配。
- (b) 擬派年度期末股息從二零零八年一月一日前所獲得的未分配利潤中撥出。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

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

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

The diluted earnings per share was calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during that year, as used in the basic earnings per share calculation; and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the year pursuant to the contingent ordinary share provision in IAS 33 *Earnings per Share*.

The share options outstanding had no dilutive effect on the calculation of diluted earnings per share for 2009.

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

11. 本公司普通股擁有人應佔的每股盈利

本年度的每股基本盈利乃根據年內本公司普通股擁有人應佔利潤除以年內已發行普通股的加權平均數計算。

每股攤薄盈利乃根據年內本公司普通股擁有人應佔利潤除以用作計算每股基本盈利所採用的年內已發行普通股加權平均數並假設年內所有購股權獲行使並根據國際會計準則第33號「每股盈利」的或然普通股撥備按無代價發行的普通股加權平均數計算。

未行使購股權對計算二零零九年度每股攤薄盈利概無攤薄影響。

計算每股基本及攤薄盈利時所用加權平均股份數目調節如下：

		2010 二零一零年 Number of Shares 股份數目 '000 千股	2009 二零零九年 Number of shares 股份數目 '000 千股
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	計算每股基本盈利所用的普通股加權平均數	1,737,398	1,637,304
Weighted average number of ordinary shares, assuming issued at no consideration on the deemed exercise of all share options during the year	假設年內所有購股權獲行使並按無代價發行之普通股加權平均數	3,443	—
Weighted average number of ordinary shares for the purpose of the diluted earnings per share calculation	計算每股攤薄盈利所用的普通股加權平均數	1,740,841	1,637,304

12. Property, Plant and Equipment

Movements of the Group's property, plant and equipment during the year are as follows:

12. 物業、廠房及設備

本集團的物業、廠房及設備於本年內變動如下：

		Buildings and structures 房屋及建築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2010, net of accumulated depreciation	於二零一零年一月一日，扣減累計折舊	1,469,824	3,304,678	127,592	17,514	4,919,608
Acquisition of a subsidiary (note 43)	收購一家子公司(附註43)	127,657	175,635	7,346	6,397	317,035
Additions	增加	58,075	87,191	70,299	16,338	231,903
Transfers from construction in progress (note 13)	轉撥自在建工程(附註13)	177,197	453,412	11,560	2,051	644,220
Disposals	處置	(5,101)	(25,846)	(555)	(2,883)	(34,385)
Depreciation provided during the year	年內折舊撥備	(105,578)	(526,802)	(58,303)	(7,313)	(697,996)
At 31 December 2010, net of accumulated depreciation	於二零一零年十二月三十一日，扣減累計折舊	1,722,074	3,468,268	157,939	32,104	5,380,385
At 1 January 2010	於二零一零年一月一日					
Cost	成本值	1,833,736	5,441,320	261,796	47,167	7,584,019
Accumulated depreciation	累計折舊	(363,912)	(2,136,642)	(134,204)	(29,653)	(2,664,411)
Net carrying amount	賬面淨值	1,469,824	3,304,678	127,592	17,514	4,919,608
At 31 December 2010	於二零一零年十二月三十一日					
Cost	成本值	2,207,809	6,139,155	347,408	72,540	8,766,912
Accumulated depreciation	累計折舊	(485,735)	(2,670,887)	(189,469)	(40,436)	(3,386,527)
Net carrying amount	賬面淨值	1,722,074	3,468,268	157,939	32,104	5,380,385

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

12. Property, Plant and Equipment (CONTINUED)

12. 物業、廠房及設備(續)

		Buildings and structures 房屋及建築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2009, net of accumulated depreciation	於二零零九年 一月一日，扣減 累計折舊	1,460,867	3,621,530	123,149	41,526	5,247,072
Additions	增加	40,608	55,234	39,978	5,076	140,896
Transfers from construction in progress (note 13)	轉撥自在建工程 (附註13)	59,116	192,735	4,449	303	256,603
Disposals	處置	(1,413)	(33,221)	(411)	(15,382)	(50,427)
Deemed disposal of a subsidiary (note 44)	視同出售一家子公司 (附註44)	–	(9,553)	(451)	(669)	(10,673)
Depreciation provided during the year	年內折舊撥備	(89,354)	(522,047)	(39,122)	(13,340)	(663,863)
At 31 December 2009, net of accumulated depreciation	於二零零九年 十二月三十一日， 扣減累計折舊	1,469,824	3,304,678	127,592	17,514	4,919,608
At 1 January 2009	於二零零九年 一月一日					
Cost	成本值	1,736,423	5,257,081	221,927	96,703	7,312,134
Accumulated depreciation	累計折舊	(275,556)	(1,635,551)	(98,778)	(55,177)	(2,065,062)
Net carrying amount	賬面淨值	1,460,867	3,621,530	123,149	41,526	5,247,072
At 31 December 2009	於二零零九年 十二月三十一日					
Cost	成本值	1,833,736	5,441,320	261,796	47,167	7,584,019
Accumulated depreciation	累計折舊	(363,912)	(2,136,642)	(134,204)	(29,653)	(2,664,411)
Net carrying amount	賬面淨值	1,469,824	3,304,678	127,592	17,514	4,919,608

(a) All of the Group's buildings are located in Mainland China.

(a) 本集團的房屋均位於中國大陸。

12. Property, Plant and Equipment (CONTINUED)

- (b) Certain property, plant and equipment of the Group with a net book value of approximately RMB116,786,000 (2009: RMB187,406,000), RMB38,726,000 (2009: Nil) and RMB1,136,000 (2009: Nil) have been pledged to secure the long term payables, short-term bank loans and other loans of the Group, details of which are set out in note 36, note 34 and note 35 to the financial statements.

Movements of the Company's property, plant and equipment during the year, which comprise only office equipment, are as follows:

12. 物業、廠房及設備(續)

- (b) 本集團若干賬面淨值約為人民幣116,786,000元(二零零九年:人民幣187,406,000元)、人民幣38,726,000元(二零零九年:零元)及人民幣1,136,000元(二零零九年:零元)的物業、廠房及設備已經用作本集團獲得長期應付款項、短期銀行貸款及其他貸款的抵押品,有關詳情載於財務報表附註36、附註34及附註35。

本公司的物業、廠房及設備(全部為辦公設備)於本年內變動如下:

		Company 本公司	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January, net of accumulated depreciation	於一月一日, 扣減累計折舊	28	48
Depreciation provided during the year	年內折舊撥備	(11)	(20)
At 31 December, net of accumulated depreciation	於十二月三十一日, 扣減累計折舊	17	28
At 1 January	於一月一日		
Cost	成本值	167	167
Accumulated depreciation	累計折舊	(139)	(119)
Net carrying amount	賬面淨值	28	48
At 31 December	於十二月三十一日		
Cost	成本值	167	167
Accumulated depreciation	累計折舊	(150)	(139)
Net carrying amount	賬面淨值	17	28

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

13. Construction in Progress

Movements of the Group's construction in progress, all of which are located in Mainland China, are as follows:

13. 在建工程

本集團全部位於中國大陸的在建工程變動如下：

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Carrying amount at beginning of year	年初的賬面值	326,679	215,017
Acquisition of a subsidiary (note 43)	收購一家子公司(附註43)	27,188	–
Additions during the year	年內增加	865,743	368,265
Transfers to property, plant and equipment (note 12)	轉撥至物業、廠房及設備(附註12)	(644,220)	(256,603)
Transfers to land use rights (note 14)	轉撥至土地使用權(附註14)	(30,961)	–
Transfers to other intangible assets (note 16)	轉撥至其他無形資產(附註16)	(9,325)	–
Carrying amount at end of year	年終的賬面值	535,104	326,679

14. Land Use Rights

14. 土地使用權

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Carrying amount at beginning of year	年初的賬面值	375,247	262,481
Acquisition of a subsidiary (note 43)	收購一家子公司(附註43)	43,850	–
Additions during the year	年內增加	54,166	119,997
Transfers from construction in progress (note 13)	轉撥自在建工程(附註13)	30,961	–
Amortisation provided during the year	年內計提攤銷	(9,172)	(7,231)
Carrying amount at end of year		495,052	375,247
Current portion included in prepayments and deposits under current assets (note 28)	即期部分(計入流動資產中預付款及按金(附註28))	10,480	8,056
Non-current portion	非即期部分	484,572	367,191
		495,052	375,247

(a) The leasehold land is held under a long term lease of 50 years and is situated in Mainland China.

(b) Certain land use rights of the Group with a net book value of approximately RMB32,834,000 (2009: Nil) have been pledged to secure the short-term bank loans of the Group, details of which are set out in note 34 to the financial statements.

(a) 租賃土地以50年長期租賃持有，位於中國大陸。

(b) 本集團賬面淨值約為人民幣32,834,000元(二零零九年：零元)的若干土地使用權已質押作為本集團短期銀行借款的抵押，有關詳情載於財務報表附註34。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

15. Goodwill

15. 商譽

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	199,143	199,143
Acquisition of a subsidiary (note 43)	收購一家子公司(附註43)	252,470	–
Carrying amount at 31 December	於十二月三十一日的賬面值	451,613	199,143

During the year, the Group acquired a 51% equity interest of Shijiazhuang Junlebao Dairy Co., Ltd. ("Junlebao"). The business acquisition gave rise to goodwill of RMB252,470,000. Further details of the acquisition are included in note 43 to the financial statements.

As at 31 December 2010, the goodwill was tested for impairment (note 17).

年內，本集團收購石家莊君樂寶乳業有限公司(「君樂寶」)51%股權。該業務收購產生商譽人民幣252,470,000元。收購的進一步詳情載於財務報表附註43。

於二零一零年十二月三十一日，商譽已進行減值測試(附註17)。

16. Other Intangible Assets

Movements of the Group's other intangible assets are as follows:

16. 其他無形資產

本集團的其他無形資產變動如下：

		Patents and licences 專利及特許權 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元 (a)	Computer software 電腦軟件 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元 (b)	Total 總計 RMB'000 人民幣千元
Cost at 1 January 2010, net of accumulated amortisation	於二零一零年一月 一日，按成本值， 扣減累計攤銷	608	11,400	19,629	–	31,637
Acquisition of a subsidiary (note 43)	收購一家子公司 (附註43)	–	174,219	754	9,503	184,476
Additions	增加	649	–	1,029	–	1,678
Transfers from construction in progress (note 13)	轉撥自在建工程 (附註13)	–	–	9,325	–	9,325
Amortisation provided during the year	年內計提攤銷	(195)	(1,560)	(2,801)	(1,052)	(5,608)
At 31 December 2010	於二零一零年十二月 三十一日	1,062	184,059	27,936	8,451	221,508
At 31 December 2010	於二零一零年十二月 三十一日					
Cost	成本值	1,413	189,909	37,728	9,503	238,553
Accumulated amortisation	累計攤銷	(351)	(5,850)	(9,792)	(1,052)	(17,045)
Net carrying amount	賬面淨值	1,062	184,059	27,936	8,451	221,508
Cost at 1 January 2009, net of accumulated amortisation	於二零零九年一月 一日，按成本值， 扣減累計攤銷	6,056	12,960	13,651	–	32,667
Additions	增加	2,882	–	8,165	–	11,047
Deemed disposal of a subsidiary	視同出售一家子公司	(7,719)	–	(54)	–	(7,773)
Amortisation provided during the year	年內計提攤銷	(611)	(1,560)	(2,133)	–	(4,304)
At 31 December 2009	於二零零九年十二月 三十一日	608	11,400	19,629	–	31,637
At 31 December 2009	於二零零九年十二月 三十一日					
Cost	成本值	764	15,690	26,318	–	42,772
Accumulated amortisation	累計攤銷	(156)	(4,290)	(6,689)	–	(11,135)
Net carrying amount	賬面淨值	608	11,400	19,629	–	31,637

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

16. Other Intangible Assets (CONTINUED)

- (a) There were two trademarks: a trademark acquired in 2007 at a cost of RMB15,690,000, which was stated at cost less any impairment losses and was amortised on the straight-line basis over its estimated useful life of 10 years; a trademark acquired as part of a business combination in 2010 at RMB174,219,000, which was regarded as having an indefinite useful life because the trademarked product is expected to generate net cash inflows indefinitely. As at 31 December 2010, the trademark was tested for impairment (note 17).
- (b) Others mainly represented the exclusive right of milk supply, distribution channels and a right to receive dividends acquired as part of a business combination in 2010 at RMB5,982,000, RMB2,195,000 and RMB1,326,000, respectively. Their useful lives ranged from six months to 10 years.

17. Impairment Testing of Goodwill and Trademarks with Indefinite Lives

Goodwill acquired through business combinations and trademarks with indefinite lives have been allocated to the following cash-generating units (the "CGUs") for impairment testing:

- liquid milk products excluding Junlebao CGU;
- ice cream products CGU;
- other dairy products CGU; and
- Junlebao CGU.

16. 其他無形資產(續)

- (a) 商標共有兩個：一個於2007年按成本人民幣15,690,000元收購，已按成本值減去任何減值損失列賬及以直線法按其估計可使用年期10年攤銷；另一個則作為業務合併的一部分於二零一零年以人民幣174,219,000元收購，並因商標產品預期可以無限期產生淨現金流入而被視為擁有無限可使用年期。於二零一零年十二月三十一日，該商標已進行減值測試(附註17)。
- (b) 其他主要指作為業務合併的一部分於二零一零收購的牛奶供應專營權、分銷渠道及收取股息的權利分別為人民幣5,982,000元、人民幣2,195,000元及人民幣1,326,000元。其可使用年期由六個月至十年不等。

17. 商譽及無限年期商標的減值測試

透過業務合併取得的商譽及無限年期商標已分配至下列現金產生單位(「現金產生單位」)作減值測試：

- 液體奶產品現金產生單位(君樂寶現金產生單位除外)；
- 冰淇淋產品現金產生單位；
- 其他乳製品現金產生單位；及
- 君樂寶現金產生單位。

17. Impairment Testing of Goodwill and Trademarks with Indefinite Lives (CONTINUED)

The carrying amounts of goodwill and trademarks with indefinite useful lives allocated to each of cash generating units are as follows:

		Liquid milk products excluding Junlebao		Ice cream products		Other dairy products		Junlebao		Total	
		液體奶產品(君樂寶除外)		冰淇淋產品		其他乳製品		君樂寶		總計	
		2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Goodwill	商譽	167,433	167,433	23,865	23,865	7,845	7,845	252,470	-	451,613	199,143
Trademarks	商標	-	-	-	-	-	-	174,219	-	174,219	-
		167,433	167,433	23,865	23,865	7,845	7,845	426,689	-	625,832	199,143

The recoverable amount of each CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets or forecasts approved by senior management covering a five-year period. The growth rates used to extrapolate the cash flows beyond the five-year period are based on the estimated growth rate of each unit taking into account the industry growth rate, past experience and the medium or long term growth target of each CGU. The growth rates for these CGUs are higher than the respective average industry growth rates. Senior management believes such growth rates are justified because:

- the growth rates of these CGUs have significantly exceeded those in the market in the past years;
- the new product launch and new market expansion have been successful in the past;
- market share grew continuously in the past years due to strong brand equity and marketing capability; and
- expertise on product innovation, portfolio enhancement and marketing will be further leveraged.

17. 商譽及無限年期商標的減值測試(續)

分配至各現金產生單位的商譽及無限可使用年期商標的賬面值如下：

各現金產生單位的可收回金額乃以經高級管理人員批准的五年財政預算或預測為基準，採用現金流量預測計算所得的使用價值予以釐定。用於推算五年期以後現金流量的增長率，乃以各單位的估計增長率為基準，並考慮行業增長率、過往經驗及各現金產生單位的中長期增長目標而計算所得。此等現金產生單位的增長率高於各自的平均行業增長率。高級管理人員相信該等增長率合理，原因是：

- 此等現金產生單位在過去多年遠超市場增長率；
- 過去推出新產品及開拓新市場一直十分成功；
- 在強勁品牌優勢和營銷能力的推動下，過去幾年市場份額持續增長；及
- 將會進一步發揮產品創新、優化產品結構及營銷專長。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

17. Impairment Testing of Goodwill and Trademarks with Indefinite Lives (CONTINUED)

The discount rates applied to cash flow projections and the growth rates used to extrapolate cash flows beyond the five-year period are as follows:

		Discount rate 折現率		Growth rate 增長率	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
Liquid milk products excluding Junlebao CGU	液體奶產品現金產生單位(君樂寶現金產生單位除外)	13.67%	13.44%	4.0%	4.0%
Ice cream products CGU	冰淇淋產品現金產生單位	13.43%	13.33%	3.0%	3.0%
Other dairy products CGU	其他乳製品現金產生單位	13.59%	13.00%	4.0%	4.0%
Junlebao CGU	君樂寶現金產生單位	16.73%	–	4.0%	–

Key assumptions were used in the value in use calculation of each CGU. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

- (a) Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the year immediately before the budget year, adjusted for expected efficiency improvements and expected increase in production costs.
- (b) Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant CGUs.
- (c) Raw materials price fluctuation – Reference is made to the actual data of the past year of countries from where raw materials are sourced.

The values assigned to key assumptions are consistent with external information sources.

17. 商譽及無限年期商標的減值測試(續)

用於現金流量預測的折現率及用於五年期以後現金流量推斷的增長率如下：

在計算各現金產生單位的使用價值時採用了一些主要假設。管理層按現金流量預測進行商譽減值測試所依據的各項主要假設詳述如下：

- (a) 預算毛利率—用於釐定預算毛利率價值的基準乃緊接預算年度前一年所達致的平均毛利率，並因應預計效能提升及預期生產成本增加而予以調整。
- (b) 折現率—所用折現率乃稅前並反映有關現金產生單位的特定風險。
- (c) 原材料價格變動—參考原料採購國家過往實際數據。

主要假設的價值與外部數據來源一致。

18. Loans to A Subsidiary

The loans to a subsidiary included in the Company's non-current assets of RMB2,680,430,000 (2009: Nil) are unsecured and repayable within twenty years. The annual interest rates had been made by reference to the Hongkong InterBank Offered Rate. The carrying amount of the loans to a subsidiary approximates to its fair value.

18. 應收一家子公司款項

計入本公司非流動資產的應收一家子公司款項人民幣2,680,430,000元(二零零九年：無)為無抵押，且須於二十年內償還。年利率參考香港銀行同業拆息計算。應收一家子公司款項的賬面值與其公允值相若。

19. Investments in Subsidiaries

19. 於子公司的投資

		Company 本公司	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本值	4,239,647	4,015,010
Loan to a subsidiary	應收一家子公司款項	777,835	804,847
		5,017,482	4,819,857

The loan to a subsidiary included in the investments in subsidiaries above is unsecured, interest-free and has no fixed terms of repayment. In the opinion of the directors, the loan is considered as quasi-equity loan to the subsidiary. The carrying amount of the loan to a subsidiary approximates to its fair value.

計入上述於子公司的投資的應收一家子公司款項為無抵押、免息且無固定還款期。董事認為，該應收款項被視為應收一家子公司的准權益款項。應收一家子公司款項的賬面值與其公允值相若。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

19. Investments in Subsidiaries (CONTINUED)

Details of the Company's subsidiaries at 31 December 2010 are set out below:

19. 於子公司的投資(續)

於二零一零年十二月三十一日，本公司子公司的詳情載於下文：

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Dairy Holdings (i)	5 June 2002 二零零二年六月五日	US\$214 214美元	100%	–	Investment holding 投資控股
China Dairy (Mauritius) Limited (i)	15 June 2002 二零零二年六月十五日	US\$100 100美元	–	100%	Investment holding 投資控股
Inner Mongolia Mengniu Dairy (Group) Company Limited (iii) 內蒙古蒙牛乳業(集團)股份有限公司 (iii)	18 August 1999 一九九九年八月十八日	RMB1,504,290,870 人民幣 1,504,290,870元	8.97%	84.32%	Manufacture and sale of dairy products 生產及出售乳製品
Beijing Mengniu Dairy Co., Ltd. (i) (ii) (iv) 北京蒙牛乳製品有限責任公司(i) (ii) (iv)	4 July 2000 二零零零年七月四日	RMB500,000 人民幣500,000元	–	48.51%	Packaging and sale of dairy products 包裝及出售乳製品
Inner Mongolia Mengniu Founding Industry Management Co., Ltd. (i) (ii) 內蒙古蒙牛方鼎產業管理有限責任公司 (i) (ii)	9 February 2002 二零零二年二月九日	RMB45,000,000 人民幣45,000,000元	–	93.29%	Investment holding 投資控股
Mengniu Dairy (Wulanhaote) Co., Ltd. (i) (iii) 蒙牛乳業(烏蘭浩特)有限責任公司 (i) (iii)	18 June 2002 二零零二年六月十八日	RMB30,000,000 人民幣30,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Dairy Keerqin Co., Ltd. (i) (iii) 內蒙古蒙牛乳業科爾沁有限責任公司 (i) (iii)	19 June 2002 二零零二年六月十九日	RMB35,000,000 人民幣35,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品

19. Investments in Subsidiaries (CONTINUED)

19. 於子公司的投資(續)

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Dangyang) Co., Ltd. (i) (iii) 蒙牛乳業(當陽)有限責任公司(i) (iii)	7 November 2002 二零零二年十一月七日	RMB42,000,000 人民幣42,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Beijing) Co., Ltd. (i) (iii) 蒙牛乳業(北京)有限責任公司(i) (iii)	11 November 2002 二零零二年十一月 十一日	RMB120,000,000 人民幣120,000,000元	26.70%	68.38%	Manufacture and sale of dairy products 生產及出售乳製品
Jinhua Mengniu Dairy Co., Ltd. (i) (ii) (iv) 金華蒙牛乳業有限公司(i) (ii) (iv)	19 February 2003 二零零三年二月十九日	RMB500,000 人民幣500,000元	–	47.58%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Shenyang) Co., Ltd. (i) (iii) 蒙牛乳業(瀋陽)有限責任公司(i) (iii)	4 December 2003 二零零三年十二月四日	RMB100,000,000 人民幣100,000,000元	26.05%	68.99%	Manufacture and sale of dairy products 生產及出售乳製品
Beijing Mengniu Hongda Dairy Co., Ltd. (i) (ii) (iv) 北京蒙牛宏達乳製品 有限責任公司(i) (ii) (iv)	12 September 2002 二零零二年九月十二日	RMB20,000,000 人民幣20,000,000元	–	48.51%	Packaging and sale of dairy products 包裝及出售乳製品
Inner Mongolia Mengniu Dairy Baotou Co., Ltd. (i) (iii) 內蒙古蒙牛乳業包頭有限 責任公司(i) (iii)	9 January 2003 二零零三年一月九日	RMB30,000,000 人民幣30,000,000元	26.40%	68.66%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Dengkou Bayan Gaole) Co., Ltd. (i) (iii) 蒙牛乳業(磴口巴彥高勒) 有限責任公司(i) (iii)	13 July 2003 二零零三年七月十三日	RMB40,000,000 人民幣40,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

19. Investments in Subsidiaries (CONTINUED)

19. 於子公司的投資(續)

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Inner Mongolia Mengniu Dairy (Group) Shanxi Dairy Co., Ltd. (i) (ii) 內蒙古蒙牛乳業(集團)山西 乳業有限公司(i) (ii)	14 July 2003 二零零三年七月十四日	RMB10,000,000 人民幣10,000,000元	–	83.96%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Jiaozuo) Co., Ltd. (i) (iii) 蒙牛乳業(焦作)有限公司(i) (iii)	6 November 2003 二零零三年十一月六日	RMB110,000,000 人民幣110,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy Taian Co., Ltd. (i) (iii) 蒙牛乳業泰安有限責任公司(i) (iii)	18 November 2003 二零零三年十一月 十八日	RMB110,000,000 人民幣110,000,000元	26.03%	69.01%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Luannan) Co., Ltd. (i) (iii) 蒙牛乳業(瀋南)有限責任公司(i) (iii)	31 March 2004 二零零四年三月 三十一日	RMB56,000,000 人民幣56,000,000元	26.06%	68.98%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Tangshan) Co., Ltd. (i) (iii) 蒙牛乳業(唐山)有限責任公司(i) (iii)	31 March 2004 二零零四年三月 三十一日	RMB70,000,000 人民幣70,000,000元	26.05%	68.99%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Maanshan) Co., Ltd. (i) (iii) 蒙牛乳業(馬鞍山)有限責任公司(i) (iii)	4 February 2005 二零零五年二月四日	RMB155,000,000 人民幣155,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu (Wuhan) Frealth Dairy Co., Ltd. (i) (iii) 蒙牛(武漢)友芝友乳業有限公司(i) (iii)	6 January 2006 二零零六年一月六日	RMB120,000,000 人民幣120,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Mengniu Hi-tech Dairy Co., Ltd. (i) (ii) 內蒙古蒙牛高科乳業有限公司(i) (ii)	2 August 2006 二零零六年八月二日	RMB150,000,000 人民幣150,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品

19. Investments in Subsidiaries (CONTINUED)

19. 於子公司的投資(續)

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Tai Yuan) Co., Ltd. (i) (ii) 蒙牛乳業(太原)有限公司(i) (ii)	13 April 2006 二零零六年四月十三日	RMB116,670,000 人民幣116,670,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Shangzhi) Co., Ltd. (i) (ii) 蒙牛乳業(尚志)有限責任公司(i) (ii)	10 June 2005 二零零五年六月十日	RMB50,000,000 人民幣50,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Chabei) Co., Ltd. (i) (ii) 蒙牛乳業(察北)有限公司(i) (ii)	15 June 2005 二零零五年六月十五日	RMB30,000,000 人民幣30,000,000元	–	72.77%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Baoji) Co., Ltd. (i) (iii) 蒙牛乳業(寶雞)有限公司(i) (iii)	1 November 2005 二零零五年十一月一日	RMB96,840,000 人民幣96,840,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Baoding) Co., Ltd. (i) (ii) 蒙牛乳業(保定)有限公司(i) (ii)	22 January 2007 二零零七年一月 二十二日	RMB62,000,000 人民幣62,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Beijing Mengniu Cheese Co., Ltd. (i) (ii) 北京蒙牛奶酪有限公司(i) (ii)	23 May 2007 二零零七年五月 二十三日	RMB5,000,000 人民幣5,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy Meishan Co., Ltd. (i) (ii) 蒙牛乳業眉山有限公司(i) (ii)	29 August 2007 二零零七年八月 二十九日	RMB60,000,000 人民幣60,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Saibei Dairy Co., Ltd. (i) (iii) 蒙牛塞北乳業有限公司(i) (iii)	29 August 2007 二零零七年八月 二十九日	RMB67,121,418 人民幣67,121,418元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

19. Investments in Subsidiaries (CONTINUED)

19. 於子公司的投資(續)

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mengniu Dairy (Qiqihaer) Co., Ltd. (i) (ii) 蒙牛乳業(齊齊哈爾)有限公司 (i) (ii)	23 November 2007 二零零七年十一月 二十三日	RMB55,500,000 人民幣55,500,000元	26%	69.03%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Qingyuan) Co., Ltd. (i) (ii) 蒙牛乳業(清遠)有限公司 (i) (ii)	25 September 2009 二零零九年九月 二十五日	RMB40,000,000 人民幣40,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Suqian Dairy Co., Ltd. (i) (ii) 蒙牛乳業宿遷有限公司 (i) (ii)	16 September 2010 二零一零年九月十六日	RMB50,000,000 人民幣50,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Tianjin) Co., Ltd. (i) (ii) 蒙牛乳業(天津)有限公司 (i) (ii)	9 July 2010 二零一零年七月九日	RMB134,000,000 人民幣134,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Mengniu Dairy (Yinchuan) Co., Ltd. (i) (ii) 蒙牛乳業(銀川)有限公司 (i) (ii)	27 July 2010 二零一零年七月 二十七日	RMB50,000,000 人民幣50,000,000元	–	93.29%	Manufacture and sale of dairy products 生產及出售乳製品
Inner Mongolia Hehe Investment Co., Ltd. (i) (ii) 內蒙古禾和投資有限責任公司 (i) (ii)	29 November 2010 二零一零年十一月 二十九日	RMB200,000,000 人民幣200,000,000元	–	93.29%	Investment holding 投資控股
Shijiazhuang Junlebao Dairy Co., Ltd. (i)(ii)(iv)(v) 石家莊君樂寶乳業有限公司 (i)(ii)(iv)(v)	21 April 2000 二零零零年四月 二十一日	RMB52,351,700 人民幣52,351,700元	–	47.58%	Manufacture and sale of dairy products 生產及出售乳製品
Shijiazhuang Yongsheng Dairy Co., Ltd. (i)(ii)(iv)(v) 石家莊永盛乳業有限公司 (i)(ii)(iv)(v)	25 September 2007 二零零七年九月 二十五日	RMB80,000,000 人民幣80,000,000元	–	47.58%	Manufacture and sale of dairy products 生產及出售乳製品
Baoding Junlebao Dairy Co., Ltd. (i)(ii)(iv)(v) 保定君樂寶乳業有限公司 (i)(ii)(iv)(v)	25 August 2003 二零零三年八月 二十五日	RMB32,540,000 人民幣32,540,000元	–	24.26%	Manufacture and sale of dairy products 生產及出售乳製品

19. Investments in Subsidiaries (CONTINUED)

19. 於子公司的投資(續)

Name 名稱	Date of incorporation/ establishment* 註冊成立/成立日期*	Issued share capital 已發行股本	Percentage of equity interest attributable to the Company 本公司應佔的股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Luquan Hongqi Dairy Co., Ltd. (i)(ii)(iv)(v) 鹿泉紅旗乳業有限公司 (i)(ii)(iv)(v)	30 July 1996 一九九六年七月三十日	RMB9,650,000 人民幣9,650,000元	–	24.26%	Manufacture and sale of dairy products 生產及出售乳製品
Jiangsu Junlebao Dairy Co., Ltd. (i)(ii)(iv)(v) 江蘇君樂寶乳業有限公司 (i)(ii)(iv)(v)	8 March 2004 二零零四年三月八日	RMB20,617,300 人民幣20,617,300元	–	24.26%	Manufacture and sale of dairy products 生產及出售乳製品
Xuzhou Junlebao Guorun Dairy Co., Ltd. (i)(ii)(iv)(v) 徐州君樂寶國潤乳業有限公司 (i)(ii)(iv)(v)	20 June 2008 二零零八年六月二十日	RMB10,000,000 人民幣10,000,000元	–	24.26%	Manufacture and sale of dairy products 生產及出售乳製品

* Except for China Dairy Holdings and China Dairy (Mauritius) Limited, which were incorporated in the Cayman Islands and Mauritius, respectively, all subsidiaries were incorporated in the PRC.

(i) Not audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network.

(ii) The subsidiaries are registered as companies with limited liability under the PRC law.

(iii) The subsidiaries are registered as Sino-foreign equity joint ventures under the PRC law.

(iv) Since more than 50% of the equity interest of the subsidiaries was held by either Inner Mongolia Mengniu Dairy (Group) Company Limited (“Mengniu”) or Inner Mongolia Hehe Investment Co., Ltd. (“Hehe”) in which the Company held a 93.29% equity interest, the Company had control over the subsidiaries even with less than 50% of equity interest held indirectly as at the end of reporting period.

(v) During the year, the Group acquired a 51% equity interest in Junlebao. Further details of the acquisition are included in note 43 to the financial statements.

* 除China Dairy Holdings及China Dairy (Mauritius) Limited分別於開曼群島及毛里求斯註冊成立外，所有子公司均於中國註冊成立。

(i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司所審核。

(ii) 該等子公司均根據中國法律註冊為有限責任公司。

(iii) 該等子公司均根據中國法律註冊為中外合資公司。

(iv) 於報告期末，由於該等子公司逾一半股權由內蒙古蒙牛乳業(集團)股份有限公司(「蒙牛」)或內蒙古禾和投資有限責任公司(「禾和」)(本公司持有其93.29%股權)持有，縱使本公司間接持有少於一半股權，本公司對該等子公司仍具有控制權。

(v) 年內，本集團收購君樂寶51%股權。收購進一步詳情載於財務報表附註43。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. Investments in Associates

20. 於聯營公司的投資

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Share of net assets	分佔淨資產	113,857	67,383

Details of the Group's associates at 31 December 2010 are set out below:

於二零一零年十二月三十一日，本集團之聯營公司的詳情載於下文：

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010	2009	
			二零一零年	二零零九年	
Xinjiang Tianxue Food Co., Ltd. (i) 新疆天雪食品有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	23%	23%	Trading of dairy products 乳製品貿易
Fuzhou Mengxin Trading Co., Ltd. (i) 福州蒙鑫貿易有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	43%	43%	Trading of dairy products 乳製品貿易
Shijiazhuang Mengniu Ice Cream Sales Co., Ltd. (i) 石家莊蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Tianjin Mengniu Ice Cream Sales Co., Ltd. (i) 天津蒙牛冰淇淋銷售有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Guangzhou Mengniu Dairy Trading Co., Ltd. (i) 廣州市蒙牛乳業貿易有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Wuhan Mengniu Dairy Co., Ltd. (i) 武漢蒙牛乳業有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	26%	26%	Trading of dairy products 乳製品貿易

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Guilin Mengniu Dairy Sales Co., Ltd. (i) 桂林蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Tianjin Mengniu Dairy Sales Co., Ltd. (i) 天津市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Wenzhou Mengniu Dairy Co., Ltd. (i) 溫州蒙牛乳業有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Heilongjiang Mengniu Dairy Sales Co., Ltd. (i) 黑龍江蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Chengdu Mengniu Dairy Sales Co., Ltd. (i) 成都蒙牛乳業銷售有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	34%	34%	Trading of dairy products 乳製品貿易
Nanjing Mengniu Dairy Sales Co., Ltd. (i) 南京蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Jinan Mengniu Dairy Sales Co., Ltd. (i) 濟南蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	42%	Trading of dairy products 乳製品貿易
Taiyuan Mengniu Dairy Co., Ltd. (i) 太原市蒙牛乳業有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	37%	Trading of dairy products 乳製品貿易
Nanchang Mengniu Dairy Sales Co., Ltd. (i) 南昌蒙牛乳業銷售有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Chongqing Mengniu Dairy Sales Co., Ltd. (i) 重慶市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	37%	Trading of dairy products 乳製品貿易
Hefei Mengniu Dairy Sales Co., Ltd. (i) 合肥市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	39%	39%	Trading of dairy products 乳製品貿易

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Shijiazhuang Jinmengyuan Trading Co., Ltd. (i) 石家莊金蒙源貿易有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Beijing Mengniu Technical Development Co., Ltd. (i) (ii) 北京蒙牛科技發展有限公司(i) (ii)	Registered capital 註冊資本	Mainland China 中國大陸	19%	19%	Technology development 技術開發
Wulumuqi Mengniu Dairy Sales Co., Ltd. (i) 烏魯木齊蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Kunming Deluxe Commercial Trading Co., Ltd. (i) 昆明特侖蘇商貿有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Changsha Mengniu Dairy Co., Ltd. (i) 長沙市蒙牛乳業有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Xi'an Mengniu Dairy Sales Co., Ltd. (i) 西安蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	43%	43%	Trading of dairy products 乳製品貿易
Changchun Mengniu Dairy Sales Co., Ltd. (i) 長春蒙牛乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	42%	Trading of dairy products 乳製品貿易
Xuzhou Mengniu Dairy Sales Co., Ltd. (i) 徐州蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Foshan Mengniu Dairy Sales Co., Ltd. (i) 佛山市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Guiyang Mengniu Dairy Trading Co., Ltd. (i) 貴陽蒙牛乳業貿易有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	42%	Trading of dairy products 乳製品貿易

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Shengyang Mengniu Dairy Sales Co., Ltd. (i) (ii) 瀋陽蒙牛乳業銷售有限公司(i) (ii)	Registered capital 註冊資本	Mainland China 中國大陸	19%	19%	Trading of dairy products 乳製品貿易
Xiangfan Mengniu Dairy Sales Co., Ltd. (i) 襄樊市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Hangzhou Mengniu Dairy Trading Co., Ltd. (i) 杭州蒙牛貿易有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Suzhou Mengniu Dairy Sales Co., Ltd. (i) 蘇州蒙牛乳製品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Guangzhou Mengniu Dairy Sales Co., Ltd. (i) 廣州市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	29%	29%	Trading of dairy products 乳製品貿易
Shanghai Mengniu Food Sales Co., Ltd. (i) 上海蒙牛食品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Hohhot Menglai Trading Co., Ltd. (i) 呼和浩特市蒙萊商貿有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Cangzhou Mengniu Dairy Sales Co., Ltd. (i) 滄州市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Changsha Mengniu Frealth Dairy Sales Co., Ltd. (i) 長沙蒙牛友芝友乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Changsha Mengniu Ice Cream Sales Co., Ltd. (i) 長沙蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Wuhan Mengniu Hongtai Sales Co., Ltd. (i) 武漢蒙牛宏泰食品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Nanjing Wanjiahao Mengniu Ice Cream Sales Co., Ltd. (i) 南京萬家好蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Hefei Mengniu Ice Cream Sales Co., Ltd. (i) 合肥蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Nanjing Mengniu Low Temperature Dairy Products Sales Co., Ltd. (i) 南京蒙牛乳業低溫乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Changsha Mengniu Low Temperature Dairy Products Sales Co., Ltd. (i) 長沙蒙牛乳業低溫乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易
Guangzhou Mengniu Low Temperature Dairy Sales Co., Ltd. (i) 廣州市蒙牛乳業低溫奶銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Jinhua Mengniu Ice Cream Sales Co., Ltd. (i) 金華蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Dalian Mengniu Ice Cream Sales Co., Ltd. (i) 大連蒙牛冰淇淋銷售有限責任公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Nanchang Mengniu Ice Cream Sales Co., Ltd. (i) 南昌蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Hengyang Mengniu Ice Cream Sales Co., Ltd. (i) 衡陽蒙牛冰淇淋銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	-	42%	Trading of dairy products 乳製品貿易
Taiyuan Mengniu Low Temperature Dairy Sales Co., Ltd. (i) 太原蒙牛乳業低溫乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Xi'an Mengniu Low Temperature Dairy Sales Co., Ltd. (i) 西安蒙牛乳業低溫乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Zhanjiang Mengniu Dairy Sales Co., Ltd. (i) 湛江市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Dezhou Mengniu Dairy Sales Co., Ltd. (i) 德州市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Zhaoqing Mengniu Dairy Sales Co., Ltd. (i) 肇慶市蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	29%	29%	Trading of dairy products 乳製品貿易
Liuzhou Mengniu Dairy Sales Co., Ltd. (i) 柳州蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	33%	33%	Trading of dairy products 乳製品貿易
Quanzhou Mengniu Hongtai Sales Co., Ltd. (i) 泉州市蒙牛乳業鴻泰銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	23%	23%	Trading of dairy products 乳製品貿易
Harbin Mengniu Frozen Food Sales Co., Ltd. (i) 哈爾濱蒙牛冷凍食品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Harbin Mengniu Trading Co., Ltd. (i) 哈爾濱蒙牛商貿有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	37%	Trading of dairy products 乳製品貿易

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Jiaying Mengniu Dairy Sales Co., Ltd. (i) 嘉興蒙牛乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Hengshui Guangyuanjuxing Trading Co., Ltd. (i) 衡水市廣源聚鑫商貿有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	46%	46%	Trading of dairy products 乳製品貿易
Kunming Mengniu Sales Co., Ltd. (i) 昆明蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	42%	Trading of dairy products 乳製品貿易
Inner Mongolia Mengniu Saikexing Reproductive Biotechnology Co., Ltd (Former name: Inner Mongolia Breeding BiotechCo., Ltd. (i) (note 44) 內蒙古賽科星繁育生物技術股份 有限公司(原名:內蒙古蒙牛繁育 生物技術有限公司)(附註44)	Registered capital 註冊資本	Mainland China 中國大陸	28%	28%	Cultivation and sale of cattle embryos 培育及出售牛胚胎
Xianyang Mengniu Sales Co., Ltd. (i) 咸陽蒙牛乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	–	Trading of dairy products 乳製品貿易
Wuhan Mengniu Fhealth Dairy Sales Co., Ltd. (i) 武漢蒙牛友芝友乳業銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	–	Trading of dairy products 乳製品貿易
Tianjin Mengniu Trading Co., Ltd. (i) 天津市開元蒙牛商貿有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	45%	–	Trading of dairy products 乳製品貿易
Shenzhen Mengniu Trading Co., Ltd. (i) 深圳蒙牛貿易有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	37%	–	Trading of dairy products 乳製品貿易

20. Investments in Associates (CONTINUED)

20. 於聯營公司的投資(續)

Name 名稱	Particulars of issued shares held 所持有已發行 股份資料	Place of incorporation/ registration and operations 註冊成立/登記及 營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的股權 百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Changzhou Mengniu Dairy Sales Co., Ltd. (i) 常州蒙牛乳品銷售有限公司(i)	Registered capital 註冊資本	Mainland China 中國大陸	42%	–	Trading of dairy products 乳製品貿易
Shijiazhuang Junlebao Leshi Dairy Co., Ltd. (i)(ii) 石家莊君樂寶樂時乳業有限公司(i)(ii)	Registered capital 註冊資本	Mainland China 中國大陸	11%	–	Manufacture and sale of dairy products 生產及銷售乳製品

(i) Not audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network.

(ii) Since more than 20% of the equity interest of the associates was held by either Mengniu or Junlebao, the Company had significant influence over the associates even with less than 20% of equity interest held indirectly as at the end of the reporting period.

(i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司所審核。

(ii) 於報告期末，由於該等聯營公司逾20%股權由蒙牛或君樂寶持有，縱使本公司間接持有的股權低於20%，本公司對該等聯營公司仍有重大影響力。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. Investments in Associates (CONTINUED)

The following table illustrates the summarised financial information of the Group's associates extracted from their unaudited management accounts:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Share of the associates' assets and liabilities:	分佔聯營公司的資產及負債：		
Current assets	流動資產	318,014	318,464
Non-current assets	非流動資產	46,866	26,331
Current liabilities	流動負債	(248,710)	(276,380)
Non-current liabilities	非流動負債	(2,313)	(1,032)
Net assets	淨資產	113,857	67,383
Share of the associates' revenues and profits and losses:	分佔聯營公司的收入及利潤(或虧損)：		
Revenues	收入	1,884,221	1,619,942
Profits and losses	利潤(或虧損)	40,438	19,522

During the year, the unrecognised share of the associates' losses amounted to RMB15,305,000 (2009: RMB10,076,000). As at 31 December 2010, the accumulated unrecognised share of the associates' losses amounted to RMB34,081,000 (2009: RMB19,421,000).

20. 於聯營公司的投資(續)

下表顯示本集團聯營公司的財務資料概要(摘錄自其未經審核管理賬目)：

年內，未確認分佔聯營公司虧損為人民幣15,305,000元(二零零九年：人民幣10,076,000元)。於二零一零年十二月三十一日，累計未確認分佔聯營公司虧損為人民幣34,081,000元(二零零九年：人民幣19,421,000元)。

21. Investments in a Jointly-Controlled Entity

Details of the Company's jointly-controlled entity are set out below:

Name 名稱	Particulars of issued shares held 所持有已發行股份資料	Place of establishment and operations 成立及營業地點	Percentage of equity interest attributable to the Group (indirect) 本集團應佔的權益百分比(間接)		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	
Mengniu Arla (Inner Mongolia) Dairy Products Co. Ltd. (i) 內蒙古歐世蒙牛乳製品有限責任公司 (公司原名：內蒙古蒙牛阿拉乳製品有限責任公司)	Registered capital 註冊資本	Mainland China 中國大陸	46.65%	46.65%	Manufacture and sale of dairy products 生產及出售乳製品

21. 於共同控制實體的投資

本公司的共同控制實體的詳情載列如下：

(i) Not audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network.

(i) 未經香港安永會計師事務所或安永全球網絡的其他成員公司所審核。

21. Investments in A Jointly-Controlled Entity (CONTINUED)

The share of the assets, liabilities, income and expenses of the jointly-controlled entity at 31 December 2010 and for the year then ended, which is included in the consolidated financial statements, is as follows:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Share of the assets and liabilities:	應佔資產及負債：		
Current assets	流動資產	123,715	75,160
Non-current assets	非流動資產	207,711	225,164
Current liabilities	流動負債	(238,475)	(191,410)
Net assets	淨資產	92,951	108,914
Share of the revenue and loss:	應佔收入及虧損：		
Revenue	收入	195,371	258,599
Cost of sales and operating expenses	銷售成本及經營費用	(211,334)	(264,958)
Loss	虧損	(15,963)	(6,359)

21. 於共同控制實體的投資(續)

下表顯示於二零一零年十二月三十一日及截至該日止年度本集團分佔共同控制實體的資產、負債、收入及開支，有關金額已計入綜合財務報表：

22. Available-for-sale Investments

22. 可供出售投資

		Notes 附註	Group 本集團 2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Listed equity investments, at fair value:	上市股本投資，按公允值：			
Hong Kong	香港	(a)	114,831	—
Unlisted equity investments, at fair value	非上市股本投資，按公允值	(a)	171,461	—
Unlisted equity investments, at cost	非上市股本投資，按成本值	(b)	15,389	17,409
			186,850	17,409
			301,681	17,409

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

22. Available-for-sale Investments (CONTINUED)

22. 可供出售投資(續)

		Company 本公司	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Listed equity investments, at fair value:	上市股本投資，按公允值：		
Hong Kong	香港	114,831	—

Notes:

- (a) The holding company of an unlisted company, in which the Group held a 2.32% equity interest at the cost of RMB12,000,000 as at 31 December 2010, was listed during the year. Accordingly, the fair value of the unlisted equity investment has been estimated by reference to the quoted market share price of its holding company, taking into account the liquidity factors. In addition, the Company invested cash of approximately HK\$151,512,000 (equivalent to RMB128,926,000) into the aforementioned holding company, representing a 1.08% equity interest in the holding company as at 31 December 2010.

Changes in fair value of the Group's available-for-sale investments recognised in other comprehensive income amounted to RMB105,501,000, net of tax of RMB39,865,000.

The above investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

- (b) As at 31 December 2010, certain unlisted equity investments with a carrying amount of RMB15,389,000 (2009: RMB17,409,000) were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future.

附註：

- (a) 一間非上市公司(本集團於二零一零年十二月三十一日按成本人民幣12,000,000元持有其2.32%股權)之控股公司於年內上市。據此，該非上市股本投資的公允值乃參考其控股公司的市場所報股價並考慮流動性因素而作估計。此外，本公司投資約151,512,000港元現金(相等於人民幣128,926,000元)於上述控股公司，相當於二零一零年十二月三十一日該控股公司1.08%股權。

於其他綜合收益確認的本集團可供出售投資的公允值變動為人民幣105,501,000元(扣除稅項人民幣39,865,000元)。

上述投資由指定為可供出售金融資產的股本證券投資組成，並無固定到期日或票面息率。

- (b) 於二零一零年十二月三十一日，由於合理公允值估算的範圍的變動很重大，董事認為其公允值不能可靠計量，故賬面值為人民幣15,389,000元(二零零九年：人民幣17,409,000元)的若干非上市股本投資按成本減去減值列賬。本集團無意於短期內出售該等投資。

23. Deferred Tax

The movements in the deferred tax assets and liabilities during the year are as follows:

Deferred tax assets:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	131,741	186,881
Deferred tax debited to the consolidated income statement during the year (note 9)	年內於綜合利潤表扣除的遞延所得稅(附註9)	(50,681)	(55,140)
Gross deferred tax assets at 31 December	於十二月三十一日的遞延所得稅資產總額	81,060	131,741

Deferred tax liabilities:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	—	—
Deferred tax credited to the consolidated statement of comprehensive income arising from fair value changes of available-for-sale investments during the year (note 22(a))	年內因可供出售投資的公允價值變動而產生計入綜合全面收益表的遞延所得稅(附註22(a))	39,865	—
Gross deferred tax liabilities at 31 December	於十二月三十一日的遞延所得稅負債總額	39,865	—

23. 遞延所得稅

年內遞延所得稅資產及負債的變動如下：

遞延所得稅資產：

遞延所得稅負債：

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

23. Deferred Tax (CONTINUED)

Deferred income tax assets at 31 December 2010 related to the following:

23. 遞延所得稅(續)

於二零一零年十二月三十一日的遞延所得稅資產與下列項目有關：

		Consolidated statement of financial position		Consolidated income statement	
		綜合財務狀況表		綜合利潤表	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		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
Tax losses available for offsetting against future taxable profits	可抵銷日後應課稅利潤的稅項虧損	56,565	91,878	(35,313)	(59,011)
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	103	131	(28)	(26,861)
Un-invoiced accruals	未獲得發票的預提費用	–	16,925	(16,925)	7,925
Deferred income	遞延收益	24,392	22,807	1,585	22,807
Deferred tax assets	遞延所得稅資產	81,060	131,741		
Deferred income tax expense (note 9)	遞延所得稅支出 (附註9)			(50,681)	(55,140)

Management expects it is probable that taxable profit will be available against which the above tax losses and deductible temporary differences can be utilised in the coming years.

管理層預期未來年度有可能出現應課稅利潤，可用以抵扣上述稅項虧損及可扣減暫時性差異。

23. Deferred Tax (CONTINUED)

Deferred tax assets have not been recognised in respect of the following items:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Tax losses arising in Mainland China (i)	於中國大陸產生的稅項虧損(i)	102,212	205,373
Tax credits related to purchases of domestic equipment (ii)	與購置國內設備有關的稅項抵免(ii)	56,819	105,684
Deductible temporary differences	可扣減暫時性差異	172,576	143,272
		331,607	454,329

- (i) Tax losses can be carried forward for a maximum of five years to offset the future taxable profit.
- (ii) Tax credits can be carried forward for five to seven years to offset the tax payables if the future year tax exceeded the base year tax.

Pursuant to the New Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2010, no deferred tax liabilities (2009: Nil) have been recognised for the withholding taxes that would be payable on the unremitted earnings by Mengniu and other subsidiaries located in Mainland China whose equity interests were directly held by the Company as the directors of the Company represented that there was no plan to distribute the earnings generated in 2009 and 2010.

23. 遞延所得稅(續)

遞延所得稅資產並未就下列項目確認：

- (i) 稅項虧損可結轉五年以抵銷日後應課稅利潤。
- (ii) 倘未來年度的稅款超逾基準年度的稅款，稅項抵免可結轉五至七年以抵銷應付稅款。

根據新稅法，於中國大陸成立的外資企業向外國投資者宣派的股息須徵收10%預扣稅。有關規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後所產生的盈利。倘中國與外國投資者所屬司法權區之間訂有稅務協定，則可按較低預扣稅率徵收。本集團的適用稅率為5%或10%。因此，本集團須就該等於中國大陸成立的子公司就二零零八年一月一日起產生的盈利所分派的股息計繳預扣稅。

於二零一零年十二月三十一日，並未就於蒙牛及位於中國大陸的其他本公司擁有直接股權子公司的未匯出盈利而應付的預扣稅確認遞延所得稅負債(二零零九年：無)，此乃由於本公司董事表示概無計劃就於二零零九年及二零一零年產生的盈利作分派。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

23. Deferred Tax (CONTINUED)

At 31 December 2010, there were no significant unrecognised deferred tax liabilities (2009: Nil) for taxes that would be payable on the unremitted earnings of certain of Mengniu's subsidiaries and associates, as Mengniu has no liability to additional tax should such amount be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

Except for the amount disclosed above, the Group and the Company did not have any material unrecognised deferred tax liabilities or deferred tax assets at 31 December 2010 (2009: Nil).

24. Other Financial Assets

Other financial assets represented entrusted loans to certain dairy farmers via banks. A maturity analysis of the entrusted loans of the Group is as follows:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 1 year	一年內	17,888	10,222
1 to 2 years	一至兩年	31,507	11,399
2 to 3 years	兩至三年	29,188	3,870
Over 3 years	三年以上	11,059	5,599
Total entrusted loans	委託貸款總額	89,642	31,090
Less: Amount due within one year included in current assets under other receivables (note 29)	減：計入流動資產中其他應 收款項的一年內到期 款項(附註29)	(17,888)	(10,222)
		71,754	20,868

The annual interest rates of the entrusted loans varied from 5.76% to 8.16% (2009: 5.76% to 8.02%).

23. 遞延所得稅(續)

於二零一零年十二月三十一日，概無任何涉及蒙牛若干子公司及聯營公司的未匯出盈利而應付的稅項的重大未確認遞延所得稅負債(二零零九年：無)，此乃因為即使該等款項獲匯出，蒙牛亦無須繳付額外稅項。

概無因本公司向其股東支付股息而附帶的所得稅後果。

除上述所披露的金額外，於二零一零年十二月三十一日，本集團及本公司概無任何重大未確認遞延所得稅負債或遞延所得稅資產(二零零九年：無)。

24. 其他金融資產

其他金融資產乃透過銀行提供予若干奶戶的委託貸款。本集團委託貸款之到期分析如下：

委託貸款的年利率介乎5.76%至8.16%(二零零九年：5.76%至8.02%)。

25. Inventories

25. 存貨

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Raw materials	原材料	880,156	507,721
Finished goods	產成品	296,267	207,176
Total inventories at the lower of cost and net realisable value	按成本與可變現淨值的較低者計價的存貨總額	1,176,423	714,897

The amount of write-down of inventories recognised as an expense was RMB865,000 (2009: RMB1,033,000) which was recognised in other operating expenses (note 5).

確認為開支的存貨撇減金額人民幣865,000元(二零零九年：人民幣1,033,000元)於其他經營費用(附註5)中確認。

26. Bills Receivable

An aged analysis of the bills receivable as at the end of the reporting period, based on the invoice date, is as follows:

26. 應收票據

本集團於報告期末的應收票據按發票日期的賬齡分析如下：

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 3 months	3個月以內	19,439	51,949
4 to 6 months	4至6個月	1,100	500
		20,539	52,449

As at 31 December 2010, no bills receivable (2009: RMB41,036,000) were factored with recourse to financial institutions. In 2009, the corresponding amount was recorded as short term bank loans (note 34).

於二零一零年十二月三十一日，概無應收票據(二零零九年：人民幣41,036,000元)貼現予金融機構(附帶追索權)。於二零零九年，相應金額已計入短期銀行貸款(附註34)。

No bills receivable due from associates (2009: RMB5,683,000) are included in the above balances.

上述結餘中不包括任何應收聯營公司票據(二零零九年：人民幣5,683,000元)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. Trade Receivables

27. 應收賬款

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Trade receivables	應收賬款	556,422	529,805
Impairment	減值	(1,489)	(2,502)
		554,933	527,303

The Group normally allows a credit period of not more than 30 days to its customers which is extendable in certain circumstances. The Group closely monitors overdue balances. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The trade receivables are non-interest-bearing.

本集團一般給予客戶不超過30天的信貸期，在特定情況下可延長。本集團密切留意逾期未償還結餘。鑒於上文所述及本集團的應收賬款乃與大量不同類別的客戶有關，故並無重大信貸集中風險。應收賬款並無附帶利息。

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

本集團經扣除呆賬撥備的應收賬款按發票日期的賬齡分析如下：

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 3 months	3個月以內	444,546	471,122
4 to 6 months	4至6個月	101,423	46,112
7 to 12 months	7至12個月	8,205	7,243
Over 1 year	1年以上	759	2,826
		554,933	527,303

27. Trade Receivables (CONTINUED)

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

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	2,502	1,744
Impairment losses recognised	已確認的減值損失	1,264	2,100
Impairment losses reversed	撥回減值損失	(2,277)	(1,342)
At 31 December	於十二月三十一日	1,489	2,502

27. 應收賬款(續)

應收賬款減值撥備的變動如下：

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

不存在減值問題的應收賬款的賬齡分析如下：

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Neither past due nor impaired	既未過期亦無減值	533,314	504,804
Past due but not impaired	已過期但無減值		
– Within 3 months	– 3個月內	3,081	–
– Over 3 months	– 3個月以上	3,579	–
		539,974	504,804

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. Trade Receivables (CONTINUED)

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

The amounts due from associates of approximately RMB276,844,000 (2009: RMB280,354,000) and an amount due from a jointly-controlled entity of approximately RMB155,000 (2009: RMB4,248,000) are included in the above balances. These balances are unsecured, non-interest-bearing and are repayable on credit terms similar to those offered to other major customers of the Group.

28. Prepayments and Deposits

Deposits	按金
Prepayments	預付款
Value-added tax recoverable	可抵扣增值稅
Corporate income tax recoverable	可退企業所得稅
Land use rights – current (note 14)	土地使用權 – 即期部分(附註14)

The amount due from an associate of approximately RMB1,951,000 (2009: RMB2,676,000) and an amount due from a jointly-controlled entity of approximately RMB54,000,000 (2009: Nil) are included in the above balances.

27. 應收賬款(續)

既未過期亦無減值之應收款項乃與大量不同類別的客戶有關，彼等在近期並無拖欠款項之記錄。

到期未付但並無減值之應收款項乃與一些獨立客戶有關，該等客戶在本集團內有良好的往績記錄。根據過往經驗，本公司董事認為無需就該等結餘計提減值撥備，皆因信貸質量並無太大的轉變而結餘被認為依然可以全數收回。本集團在該等結餘方面並無持有抵押品或其他信貸提升。

上述結餘包括應收聯營公司款項約人民幣276,844,000元(二零零九年：人民幣280,354,000元)及應收共同控制實體款項約人民幣155,000元(二零零九年：人民幣4,248,000元)。上述結餘為無抵押及免息，償還信貸期與給予本集團其他主要客戶的相若。

28. 預付款及按金

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
		6,844	2,674
		834,496	253,047
		75,518	–
		14,965	8,850
		10,480	8,056
		942,303	272,627

上述結餘包括應收聯營公司款項約人民幣1,951,000元(二零零九年：人民幣2,676,000元)及應收共同控制實體款項約人民幣54,000,000元(二零零九年：無)。

29. Other Receivables

The balance of other receivables can be analysed as follows:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Dividends receivable	應收股息	393	3,198
Other financial assets (note 24)	其他金融資產(附註24)	17,888	10,222
Others	其他	151,616	52,782
Total	總計	169,897	66,202

29. 其他應收款項

其他應收款項結餘分析如下：

		Company 本公司	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Due from subsidiaries	應收一家子公司款項	36,843	1,436,930
Others	其他	106	94
Total	總計	36,949	1,437,024

The loan to a subsidiary included in other receivables above is unsecured, interest-bearing and repayable within one year. The carrying amount of the loan to a subsidiary approximates to its fair value.

計入上述其他應收款項的應收一家子公司款項為無抵押、計息且須於一年內償還。應收一家子公司款項的賬面值與其公允值相若。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

30. Cash and Bank Balances and Pledged Deposits

30. 現金及銀行結存及保證金存款

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	3,775,255	3,986,624
Pledged deposits	保證金存款	102,399	230,968
Time deposits with original maturity of more than three months	原到期日為三個月以上的定期存款	2,922,558	2,163,397
		6,800,212	6,380,989
Less: Deposits pledged for banking facilities (note 32 and 34)	減：作為銀行融資抵押的保證金存款（附註32及34）	(102,399)	(230,968)
Cash and bank balances	現金及銀行結存	6,697,813	6,150,021

		Company 本公司	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結存	599,995	2,354,922

Cash at banks earns interest at the prevailing market interest rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default. Cash and bank balances amounting to approximately RMB5,101,754,000 (2009: RMB3,626,788,000) were denominated in Renminbi, which is not freely convertible in the international foreign exchange market and whose exchange rate is determined by the People's Bank of China.

銀行存款根據市場利率計息。銀行結存及保證金存款乃存放於信譽良好且無近期拖欠記錄之銀行。為數約人民幣5,101,754,000元(二零零九年：人民幣3,626,788,000元)的現金及銀行結存均以人民幣為單位，而人民幣在國際外匯市場上是不可自由兌換的，其匯率由中國人民銀行訂定。

31. Trade Payables

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

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 3 months	3個月以內	1,994,978	1,463,848
4 to 6 months	4至6個月	51,315	63,708
7 to 12 months	7至12個月	13,909	2,868
Over 1 year	1年以上	991	942
		2,061,193	1,531,366

The amount due to an associate of approximately RMB28,955,000 (2009: RMB2,000) is included in the above balances. The balance is unsecured, non-interest-bearing and repayable on demand.

The Group's trade payables are unsecured and non-interest-bearing.

31. 應付賬款

本集團應付賬款根據發票日期的賬齡分析如下：

上述結餘包括應付聯營公司款項約人民幣28,955,000元(二零零九年：人民幣2,000元)。該等結餘為無抵押、免息及須應要求償還。

本集團的應付賬款為無抵押及免息。

32. Bills Payable

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

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 3 months	3個月內	493,824	712,105
4 to 6 months	4至6個月	993,478	96,304
		1,487,302	808,409

Except for an aggregate balance of approximately RMB539,490,000 (2009: RMB612,301,000) secured by the pledge of certain of the Group's deposits amounting to approximately RMB94,839,000 (2009: RMB142,190,000) (note 30), bills payable are unsecured. The above balances are non-interest-bearing.

32. 應付票據

本集團應付票據根據發票日期的賬齡分析如下：

除合計約人民幣539,490,000元(二零零九年：人民幣612,301,000元)的應付票據結餘乃以本集團為數約人民幣94,839,000元(二零零九年：人民幣142,190,000元)(附註30)的若干存款作抵押外，其餘的應付票據為無抵押。上述結餘為免息。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. Accruals and Customers' Deposits

33. 預提費用及客戶訂金

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Advances from customers	客戶預付款	666,841	373,939
Salary and welfare payables	應付薪金及福利費	213,301	185,352
		880,142	559,291

The amounts due to associates of approximately RMB86,931,000 (2009: RMB88,087,000) are included in the above balances. The balances are unsecured, non-interest-bearing and are repayable on demand.

上述結餘包括應付聯營公司款項約人民幣86,931,000元(二零零九年：人民幣88,087,000元)。上述結餘為無抵押、免息及須應要求償還。

34. Interest-Bearing Bank Loans

34. 計息銀行貸款

		Group 本集團					
		2010 二零一零年			2009 二零零九年		
		Maturity	Fixed rate	Floating rate	Maturity	Fixed rate	Floating rate
		到期日	固定利率	淨動利率	到期日	固定利率	淨動利率
			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
Short term bank loans, secured	短期銀行貸款(有抵押)	2011	118,686	–	2010	126,170	–
Short term bank loans, unsecured	短期銀行貸款(無抵押)	2011	152,100	280,000	2010	197,423	–
Long term bank loans, unsecured	長期銀行貸款(無抵押)	2012	–	150,000	2011-2012	–	350,000
			270,786	430,000		323,593	350,000

34. Interest-Bearing Bank Loans (CONTINUED)

At 31 December 2010, short term bank loans of approximately RMB93,686,000 were secured by certain land use rights (note 14), property, plant and equipment (note 12(b)) and pledged deposits (note 30) of the Group. A short term bank loan of approximately RMB25,000,000 was secured by certain assets of an associate. At 31 December 2009, short term bank loans of approximately RMB126,170,000 were secured by certain bills receivable (note 26) and pledged deposits (note 30) of the Group.

During the year, the annual interest rates of the short term bank loans and the long term bank loans varied from 2.05% to 9.36% and 4.86% to 5.04% (2009: varied from 1.19% to 6.93% and from 4.86% to 7.25%), respectively. As at 31 December 2010, except for a short term bank loan of US\$4,219,000 equivalent to approximately RMB27,866,000 (2009: US\$19,412,000) denominated in United States dollars, all the Group's interest-bearing bank loans were denominated in RMB.

The repayment schedule of the bank loans is as follows:

		Group 本集團	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Within 1 year	1年內	550,786	323,593
1 to 2 years	1至2年內	150,000	200,000
2 to 5 years	2至5年內	–	150,000
Total interest-bearing bank loans	計息銀行貸款總額	700,786	673,593
Less: Amount due within one year included in current liabilities	減：流動負債中的一年內 到期款項	(550,786)	(323,593)
		150,000	350,000

34. 計息銀行貸款(續)

於二零一零年十二月三十一日，短期銀行貸款約人民幣93,686,000元乃由本集團若干土地使用權(附註14)、物業、廠房及設備(附註12(b))及保證金存款(附註30)作抵押。短期銀行貸款約人民幣25,000,000元乃由聯營公司若干資產作抵押。於二零零九年十二月三十一日，短期銀行貸款約人民幣126,170,000元乃由本集團的若干應收票據(附註26)及保證金存款(附註30)作抵押。

本年度內，短期銀行貸款和長期銀行貸款的年利率分別介乎2.05%至9.36%及4.86%至5.04%(二零零九年：介乎1.19%至6.93%及4.86%至7.25%)之間。於二零一零年十二月三十一日，除短期銀行貸款4,219,000美元(相當於約人民幣27,866,000元)(二零零九年：19,412,000美元)乃以美元為單位外，本集團的所有計息銀行貸款均以人民幣為單位。

銀行貸款的還款期如下：

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

35. Other Loans

35. 其他貸款

		Group 本集團	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short term loans	短期貸款	140,018	106,947

Except for other loans amounting to RMB2,646,000 which were interest-bearing and were secured by certain property, plant and equipment (note 12(b)), all other loans are unsecured, interest-free, and with no repayment terms. Other loans were all granted by local government authorities in the PRC for the purpose of supporting the Group's establishment of production plants in various locations in the PRC.

除為數人民幣2,646,000元的其他貸款為計息及由若干物業、廠房及設備(附註12(b))作抵押外，所有其他貸款為無抵押、免息及無歸還期限貸款。其他貸款全部由中國地方政府當局為支持本集團在中國多個地方設置生產廠房而授出。

36. Long Term Payables

The Group's long term payables represent the amortised costs of the outstanding instalments payable for the purchase of production equipment. The effective interest rate used for the amortisation is the prevailing market interest rate. The balances are repayable as follows:

36. 長期應付款項

本集團的長期應付款項指須就購置生產設備分期支付款項的攤銷成本。攤銷所使用的實際利率為當前市場利率。有關結餘的還款期如下：

		Group 本集團	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	1年內	43,932	83,237
1 to 2 years	1至2年	8,560	37,773
2 to 5 years	2至5年	5,542	12,106
Over 5 years	5年以上	—	—
Total long term payables	長期應付款項總額	58,034	133,116
Less: Amount due within one year included in current liabilities under other payables	減：計入流動負債中其他應付款項的一年內到期款項	(43,932)	(83,237)
		14,102	49,879

Certain long term payables are secured by the Group's property, plant and equipment (note 12(b)).

若干長期應付款項以本集團的物業、廠房及設備作抵押(附註12(b))。

37. Deferred Income

Various local government authorities have granted certain property, plant and equipment to the Group for nil consideration and provided finance to the Group to purchase certain property, plant and equipment by way of a cash donation. Both the property, plant and equipment and grants are recorded initially at fair value. The grants received are regarded as deferred income, which is amortised to match the depreciation charge of the property, plant and equipment granted or purchased in accordance with their estimated useful lives. Movements of the balances during the year are as follows:

37. 遞延收益

多個地方政府當局無償向本集團授予若干物業、廠房及設備，並以現金捐獻方式向本集團提供融資，讓本集團購買若干物業、廠房及設備。物業、廠房及設備及補助金最初均以公允價值列賬。已收取的補助金均被視為遞延收益，遞延收益根據物業、廠房及設備的估計可使用年期攤銷，以配對該等授予或購置物業、廠房及設備的折舊費用。年內該結餘的變動如下：

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At beginning of year	年初	243,775	196,128
Received during the year	年內收取	12,213	61,442
Amortisation during the year	年內攤銷	(14,857)	(13,795)
At end of year	年終	241,131	243,775
Current portion	即期部分	15,082	13,162
Non-current portion	非即期部分	226,049	230,613
		241,131	243,775

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

38. Other Financial Liabilities

38. 其他財務負債

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註		
Contingent consideration (note 43)	或然代價(附註43)	87,101	—
Present value of redemption amount for potential acquisition of puttable non-controlling interests	可沽售非控股股東權益潛在收購的贖回金額的現值	332,926	—
	(a)	420,027	—

Note:

- (a) According to the equity purchase agreement entered into among the Group, Junlebao and the non-controlling shareholders of Junlebao, the Group granted a put option to the non-controlling shareholders under which the non-controlling shareholders have the right to sell, and the Group has an obligation to buy the 49% equity interest in Junlebao after 2016. At 31 December 2010, the Group derecognised the carrying amount of non-controlling interests of RMB197,299,000 and recognised a financial liability at the present value of the amount payable upon exercise of the option of RMB332,926,000, and accounted for the difference of RMB135,627,000 into equity.

附註：

- (a) 根據本集團、君樂寶及君樂寶的非控股股東訂立的股本購買協議，本集團向非控股股東授出認沽權，據此，於二零一六年後非控股股東有權出售，及本集團有責任購買君樂寶49%股權。於二零一零年十二月三十一日，本集團終止確認非控股股東權益的賬面值人民幣197,299,000元及按行使認沽權時應付款項的現值人民幣332,926,000元確認金融負債，並將差額人民幣135,627,000元計入權益。

39. Share Capital

39. 股本

		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Authorised:	法定：		
3,000,000,000 ordinary shares of HK\$0.1 each	3,000,000,000股每股面值0.1港元的普通股	319,235	319,235

39. Share Capital (CONTINUED)

39. 股本(續)

		Notes 附註	Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
At 1 January 2010	於二零一零年一月一日		1,737,192	178,611
Shares issued under the equity-settled share option scheme	根據以股份支付的購股權計劃 發行股份	(b)	796	68
At 31 December 2010	於二零一零年十二月三十一日		1,737,988	178,679

		Notes 附註	Number of ordinary shares 普通股數目 '000 千股	RMB'000 人民幣千元
At 1 January 2009	於二零零九年一月一日		1,561,640	163,137
Issue of shares	發行股份	(a)	173,800	15,320
Shares issued under the equity-settled share option scheme	根據以股份支付的購股權計劃 發行股份	(b)	1,752	154
At 31 December 2009	於二零零九年十二月三十一日		1,737,192	178,611

(a) On 5 July 2009, the Company completed the placing of 173,800,000 new shares of the Company with a par value of HK\$0.10 each at the placing price of HK\$17.60 (equivalent to RMB15.50) per share, resulting in proceeds, net of share issue expenses, of approximately HK\$3,058,000,000 (equivalent to approximately RMB2,694,483,000). The placing gave rise to a share premium of HK\$3,040,620,000 (equivalent to approximately RMB2,679,163,000), being the excess of the gross proceeds less share issue expenses over the par value of the new shares issued of HK\$17,380,000 (equivalent to approximately RMB15,320,000). Details of the subscription of new shares were disclosed in the Company's announcement dated 6 July 2009.

(b) Details of the Company's share option scheme and the share options issued under the scheme are included in note 42 to the financial statements.

(a) 於二零零九年七月五日，本公司以每股配售價17.60港元(相等於人民幣15.50元)完成配發173,800,000股每股面值0.10港元的本公司新股份，所得款項扣除股份發行費用約為3,058,000,000港元(相等於約人民幣2,694,483,000元)。此次配發帶來3,040,620,000港元(相等於約人民幣2,679,163,000元)的股份溢價，即所得款項總額減股份發行費用後超出所發行新股面值17,380,000港元(相等於約人民幣15,320,000元)的金額。認購新股的詳情披露於本公司於二零零九年七月六日刊發的公佈。

(b) 本公司購股權計劃及根據該計劃發行的購股權的詳情載列於財務報表附註42。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

40. Reserves

(A) Group

Movements in the other reserves of the Group during the year are as follows:

40. 儲備

(A) 本集團

年度內，本集團的其他儲備變動如下：

		Share premium	Contributed surplus	Statutory reserves	Currency translation differences	Available-for-sale investment revaluation reserve	Share option reserve	Other reserve	Total
		股份溢價	實繳盈餘	法定儲備	貨幣換算差額	可供出售投資重估儲備	購股權儲備	其他儲備	總計
		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
			Note (a)	Note (b)		Note 22	Note 42		
			附註(a)	附註(b)		附註22	附註42		
At 1 January 2009	於二零零九年一月一日	2,897,558	232,020	768,829	(137,446)	-	176,963	-	3,937,924
Issue of shares (note 39)	發行股份(附註39)	2,679,163	-	-	-	-	-	-	2,679,163
Transfer to statutory reserves	轉撥至法定儲備	-	-	184,588	-	-	-	-	184,588
Shares issued under equity-settled share option arrangements (note 42)	根據以股份支付的購股權安排發行股份(附註42)	20,515	-	-	-	-	-	-	20,515
Currency translation differences	貨幣換算差額	-	-	-	(4,535)	-	-	-	(4,535)
Equity-settled share option arrangements (note 42)	以股份支付的購股權安排(附註42)	-	-	-	-	-	284,646	-	284,646
At 1 January 2010	於二零一零年一月一日	5,597,236	232,020	953,417	(141,981)	-	461,609	-	7,102,301
Transfer to statutory reserves	轉撥至法定儲備	-	-	236,378	-	-	-	-	236,378
Shares issued under equity-settled share option arrangements (note 42)	根據以股份支付的購股權安排發行股份(附註42)	13,343	-	-	-	-	-	-	13,343
Currency translation differences	貨幣換算差額	-	-	-	(150,885)	-	-	-	(150,885)
Equity-settled share option arrangements (note 42)	以股份支付的購股權安排(附註42)	-	-	-	-	-	366,183	-	366,183
Transfer of share option reserve upon exercise of share options	行使購股權時轉撥至購股權儲備	15,991	-	-	-	-	(15,991)	-	-
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允值變動，扣除稅項	-	-	-	-	97,476	-	-	97,476
Derecognition of puttable non-controlling interests (note 38)	終止確認可沽售非控股股東權益(附註38)	-	-	-	-	-	-	(135,627)	(135,627)
At 31 December 2010	於二零一零年十二月三十一日	5,626,570	232,020	1,189,795	(292,866)	97,476	811,801	(135,627)	7,529,169

40. Reserves (CONTINUED)

(B) Company

Movements in the reserves of the Company during the year are as follows:

40. 儲備(續)

(B) 本公司

年度內，本公司的其他儲備變動如下：

		Share premium	Contributed surplus	Currency translation differences	Available-for-sale investment revaluation reserve	Retained earnings	Share option reserve	Total
		股份溢價	實繳盈餘	貨幣換算差額	投資重估儲備	保留利潤	購股權儲備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣
		千元	千元	千元	千元	千元	千元	千元
			Note (a)		Note 22		Note 42	
			附註(a)		附註22		附註42	
At 1 January 2009	於二零零九年一月一日	5,246,611	387,574	(422,178)	–	121,869	176,963	5,510,839
Profit for the year (note (d))	本年利潤(附註(d))	–	–	–	–	54,175	–	54,175
Issue of shares (note 39)	發行股份(附註39)	2,679,163	–	–	–	–	–	2,679,163
Shares issued under equity-settled share option arrangements (note 42)	根據以股份支付的購股權安排發行股份(附註42)	20,515	–	–	–	–	–	20,515
Equity-settled share option arrangements (note 42)	以股份支付的購股權安排(附註42)	–	–	–	–	–	284,646	284,646
Currency translation differences	貨幣換算差額	–	–	(12,279)	–	–	–	(12,279)
At 1 January 2010	於二零一零年一月一日	7,946,289	387,574	(434,457)	–	176,044	461,609	8,537,059
Profit for the year (note (d))	本年利潤(附註(d))	–	–	–	–	266,954	–	266,954
Shares issued under equity-settled share option arrangements (note 42)	根據以股份支付的購股權安排發行股份(附註42)	13,343	–	–	–	–	–	13,343
Equity-settled share option arrangements (note 42)	以股份支付的購股權安排(附註42)	–	–	–	–	–	366,183	366,183
Transfer of share option reserve upon exercise of share options	行使購股權時轉撥至購股權儲備	15,991	–	–	–	–	(15,991)	–
Final 2009 dividend declared	已宣派二零零九年期未股息	–	–	–	–	(245,445)	–	(245,445)
Change in fair value of available-for-sale investments, net of tax	可供出售投資公允價值變動，扣除稅項	–	–	–	(14,095)	–	–	(14,095)
Currency translation differences	貨幣換算差額	–	–	(297,271)	–	–	–	(297,271)
At 31 December 2010	於二零一零年十二月三十一日	7,975,623	387,574	(731,728)	(14,095)	197,553	811,801	8,626,728

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

40. Reserves (CONTINUED)

(B) Company (CONTINUED)

Notes:

(a) Contributed surplus

The balance of the contributed surplus of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation over the nominal value of the shares of the Company issued in exchange therefore, and the excess of the amount of capital injected by the minority shareholder over its additional interest in the subsidiary's net assets attributable to the Company's owners was recorded as contributed surplus of the Group.

The contributed surplus of the Company represents the difference between the then combined net assets value of the subsidiaries acquired pursuant to the group reorganisation over the nominal value of the shares of the Company issued in exchange therefor.

(b) Statutory reserves

In accordance with the relevant PRC laws and regulations, the PRC domestic companies are required to transfer 10% of their profit after income tax, as determined under the PRC accounting standards and financial regulations, to the statutory common reserve. Subject to certain restrictions as set out in the relevant PRC laws and regulations, the statutory common reserve may be used to offset against the accumulated losses, if any.

(c) Distributable reserves

Under the Companies Law (2004 Revision) of the Cayman Islands, the share premium and contributed surplus of the Company are distributable to shareholders, provided that immediately following such distributions, the Company is able to pay off its debts as and when they fall due in the ordinary course of business.

(d) The profit attributable to owners of the Company for the year ended 31 December 2010 dealt with in the financial statements of the Company was RMB266,954,000 (2009: RMB54,175,000), including the dividend income from subsidiaries amounting to approximately RMB252,314,000 (2009: RMB53,097,000).

41. Major Non-Cash Transactions

The Group had no material non-cash transactions other than those detailed elsewhere in these financial statements.

40. 儲備(續)

(B) 本公司(續)

附註：

(a) 實繳盈餘

本集團的實繳盈餘的結餘指根據集團重組所收購子公司的股本面值與本公司為換取上述股本所發行股份的面值間的差額，及該少數股東所注入的資本金額超過其獲得該子公司資產淨值的額外權益中本公司擁有人應佔部分，已記錄為本集團的實繳盈餘。

本公司的實繳盈餘指根據集團重組所收購子公司的當時合併資產淨值與本公司為換取上述合併資產淨值所發行股份的面值間的差額。

(b) 法定儲備

根據中國有關法律及法規的規定，中國的國內公司須將除所得稅後利潤的10%（根據中國會計準則及財政法規釐定）轉撥至法定公積金。根據中國有關法律及法規所載若干限制的規定，法定公積金可被用作抵銷累計虧損（如有）。

(c) 可供分派儲備

根據開曼群島公司法（二零零四年修訂），倘於緊隨擬派股息當日，本公司將能於日常業務過程中償還其到期的債務，則本公司股份溢價及實繳盈餘均可分派予股東。

(d) 截至二零一零年十二月三十一日止年度，在本公司財務報表中處理之本公司擁有人應佔利潤為人民幣266,954,000元（二零零九年：人民幣54,175,000元），包括來自子公司的股息收入約人民幣252,314,000元（二零零九年：人民幣53,097,000元）。

41. 重大非現金交易

除於財務報表其他地方詳述者外，本集團並無重大非現金交易。

42. Share-Based Payment Plan

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers and any person or entity that provides research, development or technological support to the Group. The Scheme became effective on 28 June 2005 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares in respect of share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the total number of shares of the Company in issue as at the date of approval and adoption of the Scheme provided that the Group may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the total shares of the Company in issue at any time. Any further grant of share options in excess of these limits is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 20 business days from the date of offer, upon payment of a consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than six years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

42. 以股份為基礎的支付計劃

本公司設立之購股權計劃(「計劃」)，目的為激勵對本集團業務成功作出貢獻的合資格參與者，並為彼等作出獎賞。計劃的合資格計劃參與者包括本公司董事(包括獨立非執行董事)、本集團之其他僱員、本集團之貨品或服務供應商、客戶以及向本集團提供研究、開發或技術支援的任何人士或實體。計劃於二零零五年六月二十八日生效，除另作取消或修訂外，否則於該日起十年內有效。

現時根據計劃准予授出之購股權經行使後可予發行的股份數目最多相等於本公司在批准及採納計劃當日已發行股份總數之10%，惟本集團可隨時徵求股東批准將上限重新釐定為股東於有關上限獲更新的股東大會上授出有關批准當日之已發行股份之10%。於任何十二個月期間內，根據購股權可發行予計劃內每位合資格參與者之股份數目最多為於任何時間本公司已發行股份總數之1%。凡再授出任何超出此上限之購股權，必須經股東在股東大會上批准。

向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人授出之購股權必須經獨立非執行董事事先批准。此外，於任何十二個月期間內，凡向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出之任何購股權超出於任何時間本公司已發行股份之0.1%或總值(按授出日本公司股份之收市價計算)超出5,000,000港元，必須經股東在股東大會上事先批准。

承授人可於授出購股權建議日起20個營業日內以支付象徵性代價合共1港元接納此建議。授出購股權之行使期由董事會決定，行使期由某一歸屬期後起計及在不遲過授出購股權建議日六年之日或計劃到期日(以較早者為準)終止。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. Share-Based Payment Plan (CONTINUED)

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") closing price of the Company's shares on the offer date of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Particulars of share options

42. 以股份為基礎的支付計劃(續)

購股權之行使價由董事釐定，惟不可低於(i)本公司股份於授出購股權建議之日在香港聯合交易所有限公司(「聯交所」)所報之收市價；(ii)本公司股份於緊接建議授出日前五個營業日在聯交所所報之平均收市價；及(iii)股份面值之最高者。

購股權之持有人無權獲派股息或於股東大會上投票。

購股權詳情

Date of grant	Exercise period of share options (both dates inclusive)	Exercise price per share option (note d)
授出日期	購股權的行使期 (包括首尾兩日)	每份購股權的行使價 (附註d) (HK\$) (港元)
26 October 2006 二零零六年十月二十六日	26 October 2007 to 25 October 2012 (note a) 二零零七年十月二十六日至二零一二年十月二十五日(附註a)	13.40
9 November 2007 二零零七年十一月九日	9 November 2009 to 8 November 2013 (note b) 二零零九年十一月九日至二零一三年十一月八日(附註b)	32.24
18 August 2008 二零零八年八月十八日	18 August 2010 to 17 August 2014 (note b) 二零一零年八月十八日至二零一四年八月十七日(附註b)	22.03
23 November 2009 二零零九年十一月二十三日	23 November 2011 to 22 November 2015 (note c) 二零一一年十一月二十三日至二零一五年十一月二十二日(附註c)	24.40
6 December 2010 二零一零年十二月六日	6 December 2012 to 5 December 2016 (note d) 二零一二年十二月六日至二零一六年十二月五日(附註d)	22.80

42. Share-Based Payment Plan (CONTINUED)

Particulars of share options (CONTINUED)

- (a) The share options will be vested in four equal batches with 25% of the share options granted vesting on the first, second, third and fourth anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (b) The share options will be vested in two equal batches with 50% of the share options granted vesting on the second and third anniversaries of the date of grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (c) The share options will be vested in three batches with 20%, 40% and 40% of the share options granted vesting on, respectively, the second, third and fourth anniversaries of the date of the grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.

Out of the 89,025,000 share options granted, in aggregate, 20,116,500 share options are granted in exchange for and replacement of the outstanding share options previously granted on 9 November 2007 to better achieve the objectives of the Share Option Scheme (the "Replacement").

- (d) The share options will be vested in three batches with 20%, 40% and 40% of the share options granted vesting on, respectively, the second, third and fourth anniversaries of the date of the grant. In addition, the share options will only be vested if and when the pre-set performance targets of the Group, the division of the grantee and the grantee are achieved. Unless all of these targets are met, the share options will lapse.
- (e) The exercise price per share option was the average closing share price for the five business days immediately preceding the grant date or the closing price of the share on the grant date.

42. 以股份為基礎的支付計劃(續)

購股權詳情(續)

- (a) 購股權將歸屬分為四等份，25%購股權分別於由授出日期起第一、二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (b) 購股權將歸屬分為兩等份，50%購股權分別於由授出日起第二及三個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (c) 購股權將歸屬分為三份，20%、40%及40%購股權分別於由授出日起第二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。

於合共授出的89,025,000份購股權中，其中20,116,500份購股權乃就交換及替代先前於二零零七年十一月九日所授出的未行使購股權而授出，以更好達致購股權計劃的目標(「替代」)。

- (d) 購股權將歸屬分為三份，20%、40%及40%購股權分別於由授出日期起第二、三及四個週年歸屬。此外，倘若達到本集團、承授人所屬部門及承授人之預定表現目標，則有關購股權方獲歸屬。倘未能達致上述全部目標，則有關購股權將失效。
- (e) 每份購股權的行使價乃緊接授出日前五個營業日的平均股份收市價或授出日期的股份收市價。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. Share-Based Payment Plan (CONTINUED)

Movements of share options

2010

Date of grant		As at 1 January 2010	Granted during the year	Exercised during the year	Lapsed during the year	Replaced during the year	As at 31 December 2010
授出日期		於 二零一零年 一月一日	年內授出	年內行使	年內失效	年內替代	於 二零一零年 十二月 三十一日
26 October 2006	二零零六年十月二十六日	2,020,669	-	(206,056)	(56,971)	-	1,757,642
18 August 2008	二零零八年八月十八日	74,989,000	-	(589,759)	(1,273,961)	-	73,125,280
23 November 2009	二零零九年 十一月二十三日	89,025,000	-	-	(2,487,000)	-	86,538,000
6 December 2010	二零一零年十二月六日	-	4,470,000	-	-	-	4,470,000
Total	總計	166,034,669	4,470,000	(795,815)	(3,817,932)	-	165,890,922

2009

二零零九年

Date of grant		As at 1 January 2009	Granted during the year	Exercised during the year	Lapsed during the year	Replaced during the year	As at 31 December 2009
授出日期		於 二零零九年 一月一日	年內授出	年內行使	年內失效	年內替代	於 二零零九年 十二月 三十一日
26 October 2006	二零零六年十月二十六日	5,452,401	-	(1,751,613)	(1,680,119)	-	2,020,669
9 November 2007	二零零七年十一月九日	43,132,000	-	-	(23,015,500)	(20,116,500)*	-
18 August 2008	二零零八年八月十八日	79,118,000	-	-	(4,129,000)	-	74,989,000
23 November 2009	二零零九年 十一月二十三日	-	89,025,000	-	-	-	89,025,000
Total	總計	127,702,401	89,025,000	(1,751,613)	(28,824,619)	(20,116,500)	166,034,669

* The incremental fair value granted as a result of the Replacement was estimated to be RMB68,666,000 in total, using the same measurement method as described below.

* 因替代而授出的公允價值增量估計為合共人民幣68,666,000元，所使用的測量方法與下文所述方法一致。

42. Share-Based Payment Plan (CONTINUED)

Movements of share options (CONTINUED)

The average fair value of the share options granted during the year was estimated to be RMB6.21 each (2009: RMB7.87) at the grant date, using a binomial model, taking into account the terms and conditions upon which the instruments were granted. The contractual life of each option granted is six years. There are no cash settlement alternatives. The Group recognised an expense of RMB366,183,000 (note 6 and note 7) during the year ended 31 December 2010 (2009: RMB284,646,000).

Subsequent to the end of reporting period, out of the total outstanding share options of 165,890,922 (2009: 166,034,669) units as at 31 December 2010, 5,324,300 (2009: Nil) share options had lapsed due to the unfulfilment of vesting conditions.

The following table lists the inputs to the model used:

		2010 二零一零年	2009 二零零九年
Dividend yield (%)	股息率(%)	0.7	1.0
Expected volatility (%)	預期波動率(%)	34	43
Risk-free interest rate (%)	無風險利率(%)	1.7	1.3-1.7
Expected life of options (years)	購股權預計年期(年)	6	6
Spot price (HK\$ per share)	現貨價(港元/每股)	22.8	24.4
Exercise price (HK\$ per share)	行使價(港元/每股)	22.8	24.4

In light of the lack of a historical exercise record, the expected life of the options is based on the results of empirical studies performed in the United States and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The spot price is the closing price of the Company's shares at the grant date. The exercise price is the closing price of the share on the grant date.

The 795,815 units of share option (2009: 1,751,613) exercised during the year resulted in the issue of 795,815 (2009: 1,751,613) ordinary shares of the Company and new share capital of RMB68,000 (2009: RMB154,000) and share premium of RMB13,343,000 (2009: RMB20,515,000), as further detailed in note 39 to the financial statements. The weighted average share price at the date of exercise for these options was HK\$23.80 (2009: HK\$21.93).

42. 以股份為基礎的支付計劃(續)

購股權變動(續)

於年內授出的購股權的平均公允值乃於授出日期使用二項計價模式估計為每份人民幣6.21元(二零零九年：每份人民幣7.87元)，並已考慮有關工具於授出時的條款及條件。每份授出的購股權的合約年期為六年，且不設現金結算選擇。本集團於截至二零一零年十二月三十一日止年度確認人民幣366,183,000元(附註6及7)的開支(二零零九年：人民幣284,646,000元)。

於二零一零年十二月三十一日尚餘購股權總計165,890,922份(二零零九年：166,034,669份)購股權單位中，5,324,300份購股權(二零零九年：無)因未達到歸屬條件而於報告期末後失效。

下表載列所用模式之輸入項目：

鑑於缺乏過往行使紀錄，購股權的預計年期乃參照美國的實證研究結果，未必表示可能發生之行使模式。預期波動率反映過往波動可指示未來趨勢的假設，但不一定為實際結果。現貨價為本公司股份於授出日期的收市價。行使價為授出日期的股份收市價。

795,815份(二零零九年：1,751,613份)購股權於年內行使，因而已發行795,815股(二零零九年：1,751,613股)本公司普通股，產生新股本為人民幣68,000元(二零零九年：人民幣154,000元)，股份溢價人民幣13,343,000元(二零零九年：人民幣20,515,000元)，詳情載於財務報表附註39。該等購股權於行使日的加權平均股價為23.80港元(二零零九年：21.93港元)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. Share-Based Payment Plan (CONTINUED)

Movements of share options (CONTINUED)

At the end of the reporting period, the Company had 37,979,422 (2009: 571,919) vested share options outstanding under the Scheme. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 37,979,422 (2009: 571,919) additional ordinary shares of the Company and additional share capital of RMB3,232,000 (2009: RMB50,000) and share premium of RMB695,823,000 (2009: RMB6,691,000) (before issue expenses).

43. Business Combination

On 30 November 2010, the Group acquired a 51% interest in Junlebao from independent third parties. Junlebao is mainly engaged in the production and distribution of yogurt products. The acquisition was made as part of the Group's strategy to expand its market share of yogurt products in the PRC. The purchase consideration for the acquisition was in the form of cash, with RMB369,200,000 paid at the acquisition date and the remaining RMB100,000,000 as a contingent consideration, which is to be paid in 2014 if certain operating results criteria can be achieved by Junlebao over the three years subsequent to the acquisition date.

The Group has elected to measure the non-controlling interest in Junlebao at the non-controlling interests' proportionate share of Junlebao's identifiable net asset.

42. 以股份為基礎的支付計劃(續)

購股權變動(續)

於報告期末，本公司共有37,979,422份(二零零九年：571,919份)計劃項下的已歸屬未行使購股權。按本公司現時之股本結構，全面行使尚餘之購股權將引致額外發行37,979,422股(二零零九年：571,919股)本公司普通股及人民幣3,232,000元(二零零九年：人民幣50,000元)額外股本及人民幣695,823,000元(二零零九年：人民幣6,691,000元)股份溢價(扣除發行費用前)。

43. 業務合併

於二零一零年十一月三十日，本集團向獨立第三方收購君樂寶51%股權。君樂寶主要從事生產及分銷酸奶產品。該收購為本集團擴大其於中國酸奶產品市場份額的策略的一部分。該收購的購買代價以現金形式支付，其中人民幣369,200,000元於收購日期支付，其餘人民幣100,000,000元為或然代價，倘若君樂寶能於收購日期後的三年達到若干經營業績條件，則將於二零一四年支付。

本集團選擇按非控股股東權益分佔君樂寶的可識別淨資產的比例來計量於君樂寶的非控股股東權益。

43. Business Combination (CONTINUED)

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

43. 業務合併(續)

於收購日期君樂寶的可識別資產及負債的公允值如下：

		Fair value recognised on acquisition 於收購時確認 的公允值 RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	317,035
Construction in progress	在建工程	27,188
Land use rights	土地使用權	43,850
Other intangible assets	其他無形資產	184,476
Interests in associates	於聯營公司之權益	13,875
Available-for-sale investments	可供出售投資	13,000
Cash and bank balances	現金及銀行結存	101,001
Pledged deposits	保證金存款	10,000
Bills receivable	應收票據	6,247
Trade receivables	應收賬款	29,877
Prepayments and deposits	預付款及按金	24,526
Other receivables	其他應收款項	94,883
Inventories	存貨	50,497
		916,455
Liabilities	負債	
Trade payables	應付賬款	(135,472)
Bills payable	應付票據	(20,000)
Accruals and customers' deposits	預提費用及客戶訂金	(38,184)
Other payables	其他應付款項	(74,346)
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借款	(202,996)
Income tax payable	應付所得稅	(18,139)
Long term payables	長期應付款項	(2,761)
		(491,898)
Total identifiable net assets at fair value	按公允值列賬之可資識別淨資產總額	424,557
Non-controlling interests' proportionate share of identifiable net assets	非控股股東權益分佔可資識別淨資產百分比	(221,287)
Goodwill arising on acquisition	收購產生的商譽	252,470
Purchase consideration	購買代價	455,740

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. Business Combination (CONTINUED)

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB29,877,000 and RMB94,883,000, respectively. The gross contractual of trade receivables and other receivables were amounted to RMB29,905,000 and RMB95,198,000, respectively.

The Group incurred transaction costs of RMB1,156,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated income statement.

The goodwill of RMB252,470,000 represents the value of expected synergies arising from the acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

The fair value of the contingent consideration of RMB100,000,000 was recognised at RMB86,540,000 as at the acquisition date and then remeasured to RMB87,101,000 as at 31 December 2010. This was classified as other financial liabilities (note 38).

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

		RMB'000 人民幣千元
Cash consideration	現金代價	369,200
Cash and bank balances acquired	所收購現金及銀行結存	(101,001)
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括在投資活動產生的現金流量內的現金及現金等價物淨流出	268,199
Transaction costs of the acquisition included in cash flows from operating activities	包括在經營業務產生的現金流量內的收購的交易成本	1,156
		269,355

Since its acquisition, Junlebao contributed RMB119,541,000 to the Group's turnover and RMB4,089,000 to the consolidated profit for the year ended 31 December 2010.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group for the year would have been RMB31,505,889,000 and RMB1,374,404,000, respectively.

43. 業務合併(續)

於收購日期的應收賬款及其他應收款項公允值分別為人民幣29,877,000元及人民幣94,883,000元。應收賬款及其他應收款項的合約總額分別為人民幣29,905,000元及人民幣95,198,000元。

本集團就該收購產生交易成本人民幣1,156,000元。該等交易成本已於綜合利潤表支銷並計入行政費用。

人民幣252,470,000元之商譽指預期從該收購產生的協同效應的價值。預期已確認商譽就所得稅目的而言將不可扣減。

或然代價人民幣100,000,000元的公允值已於收購日期確認為人民幣86,540,000元及其後於二零一零年十二月三十一日重新計量為人民幣87,101,000元。此乃分類為其他金融負債(附註38)。

有關收購一家子公司的現金流量分析如下：

自其收購起，君樂寶為本集團截至二零一零年十二月三十一日止年度的營業額及綜合利潤分別貢獻人民幣119,541,000元及人民幣4,089,000元。

假設合併於年初發生，本集團於年內的收入及本年利潤會分別為人民幣31,505,889,000元及人民幣1,374,404,000元。

44. Deemed Disposal of a Subsidiary

On 30 April 2009, Inner Mongolia Mengniu Fanyu Biotechnology Co., Ltd. (hereafter "Fanyu"), an indirectly owned subsidiary of the Company, issued additional shares of RMB40,000,000 to its existing and new shareholders, included in which was RMB5,200,000 in cash injected by Mengniu. The transaction resulted in the dilution of Mengniu's interest in Fanyu from 65% to 30%. As a consequence, Fanyu became an associate of the Company since then.

44. 視同出售一家子公司

於二零零九年四月三十日，本公司的間接子公司內蒙古蒙牛繁育生物科技有限公司(下稱「繁育」)向其現有及新股東增發人民幣40,000,000元的股份，其中人民幣5,200,000元由蒙牛以現金方式注資。該交易導致蒙牛於繁育的權益由65%攤薄至30%。因此，繁育其後成為本公司的聯營公司。

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Net assets disposed of:	出售的淨資產：		
Property, plant and equipment	物業、廠房及設備	—	10,673
Cash and bank balances	現金及銀行結存	—	1,088
Trade receivables	應收賬款	—	9,448
Prepayments and other receivables	預付款及其他應收款項	—	2,689
Inventories	存貨	—	5,461
Other intangible assets	其他無形資產	—	7,773
Trade payables	應付賬款	—	(208)
Accruals and other payables	預提費用及其他應付款項	—	(13,829)
Non-controlling interests	非控股股東權益	—	(8,083)
		—	15,012
Cash consideration paid	已付現金代價	—	5,200
Initial recognition of an associate	最初確認一家聯營公司	—	(19,139)
Loss on deemed disposal of a subsidiary	視同出售一家子公司的虧損	—	1,073

An analysis of the net outflow of cash and cash equivalents in respect of the deemed disposal of a subsidiary is as follows:

有關視同出售一家子公司的現金及現金等價物淨流出分析如下：

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Cash consideration paid	已付現金代價		5,200
Cash and bank balances disposed of	已售現金及銀行結存	—	1,088
Net cash flows used in respect of deemed disposal of a subsidiary	有關視同出售一家子公司的現金流量淨額	—	6,288

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

45. Commitments

(a) Capital commitments

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

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Contracted, but not provided for	已訂約但未撥備	527,900	204,510

Subsequent to the reporting date, the board of directors approved the capital expenditure (not contracted for) amounting to approximately RMB1,919,820,000 (2009: RMB1,968,250,000), out of which approximately RMB5,850,000 (2009: Nil) was related to the Group's share of capital expenditure of a jointly-controlled entity.

於報告日後，董事會批准資本開支(但未訂約)約為人民幣1,919,820,000元(二零零九年：人民幣1,968,250,000元)，其中約人民幣5,850,000元(2009年：無)與本集團分佔一共同控制實體的資本開支有關。

(b) Operating lease commitments

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases in respect of buildings and certain production equipment as follows:

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within one year	1年內	65,475	19,952
In the second to fifth years, inclusive	2年至5年(包括首尾兩年在內)	239,844	64,856
Over five years	5年以上	32,120	15,697
		337,439	100,505

The Company did not have any significant commitments at the end of reporting period.

本公司於報告期末並無任何重大承擔。

45. 承擔

(a) 資本承擔

於報告期末，本集團有關購置及興建物業、廠房及設備的資本承擔如下：

(b) 經營租賃承擔

於報告期末，本集團按照房屋及若干生產設備的不可註銷經營租賃須於日後支付的最低租金總額如下：

46. Contingent Liabilities

The Group is contingently liable in respect of loan guarantees granted to certain banks in favour of certain suppliers of raw milk (the “suppliers”). The amount of guarantees granted as at 31 December 2010 was approximately RMB2,500,000 (2009: RMB29,214,000). All of the above guarantees are cross-guaranteed and secured by assets owned by these suppliers who are independent third parties. Securities under these counter-guarantees included property, dairy cattle and other assets owned by the Suppliers.

Save as the above and the disclosure in note 43 and 47(l) (n), the Group did not have any significant contingent liabilities at the end of reporting period.

The Company did not have any significant contingent liabilities at the end of reporting period.

46. 或然負債

本集團以若干原料鮮奶供貨商(「供貨商」)為受益人，向若干銀行授出貸款擔保，因此本集團須承擔或然負債。於二零一零年十二月三十一日，已授出擔保數額約為人民幣2,500,000元(二零零九年：人民幣29,214,000元)。該等供貨商(為獨立第三方)對以上所有擔保給予反擔保並以資產作抵押。反擔保的抵押品包括供貨商擁有的物業、乳牛及其他資產。

除上述及載於附註43及47(l)(n)的披露外，本集團於報告期末無任何重大或然負債。

本公司於報告期末並無任何重大或然負債。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

47. Related Party Transactions

In addition to the transactions and balances which are disclosed elsewhere in these financial statements, the Group had the following significant transactions with its associates, a jointly-controlled entity and other related parties.

47. 關聯人士交易

除於本財務報表其他段落披露的交易及結餘外，本集團與其聯營公司、共同控制實體及其他關聯人士進行下列重大交易。

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註		
(a) Sales of liquid milk products to associates	(a) 向聯營公司銷售液體奶產品 (i)	4,856,436	4,045,738
(b) Sales of ice cream products to associates	(b) 向聯營公司銷售冰淇淋產品 (i)	546,971	519,337
(c) Sales of other dairy products to associates	(c) 向聯營公司銷售其他乳製品 (i)	25,141	10,951
(d) Sales of raw materials to a jointly-controlled entity	(d) 向共同控制實體銷售原材料 (ii)	45,059	46,345
(e) Sales of raw materials to affiliates of a major shareholder of the Company	(e) 向本公司一主要股東的聯屬公司銷售原材料 (i)	257	–
(f) Purchase of other dairy products from a jointly-controlled entity	(f) 向共同控制實體購買其他乳製品 (i)	–	(19)
(g) Purchase of raw materials from a jointly-controlled entity	(g) 向共同控制實體購買原材料 (ii)	(236,563)	–
(h) Purchase of ice cream products from an associate	(h) 向聯營公司購買冰淇淋產品 (i)	(66,251)	(67,423)
(i) Purchase of liquid milk products from an associate	(i) 向聯營公司購買液體奶產品 (i)	(14,217)	–
(j) Purchase of raw materials from affiliates of a major shareholder of the Company	(j) 向本公司一主要股東的聯屬公司購買原材料 (i)	(110,963)	–
(k) Sales of property, plant and equipment to a jointly-controlled entity	(k) 向共同控制實體售賣物業、廠房及設備	–	579
(l) Provision of guarantees to a jointly-controlled entity	(l) 向共同控制實體提供擔保	70,635	1,385
(m) Provision of guarantees by a partner of a jointly-controlled entity	(m) 由共同控制實體合作方提供擔保	67,104	–
(n) Provision of guarantees to an associate	(n) 向聯營公司提供擔保	19,500	–

47. Related Party Transactions (CONTINUED)

Notes:

- (i) The considerations were determined with reference to the then prevailing market prices/rates and the prices charged to third parties.
- (ii) These transactions were conducted at cost, which approximated to the prevailing market price of the materials.
- (iii) Except for (e) and (j), the above transactions did not constitute connected transactions as defined in the Listing Rules.
- (iv) Key management compensation is detailed in note 7 to the financial statements.

47. 關聯人士交易(續)

附註：

- (i) 價格是經參考當時市場價格／費率及收取第三方的價格釐定。
- (ii) 此等交易按成本值(約為原材料之市價)進行。
- (iii) 除(e)及(j)外，以上交易均不構成上市規則所界定的關連交易。
- (iv) 關鍵管理人員報酬的詳情載於財務報表附註7。

48. Financial Instruments by Category

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

Financial assets

48. 按類別劃分的金融工具

於報告期末，各個分類的金融工具的賬面值如下：

金融資產

		Group 本集團					
		2010 二零一零年			2009 二零零九年		
		Available- for-sale			Available- for-sale		
		Loans and receivables	financial assets	Total	Loans and receivables	financial assets	Total
		貸款及 應收款項	可供出售 金融資產	總計	貸款及 應收款項	可供出售 金融資產	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Available-for-sale investments	可供出售投資	–	301,681	301,681	–	17,409	17,409
Bills receivable	應收票據	20,539	–	20,539	52,449	–	52,449
Trade receivables	應收賬款	554,933	–	554,933	527,303	–	527,303
Other receivables	其他應收款項	169,897	–	169,897	66,202	–	66,202
Other financial assets	其他金融資產	71,754	–	71,754	20,868	–	20,868
Pledged deposits	保證金存款	102,399	–	102,399	230,968	–	230,968
Cash and bank balances	現金及銀行結存	6,697,813	–	6,697,813	6,150,021	–	6,150,021
		7,617,335	301,681	7,919,016	7,047,811	17,409	7,065,220

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

48. Financial Instruments by Category (CONTINUED)

Financial liabilities

48. 按類別劃分的金融工具(續)

金融負債

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		Financial liabilities at amortised cost 按攤銷成本 列賬的金融負債 RMB'000 人民幣千元	Financial liabilities at amortised cost 按攤銷成本 列賬的金融負債 RMB'000 人民幣千元
Trade payables	應付賬款	2,061,193	1,531,366
Bills payable	應付票據	1,487,302	808,409
Other payables	其他應付款項	1,061,253	1,211,172
Interest-bearing bank loans	計息銀行貸款	700,786	673,593
Other loans	其他貸款	140,018	106,947
Long term payables	長期應付款項	14,102	49,879
Other financial liabilities	其他金融負債	420,027	—
		5,884,681	4,381,366

48. Financial Instruments by Category (CONTINUED)

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

Financial assets

		Company 本公司	
		2010 二零一零年	2009 二零零九年
		Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元	Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元
Loan to a subsidiary included in interests in subsidiaries (note 19)	於子公司的權益包含的應收一家子公司款項(附註19)	777,835	804,847
Loans to a subsidiary (note 18)	應收一家子公司款項(附註18)	2,680,430	—
Financial assets included in prepayments, deposits and other receivables	包括於預付款、按金及其他應收款項的金融資產	36,949	1,437,024
Cash and cash equivalents	現金及現金等價物	599,995	2,354,922
Available-for-sale investments	可供出售投資	114,831	—
		4,210,040	4,596,793

Financial liabilities

		Company 本公司	
		2010 二零一零年	2009 二零零九年
		Financial liabilities at amortised cost 按攤銷 成本列賬 的金融負債 RMB'000 人民幣千元	Financial liabilities at amortised cost 按攤銷 成本列賬 的金融負債 RMB'000 人民幣千元
Financial liabilities included in accruals and other payables	包括於預提費用及其他應付款項的金融負債	1,544	2,516

48. 按類別劃分的金融工具(續)

於報告期末，各個分類的金融工具的賬面值如下：

金融資產

金融負債

49. Fair Values and Fair Value Hierarchy

Fair value

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:

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

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

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale equity investments have been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates.

The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

49. 公允值及公允值層級

公允值

金融資產及負債之公允值以該工具於自願訂約各方現時進行之交易(強迫或清算銷售除外)中可交換之金額入賬。

下文載列用於估計公允值的方法和假設：

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

其他金融資產、應收一家子公司款項、計息銀行貸款及長期應付款項的非流動部分以及其他金融負債的公允值乃採用類似條款、信貸風險及餘下到期日的工具現時可獲得的利率折現預期未來現金流量的方式計算。

上市股本投資的公允值乃基於市場報價。非上市可供出售股本投資的公允值使用基於並無可觀察市場價格或利率支持的假設的估值技術進行估計。

董事相信估值技術所達致的估計公允值(其列入綜合財務狀況表)及公允值的相關變動(其列入其他綜合收益)實屬合理，並為於報告期末的最適當估值。

49. Fair Value and Fair Value Hierarchy (CONTINUED)

Fair value hierarchy

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

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

Assets measured at fair value:

		Group 本集團 2010 二零一零年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments at fair value	按公允價值計量的可供出售 投資	114,831	171,461	286,292

		Company 本公司 2010 二零一零年		
		Level 1 第一級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments at fair value	按公允價值計量的可供出售 投資	114,831	–	114,831

49. 公允價值及公允價值層級(續)

公允價值層級

本集團採用以下層級以釐定及披露金融工具的公允價值：

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

按公允價值計量的資產：

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

49. Fair Value and Fair Value Hierarchy (CONTINUED)

Fair value hierarchy (CONTINUED)

Assets measured at fair value: (CONTINUED)

The movements in fair value measurements in Level 3 during the year are as follows:

		2010 二零一零年 RMB'000 人民幣千元
Available-for-sale investments – unlisted	可供出售投資 – 非上市	
At 1 January	於一月一日	–
Reclassification from available-for-sale investments at cost	自按成本值計量的可供出售投資重新分類	12,000
Total gains recognised in other comprehensive income	於其他綜合收益確認的收益總額	159,461
At 31 December	於十二月三十一日	171,461

The Group and the Company did not have any financial assets or financial liabilities measured at fair value as at 31 December 2009.

49. 公允值及公允值層級(續)

公允值層級(續)

按公允值計量的資產：(續)

年內第三級公允值計量的變動如下：

於二零零九年十二月三十一日，本集團及本公司並無任何金融資產或金融負債按公允值計量。

50. Financial Risk Management Objectives and Policies

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2010 and 31 December 2009.

50. 財務風險管理目標及政策

資本管理

本集團資本管理的基本目標乃維持本集團持續經營的能力及保持穩健的資本比率，以支持其業務及提高股東價值。

本集團管理其資本架構，並因應經濟環境的變化作出調整。為維持或調整資本架構，本集團可能會調整派付予股東的股息、股東的資本回報或發行新股。於截至二零一零年十二月三十一日及二零零九年十二月三十一日止年度有關資本管理的目標、政策或程序並無變動。

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Capital management (CONTINUED)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to maintain the gearing ratio between 20% and 50% normally. Net debt includes interest-bearing bank loans and other loans, trade, bills and other payables, accruals and customers' deposits, long term payables, other financial liabilities, less cash and bank balances, and excludes discontinued operations. Capital represents equity attributable to owners of the Company. The gearing ratios as at the ends of reporting periods were as follows:

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Interest-bearing bank loans	計息銀行貸款	700,786	673,593
Trade and bills payables	應付賬款及應付票據	3,548,495	2,339,775
Accruals and customers' deposits	預提費用及客戶訂金	880,142	559,291
Other payables	其他應付款項	1,061,253	1,211,172
Other loans	其他貸款	140,018	106,947
Long term payables	長期應付款項	14,102	49,879
Other financial liabilities	其他金融負債	420,027	–
Less: Cash and bank balances	減：現金及銀行結存	(6,697,813)	(6,150,021)
Net debt/(cash)	淨負債／(現金)	67,010	(1,209,364)
Equity attributable to owners of the Company	本公司擁有人應佔權益	9,758,064	8,575,678
Capital and net debt	資本與淨負債	9,825,074	7,366,314
Gearing ratio	資本負債比率	0.68%	N/A不適用

Financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, trade receivables and payables, other receivables and payables, balances with related parties, interest-bearing bank loans, other loans and long term payables.

50. 財務風險管理目標及政策(續)

資本管理(續)

本集團以資本負債比率監控資本，資本負債比率即負債淨額除以資本總額加上負債淨額之和。本集團的政策是維持資本負債比率通常於20%及50%之間。負債淨額包括計息銀行貸款及其他貸款、應付賬款、應付票據及其他應付款項、預提費用及客戶訂金、長期應付款項以及其他金融負債等負債淨額之和，減現金及銀行結存，並不包括已終止經營業務。資本是指本公司擁有人應佔的權益。於報告期末的資本負債比率如下：

財務風險管理

本集團之主要金融工具包括現金及現金等價物、應收及應付賬款、其他應收及應付款項、與關聯人士的結餘、計息銀行貸款、其他貸款及長期應付款項。

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Financial risk management (CONTINUED)

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors and senior management meet periodically to analyse and formulate measures to manage the Group's exposure to these risks. Generally, the Group adopts reasonably prudent strategies on its risk management. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group closely monitors its interest rate risk by performing periodic reviews and evaluations of its debt portfolio and gearing ratio. The interest rates and terms of repayment of the bank loans of the Group are disclosed in note 34 to the financial statements. In the opinion of the directors, the Group has no significant interest rate risk and has not used any interest rate swaps to hedge its exposure to interest rate risk.

50. 財務風險管理目標及政策(續)

財務風險管理(續)

來自本集團金融工具的主要風險有利率風險、外幣風險、信貸風險及流動性風險。董事會及高級管理人員定期舉行會議，分析本集團所承受的風險，並制定用以管理風險的措施。本集團一般採納合理審慎的策略管理風險。由於本集團所承受的風險極低，故本集團並無使用任何衍生工具及其他工具以作對沖。本集團並無持有或發行任何衍生金融工具作買賣用途。董事會檢討並議定風險管理政策，有關政策概述如下：

(i) 利率風險

本集團承受的市場利率變動風險主要有關本集團的浮息借貸。本集團定期檢討和評估其債務組合及資本負債比率，對其利率風險進行密切注視。本集團的銀行貸款利率及還款期於財務報表附註34披露。董事認為，本集團並無重大利率風險，亦未曾使用任何利率調期對沖利率風險。

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Financial risk management (CONTINUED)

(i) Interest rate risk (CONTINUED)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

		Group 本集團	
		Increase/ (decrease) in basis points 利率基點 增加/(減少)	Increase/ (decrease) in profit before tax 稅前利潤 增加/(減少) RMB'000 人民幣千元
2010	二零一零年		
RMB	人民幣	50	(2,032)
RMB	人民幣	(50)	2,032
United States dollar	美元	50	(119)
United States dollar	美元	(50)	119
2009	二零零九年		
RMB	人民幣	50	(2,418)
RMB	人民幣	(50)	2,418
United States dollar	美元	50	(183)
United States dollar	美元	(50)	183

50. 財務風險管理目標及政策(續)

財務風險管理(續)

(i) 利率風險(續)

下表列示在所有其他變數維持不變的情況下，利率可能出現合理變動對本集團稅前利潤(透過浮息借貸的影響)的影響：

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Financial risk management (CONTINUED)

(ii) Foreign currency risk

The Group's businesses are principally located in Mainland China and substantially all transactions are conducted in RMB, except for the purchases of imported machinery and equipment and sales of dairy products to Hong Kong and Macau. As at 31 December 2010, substantially all of the Group's assets and liabilities were denominated in RMB except the cash and bank balances of approximately RMB67,366,000 (2009: RMB72,165,000) and RMB1,631,092,000 (2009: RMB2,682,036,000) which were denominated in United States dollars and Hong Kong dollars, respectively, the interest-bearing bank loans of approximately RMB27,866,000 (2009: RMB132,931,000) and long term payables of approximately RMB49,208,000 (2009: RMB128,574,000) which were denominated in United States dollars, and long term payables of approximately RMB8,125,000 (2009: Nil) which was denominated in Japanese yen. The fluctuation of the exchange rates of RMB against foreign currencies could affect the Group's results of operations. However, in the opinion of the directors, the foreign currency risk exposure is under management's control.

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rate as compared to United States dollars, Hong Kong dollars and Japanese yen with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and equity:

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Increase/ (decrease) in profit before tax 稅前利潤 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity 權益 增加/(減少) RMB'000 人民幣千元
2010	二零一零年	5 (5)	60,593 (60,593)	(224,790) 224,790
2009	二零零九年	5 (5)	21,244 (21,244)	(140,825) 140,825

50. 財務風險管理目標及政策(續)

財務風險管理(續)

(ii) 外幣風險

本集團的業務主要位於中國大陸，除了購置進口機器及設備以及向香港和澳門出售乳製品外，絕大部分交易均以人民幣為本位貨幣。於二零一零年十二月三十一日，本集團的資產及負債當中，除了為數約人民幣67,366,000元(二零零九年：人民幣72,165,000元)及人民幣1,631,092,000元(二零零九年：人民幣2,682,036,000元)的現金及銀行結存分別以美元及港元為單位，計息銀行貸款約人民幣27,866,000元(二零零九年：人民幣132,931,000元)及長期應付款項約人民幣49,208,000元(二零零九年：人民幣128,574,000元)乃以美元為單位，以及長期應付款項約人民幣8,125,000元(二零零九年：零元)乃以日圓為單位以外，絕大部分均以人民幣為單位。人民幣兌外幣的匯價若有波動，可能影響本集團的經營業績，但董事認為外幣風險在管理層的控制之中。

下表列示在所有其他變數維持不變的情況下，人民幣與美元、港元及日圓的兌換率可能出現的合理變動(因貨幣資產及負債的公允值變動導致)對本集團稅前利潤及權益的影響：

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Financial risk management (CONTINUED)

(iii) Credit risk

The cash and bank balances, as well as the pledged deposits, of the Group are mainly deposited with state-owned commercial banks in Mainland China.

The majority of the Group's sales are conducted on a cash basis. The Group has implemented policies to ensure that sales of products are made to distributors, who wish to trade on credit terms, with an appropriate credit history which is subject to periodic reviews. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

In addition, the Group's guarantees of the bank loans borrowed by certain suppliers of raw milk amounting to RMB2,500,000 (2009: RMB29,214,000) (note 46) represent the Group's other exposure to credit risk. RMB2,500,000 (2009: RMB29,214,000) of the above guarantees are cross-guaranteed and secured by assets owned by these suppliers.

Except for the above, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 27 to the financial statements.

50. 財務風險管理目標及政策(續)

財務風險管理(續)

(iii) 信貸風險

本集團的現金及銀行結存以及保證金存款，主要存於中國大陸的國有商業銀行。

本集團大部分的銷售均按現金基準進行。本集團已實施政策以確保產品是售予擁有適當信貸記錄並有意以賒賬形式進行交易的經銷商，並就其信貸記錄進行定期的覆檢。本集團一直持續監察應收款項的結餘，本集團並無重大壞賬風險。

由於交易方違約產生由按金及其他應收款項構成的本集團其他金融資產的信貸風險最高限額相等於此等資產的賬面值。

此外，本集團已就若干原料鮮奶供貨商所借銀行貸款人民幣2,500,000元(二零零九年：人民幣29,214,000元)(附註46)給予擔保，這是本集團的另一信貸風險。該等供貨商對以上人民幣2,500,000元(二零零九年：人民幣29,214,000元)的擔保設有反擔保，由供貨商擁有的資產作押。

除上述者外，本集團並無風險涉及若干對手方的重大集中信貸風險。

有關本集團因應收賬款而須面對之信貸風險之其他量化數據，披露於財務報表附註27。

50. Financial Risk Management Objectives and Policies

(CONTINUED)

Financial risk management (CONTINUED)

(iv) Liquidity risk

The Group closely monitors its liquidity risk by performing periodic reviews and evaluations of its liquidity with regard to the industry characteristics, market conditions, business strategies and changes in the Group's state of affairs and adjusting the current and non-current portions of the Group's debt portfolio on a proper and timely basis. In addition, the Group aims to ensure a continuity of funds and flexibility through the use of various means of financing and by keeping committed credit lines available.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2010 based on contractual undiscounted payments.

50. 財務風險管理目標及政策(續)

財務風險管理(續)

(iv) 流動性風險

本集團定期會根據行業特點、市場環境及業務戰略、財務狀況的變化，對集團的流動性進行檢討及審視，適當並及時調整本集團負債結構的即期及非即期部分，以監控流動性風險。此外，本集團亦透過利用不同的融資方式及保持一定的承諾信貸額度以確保資金的連續性及靈活性。

下表載列於二零一零年十二月三十一日根據合約無折讓付款的本集團金融負債的到期情況。

		2010				
		二零一零年				
		On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
		按要求	一年以內	一至五年	五年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Interest-bearing bank loans	計息銀行貸款	-	550,786	150,000	-	700,786
Other loans	其他貸款	140,018	-	-	-	140,018
Trade and bills payables	應付賬款及應付票據	-	3,548,495	-	-	3,548,495
Other payables, excluding current portion of long term payables	其他應付款項，不包括長期應付款項的即期部分	-	1,017,321	-	-	1,017,321
Long term payables	長期應付款項	-	45,545	15,517	-	61,062
Other financial liabilities	其他金融負債	-	-	100,000	850,363	950,363
Loan guarantees given to banks	給予銀行的貸款擔保	-	2,500	-	-	2,500

50. Financial Risk Management Objectives and Policies 50. 財務風險管理目標及政策(續)

(CONTINUED)

Financial risk management (CONTINUED)

(iv) Liquidity risk (CONTINUED)

財務風險管理(續)

(iv) 流動性風險(續)

		2009 二零零九年				
		On demand 按要求	Less than 1 year 一年以內	1 to 5 years 一至五年	More than 5 years 五年以上	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Interest-bearing bank loans	計息銀行貸款	–	323,593	381,680	–	705,273
Other loans	其他貸款	106,947	–	–	–	106,947
Trade and bills payables	應付賬款及應付票據	–	2,339,775	–	–	2,339,775
Other payables, excluding current portion of long term payables	其他應付款項，不包括長期應付款項的即期部分	–	1,127,935	–	–	1,127,935
Long term payables	長期應付款項	–	88,766	53,119	–	141,885
Loan guarantees given to banks	給予銀行的貸款擔保	–	22,022	7,192	–	29,214

51. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 31 March 2011.

51. 批准財務報表

董事會已於二零一一年三月三十一日批准及授權刊發財務報表。

FINANCIAL SUMMARY

財務概要

The following is a summary of the audited financial statements of China Mengniu Dairy Company Limited (the "Company") and its subsidiaries for the respective years.

下列為中國蒙牛乳業有限公司(「本公司」)及其子公司於下列各個年度之經審核財務報表概要。

Results

業績

		Year ended 截至十二月三十一日止年度				
		2010	2009	2008	2007	2006
		二零一零年	二零零九年	二零零八年	二零零七年	二零零六年
		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
Revenue	收入	30,265,415	25,710,460	23,864,975	21,318,062	16,246,368
Profit/(loss) before tax	稅前利潤/(虧損)	1,538,102	1,346,346	(1,089,275)	1,130,310	942,320
Income tax income/(expense)	所得稅收益/(支出)	(182,185)	(126,240)	161,454	(21,658)	(76,032)
Profit/(loss) for the year from continuing operations	本年持續經營業務利潤/(虧損)	1,355,917	1,220,106	(927,821)	1,108,652	866,288
Profit for the year from a discontinued operation	本年終止經營業務利潤	–	–	3,357	–	–
Profit/(loss) for the year	本年利潤/(虧損)	1,355,917	1,220,106	(924,464)	1,108,652	866,288
Attributable to:	下列各方應佔：					
Owners of the Company	本公司擁有人	1,237,273	1,115,799	(948,600)	935,786	727,352
Non-controlling/minority interests	非控股/少數股東權益	118,644	104,307	24,136	172,866	138,936
Proposed dividend	擬派股息	278,078	245,465	–	187,535	149,718
Earnings per share attributable to ordinary owners of the Company (RMB) (note (i))	本公司普通股擁有人應佔每股盈利(人民幣元)(附註(i))					
For profit/(loss) for the year	本年利潤/(虧損)					
– Basic	– 基本	0.712	0.681	(0.639)	0.664	0.532
– Diluted	– 攤薄	0.711	N/A不適用	N/A不適用	0.664	0.532

Assets, Liabilities and Equity

資產、負債及權益

		At 31 December 於十二月三十一日				
		2010	2009	2008	2007	2006
		二零一零年	二零零九年	二零零八年	二零零七年	二零零六年
		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
Total assets	總資產	17,305,841	14,096,126	11,315,275	9,681,279	7,763,678
Total liabilities	總負債	7,088,332	5,184,432	6,577,304	3,846,575	4,130,998
Equity attributable to owners of the Company	本公司擁有人應佔權益	9,758,064	8,575,678	4,464,616	5,111,629	2,998,864
Non-controlling/minority interests	非控股/少數股東權益	459,445	336,016	273,355	723,075	633,816

Note:

附註：

(i) Calculation basis for the earnings per share attributable to ordinary owners of the Company is set out in note 11 to the consolidated financial statements.

(i) 本公司普通股擁有人應佔每股盈利的計算基準載於綜合財務報表附註11。

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好品质 绿生活

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

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

Stock Code 股份代碼 : 2319

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