

## Consolidated Balance Sheet

As at 31 December 2006

## 綜合資產負債表

二零零六年十二月三十一日

		Note	2006	2005
		附註	US\$'000	US\$'000
			千美元	千美元
<b>ASSETS</b>	<b>資產</b>			
Non-current assets	非流動資產			
Land use rights	土地使用權	6	6,038	5,583
Property, plant and equipment	物業、廠房及設備	7	211,688	216,187
Intangible assets	無形資產	8	18,127	19,241
Held-to-maturity financial assets	持有至到期之金融資產	11	3,361	3,361
			<b>239,214</b>	<b>244,372</b>
Current assets	流動資產			
Trade receivables	應收貿易賬款	12	38,150	35,829
Inventories	存貨	13	65,520	51,993
Prepayments and other receivables	預付款項及其他應收款項		6,312	6,287
Tax recoverable	可收回稅項		980	1,272
Cash and cash equivalents	現金及現金等價物	14	17,282	27,987
Due from a minority shareholder	應收一位少數股東款項		–	3,600
			<b>128,244</b>	<b>126,968</b>
<b>Total assets</b>	<b>資產總值</b>		<b>367,458</b>	<b>371,340</b>
<b>EQUITY</b>	<b>權益</b>			
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔資本及儲備			
Share capital	股本	15	15,228	15,228
Reserves	儲備			
– Proposed final dividend	– 建議末期股息	16, 25	2,432	1,708
– Others	– 其他	16	222,602	216,119
			<b>240,262</b>	<b>233,055</b>
Minority interest	少數股東權益		3,722	3,600
<b>Total equity</b>	<b>權益總額</b>		<b>243,984</b>	<b>236,655</b>

The notes on pages 63 to 116 are an integral part of these consolidated financial statements.

載於第63至116頁的附註乃構成綜合財務報表的一部份。

## Consolidated Balance Sheet (continued)

## 綜合資產負債表(續)

As at 31 December 2006

二零零六年十二月三十一日

		Note	2006 US\$'000 千美元	2005 US\$'000 千美元
		附註		
<b>LIABILITIES</b>	<b>負債</b>			
Non-current liabilities	非流動負債			
Long-term bank borrowings	長期銀行貸款	18	21,336	29,706
Deferred income tax	遞延所得稅	19	11,449	12,026
Long-term payable to a related party	應付有關連人士之長期款項	33(c)	11,023	12,560
Post-employment obligations	離職後責任		870	821
			44,678	55,113
Current liabilities	流動負債			
Trade payables	應付貿易賬款	17	17,116	18,520
Accruals and other payables	應計費用及其他應付款項		9,376	10,757
Due to a related party	應付有關連人士款項	33(c)	258	274
Short-term bank borrowings	短期銀行貸款			
– Secured	– 有抵押	18	4,421	500
– Unsecured	– 無抵押	18	36,399	41,101
Current portion of long-term bank borrowings	長期銀行借款的即期部份	18	11,162	8,346
Taxation payable	應付稅項		64	74
			78,796	79,572
Total liabilities	負債總額		123,474	134,685
Total equity and liabilities	權益及負債總額		367,458	371,340
Net current assets	流動資產淨值		49,448	47,396
Total assets less current liabilities	總資產減流動負債		288,662	291,768

**YANG, Kun-Hsiang**  
楊坤祥  
Director & Chief Executive Officer  
董事兼行政總裁

**WANG, Joel J**  
王肇樹  
Director  
董事

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## Balance Sheet

As at 31 December 2006

## 資產負債表

二零零六年十二月三十一日

	Note 附註	2006 US\$'000 千美元	2005 US\$'000 千美元
<b>ASSETS</b>	<b>資產</b>		
Non-current assets	非流動資產		
Investment in subsidiaries, at cost	對附屬公司投資(按成本)	170,390	170,390
Long-term loan to a subsidiary	給予一間附屬公司之長期貸款	–	12,000
Intangible assets	無形資產	9,873	11,082
		<b>180,263</b>	<b>193,472</b>
Current assets	流動資產		
Due from subsidiaries	應收附屬公司款項	60,525	43,755
Prepayments and other receivables	預付款項及其他應收款項	94	268
Cash and cash equivalents	現金及現金價物	825	2,653
		<b>61,444</b>	<b>46,676</b>
<b>Total assets</b>	<b>資產總值</b>	<b>241,707</b>	<b>240,148</b>
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔資本及儲備		
Share capital	股本	15,228	15,228
Reserves	儲備		
– Proposed final dividend	– 建議末期股息	2,432	1,708
– Others	– 其他	202,577	195,327
<b>Total equity</b>	<b>權益總額</b>	<b>220,237</b>	<b>212,263</b>
<b>LIABILITIES</b>	<b>負債</b>		
Non-current liabilities	非流動負債		
Long-term payable to a related party	應付有關連人士之長期款項	11,023	12,560
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	1,835	1,925
Short-term bank borrowings – unsecured	短期銀行借款 – 無抵押	8,612	13,400
		<b>10,447</b>	<b>15,325</b>
<b>Total liabilities</b>	<b>負債總額</b>	<b>21,470</b>	<b>27,885</b>
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>241,707</b>	<b>240,148</b>
Net current assets	流動資產淨值	50,997	31,351
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>231,260</b>	<b>224,823</b>

YANG, Kun-Hsiang

楊坤祥

Director &amp; Chief Executive Officer

董事兼行政總裁

WANG, Joel J

王肇樹

Director

董事

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## Consolidated Income Statement

For the year ended 31 December 2006

## 綜合收益表

截至二零零六年十二月三十一日止年度

		Note	2006 US\$'000 千美元	2005 US\$'000 千美元
		附註		
Turnover	營業額	20	290,695	257,904
Cost of sales	銷售成本	21	(237,222)	(213,460)
Gross profit	毛利		53,473	44,444
Other gains – net	其他收益淨額	20	2,188	2,907
Selling and distribution expenses	銷售及分銷開支	21	(16,058)	(15,555)
Administrative expenses	行政開支	21	(19,010)	(17,584)
Operating profit	經營盈利		20,593	14,212
Finance costs	融資成本	22	(5,831)	(3,972)
Profit before income tax	未計所得稅前盈利		14,762	10,240
Income tax expense	所得稅開支	23	(3,827)	(2,293)
Profit for the year	本年度盈利		10,935	7,947
Attributable to:	以下項目應佔：			
– equity holders of the Company	– 本公司股權持有人		10,915	7,947
– minority shareholder	– 少數股東權益		20	–
			10,935	7,947
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in US cents per share)	於年內本公司股權持有人應佔盈利的每股盈利 (以每股美仙計)			
Basic earnings per share	每股基本盈利	26	0.72	0.52
Diluted earnings per share	每股攤薄盈利	26	0.72	0.52
Dividends	股息	25	5,458	4,768

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## Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

## 綜合權益變動表

截至二零零六年十二月三十一日止年度

		Share capital 股本 US\$'000 千美元	Share premium 股份溢價 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	Merger reserve 合併儲備 US\$'000 千美元	Retained earnings 保留盈利 US\$'000 千美元	Minority interest 少數股東權益 US\$'000 千美元	Total 總計 US\$'000 千美元
At 1 January 2005	二零零五年一月一日	15,228	47,358	3,628	79,994	88,313	-	234,521
Profit for the year	本年度盈利	-	-	-	-	7,947	-	7,947
Dividends	股息	-	-	-	-	(9,955)	-	(9,955)
Contribution from a minority shareholder	少數股東出資	-	-	-	-	-	3,600	3,600
Exchange translation differences	匯兌差額	-	-	542	-	-	-	542
At 31 December 2005 and at 1 January 2006	二零零五年十二月三十一日及於二零零六年一月一日	15,228	47,358	4,170	79,994	86,305	3,600	236,655
Profit for the year	本年度盈利	-	-	-	-	10,915	20	10,935
Dividends	股息	-	-	-	-	(4,734)	-	(4,734)
Exchange translation differences	匯兌差額	-	-	1,026	-	-	102	1,128
At 31 December 2006	二零零六年十二月三十一日	15,228	47,358	5,196	79,994	92,486	3,722	243,984

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## Consolidated Cash Flow Statement

For the year ended 31 December 2006

## 綜合現金流量表

截至二零零六年十二月三十一日止年度

		Note 附註	2006 US\$'000 千美元	2005 US\$'000 千美元
Cash flows from operating activities	經營業務現金流量			
Cash generated from operations	業務產生的現金	30	30,126	30,300
Interest paid	已付利息		(5,103)	(3,501)
Income taxes paid	已付所得稅		(4,122)	(3,917)
Net cash generated from operating activities	經營業務產生的現金流入淨額		20,901	22,882
Cash flows from investing activities	投資活動產生的現金			
Purchase of property, plant and equipment	收購物業、廠房及設備	7	(21,997)	(20,978)
Acquisition of land use rights from Shanghai Vedan Foods Co. Ltd. ("Shanghai Vedan Foods")	收購上海味丹食品有限公司(「上海味丹食品」)的土地使用權		–	(5,377)
Purchase of land use rights	收購土地使用權		(394)	–
Purchase of held-to-maturity financial assets	購入持有至到期之金融資產		–	(3,170)
Acquisition of a subsidiary	收購一間附屬公司		–	(1,412)
Interest received from held-to-maturity financial assets	已收持有至到期之金融資產之利息		251	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	30	23	21
Net cash used in investing activities	投資活動所用現金淨額		(22,117)	(30,916)
Cash flows from financing activities	融資活動產生的現金流量			
Dividends paid	已付股息		(4,734)	(9,955)
Contribution from a minority shareholder	少數股東出資		3,600	–
Net change in short-term bank borrowings	短期銀行借款淨變動		(781)	8,705
New long-term bank borrowings raised	新增長期銀行借款		2,792	12,308
Repayment of long-term bank borrowings	償還長期銀行借款		(8,346)	(8,235)
Repayment of long term payable to Vedan Enterprise Corporation ("Taiwan Vedan")	償還結欠味丹企業股份有限公司(「台灣味丹」)的長期退付款		(2,123)	–
Net cash (used in)/generated from financing activities	融資活動所用/(所得)現金淨額		(9,592)	2,823
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(10,808)	(5,211)
Exchange gains on cash and cash equivalents	現金及現金等價物的匯兌收物		103	6
Cash and cash equivalents at 1 January	一月一日的現金及現金等價物		27,987	33,192
Cash and cash equivalents at 31 December	十二月三十一日的現金及現金等價物		17,282	27,987
Analysis of balance of cash and cash equivalents:	現金及現金等價物的結餘分析：			
Bank balances and cash	銀行結餘及現金		17,282	27,987

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## Notes to the Consolidated Financial Statements

## 財務報表附註

### 1. General information

Vedan International Holdings Limited ("the Company") and its subsidiaries (together the "Group") manufacture and sell fermentation-based food additives, biochemical products and cassava starch-based industrial products including modified starch, glucose syrup, Monosodium Glutamate ("MSG"), soda, acid and beverages. The products are sold to food distributors, international trading companies, and manufacturers of foods, paper, textiles, and chemical products in Vietnam, other ASEAN member countries, the People's Republic of China (the "PRC"), Japan, Taiwan, and several European countries.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, George Town P.O. Box 2681 GT, Grand Cayman, British West Indies.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in US dollars (US\$), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 20 March 2007.

### 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of Vedan International (Holdings) Limited have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention.

### 1. 一般資料

味丹國際(控股)有限公司及其附屬公司(統稱「本集團」)生產及銷售各種發酵食品添加劑、生化產品及木薯澱粉工業用品，包括化工澱粉、葡萄糖糖漿、味精、梳打、酸及飲料。味丹國際的產品銷售予越南及其他東盟國家、中國、日本、台灣以及一些歐洲國家的食品分銷商、國際貿易公司，以及食品、紙類加工、紡織和化學產品生產商。

本公司為一家在開曼群島註冊成立之有限公司，其註冊辦事處之地址為Hutchins Drive, George Town P.O. Box 2681 GT, Grand Cayman, British West Indies。

本公司擁有香港聯合交易所第一上市地位。

除另有列明外，此等綜合財務報表以美元呈列。此等綜合財務報表已於二零零七年三月二十日獲董事會批准。

### 2. 主要會計政策概要

編製此等綜合財務報表採用之主要會計政策載列如下。除另有列明外，此等政策已貫徹應用於所有呈報年度。

#### 2.1 編製基準

味丹國際(控股)有限公司的綜合財務報表乃根據香港財務報告準則而編製。綜合財務報表乃根據歷史成本慣例而編製。

## 2. Summary of significant accounting policies (continued)

### 2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

#### (a) Standards, amendments and interpretations effective in 2006

- HKAS 19 (Amendment), Employee Benefits, is mandatory for the Group's accounting periods beginning on or after 1 January 2006. It introduces the option of an alternative recognition approach for actuarial gains and losses. It may impose additional recognition requirements for multi-employer plans where insufficient information is available to apply defined benefit accounting. It also adds new disclosure requirements. As the Group does not intend to change the accounting policy adopted for recognition of actuarial gains and losses and does not participate in any multi-employer plans, adoption of this amendment does not have material impact to the consolidated financial statements.

- HKAS 39 and IFRS 4 Amendment – Financial Guarantee

The adoption of HKAS 39 Amendment does not have material impact to the financial statements of the Company and is not relevant to the consolidated financial statements.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

編製符合香港財務報告準則的財務報表需要運用若干重要的會計估計，亦同時需要管理層在採用本集團的會計政策過程中作出判斷。在綜合財務報表中涉及高度判斷或複雜程度的範疇，或有重要假設及估計的範疇於附註4披露。

#### (a) 於二零零六年生效之會計準則、修訂及詮釋

- 本集團必須在二零零六年一月一日或之後開始的會計期間採納香港會計準則19(修訂)「僱員福利」。此項準則引入對精算盈虧的另一確認方法。該準則可能對多重僱主計劃實施額外的確認規定，適用於沒有充足資料可應用界定福利會計法時採用。此項準則亦加入了新的披露規定。由於本集團並無打算更改精算盈虧確認之會計政策，同時亦沒有參與任何多重僱主計劃，採納此修訂對綜合財務報表並無重大影響。

- 香港會計準則第39號及國際財務報告準則第4號(修訂)－財務擔保合約

應用香港會計準則第39號並無對本公司之財務報表產生重大影響，同時亦與綜合財務報表無關。



## 2. Summary of significant accounting policies (continued)

### 2.1 Basis of preparation (continued)

(b) *Interpretations to existing standards that are not yet effective and have not been early adopted by the Group*

The following interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 May 2006 or later periods that the Group has not early adopted:

- HKFRS 7, Financial instruments: Disclosures, and the complementary Amendment to HKAS 1, Presentation of Financial Statements – Capital Disclosures (effective for annual periods beginning on or after 1 January 2007). HKFRS 7 introduces new disclosures relating to financial instruments. This standard does not have any impact on the classification and valuation of the Group's financial instruments.
- HK(IFRIC)-Int 8, Scope of HKFRS 2 (effective for annual periods beginning on or after 1 May 2006). HK(IFRIC)-Int 8 requires consideration of transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of HKFRS 2. The Group will apply HK(IFRIC)-Int 8 from 1 January 2007, but it is not expected to have any impact on the Group's consolidated financial statements; and

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

(b) *有關仍未生效且本集團並無提早採納的對現有準則的詮釋以下為已公佈對現有準則的詮釋，本集團必須在二零零六年五月一日或之後開始的會計期間或較後期間採納，但本集團並無提早採納：*

- 香港財務準則7「金融工具：披露」，及香港會計準則1「財務報表的呈報－資本披露」的補充修訂（由二零零七年一月一日或之後開始的會計期間生效）。香港財務準則7引入了有關金融工具的新披露規定。此項準則對本集團金融工具的分類和估值並無任何影響。
- 香港(國際財務報告詮釋委員會)－詮釋第8號：財務準則第2號之範圍（於二零零六年五月一日或於之後開始的會計期間生效）。香港(國際財務報告詮釋委員會)－詮釋第8號釐定有關發行資產工具而產生的交易資金，如所收取的可識別代價低於已發行的資產工具之公平值，該項交易將被包括於財務準則第2號之計算範圍內。集團將於二零零七年一月一日開始採納香港(國際財務報告詮釋委員會)－詮釋第8號，預料對集團的綜合財務報表並無重大影響；及

**2. Summary of significant accounting policies (continued)****2.1 Basis of preparation (continued)**

(b) *Interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)*

- HK(IFRIC)-Int 10, Interim Financial Reporting and Impairment (effective for annual periods beginning on or after 1 November 2006). HK(IFRIC)-Int 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. The Group will apply HK(IFRIC)-Int 10 from 1 January 2007, but it is not expected to have any impact on the Group's financial statements.

(c) *Standards, amendments and interpretations effective in 2006 but not relevant for the Group's operations*

The following standards, amendments and interpretations are mandatory for accounting periods beginning on or after 1 January 2006 but are not relevant to the Group's operations:

- HKAS 21 Amendment – Net Investment in a Foreign Operation;
- HKAS 39 Amendment – Cash Flow Hedge Accounting of Forecast Intragroup Transactions;
- HKAS 39 Amendment – The Fair Value Option;
- HKFRS 6, Exploration for and Evaluation of Mineral Resources;

**2. 主要會計政策概要(續)****2.1 編製基準(續)**

(b) *有關仍未生效且本集團並無提早採納的對現有準則的詮釋(續)*

- 香港(國際財務報告詮釋委員會)－詮釋10「中期財務報告和減值」(由二零零六年十一月一日或之後開始的會計期間生效)。香港(國際財務報告詮釋委員會)－詮釋10禁止在中期期間確認按成本值列賬的商譽、權益工具的投資和財務資產投資的減值虧損，在之後的結算日撥回。本集團將由二零零七年一月一日起應用香港(國際財務報告詮釋委員會)－詮釋10，但預期不會對本集團的綜合財務報表有任何影響。

(c) *於二零零六年生效但與本集團營運無關之會計準則、修訂及詮釋*

以下準則、修訂和詮釋必須在二零零六年一月一日或之後開始的會計期間採納，但與本集團的營運無關：

- 香港會計準則21修訂－對國外經營的投資淨額；
- 香港會計準則39修訂－預測內部交易的現金流量對沖會計法；
- 香港會計準則39修訂－公平值期權；
- 香港財務準則6－礦產資源的開採和評估；

## 2. Summary of significant accounting policies (continued)

### 2.1 Basis of preparation (continued)

(c) *Standards, amendments and interpretations effective in 2006 but not relevant for the Group's operations (continued)*

- HKFRS 1 Amendment – First-time Adoption of International Financial Reporting Standards and IFRS 6 (Amendment), Exploration for and Evaluation of Mineral Resources;
- HK(IFRIC)-Int 4, Determining whether an Arrangement contains a Lease;
- HK(IFRIC)-Int 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds; and
- HK(IFRIC)-Int 6, Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment.

### 2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 December.

#### (a) *Subsidiaries*

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

(c) 於二零零六年生效但與本集團營運無關之會計準則、修訂及詮釋(續)

- 香港財務準則1及6修訂「首次採納香港財務報告準則」及「礦產資源的開採和評估」；
- 香港(國際財務報告詮釋委員會) – 詮釋4 – 釐定一項安排是否包含租賃；
- 香港(國際財務報告詮釋委員會) – 詮釋5 – 對拆卸、復原及環境復修基金權益的權利；及
- 香港(國際財務報告詮釋委員會) – 詮釋6 – 參予特殊市場 – 電氣及電子設備廢料 – 產生的負債。

### 2.2 綜合

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。

#### (a) *附屬公司*

附屬公司指本集團有權監管其財務及經營政策之一切實體，通常擁有其過半數投票權。於評估本集團是否控制另一實體時，會考慮現時可行使或轉換之投票權之存在及影響。

**2. Summary of significant accounting policies (continued)****2.2 Consolidation (continued)***(a) Subsidiaries (continued)*

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (Note 2.6). If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.7). The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

**2. 主要會計政策概要(續)****2.2 綜合(續)***(a) 附屬公司(續)*

附屬公司自其控制權轉移予本集團當日起綜合入賬，並於控制權終止當日停止綜合入賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產之公平值、所發行之股權工具及所產生或承擔之負債，加上直接歸屬予收購事項之成本。在商業合併過程中所收購之可辨別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購之可辨別淨資產之差額乃列作商譽(附註2.6)。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在損益表內確認。

集團內公司間交易、結餘及未變現收益予以抵銷。未變現虧損亦予以抵銷，除非交易有證據顯示所轉讓資產出現減值。本公司對附屬公司之會計政策在必要情況下已予修訂，以確保符合本集團所採納之政策。

於本公司之資產負債表內，於附屬公司之投資乃按成本值扣除減值虧損列賬(附註2.7)。附屬公司之業績乃由本公司按已收及應收股息列賬。

## 2. Summary of significant accounting policies (continued)

### 2.29 Consolidation (continued)

#### (b) Transactions and minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the consolidated income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

### 2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

### 2.4 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in US dollars, which is the Company's functional and presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

## 2. 主要會計政策概要(續)

### 2.2 綜合(續)

#### (b) 與少數股東之交易

本集團採用之會計政策，將與少數股東之交易作為與本集團以外各方進行之交易處理。向少數股東出售所獲盈虧計入收益表。自少數股東採購所獲商譽，則為所付代價與所收購有關附屬公司淨資產賬面值之相關份額的差額。

### 2.3 分部報告

業務分部指一組提供產品或服務的資產及業務，並承擔著不同於其他業務分部所承擔的風險和回報。地區分部指在一個特定的經濟環境內提供產品或服務的組成部分，並承擔著不同於在其他經濟環境中經營的組成部分所承擔的風險和回報。

### 2.4 外幣換算

#### (a) 功能及呈報貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。

#### (b) 交易及結餘

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按年終匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於損益表內確認，惟於股權內遞延作為合資格現金流量的對沖或合資格淨投資的對沖除外。

**2. Summary of significant accounting policies (continued)****2.4 Foreign currency translation (continued)***(b) Transactions and balances (continued)*

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation difference on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the available-for-sale reserve in equity.

*(c) Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

**2. 主要會計政策概要(續)****2.4 外幣換算(續)***(b) 交易及結餘(續)*

以外幣計值並分類為可供出售之貨幣證券，其公平值的改變可分為該證券攤銷成本變動之匯兌差額及該證券帳面值之變動。攤銷成本變動之匯兌差額在收益表確認而帳面值之改變在權益中確認。

非貨幣金融資產及負債項目之匯兌差異，均列報為公平值收益或虧損的一部分。非貨幣金融資產及負債項目(例如透過損益按公平值列值之股票)之匯兌差異，均列報為公平值收益或虧損的一部分。至於非貨幣項目之匯兌差異，如歸類為可供出售金融資產之股票等，均列入權益之可供出售儲備內。

*(c) 集團公司*

本集團所有實體如持有與呈報貨幣不一致之功能貨幣(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)，其業績和財務狀況均按以下方法兌換為呈報貨幣：

- 每項資產負債表之資產及負債均按照該資產負債表結算日之匯率折算為呈報貨幣；

## 2. Summary of significant accounting policies (continued)

### 2.4 Foreign currency translation (continued)

#### (c) Group companies (continued)

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### 2.5 Property, plant and equipment

Property, plant and equipment, except for construction-in-progress, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the income statement during the financial period in which they are incurred.

## 2. 主要會計政策概要(續)

### 2.4 外幣換算(續)

#### (c) 集團公司(續)

- 每項損益表之收入及支出均按照平均匯率折算為呈報貨幣，但若此平均匯率未能合理地反映各交易日之匯率所帶來之累積影響，則按照交易日之匯率折算此等收入和支出；及
- 所有匯兌差異均確認為權益之個分項。

在編製綜合賬目時，折算海外業務投資淨額和折算被指定為此等投資之對沖工具之借貸及其他貨幣工具而產生之匯兌差異，均列入股東權益賬內。當出售海外業務時，此等匯兌差異將於損益表內確認為出售收益或虧損之一部分。

因收購海外公司而產生之商譽及公平價值調整，均視作為該海外公司之資產及負債處理，並以結算日之匯率折算。

### 2.5 物業、廠房及設備

物業、廠房及設備(在建工程除外)均按成本減累計折舊及累計減值虧損列賬。歷史成本包括直接用於收購項目的開支。

當與項目有關之未來經濟利益可能會流入本集團，且能可靠地計量項目之成本時，方會將其後之成本包括入資產之賬面值或確認為一項獨立資產(如適用)。如屬替換資產，則替換部分的賬面金額不再確認。所有其他維修及保養費用，均於產生之財政期間內，於損益表內支銷。



## 2. Summary of significant accounting policies (continued)

### 2.5 Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

– Properties	20-50 years
– Plant and machinery	10-20 years
– Office equipment and other fixed assets	5-8 years
– Motor Vehicles	5-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains – net, in the income statements.

Construction-in-progress, comprising capital expenditure on buildings and plant where the construction work has not been completed, is carried at cost less accumulated impairment losses. No depreciation is provided for construction-in-progress until they are completed and ready for their intended use.

### 2.6 Intangible assets

#### (a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or business at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

## 2. 主要會計政策概要(續)

### 2.5 物業、廠房及設備(續)

物業、廠房及設備的折舊乃利用直線法在其可使用年期將其成本攤銷至其餘值如下：

– 物業	20-50年
– 廠房及機器	10-20年
– 辦公室設備及 其他固定資產	5-8年
– 汽車	5-8年

資產之餘值及可使用年期均於各結算日予以審閱及調整(如適用)。

倘資產賬面值較估計的可收回款額為大，則資產的賬面值將立刻被撇減至其可收回款額(附註2.7)。

出售之盈虧均透過將所得款項與賬面值作比較而釐定，並列入綜合損益表內。

在建工程包括未完成樓宇及機器的資本開支，以成本減累計減值虧損入賬。在建工程直至完成可供擬定用途前不作折舊。當有關資產作使用時，成本將轉為物業、廠房及設備，並將根據上述附註1(f)所述政策折舊。

### 2.6 無形資產

#### (a) 商譽

商譽乃指收購之成本較本集團應佔被收購附屬公司或業務於收購當日之資產淨值之公平價值多出之數額。收購商譽包括於無形資產內。分開確認之商譽乃每年進行減值測試，並按成本減累計減值虧損而列賬。商譽之減值虧損均不會撥回。出售實體之盈虧包括與已出售實體相關之商譽之面額。



## 2. Summary of significant accounting policies (continued)

### 2.6 Intangible assets (continued)

#### (a) Goodwill (continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group allocates goodwill to each business segment in each country in which it operates (Note 2.7).

#### (b) Trademarks and brand names

Acquired trademarks and brand names are shown at historical cost. Trademarks and brand names have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and brand names over their estimated useful lives of 10 years.

### 2.7 Impairment of investments in subsidiaries and non-financial assets

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.8 Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and held-to-maturity financial assets. The classification depends on the purposes for which the financial assets were acquired. Management determine the classification of its financial assets at initial recognition.

## 2. 主要會計政策概要(續)

### 2.6 無形資產(續)

#### (a) 商譽(續)

為進行減值測試，商譽乃分配至賺取現金單位。有關商譽乃分配至預期會因產生商譽之業務合併而受惠之賺取現金單位或賺取現金單位組別中。本集團將商譽分配至其業務所在國家之各個業務分類中(附註2.7)。

#### (b) 商標及品牌

收購的商標及品牌乃按歷史成本呈列。商標及品牌具有有限可使用年期，並按成本減累計攤入賬。攤銷乃利用直線法計算，以將商標及品牌成本分配於彼等之十年估計可使用年期。

### 2.7 附屬公司投資及非金融資產之減值

並無限定可使用年期之資產毋須攤銷，但須每年測試減值。須攤銷之資產須在遇上事件顯示或情況有變而顯示其賬面值或許不能收回時，測試有否減值。減值虧損乃按資產賬面值超出其可收回款額之金額確認。可收回款額指資產之公平值減出售費用或使用價值(以較高者為準)。就評估有否減值而言，資產將會按獨立可識別現金流量(賺取現金單位)之最低水平分類。出現減值之非金融資產(不包括商譽)，於各呈報日期均就可能撥回減值而予以審核。

### 2.8 金融資產

本集團將其金融資產分為以下類別：貸款及應收款項，以及持有至到期之金融資產。分類視乎購入有關投資之目的而定。管理層按初步確認決定其投資之類別，並於每個申報日重新評估是項指定。

## 2. Summary of significant accounting policies (continued)

### 2.8 Financial assets (continued)

#### (i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the balance sheet (Note 2.10).

#### (ii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the balance sheet date, which are classified as current assets.

Loans and receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

### 2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Spare parts and consumables are included within inventories and stated at cost, using the weighted average method.

## 2. 主要會計政策概要(續)

### 2.8 金融資產(續)

#### (i) 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款，在活躍市場並無報價之非衍生性質金融資產。彼等均列入流動資產，惟到期日超過由結算日後起計十二個月者除外。彼等均歸類為非流動資產。貸款及應收款項以貿易應收賬款及其他應收款項於資產負債表中列賬(附註2.10)。

#### (ii) 持有至到期之投資

持有至到期之投資為附帶固定或可釐定付款及有固定到期日，而本集團有明確意圖及能力持有至到期之非衍生性質金融資產。倘若本集團出售任何有關投資(不包括持有至到期之金融資產之非重大款額)，則整個類別會被破壞，並重新歸類為可供出售。持有至到期之金融資產均列入非流動資產內，惟到期日超過由結算日後起計十二個月者則除外，彼等均歸類為流動資產。

貸款及應收款項及持有至到期之投資，均利用實際利息法按已攤薄成本列賬。本集團於各結算日評估是否有客觀證據顯示金融資產或一組金融資產已被減值。

### 2.9 存貨

存貨以成本或可變現淨值兩者的較低者入賬。成本按加權平均法計算。產成品和在產品成本包括原材料、直接人工、其他直接成本和製造費用(以正常產能下計算)，但不包括借款費用。可變現淨值按估計的正常銷售價格減適用的非固定銷售費用計算。

零件及消耗品計入存貨中，並按加權平均法計算以原值列賬。陳舊存貨於適當時須作出撥備。

## 2. Summary of significant accounting policies (continued)

### 2.10 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling and marketing costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and marketing costs in the income statement.

### 2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### 2.12 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.13 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2. 主要會計政策概要(續)

### 2.10 貿易及其他應收款項

貿易及其他應收款項初期按公平價值確認，其後以實際利息法按攤銷成本扣除減值撥備計算。貿易及其他應收款項之減值撥備於出現客觀證據表明本集團無法按應收款之原有條款收回所有金額時確定。債務人出現嚴重財政困難、債務人可能會破產或進行財務重組，以及拖欠或未能償還借款，均被視為貿易應收款項被減值之跡象。撥備之金額為資產賬面值與估計未來現金流量之現值(按實際利率折現計算)間之差額。此損失會透過減值準備賬在資產之賬面值內扣除並於損益賬內確認為銷售及市場推廣開支。當應收貿易賬款無法收回時，該款項會於應收貿易賬款減值準備賬中對銷。其後收回已對銷的款項會用作扣除收益表內的銷售及市場推廣開支。

### 2.11 現金及現金等價物

現金及現金等價物包括現金、銀行之通知存款、原到期日為三個月內的其他短期高度流動投資及銀行透支。銀行透支於資產負債表內以流動負債之借款中列示。

### 2.12 股本

已發行股份列示為權益。

因發行新股份或購股權而產生的直接相關新增成本，乃以所得款項的扣減(扣除稅項)於權益中列賬。

### 2.13 應付賬款

應付賬款初始按公平值確認，而其後則採用實際利率法按已攤銷成本計量。

## 2. Summary of significant accounting policies (continued)

### 2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### 2.15 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

## 2. 主要會計政策概要(續)

### 2.14 借款

借款初期以公平價值扣除交易成本後確認。借款其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額則於借款期內使用實際利息法於損益表內確認。

除非本集團有無條件權利於結算日後將負債之結算遞延至少十二個月，否則借款被分類為流動負債。

### 2.15 遞延所得稅

遞延所得稅負債採用負債法就資產負債之稅基與其在綜合財務報表之賬面值兩者之暫時差異作全數撥備。然而，倘遞延所得稅乃源自進行交易時不影響會計或應課稅盈利或虧損之資產或負債之初始確認(為業務合併以外之交易)，則不會計入遞延所得稅。遞延所得稅以於結算日前實施或大體上已實施之稅率(及稅法)釐定，並預期於相關遞延所得稅資產變現或遞延所得稅負債清償時應用。

遞延所得稅資產乃就有可能將未來應課稅盈利與可動用之暫時差異抵銷而確認。

遞延所得稅乃就附屬公司投資產生之暫時差異而撥備，惟倘本集團可以控制暫時差異之撥回時間，並有可能在可預見未來不會撥回則除外。

**2 Summary of significant accounting policies (continued)****2.16 Employee benefits****(a) Pension obligations**

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of services and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income statement immediately.

Past-service costs are recognised immediately as income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

**2. 主要會計政策概要(續)****2.16 僱員福利****(a) 退休金責任**

集團公司營運多個退休金計劃。此等計劃經由定期精算的計算，一般透過向保險公司或受託管理基金付款而注資。本集團設有界定福利和界定供款兩種計劃。界定福利計劃是一項釐定員工在退休時可收取一定金額的退休計劃，通常視乎年齡、服務年資和薪酬補償等一個或多個因素而定。

在資產負債表內就有關界定福利退休計劃而確認的負債，為結算日界定福利責任的現值減計劃資產的公平值，同時調整未經確認精算盈虧和過往服務成本。界定福利責任每年由管理層利用預計單位貸記法計算。界定福利責任的現值利用將用以支付福利的貨幣為單位計值且到期日與有關之退休負債的年期近似的高質素債券的利率，將估計未來現金流出量貼現計算。

根據經驗而調整的精算盈虧以及精算假設的變動即時計入或扣除自損益表。

過往服務成本即時確認為收入，除非對退休計劃的修改要視乎在某特定期間(歸屬期)僱員是否仍然維持服務。在此情況下，過往服務成本按歸屬期以直線法攤銷。

## 2. Summary of significant accounting policies (continued)

### 2.16 Employee benefits (continued)

#### (a) Pension obligations (continued)

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

#### (c) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, return and discounts and after eliminating sales within the Group.

## 2. 主要會計政策概要(續)

### 2.16 僱員福利(續)

#### (a) 退休金責任(續)

對於界定供款計劃，本集團以強制性、合約性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款責任。供款在應付時確認為僱員福利費用。預付供款就可得現金退款或削減未來供款時確認為資產。

#### (b) 終止服務權益

當本集團在僱員正常退休日期前終止其聘用，或當僱員接受自願遣散以換取有關福利時，終止服務權益即須支付。本集團在可證明承諾如下時確認終止服務權益：根據一項詳細的正式計劃終止現有僱員的僱用（沒有撤回的可能）；或因為提出一項要約以鼓勵自願遣散而提供的終止服務權益。在結算日後超過12個月支付的福利貼現為現值。

#### (c) 分享溢利及花紅計劃

本集團根據一條公式（考慮本公司股東應佔溢利並經若干調整後），就花紅及分享溢利確認負債及開支。本集團於合約規定或過往慣例產生推定責任時確認撥備。

### 2.17 收益確認

收益包括在本集團日常業務進程中銷售貨物而收取或應收代價的公平值。呈列之收益已扣除增值稅、退貨及折扣及減去本集團內部之銷售。



## 2. Summary of significant accounting policies (continued)

### 2.17 Revenue recognition (continued)

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### (a) Sales of goods

Sale of goods is recognized when a Group entity has delivered products to the customer, the customer has accepted that products and full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Sales are recorded based on the price specified in the sales contracts, net returns at the time of sale and sales rebates.

#### (b) Sales of electricity

Sale of electricity is recognized based on units of electricity sold as recorded by meters during the year.

#### (c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

## 2. 主要會計政策概要(續)

### 2.17 收益確認(續)

當收入金額能可靠地衡量、未來經濟利益可能流入有關的實體、以及符合下文所述本集團的有關業務的特定條件時，本集團將確認收入。除非有關銷售的所有或然情況已經解決，否則收入金額不被視為可以可靠地衡量。本集團以其過往業績作為估計的依據，並會考慮客戶類別、交易類別及各項安排的具體情況。

#### (a) 銷售貨物

產品銷售收入於本集團實體已付運產品予客戶，客戶已接受產品及完全具有對銷售產品的渠道和價格的酌情權，且沒有未履行責任可影響客戶接納產品。

待貨物運送至特定地點、報廢和損失風險轉移至客戶、而且客戶已按照銷售合約接納產品或接納條款已失效或本集團具客觀證據顯示接納的所有準則已達成後，貨物交收方告完成。

銷售按銷售合約指明的價格、銷售時的淨退貨和銷售回扣予以記錄。

#### (b) 售電

售電所得收益按照年內儀錶記錄的售電單位確認入賬。

#### (c) 利息收入

利息收入採用實際利息法按時間比例基準進行確認。倘應收款出現減值，本集團會將賬面值減至其按有關金融工具原有實際利率之估計折現現金流量而設定之可收回款額，並繼續解除折現作為利息收入。減值貸款之利息收入乃以原先實際利率確認。

## 2. Summary of significant accounting policies (continued)

### 2.17 Revenue recognition (continued)

#### (d) Technology support income

The Group renders technology support pursuant to a technology support agreement. Revenue is recognised when the conditions attaching to the technology support agreement have been fulfilled.

#### (e) Dividend income

Dividend income is recognised when the right to receive payment is established.

### 2.18 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

### 2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors wherever appropriate. Dividend proposed or declared after the balance sheet date are disclosed as a post balance sheet event and are not recognised as a liability at the balance sheet date.

## 3 Financial risk management

### 3.1 Financial risk factors

The Group's activities expose itself to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow interest-rate risk.

#### (a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Vietnam Dong against US dollars and PRC Renminbi against US dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group has not hedged its foreign exchange rate risk.

## 2. 主要會計政策概要(續)

### 2.17 收益確認(續)

#### (d) 技術支援收入

本集團根據技術支援協議提供技術支援。收入乃於技術支援協議附帶條件獲履行時確認。

#### (e) 股息收入

在確立收取股息款項時，股息收入予以確認。

### 2.18 租賃(作為經營租約之承租人)

凡擁有權之絕大部分風險及回報由出租人保留之租約，均分類為經營租約。經營租約之付款(扣減出租人給予之任何優惠後)乃於有關租約期內以直線法計入損益表內。

### 2.19 分派股息

分派予公司股東的股息在獲得公司股東或董事通過的會計期內，作為負債於集團的財務報表中確認。在結算日後提議或宣派的股息將作為結算日後事項，而不會於結算日確認為負債。

## 3. 財務風險管理

### 3.1 財務風險因素

本集團之業務承受各種財務風險：外匯風險、信貸風險、流動資金風險及現金流量利率風險。

#### (a) 外匯風險

本集團於全球經營業務，因此承受因使用不同貨幣而產生之外匯風險，主要為越南盾對美元及人民幣對美元之風險。外匯風險來自境外業務之未來商業交易、已確認資產及負債和投資淨額。本集團並未為其外幣匯率風險進行對沖。



### 3. Financial risk management (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sale of goods are made to customers with an appropriate credit history. The carrying amount of the trade receivables included in the consolidated balance sheets represents the Group's maximum exposure to credit risk in relation to its financial assets.

##### (c) Liquidity risk

The Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements.

##### (d) Cash flow interest-rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. The Group has not hedged its cash flow interest-rate risk.

#### 3.2 Fair value estimation

The carrying value less impairment provision of trade receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

### 4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities are discussed below.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險

本集團未有任何重大集中信貸風險。其已設立政策以確保貨品向擁有適當信用歷史之客戶銷售。載入綜合資產負債表之應收貿易賬款之賬面值指本集團於金融資產方面所承受之最高信貸風險。

##### (c) 流動資金風險

本集團確保其維持充足現金及信貸額以應付流動資金之需要。

##### (d) 現金流量利率風險

由於本集團並無巨額之計息資產，故本集團之收入及經營現金流量大致上不受市場利率變動所影響。本集團之利率風險來自長期借款。以不同利率發出的貸款令本集團承受現金流量利率風險。本集團並未為其現金流量利率風險進行對沖。

#### 3.2 公平值估計

本集團假定應收貿易賬款及應付貿易賬款之面值減減值撥備後接近其公平值。供披露金融負債之公平值，乃按本集團同類金融工具現時的市場利率折現未來合約現金流量而估計。

### 4. 重要會計估計及判斷

估計及判斷會不斷按照歷史經驗及其他因素進行評估，包括在各情況下相信是合理之未來事件預測。

#### 4.1 重要會計估計及假設

本集團會就未來作出估計及假設。根據其定義，由此得出之會計估計將甚少與相關實際業績等同。下文討論對資產及負債之賬面值造成重大調整之高風險估計及假設。

**4. Critical accounting estimates and judgements (continued)****4.1 Critical accounting estimates and assumptions (continued)***(a) Estimated impairment of goodwill*

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.7. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

*(b) Estimated impairment of property, plant and equipment, land use rights and intangible assets*

Property, plant and equipment, land use right and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of property plant and equipment have been determined based on value-in-use calculations. These calculations and valuations require the use of judgement and estimates.

*(c) Useful lives of property, plant and equipment and intangible assets*

The useful lives of property, plant and equipment and intangible assets are assessed by management annually. The assessment requires the use of judgement and estimates.

*(d) Current income taxes and deferred income tax*

The Group is subject to income taxes in the PRC, Vietnam and Taiwan. Significant judgement is required in determining the amount of the provision for taxation. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

**4. 重要會計估計及判斷(續)****4.1 重要會計估計及假設(續)***(a) 商譽減值的估計*

本集團每年均按照附註2.7所述的會計政策的規定，為商譽進行減值評估。而賺取現金單位的可收回金額，則按照使用價值計算。計算過程中須採用對未來營運狀況作出估算。

*(b) 物業、廠房及設備、土地使用權和無形資產的估計減值*

每當有跡象顯示現存的金額可能不能收回時，本公司將會對物業、廠房及設備、租賃土地和無形資產作出減值評估。物業、廠房及設備、租賃土地及投資物業之可收回金額乃根據使用價值計算方法釐定。該等計算及估值需要作出判斷及估計。

*(c) 物業、廠房及設備和無形資產的使用年限*

管理層每年評估物業、廠房及設備和無形資產的使用年限。該等評估需要作出判斷及估計。

*(d) 當期所得稅及遞延所得稅*

本集團須繳納中國、越南及台灣的所得稅。對於確定稅項撥備的金額，本集團須作出重大判斷。在正常業務過程中，交易及計算均難以明確作出最終的稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

**4. Critical accounting estimates and judgements (continued)****4.1 Critical accounting estimates and assumptions (continued)****(d) Current income taxes and deferred income tax (continued)**

Deferred tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred taxation assets and taxation in the periods in which such estimate is changed.

**5. Segmental analysis**

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group in making operating and financial decisions.

**(a) Business segment**

The Group has been operating in one single business segment, i.e. the manufacture and sale of fermentation-based food additives, biochemical products and cassava starch-based industrial products including modified starch, glucose syrup, MSG, soda, acid and beverages.

**(b) Geographical segment**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical presence of customers. Segment assets and capital expenditures are based on the geographical location of the assets.

**4. 重要會計估計及判斷(續)****4.1 重要會計估計及假設(續)****(d) 當期所得稅及遞延所得稅(續)**

倘管理層認為未來應課稅盈利可用作對銷暫時性差異或稅項虧損可予動用時，則會確認與若干暫時性差異有關之遞延稅項資產及稅項虧損。倘預期結果與原先之估計不同，有關差異會對有關估計出現變動之期間內遞延稅項資產及稅項之確認構成影響。

**5. 分部分析**

分部資料以本集團的業務及地區分類而呈報。業務分部資料為主要呈報形式，原因在於業務分類與本集團經營及財務決策的相關性較大。

**(a) 業務分部**

本集團經營單一業務，即製造及銷售發酵食品添加劑、生化產品及木薯澱粉產品，包括化工澱粉、葡萄糖漿、味精、梳打、酸及飲料。

**(b) 地區分部**

以地區分部呈報資料時，分部收益以客戶所在地區劃分，分部資產及資本開支則以資產所在地劃分。

**5. Segmental analysis (continued)****(b) Geographical segment (continued)****(i) Segment revenue**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam	越南	151,419	138,842
The PRC	中國	44,751	38,867
Japan	日本	53,191	52,778
Taiwan	台灣	10,607	3,353
ASEAN member countries (other than Vietnam)	東盟國家(越南除外)	25,158	14,119
Other regions	其他地區	5,569	9,945
		<b>290,695</b>	<b>257,904</b>

**(ii) Capital expenditures**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam	越南	8,811	29,951
The PRC	中國	13,540	10,269
Taiwan	台灣	40	—
		<b>22,391</b>	<b>40,220</b>

Capital expenditures are allocated based on where the assets are located.

Capital expenditures comprise additions of land use rights, property, plant and equipment and intangible assets, including additions resulting from acquisitions through business combinations.

資本開支乃根據資產所在地而分配。

資本開支包括對土地使用權、物業、廠房及設備及無形資產的添置，包括通過業務合併進行收購的添置。

**5. 分部分析(續)****(b) 地區分部(續)****(i) 分部收益****(ii) 資本開支**

**5. Segmental analysis (continued)****(b) Geographical segment (continued)****(iii) Total assets**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam	越南	308,925	298,818
The PRC	中國	56,728	58,425
Hong Kong	香港	763	12,461
Taiwan	台灣	173	1,571
Singapore	新加坡	869	65
		<b>367,458</b>	<b>371,340</b>

Total assets are allocated based on where the assets are located.

資產總值乃根據資產所在地而分配。

**6. Land use rights**

The Group's interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Held outside Hong Kong	在香港以外持有		
Leases of between 10 and 50 years	租約由十年至五十年	6,038	5,583

		2006 US\$'000 千美元	2005 US\$'000 千美元
Opening	期初	5,583	225
Additions	增加	394	5,376
Exchange difference	匯兌差額	186	6
Amortisation of prepaid operating lease payment	營業租約預繳費用的攤銷	(125)	(24)
		<b>6,038</b>	<b>5,583</b>

In respect of the Group's land use rights, Mao Tai Foods (Xiamen) Co. Ltd ("Xiamen Maotai"), Shanghai Vedan Enterprise Co. Ltd ("Shanghai Vedan") and Shandong Vedan Snowflake Enterprise Co., Ltd. ("Shandong Snowflake"), the three subsidiaries operating in the PRC, have been granted the right to use the land by the relevant authorities for 50 years, which expires in 2042, 2055 and 2056 respectively. Bank borrowings are secured on land use right for the carrying amount of US\$388,000 (2005: Nil) (Note 34).

**5. 分部分析(續)****(b) 地區分部(續)****(iii) 資產總值****6. 土地使用權**

本集團於土地使用權的權益指營業租約的預繳費用，其賬面淨值分析如下：

就本集團的土地使用權而言，三間於中國經營的附屬公司茂泰食品(廈門)有限公司(「廈門茂泰」)、上海味丹企業有限公司(「上海味丹」)及山東雪花實業有限公司(「山東雪花」)，已獲有關當局授予為期五十年的土地使用權，分別於二零四二年、二零五五年及二零五六年屆滿。銀行借貸以賬面值388,000美元的土地使用權作為抵押(二零零五年：無)(附註34)。

## 7. Property, plant and equipment

## 7. 物業、廠房及設備

		Construction in progress 在建工程	Properties 物業	Plant and machinery 廠房	Office equipment and other fixed assets 辦公室 設備及其他 固定資產	Motor vehicles 汽車	Total 合計
<b>At 1 January 2005</b>	<b>二零零五年一月一日</b>						
Cost	成本	6,090	68,033	307,861	27,851	7,778	417,613
Accumulated depreciation	累積折舊	-	(25,093)	(147,336)	(25,745)	(5,590)	(203,764)
Net book amount	賬面淨額	6,090	42,940	160,525	2,106	2,188	213,849
<b>Year ended 31 December 2005</b>	<b>截至二零零五年 十二月三十一日止年度</b>						
Opening net book amount	期初賬面淨額	6,090	42,940	160,525	2,106	2,188	213,849
Exchange differences	匯兌差額	-	101	254	10	9	374
Acquisition of a subsidiary	收購一間附屬公司	-	288	330	15	1	634
Additions	添置	15,355	4,792	162	573	96	20,978
Transfer	轉讓	(15,719)	2,935	11,089	1,657	38	-
Reclassification from inventories	存貨再分類	6,004	-	31	-	-	6,035
Disposals	出售	(101)	-	(302)	(3)	(10)	(416)
Depreciation	折舊	-	(3,385)	(20,484)	(836)	(562)	(25,267)
Closing net book amount	期末賬面淨額	11,629	47,671	151,605	3,522	1,760	216,187
<b>At 31 December 2005</b>	<b>二零零五年十二月三十一日</b>						
Cost	成本	11,629	76,174	318,783	30,054	7,778	444,418
Accumulated depreciation	累積折舊	-	(28,503)	(167,178)	(26,532)	(6,018)	(228,231)
Net book amount	賬面淨額	11,629	47,671	151,605	3,522	1,760	216,187
<b>Year ended 31 December 2006</b>	<b>截至二零零六年 十二月三十一日止年度</b>						
Opening net book amount	期初賬面淨額	11,629	47,671	151,605	3,522	1,760	216,187
Exchange differences	匯兌差異	-	290	319	12	10	631
Additions	添置	8,070	2,017	10,858	526	526	21,997
Transfer	轉讓	(18,703)	3,073	13,444	2,169	17	-
Disposals	出售	-	-	(8)	(48)	(25)	(81)
Depreciation	折舊	-	(3,766)	(21,942)	(812)	(526)	(27,046)
Closing net book amount	期末賬面淨額	996	49,285	154,276	5,369	1,762	211,688
<b>At 31 December 2006</b>	<b>二零零六年十二月三十一日</b>						
Cost	成本	996	81,593	343,495	32,687	8,069	466,840
Accumulated depreciation	累積折舊	-	(32,308)	(189,219)	(27,318)	(6,307)	(255,152)
Net book amount	賬面淨額	996	49,285	154,276	5,369	1,762	211,688

## 7. Property, plant and equipment (continued)

Certain property, plant and equipment of the Group are pledged as security for the Group's short-term and long-term bank borrowings as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Net book value of pledged property, plant and equipment (Note 34)	已抵押物業、廠房及設備賬面淨值(附註34)	41,520	50,341

Depreciation expense of US\$21,060,000 (2005: US\$20,441,000) has been charged in cost of sales, US\$42,000 (2005: US\$52,000) in selling and distribution expenses and US\$760,000 (2005: US\$625,000) in administrative expenses.

## 7. 物業、廠房及設備(續)

本集團以若干物業、廠房及設備作抵押，以取得本集團的短期及長期銀行借貸如下：

折舊支出21,060,000美元(二零零五年：20,441,000美元)、42,000美元(二零零五年：52,000美元)和760,000美元(二零零五年：625,000美元)已分別於銷售成本、銷售及分銷開支以及行政開支中扣除。

## 8. Intangible assets

## 8. 無形資產

		Group 本集團				Company 本公司
		Goodwill 商譽 US\$'000 千美元	Brand name 品牌 US\$'000 千美元	Trademarks 商標 US\$'000 千美元	Total 合計 US\$'000 千美元	Trademarks 商標 US\$'000 千美元
At 1 January 2005	二零零五年一月一日	6,859	-	-	6,859	-
Additions (Note 33(a)(iii))	添置(附註33(a)(iii))	1,142	-	12,089	13,231	12,089
Exchange differences	匯兌差異	158	-	-	158	-
Amortisation for the year	年內攤銷	-	-	(1,007)	(1,007)	(1,007)
At 31 December 2005	二零零五年十二月三十一日	8,159	-	11,082	19,241	11,082
At 1 January 2006	二零零六年一月一日	8,159	-	11,082	19,241	11,082
Transfer from goodwill	轉讓自商譽	(1,142)	1,142	-	-	-
Exchange differences	匯兌差異	209	-	-	209	-
Amortisation for the year	年內攤銷	-	(114)	(1,209)	(1,323)	(1,209)
At 31 December 2006	二零零六年十二月三十一日	7,226	1,028	9,873	18,127	9,873

Amortisation is included in administrative expenses.

攤銷列入行政開支。

**8. Intangible assets (continued)****Impairment tests for goodwill**

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to country of operation and business segment.

		The PRC 中國		Vietnam 越南		Total 合計
		MSG packing 味精及 調味料包裝 US\$'000 千美元	Starch production 澱粉製造 US\$'000 千美元	MSG packing 味精包裝 US\$'000 千美元		
At 31 December 2006	二零零六年十二月三十一日	6,496	–	730		7,226
At 31 December 2005	二零零五年十二月三十一日	6,287	1,142	730		8,159

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management. Cash flows beyond the budget period are extrapolated using the estimated growth rates stated below.

**Key assumptions used for value-in-use calculations**

Gross margin	13.3% – 14.4%
Growth rate	0.0% – 3.0%
Discount rate	10.4%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations for the market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of goodwill is based would not cause the carrying amounts to exceed its recoverable amounts.

**8. 無形資產(續)****商譽減值測試**

本集團因應經營所在國家及業務類別，按所識別之賺取現金單位分配商譽。

賺取現金單位之可收回金額乃按使用價值計算。該等計算基於管理層批准之財政預算使用現金流量進行預測。超出預算期之現金流量使用下列估計增長率推算。

**用以計算使用價值之主要假設：**

毛利	13.3%-14.4%
增長率	0.0%-3.0%
折現率	10.4%

該等假設用於分析業務分部內各賺取現金單位。

管理層乃根據過往業績及其對市場發展之預期而釐定預算毛利率。所用折現率乃稅前計算，並反映相關分部之特定風險。

管理層相信，商譽的可收回金額所根據的主要假設的任何合理可能變動不會導致賬面值超過其可收回金額。



## 9. Investments in subsidiaries

## 9. 對附屬公司投資

	2006 US\$'000 千美元	2005 US\$'000 千美元
Unlisted shares, at cost 非上市股份(按成本)	170,390	170,390
Long-term loan granted to a subsidiary 授予一間附屬公司長期貸款	-	12,000
	<b>170,390</b>	<b>182,390</b>

The following is a list of the principal subsidiaries at 31 December 2006:

下列為於二零零六年十二月三十一日的主要附屬公司：

Name 名稱	Place/country of incorporation 註冊成立 地點/國家	Principal activities and place of operation 主要業務及 營運地點	Particulars of issued share capital 已發行 股本詳情	Interest held 持有權益
<i>Directly held:</i> 直接持有：				
Winball Investment Limited	British Virgin Islands ("BVI") 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	US\$100 Ordinary shares 100美元普通股	100%
Talent Top Investment Ltd.	BVI 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	US\$100 Ordinary shares 100美元普通股	100%
<i>Indirectly held:</i> 間接持有：				
Burghley Enterprise Pte., Ltd.	Singapore 新加坡	Investment holding in Singapore 在新加坡投資控股	S\$106,067,921 Ordinary shares 106,067,921新加坡元 普通股	100%
Ordino Investments Pte., Ltd.	Singapore 新加坡	Investment holding in Singapore 在新加坡投資控股	S\$34,944,929 Ordinary shares 34,944,929新加坡元 普通股	100%
Vedan (Vietnam) Enterprise Corporation Limited 味丹(越南)股份有限公司	Vietnam 越南	Manufacture and sale of fermentation-based food additives and biochemical products and cassava starch-based industrial products including MSG, GA, modified starch, glucose syrup, soda and acid in Vietnam and for export 在越南製造及銷售發酵食品添加劑、 生化產品及木薯澱粉工業產品， 包括味精、穀氨酸、化工澱粉， 葡萄糖漿、梳打及酸並銷售出口	US\$118,300,000 Legal capital 118,300,000美元 法定股本	100%

**9. Investments in subsidiaries (continued)****9. 對附屬公司投資(續)**

Name 名稱	Place/country of incorporation 註冊成立 地點/國家	Principal activities and place of operation 主要業務及 營運地點	Particulars of issued share capital 已發行 股本詳情	Interest held 持有權益
Mao Tai Foods (Xiamen) Co., Ltd. 茂泰食品(廈門)有限公司	PRC 中國	Packaging and sale of MSG and beverages in the PRC 在中國包裝及銷售味精及飲料	US\$20,270,000 Registered capital 20,270,000美元 註冊資本	100%
Orsan Vietnam Co., Ltd.	Vietnam 越南	Packaging and sale of MSG in Vietnam 在越南包裝及銷售味精	US\$1,838,282 Legal capital 1,838,282美元 法定股本	100%
Shandong Vedan Snowflake Enterprise Co., Ltd. <sup>(i)</sup> 山東雪花實業有限公司 (「山東雪花」) <sup>(i)</sup>	PRC 中國	Manufacture and sale of MSG in the PRC 在中國生產及銷售味精	US\$12,000,000 Registered capital 12,000,000美元 註冊資本	70%
Shanghai Vedan Enterprise Co. Ltd. <sup>(i)</sup> 上海味丹企業有限公司 <sup>(i)</sup>	PRC 中國	Packaging and sale of MSG in the PRC 在中國包裝及銷售味精	US\$9,800,000 Registered capital 9,800,000美元 註冊資本	100%
Veyu Enterprise Co., Ltd	Vietnam 越南	Manufacture and sale of cassava starch-based industrial products in Vietnam and for export 在越南製造及銷售木薯澱粉 工業產品並銷售出口	US\$2,300,000 Legal capital 2,300,000美元 法定股本	100%
Xiamen Darong Import & Export Trade Co., Ltd. <sup>(i)</sup> 廈門大容進出口貿易有限公司 <sup>(i)</sup>	PRC 中國	Trading of cassava starch-based industrial products in the PRC 在中國買賣木薯澱粉工業產品	US\$254,000 Registered capital 254,000美元 註冊資本	100%

(i) These are Sino-foreign equity joint ventures or wholly foreign owned enterprises registered under the laws of the PRC.

(i) 此等為根據中國法律註冊的中外合資或全外資企業。

**10 Due from subsidiaries**

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand except for the loan granted to a subsidiary of US\$10,500,000 (2005: US\$12,000,000 which was classified under investments in subsidiaries (Note 9) due to its long term nature) which is interest-free for the period from 1 August 2004 to 31 December 2006 and interest will be charged at SIBOR for the period from 1 January 2007 to 31 July 2007, the date of maturity.

**11 Held-to-maturity financial assets**

Included in held-to-maturity financial assets is a 5-year construction bond issued by Dong Nai Province People's Committee of Vietnam on 30 March 2005. The bond earns annual interest of 8% and is redeemable at the end of the 5-year term.

**10. 應收附屬公司款項**

應收附屬公司款項為無抵押及免息，且於催繳時償還，惟給予附屬公司之貸款10,500,000美元(二零零五年：12,000,000美元，有關款項已分類為附屬公司之投資，此乃由於其長期性質)由二零零四年八月一日至二零零六年十二月三十一日期間為免息貸款，而於二零零七年一月一日至二零零七年七月三十一日(到期日)利息將按新加坡銀行同業拆息計算。

**11. 持有至到期之金融資產**

持有至到期之金融資產包括由Dong Nai Province People's Committee of Vietnam於二零零五年三月三十日發出的五年建築債券。債券每年賺取利息8厘，並可於五年期滿時贖回。

## 12. Trade receivables

## 12. 應收貿易賬款

		2006 US\$'000 千美元	2005 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	37,787	33,542
Trade receivables from related parties (Note 33(c))	應收有關連人士貿易賬款 (附註33(c))	363	2,287
		<b>38,150</b>	<b>35,829</b>

The credit terms of trade receivables range from cash on delivery to 120 days and the ageing analysis of the trade receivables is as follows:

應收貿易賬款的信貸期由貨到付現至120天，而應收貿易賬款的賬齡分析如下：

		2006 US\$'000 千美元	2005 US\$'000 千美元
Current	即期	22,634	23,063
30-90 days	30至90天	14,917	11,760
91-180 days	91至180天	458	305
181-365 days	181至365天	141	60
Over 365 days	365天以上	-	641
		<b>38,150</b>	<b>35,829</b>

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed. Management believes that no additional credit risk beyond the amounts provided for collection losses that are inherent in the Group's trade receivables.

本集團有大量客戶分散世界各地，因此其應收貿易賬款的信貸並不集中。管理層相信除本集團之應收貿易賬款本身已提撥之收賬損失以外，概無其他額外信貸風險。

The Group has recognized a gain of US\$109,000 for the reversal of the impairment of its trade receivables during the year ended 31 December 2006 (2005: a gain of US\$87,000 for the reverse of the impairment of its trade receivables). The amount has been included in administrative expenses in the income statement.

本集團於截至二零零六年十二月三十一日止年度就撥回應收貿易賬款減值確認109,000美元收益(二零零五年：應收貿易賬款減值沖回收益87,000美元)。該款項已包括入損益表的行政開支內。

**12. Trade receivables (continued)**

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam Dong	越南盾	22,148	18,638
US dollar	美元	13,678	12,953
PRC Renminbi	人民幣	2,324	4,238
		<b>38,150</b>	<b>35,829</b>

**12. 應收貿易賬款(續)**

本集團應收貿易賬款的賬面值按以下貨幣計值：

**13. Inventories**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Spare parts and consumables	零件及消耗品	2,975	3,228
Raw materials	原料	28,992	31,104
Work-in-progress	在製品	3,781	4,004
Finished products	製成品	29,772	13,657
		<b>65,520</b>	<b>51,993</b>

**13. 存貨****14. Cash and cash equivalents**

Bank balances totaling US\$16,437,000 as at 31 December 2006 (2005: US\$25,314,000) were placed with banks in the PRC and Vietnam. The remittance of these funds out of the PRC and Vietnam is subject to the exchange restrictions imposed by the PRC and Vietnamese governments.

The Group's cash and cash equivalents are denominated in the following currencies:

**14. 現金及現金等價物**

於二零零六年十二月三十一日，銀行結餘合共16,437,000美元(二零零五年：25,314,000美元)已存入中國及越南的銀行。該等資金匯出中國及越南須遵守中國及越南政府的外匯管制措施。

本集團現金及現金等價物按以下貨幣計值：

		Group 本集團		Company 本公司	
		2006 US\$'000 千美元	2005 US\$'000 千美元	2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam Dong	越南盾	5,276	4,954	—	—
US dollar	美元	7,267	17,973	713	2,163
PRC Renminbi	人民幣	4,627	4,571	—	1
HK dollar	港元	65	349	65	349
Taiwan dollar	台幣	47	140	47	140
		<b>17,282</b>	<b>27,987</b>	<b>825</b>	<b>2,653</b>

## 15. Share capital

## 15. 股本

		Authorised ordinary shares 法定普通股		
		Par value US\$ 面值美元	Number of shares 股份數目	US\$'000 千美元
At 31 December 2005 and at 31 December 2006	二零零五年十二月三十一日及 二零零六年十二月三十一日	0.01	10,000,000,000	100,000

		Issued and fully paid ordinary shares 法定普通股		
		Par value US\$ 面值美元	Number of shares 股份數目	US\$'000 千美元
At 31 December 2005 and at 31 December 2006	二零零五年十二月三十一日及 二零零六年十二月三十一日	0.01	1,522,742,000	15,228

On 13 June 2003, a share option scheme and a pre-IPO share option plan are approved pursuant to a written resolution of the Company.

於二零零三年六月十三日，本公司已根據書面決議案批准購股權計劃及首次公開售股前購股權計劃。

(a) Under the share option scheme, the board of directors may at its discretion offer options to any directors, employees, business partners or their trustees of the Group which entitle them to subscribe for shares in aggregate not exceed 10% of the shares in issue from time to time. These options have duration of ten years from the date of grant, but shall lapse where the grantee ceases to be employed by the Company or its subsidiaries. No share options were granted by the Company under the share option scheme during the current and previous years.

(a) 根據購股權計劃，董事會可酌情向本集團任何董事、僱員、業務夥伴或彼等的受託人授出購股權，賦予彼等權利認購合共不超過不時已發行股份10%的股份。該等購股權的有效期自授出當日起計，為期十年，惟將於該承授人不再受僱於本公司或其附屬公司時失效。本公司在本年及過往並無根據購股權計劃授出任何購股權。

(b) Under the pre-IPO share option plan ("Pre-IPO Share Option Scheme"), the board of directors may at its discretion offer options to any directors or employees of the Group and its subsidiaries which entitle them to subscribe for shares of the Company. On 13 June 2003, 24,500,000 options and 5,270,000 options were granted to directors of the Company and employees of the Group, respectively, under the Pre-IPO Share Option Scheme. These options are exercisable in accordance with the terms of the Pre-IPO Share Option Scheme commencing on 13 June 2004 and up to 12 June 2008.

(b) 根據首次公開售股前購股權計劃（「首次公開售股前購股權計劃」），董事會可酌情向本集團及其附屬公司任何董事或僱員授出購股權，賦予彼等權利認購本公司股份。二零零三年六月十三日，董事會根據首次公開售股前購股權計劃分別向本公司董事及本集團僱員授出24,500,000份及5,270,000份購股權。該等購股權自二零零四年六月十三日至二零零八年六月十二日期間可根據首次公開售股前購股權計劃的條款行使。

**15. Share capital (continued)**

(b) (continued)

11,270,000 share options were exercised in September 2004. There was no other exercise of share options for the current and previous years. 500,000 share options were cancelled during the year (2005: Nil). Pre-IPO share options outstanding as at 31 December 2006 are as follows:

Held by 由以下人士持有	Exercise Price 行使價	Number of options 購股權數目
Directors 董事	HK\$0.801 0.801港元	18,000,000

**16. Reserves**

(a) Group

		Share premium 股份溢價 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	(Note) Merger reserve 合併儲備 (註) US\$'000 千美元	Retained earnings 保留盈利 US\$'000 千美元	Total 合計 US\$'000 千美元
At 1 January 2005	二零零五年一月一日	47,358	3,628	79,994	88,313	219,293
Profit for the year	本年度盈利	-	-	-	7,947	7,947
Dividends	已付股息	-	-	-	(9,955)	(9,955)
Exchange translation differences	匯兌差額	-	542	-	-	542
At 31 December 2005	二零零五年十二月三十一日	47,358	4,170	79,994	86,305	217,827
Representing:	即:					
2005 Final dividend proposed	建議派付的二零零五年末期股息				1,708	
Others	其他				84,597	
Retained earnings as at 31 December 2005	二零零五年十二月三十一日 的保留盈利				86,305	
At 1 January 2006	二零零六年一月一日	47,358	4,170	79,994	86,305	217,827
Profit for the year	本年度盈利	-	-	-	10,915	10,915
Dividends	股息	-	-	-	(4,734)	(4,734)
Exchange translation differences	匯兌差額	-	1,026	-	-	1,026
At 31 December 2006	二零零六年十二月三十一日	47,358	5,196	79,994	92,486	225,034
Representing:	即:					
2006 Final dividend proposed	建議派付的二零零六年末期股息				2,432	
Others	其他				90,054	
Retained earnings as at 31 December 2006	二零零六年十二月三十一日 的保留盈利				92,486	

**15. 股本(續)**

(b) (續)

於二零零四年九月，11,270,000份購股權獲行使。於本年度及過往年度，並無購股權行使。於本年度，500,000份購股權被註銷(二零零五年：無)。截至二零零六年十二月三十一日，尚未行使的首次公開售股前購股權的條款如下：

**16. 儲備**

(a) 本集團

**16. Reserves (continued)****(a) Group (continued)**

Note:

The merger reserve of the Group represents the difference between the nominal value of the share capital and share premium of the subsidiaries acquired pursuant to the group reorganisation completed on 26 December 2002 and the nominal value of the share capital of the Company issued in exchange thereof.

**(b) Company****16. 儲備(續)****(a) 本集團(續)**

註：

本集團的合併儲備即本集團於二零零二年十二月二十六日完成重組時所收購附屬公司的股本面值及股份溢價與本公司因交換而發行股本面值的差額。

**(b) 本公司**

		Exchange reserve 匯兌儲備 US\$'000 千美元	Share premium 股份溢價 US\$'000 千美元	Retained earnings 保留盈利 US\$'000 千美元	Total 合計 US\$'000 千美元
At 1 January 2005	二零零五年一月一日	10	194,098	12,865	206,973
Profit for the year	本年度盈利	-	-	35	35
Dividends	股息	-	-	(9,955)	(9,955)
Exchange translation differences	匯兌差額	(18)	-	-	(18)
At 31 December 2005	二零零五年十二月三十一日	(8)	194,098	2,945	197,035
Representing:	即：				
2005 Final dividend proposed	建議派付的二零零五年末期股息			1,708	
Others	其他			1,237	
Retained earnings as at 31 December 2005	二零零五年十二月三十一日 的保留盈利			2,945	
At 1 January 2006	二零零六年一月一日	(8)	194,098	2,945	197,035
Profit for the year	本年度盈利	-	-	12,704	12,704
Dividends	股息	-	-	(4,734)	(4,734)
Exchange translation differences	匯兌差額	4	-	-	4
At 31 December 2006	二零零六年十二月三十一日	(4)	194,098	10,915	205,009
Representing:	即：				
2006 Final dividend proposed	建議派付的二零零六年末期股息			2,432	
Others	其他			8,483	
Retained earnings as at 31 December 2006	二零零六年十二月三十一日 的保留盈利			10,915	

Pursuant to Section 34 of the Cayman Companies Law (2003 Revision) and the Articles of Association of the Company, share premium of the Company is available for distribution to shareholders subject to a solvency test on the Company and the provision of the Articles of Association of the Company.

根據開曼群島公司法(二零零三年修訂版)第34條及本公司組織章程細則，本公司的股份溢價可分派予股東，惟本公司須具備償債能力且符合本公司組織章程細則的規定。

**17. Trade payables**

The ageing analysis of trade payables is as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Current	即期	15,299	18,161
30-90 days	30至90天	1,804	359
91-180 days	91至180天	9	—
181-365 days	181至365天	4	—
		<b>17,116</b>	<b>18,520</b>

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Vietnam Dong	越南盾	6,684	5,721
US dollar	美元	9,145	11,927
PRC Renminbi	人民幣	1,287	872
		<b>17,116</b>	<b>18,520</b>

**17. 應付貿易賬款**

應付貿易賬款的賬齡分析如下：

本集團應付貿易賬款的賬面值按以下貨幣計值：

**18. Bank borrowings****18. 銀行貸款**

		Group 本集團		Company 本公司	
		2006 US\$'000 千美元	2005 US\$'000 千美元	2006 US\$'000 千美元	2005 US\$'000 千美元
Long-term bank borrowings	長期銀行貸款				
– secured (Note 34)	– 有抵押(附註34)	32,498	38,052	—	—
Current portion of long-term bank borrowings	長期銀行貸款之即期部份	(11,162)	(8,346)	—	—
		<b>21,336</b>	<b>29,706</b>	<b>—</b>	<b>—</b>
Short-term bank borrowings	短期銀行貸款				
– secured (Note 34)	– 有抵押(附註34)	4,421	500	—	—
– unsecured	– 無抵押	36,399	41,101	8,612	13,400
		<b>40,820</b>	<b>41,601</b>	<b>8,612</b>	<b>13,400</b>



**18. Bank borrowings (continued)**

The Group's long-term bank borrowings were repayable as follows:

**18. 銀行貸款(續)**

本集團的長期銀行貸款須於以下期間償還：

		Group 本集團		Company 本公司	
		2006 US\$'000 千美元	2005 US\$'000 千美元	2006 US\$'000 千美元	2005 US\$'000 千美元
Within one year	一年	11,162	8,346	–	–
Between 1 and 2 years	一至二年	10,506	10,465	–	–
Between 2 and 5 years	二至五年	10,830	19,241	–	–
		32,498	38,052	–	–

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates are as follows:

受利率變化影響的本集團貸款及約定重新訂價日期如下：

		Within 1 month 一個月內 US\$'000 千美元	1 – 3 months 一至三個月 US\$'000 千美元	3 – 6 months 三至六個月 US\$'000 千美元	6-12 months 六至十二個月 US\$'000 千美元	Total 合計 US\$'000 千美元
At 31 December 2005	二零零五年十二月					
Total borrowings	三十一日貸款總額	30,785	27,825	21,043	–	79,653
At 31 December 2006	二零零六年十二月					
Total borrowings	三十一日貸款總額	31,880	17,811	22,346	1,281	73,318

The exposure of the Company's borrowings to interest-rate changes and the contractual repricing dates are as follows:

受利率變化影響的本公司貸款及約定重新訂價日期如下：

		Within 1 month 一個月內 US\$'000 千美元	1 – 3 months 一至三個月 US\$'000 千美元	Total 合計 US\$'000 千美元
At 31 December 2005	二零零五年十二月			
Total borrowings	三十一日貸款總額	–	13,400	13,400
At 31 December 2006	二零零六年十二月			
Total borrowings	三十一日貸款總額	5,300	3,312	8,612

**18. Bank borrowings (continued)**

The effective interest rates per annum of the Group at the balance sheet date were as follows:

		2006			2005	
		US\$ 美元	PRC Renminbi 人民幣	Taiwan dollar 台幣	US\$ 美元	PRC Renminbi 人民幣
Bank borrowings	銀行貸款	7.2%	6.7%	4.6%	5.7%	—

The effective interest rates per annum of the Company at the balance sheet date were as follows:

		2006		2005	
		US\$ 美元	Taiwan dollar 台幣	US\$ 美元	Taiwan dollar 台幣
Bank borrowings	銀行貸款	5.3%	4.6%	3.7%	—

The carrying amounts of bank borrowings approximate their fair value.

銀行貸款的賬面金額約為其公平價值。

The carrying amounts of the borrowings are denominated in the following currencies:

銀行貸款的賬面金額按以下貨幣計值：

		Group 本集團		Company 本公司	
		2006 US\$'000 千美元	2005 US\$'000 千美元	2006 US\$'000 千美元	2005 US\$'000 千美元
US dollar	美元	70,385	79,653	7,600	13,400
PRC Renminbi	人民幣	1,921	—	—	—
Taiwan dollar	台幣	1,012	—	1,012	—
		73,318	79,653	8,612	13,400

**18. 銀行貸款(續)**

於結算日期，本集團實際年利率如下：

於結算日期，本公司實際年利率如下：

銀行貸款的賬面金額約為其公平價值。

銀行貸款的賬面金額按以下貨幣計值：

**19. Deferred income tax**

Deferred income tax is calculated in full on temporary differences under the liability method using the principal taxation rates prevailing in the countries in which the Group operates.

The movement on the deferred income tax liabilities account is as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
At 1 January	一月一日	12,026	12,059
Charged to income statements (Note 23)	在損益表扣除(附註23)	(577)	(33)
At 31 December	十二月三十一日	11,449	12,026

Provided for in respect of:

撥備有關於：

		2006 US\$'000 千美元	2005 US\$'000 千美元
Accelerated tax depreciation	加速稅項折舊	12,017	12,700
Other temporary differences	其他暫時差額	(568)	(674)
		11,449	12,026

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

本年度遞延所得稅資產及負債(未抵銷相同徵稅司法權區的結餘前)的變動如下：

**Deferred income tax liabilities****遞延所得稅負債**

		Accelerated tax depreciation 加速稅項折舊	
		2006 US\$'000 千美元	2005 US\$'000 千美元
At 1 January	一月一日	12,700	12,831
Credited to income statements	在損益表扣除	(683)	(131)
At 31 December	十二月三十一日	12,017	12,700

**19. Deferred income tax (continued)**

## Deferred income tax assets

		Other temporary differences 其他暫時差額	
		2006 US\$'000 千美元	2005 US\$'000 千美元
At 1 January	一月一日	(674)	(772)
Charged to income statements	扣除損益表	106	98
At 31 December	十二月三十一日	(568)	(674)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The above deferred income tax assets and liabilities have been offset and are shown in the consolidated balance sheet under deferred income tax liabilities.

## 遞延所得稅資產

倘若有法定可行使權利將現有稅項資產與現有稅項負債抵銷，且遞延所得稅涉及相同的金融機構，則將遞延所得稅資產與負債抵銷。上述遞延所得稅資產與負債已作抵銷，見於綜合資產負債表遞延所得稅負債項下。

**20. Turnover**

(a) The Group manufacture and sell fermentation-based food additives, biochemical products and cassava starch-based industrial products including modified starch, glucose syrup, MSG, soda, acid and beverages. Turnover recognised for the years ended 31 December 2006 and 2005 is US\$290,695,000 and US\$257,904,000 respectively.

**(b) Other gains-net**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Net exchange gain	外匯收益淨值	38	73
Net loss from sale of electricity	出售電力淨虧損	(94)	(175)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(58)	(395)
Sale of scrap materials	廢料銷售	334	406
Interest income from held-to-maturity financial assets	持有至到期之 金融資產的利息收入	251	189
Operating lease rental income	經營租約租金收入	-	264
Tax refund on reinvestment	再投資的退回稅項	-	1,231
Technology support income	技術支援收入	941	-
Others	其他	776	1,314
		2,188	2,907

**19. 營業額**

(a) 本集團製造及銷售發酵食品添加劑、生化產品及木薯澱粉產品，包括化工澱粉、葡萄糖漿、味精、梳打、酸及飲料。截至二零零六年及二零零五年十二月三十一日止年度的經確認營業額分別為290,695,000美元及257,904,000美元。

**(b) 其他收益淨值**

**21. Expenses by nature**

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Changes in inventories of finished goods and work in progress	製成品和在製品存貨變動	15,892	2,361
Raw materials and consumables used	已用原料和消耗品	190,941	186,171
Amortisation of trademarks	商標攤銷	1,209	1,007
Amortisation of land use rights	土地使用權攤銷	125	24
Auditors' remuneration	核數師酬金	256	208
Depreciation on property, plant and equipment	物業、廠房及設備折舊	27,046	25,267
Operating leases expenses in respect of leasehold land	有關租賃土地經營租約的開支	125	119
Employee benefit expenses (Note 27)	僱員福利開支(附註27)	15,799	13,420
Other expenses	其他開支	20,897	18,022
<b>Total cost of sales, selling and distribution expenses and administrative expenses</b>	<b>銷售成本、售賣及分銷開支及行政開支總額</b>	<b>272,290</b>	<b>246,599</b>

**21. 按性質分類的開支**

銷售成本、售賣及分銷開支及行政開支所包括的開支分析如下：

**22. Finance costs****22. 融資成本**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Interest expense on bank borrowings	銀行貸款利息開支	5,498	3,806
Amortisation of discount on long-term payable to a related party	長期應付 — 有關連人士的折讓攤銷	585	471
Interest income	利息收入	(252)	(305)
		<b>5,831</b>	<b>3,972</b>

**23. Taxation**

The amount of income tax charged to the consolidated income statement represents:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Enterprise income tax ("EIT")	企業所得稅(「企業所得稅」)	4,004	2,326
Under provision of income tax in previous years	過往年度所得稅撥備不足	264	-
Deferred income tax (Note 19)	遞延所得稅(附註19)	(577)	(33)
Withholding tax	預扣稅	136	-
		<b>3,827</b>	<b>2,293</b>

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the applicable taxation rate for Vedan (Vietnam) Enterprise Corporation Limited ("Vietnam Vedan"), which is a major subsidiary of the Group, as follows:

**23. 稅項**

於綜合損益表內扣除的稅項包括：

		2006 US\$'000 千美元	2005 US\$'000 千美元
Enterprise income tax ("EIT")	企業所得稅(「企業所得稅」)	4,004	2,326
Under provision of income tax in previous years	過往年度所得稅撥備不足	264	-
Deferred income tax (Note 19)	遞延所得稅(附註19)	(577)	(33)
Withholding tax	預扣稅	136	-
		<b>3,827</b>	<b>2,293</b>

本集團未計所得稅前盈利的所得稅與倘若採用本集團主要附屬公司一味丹(越南)股份有限公司(「越南味丹」)的適用稅率而計算的理論稅款的差額如下：

		2006 US\$'000 千美元	2005 US\$'000 千美元
Profit before taxation	除稅前盈利	14,762	10,240
Calculated at taxation rate of 15% (2005: 15%)	按稅率15%計算 (二零零五年：15%)	2,214	1,536
Income not subject to income tax	毋須繳納所得稅之收入	(136)	-
Expenses not deductible for tax purposes	不可扣減的評稅開支	1,251	1,102
Under provision of income tax in previous years	過往年度撥備不足	264	-
Tax losses for which no deferred income tax asset was recognised	無確認遞延所得稅資產的稅損	98	-
Utilisation of previously unrecognised tax losses	使用以前未確認的稅損	-	(345)
Taxation charge	稅項支出	<b>3,691</b>	<b>2,293</b>

Deferred income tax assets are recognised in respect of tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of US\$2,210,000 (2005: US\$2,150,000) to carry forward against future taxable income. These tax losses will expire from one to five years.

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉的稅損作確認。本集團有未確認稅損2,210,000美元(二零零五年：2,150,000美元)可結轉以抵銷未來應課稅收入。該等稅損將於一年至五年間到期。

**23. Taxation (continued)****Enterprise income tax ("EIT")***(i) Vietnam*

EIT is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purposes. The applicable EIT rates for the Group's operation in Vietnam range from 10% to 25%, as stipulated in the respective subsidiaries' investment licenses.

*(ii) The PRC*

EIT is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purposes. The applicable EIT rate for the Group's operation in the PRC range from 18% to 33%.

Xiamen Maotai, Shanghai Vedan and Shandong Snowflake are entitled to full exemption from EIT for the first two years and 50% reduction in EIT for the next three years, commencing from the first profitable year after offsetting all unexpired tax losses carried forward from the previous years. Shanghai Vedan and Shandong Snowflake have already triggered their first profitable year.

*(iii) Singapore/Hong Kong*

No Singapore/Hong Kong profits tax has been provided as the Group had no estimated assessable profit arising in or derived from Singapore and Hong Kong during the year.

*(iv) Taiwan*

EIT is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purposes. The applicable EIT rate for the Group's operation in Taiwan is 25%.

**23. 稅項(續)****企業所得稅***(i) 越南*

企業所得稅按財務申報的法定盈利計算，且就所得稅的毋須課稅或不可扣減的收支項目作出調整。本集團在越南的業務相關企業所得稅率介乎10%至25%，按附屬公司各自的投資許可證所規定。

*(ii) 中華人民共和國(「中國」)*

企業所得稅按財務申報的法定盈利計算，且就所得稅的毋須課稅或不可扣減的收支項目作出調整。本集團在中國的業務相關企業所得稅率介乎18%至33%。

廈門茂泰、上海味丹、山東雪花自抵銷過往年度結轉之所有未到期稅項虧損後之首個獲利年度起，於首兩年有權享有企業所得稅全數豁免，並於其後三年獲寬減50%企業所得稅。上海味丹及山東雪花已開始其首個獲利年度。

*(iii) 新加坡／香港*

由於本集團於本年度並無在新加坡／香港賺取或獲得估計應課稅盈利，因此並無作出新加坡／香港利得稅撥備。

*(iv) 台灣*

企業所得稅按財務申報的法定盈利計算，且就所得稅的毋須課稅或不可扣減的收支項目作出調整。本集團在台灣業務相關企業所得稅率為25%。



**24. Profit attributable to shareholders**

The profit attributable to shareholders is dealt with in the consolidated financial statements of the Company to the extent of US\$12,704,000 (2005: US\$35,000).

**25. Dividends**

	2006 US\$'000 千美元	2005 US\$'000 千美元
2006 Interim dividend of 0.200 US cents (2005: 0.201 US cents) per ordinary share, paid	3,026	3,060
2006 Final dividend of 0.158 US cents (2005: 0.112 US cents) per ordinary share, proposed	2,432	1,708
	<b>5,458</b>	<b>4,768</b>

**26. Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company of US\$10,915,000 (2005: US\$7,947,000) by 1,522,742,000 (2005: 1,522,742,000) ordinary shares in issue during the period (Note 15).

Diluted earnings per share is calculated adjusting the number of ordinary shares outstanding to assume conversion of all share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the pre-IPO share options.

**24. 股東應佔盈利**

計入本公司綜合財務報表的股東應佔盈利為12,704,000美元(二零零五年: 35,000美元)。

**25. 股息****26. 每股盈利**

每股基本盈利按本公司股權持有人應佔盈利10,915,000美元(二零零五年: 7,947,000美元)除以年內已發行普通股1,522,742,000(二零零五年: 1,522,742,000股)計算(附註15)。

每股攤薄盈利乃按假設行使所有尚未行使購股權而發行之普通股數目予以調整而計算。股份數目之計算為根據尚未行使購股權附有之認購權之貨幣價值,按公平值(以本公司股份之平均年度市場價格釐訂)購入之股份數目。根據上述計算得出之股份數目與假設行使首次公開售股前購股權而應已發行之股份數目比較。

**26. Earnings per share (continued)****26. 每股盈利(續)**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Profit attributable to equity holders of the Company	本公司股權持有人應佔盈利	10,915	7,947
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(以千計)	1,522,742	1,522,742
Adjustments for outstanding share options (thousands)	尚未行使購股權調整(以千計)	2,431	5,701
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利之已發行普通股加權平均數(以千計)	1,525,173	1,528,443
Diluted earnings per share (US cents per share)	每股攤薄盈利(每股美仙)	0.72	0.52

**27. Employee benefit expenses (including directors' remuneration)****27. 僱員成本(包括董事薪酬)**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Wages, basic salaries and allowances	工資、底薪及津貼	13,266	11,468
Bonuses	花紅	917	557
Pension costs – defined contribution plans	退休金成本 – 定額供款計劃	796	654
Other employee benefits	其他僱員福利	820	741
		15,799	13,420

**28. Employee retirement benefits**

As stipulated by rules and regulations in the PRC, the Group contributes to state-sponsored defined contribution retirement plans for its employees in Xiamen, Shandong and Shanghai, the PRC. The Group contributes to the plans at rates ranging from 8% to 22% of the basic salaries predetermined by local governments. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees. For the year ended 31 December 2006, the Group has contributed approximately US\$153,000 (2005: US\$115,000) to the aforesaid state-sponsored retirement plans.

As stipulated by rules and regulation in Vietnam, the Group contributes to stated-sponsored employees' social insurance scheme for its employees in Vietnam. The Group contributes to the scheme at a rate of 15% of the employee's salary. The state-sponsored social insurance scheme is responsible for the entire obligations payable to retired employees. For the year ended 31 December 2006, the Group has contributed approximately US\$539,000 (2005: US\$415,000) to the aforesaid state-sponsored social insurance scheme.

**29. Emoluments of directors and senior management**

(a) The aggregate amounts of emoluments paid and payable to the directors of the Company by the Group during the year are as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Fees	袍金	—	—
Basic salaries and allowances	底薪及津貼	1,421	1,418
Discretionary bonuses	酌情發放的花紅	873	523
		<b>2,294</b>	<b>1,941</b>

**28. 僱員退休福利**

根據中國的規則及法例，本集團為中國廈門、山東及上海僱員向國家營辦的定額供款退休計劃作出供款。本集團對該等計劃的供款率為當地政府指定底薪的8%至22%。國家營辦的退休計劃負責向退休僱員支付所有退休福利。截至二零零六年十二月三十一日止年度，本集團向上述國家營辦的退休計劃供款約153,000美元(二零零五年：115,000美元)。

根據越南的規則及法例，本集團為越南僱員向國家營辦的僱員社會保險計劃作出供款。本集團按僱員薪金的15%向計劃作出供款。國家營辦的社會保險計劃負責為退休僱員提供所有保障。截至二零零六年十二月三十一日止年度，本集團向上述國家營辦的社會保險計劃供款約539,000美元(二零零五年：415,000美元)。

**29. 董事及高級管理層的薪酬**

(a) 本年度本集團向本公司董事已付及應付的薪酬總額如下：

## 29. Emoluments of directors and senior management (continued)

(a) (continued)

The emoluments of the directors of the Company fell within the following bands:

		Number of directors 董事數目	
		2006	2005
Nil to HK\$1,000,000 (approximately US\$128,000)	零至1,000,000港元 (約128,000美元)	6	5
HK\$1,000,001 to HK\$2,500,000 (approximately US\$128,001 to US\$320,000)	1,000,001港元至2,500,000港元 (約128,001美元至320,000美元)	2	2
HK\$2,500,001 to HK\$3,000,000 (approximately US\$320,001 to US\$384,000)	2,500,001港元至3,000,000港元 (約320,001美元至384,000美元)	1	2
HK\$3,500,001 to HK\$4,000,000 (approximately US\$448,001 to US\$513,000)	3,500,001港元至4,000,000港元 (約448,001美元至513,000美元)	1	–
HK\$5,000,001 to HK\$5,500,000 (approximately US\$641,001 to US\$705,000)	5,000,001港元至5,500,000港元 (約641,001美元至705,000美元)	–	1
HK\$7,000,001 to HK\$7,500,000 (approximately US\$897,001 to US\$960,000)	7,000,001港元至7,500,000港元 (約897,001美元至960,000美元)	1	–
		11	10

None of the directors of the Company waived any emoluments during the year (2005: Nil).

## 29. 董事及高級管理層的薪酬(續)

(a) (續)

本公司董事的薪酬介乎以下範圍：

本年度本公司董事並無放棄任何薪酬(二零零五年：無)。

**29. Emoluments of directors and senior management (continued)**

(a) (continued)

The remuneration of the directors of the Company for the year ended 31 December 2006 is set out below:

**29. 董事及高級管理層的薪酬(續)**

(a) (續)

截至二零零六年十二月三十一日止年度本公司董事的薪酬載列如下：

Name of Director 董事姓名	Fees 袍金 US\$'000 千美元	Salary 薪金 US\$'000 千美元	Discretionary bonuses 酌情發放花紅 US\$'000 千美元	Other benefits(i) 其他福利(i) US\$'000 千美元	Total 合計 US\$'000 千美元
<b>Executive Director</b> 執行董事：					
Mr. Yang, Tou-Hsiung 楊頭雄先生	—	363	583	13	959
Mr. Yang, Cheng 楊正先生	—	200	250	13	463
Mr. Yang, Kun-Hsiang 楊坤祥先生	—	312	20	13	345
Mr. Yang, Chen-Wen 楊辰文先生	—	201	10	13	224
Mr. Wang, Joel J. 王肇樹先生	—	219	10	13	242
<b>Non-executive Director</b> 非執行董事：					
Mr. Chou, Szu-Cheng (Note (ii)) 周賜程先生 (附註(ii))	—	—	—	9	9
Mr. Huang, Ching-Jung 黃景榮先生	—	—	—	13	13
Mr. Lam, Tuan (Note (ii)) 林俊先生 (附註(ii))	—	—	—	3	3
<b>Independent non-executive Director</b> 獨立非執行董事：					
Mr. Chao, Pei-Hong 趙培宏先生	—	—	—	12	12
Ms. Chuang, Shu-Fen 莊淑芬女士	—	—	—	12	12
Mr. Ko, Jim-Chen 柯俊禎先生	—	—	—	12	12
<b>Total</b> 合計	—	1,295	873	126	2,294

## 29. Emoluments of directors and senior management (continued)

(a) (continued)

The remuneration of the directors of the Company for the year ended 31 December 2005 is set out below:

Name of Director 董事姓名	Fees 袍金 US\$'000 千美元	Salary 薪金 US\$'000 千美元	Discretionary bonuses 酌情發放花紅 US\$'000 千美元	Other benefits(i) 其他福利(i) US\$'000 千美元	Total 合計 US\$'000 千美元
<b>Executive Director</b> <b>執行董事：</b>					
Mr. Yang, Tou-Hsiung 楊頭雄先生	–	363	314	13	690
Mr. Yang, Cheng 楊正先生	–	200	157	13	370
Mr. Yang, Kun-Hsiang 楊坤祥先生	–	312	24	13	349
Mr. Yang, Chen-Wen 楊辰文先生	–	200	14	13	227
Mr. Wang, Joel J. 王肇樹先生	–	217	14	13	244
<b>Non-executive Director</b> <b>非執行董事：</b>					
Mr. Huang, Ching-Jung 黃景榮先生	–	–	–	13	13
Mr. Lam, Tuan 林俊先生	–	–	–	12	12
<b>Independent non-executive Director</b> <b>獨立非執行董事：</b>					
Mr. Chao, Pei-Hong 趙培宏先生	–	–	–	12	12
Ms. Chuang, Shu-Fen 莊淑芬女士	–	–	–	12	12
Mr. Ko, Jim-Chen 柯俊禎先生	–	–	–	12	12
<b>Total</b> <b>合計</b>	–	1,292	523	126	1,941

Notes:

- (i) Other benefits include travelling allowance.
- (ii) Mr. Chou, Szu-Cheong was appointed as non-executive director of the Company while Mr. Lam, Tuan resigned during the year.

(a) (續)

截至二零零五年十二月三十一日止年度本公司董事的薪酬載列如下：

附註：

- (i) 其他福利包括差旅津貼。
- (ii) 於本年度周賜程獲委任為本公司獨立非執行董事，而林俊先生辭任。

## 29. Emoluments of directors and senior management (continued)

- (b) The five individuals whose emoluments were the highest in the Group for both years were also directors and their emoluments are reflected in the analysis presented above.
- (c) During the year, no emoluments have been paid to the directors of the Company or the five highest paid individuals of the Group as an inducement to join or as compensation for loss of office.

Details of the share options outstanding as at 31 December 2006 which have been granted to the Directors of the Group under the Pre-IPO Share Option Scheme are as follows:

## 29. 董事及高級管理層的薪酬(續)

- (b) 本集團兩個年度內最高薪酬的五位人士均為董事，彼等的酬金已載於上文分析內。
- (c) 本年度並無向本公司董事或本集團五位最高薪酬人士支付酬金，作為招攬加入本集團的獎勵或離職補償。

於二零零六年十二月三十一日根據首次公開售股前購股權計劃授予董事而尚未行使的購股權詳情如下：

Directors 董事	Number of options Held as at 31 December 2005 and 31 December 2006 購股權數目		Exercise price 行使價	Date of grant 授出日期	Exercise period 行使期間
	二零零五年三十一日及 二零零六年十二月三十一日持有				
Mr. YANG, Tou-Hsiung 楊頭雄先生	4,500,000		HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. YANG, Chen-Wen 楊辰文先生	4,500,000		HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. YANG, Cheng 楊正先生	4,500,000		HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. YANG, Kun-Hsiang 楊坤祥先生	4,500,000		HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日



**30. Cash generated from operations****30. 經營業務所得現金**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Profit before income tax	未計所得稅前盈利	14,762	10,240
Adjustments for:	就以下項目調整：		
Finance costs – net (Note 22)	融資成本淨額(附註22)	5,246	3,501
Interest received from held-to-maturity financial assets	已收持有至到期金融資產的利息	(251)	(191)
Amortisation of discount on long-term payable to a related party	長期應付 — 有關連人士的折讓攤銷	585	471
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	27,046	25,267
Amortisation of trademarks and brand name (Note 8)	商標及品牌攤銷(附註8)	1,323	1,007
Amortisation of land use rights (Note 6)	土地使用權攤銷(附註6)	125	24
Loss on disposal of property, plant and equipment (see below)	出售物業、廠房及設備虧損(見下文)	58	395
		<b>48,894</b>	<b>40,714</b>
Change in working capital (excluding the effects of acquisition and exchange difference on consolidation)	營運資金變動 (未計收購影響及綜合產生的匯兌差異)		
– Inventories	– 存貨	(13,527)	(12,715)
– Trade receivables, prepayments and other receivables	– 應收貿易賬款、預付款項及其他應收款項	(2,346)	(3,680)
– Trade payables, accruals and other payables	– 應付貿易賬款、應計費用及其他應付款項	(2,879)	5,900
– Amounts due to related parties	– 應付有關連人士款項	(16)	81
Cash generated from operations	經營業務所得現金	<b>30,126</b>	<b>30,300</b>

**30. Cash generated from operations (continued)**

In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Net book amount (Note 7)	賬面淨值(附註7)	81	416
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(58)	(395)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	23	21

**30. 經營業務所得現金(續)**

在現金流量表內，出售物業、廠房及設備所得款項如下：

**31. Commitments****(a) Capital commitments for property, plant and equipment**

		2006 US\$'000 千美元	2005 US\$'000 千美元
Contracted but not provided for	已訂約但未撥備	211	12,836
Authorised but not contracted for	已授權但未訂約	14,823	34,751

**31. 承擔****(a) 物業、廠房及設備的資本承擔****(b) Lease commitments**

The Group had future aggregate minimum lease payments in respect of land under non-cancellable operating leases as follows:

		2006 US\$'000 千美元	2005 US\$'000 千美元
Not later than one year	第一年內	118	109
Later than one year and not later than five years	第二至第五年內	466	436
Later than five years	第五年後	3,299	3,107
		3,883	3,652

**(b) 租約承擔**

本集團根據土地的不可撤銷經營租約而須於未來支付的最低租約承擔總額如下：

**32. Contingent liabilities**

As at 31 December 2006, the Company has given guarantees for bank borrowings of subsidiaries amounting to US\$172,404,000 (2005: US\$93,000,000) of which US\$116,341,000 has not been utilised.

**32. 或然負債**

於二零零六年十二月三十一日，本公司為附屬公司提供銀行借貸之擔保達172,404,000美元(二零零五年：93,000,000美元)，其中116,341,000美元尚未動用。

**33. Related party transactions**

(a) Significant related parties transactions, which were carried out in the normal course of the Group's business are as follows:

**33. 有關連人士交易**

(a) 在本集團日常業務中與有關連人士進行的重大交易如下：

	Note 附註	2006 US\$'000 千美元	2005 US\$'000 千美元
Sale of goods to Taiwan Vedan	(i)	4,085	9,801
Trademark license fee paid to Tung Hai Fermentation Industrial Co. Ltd. ("Tung Hai")	(ii)	—	289
Technological support fee paid to Tung Hai and Taiwan Vedan	(ii)	2,422	2,604
Technological support fee received from Taiwan Vedan		20	80
Acquisition of land use right and properties from Shanghai Vedan Foods		—	5,377
Commission income from Taiwan Vedan in connection with Agency Agreement	(ii)	73	104
Assignment of trademarks from Tung Hai and Taiwan Vedan	(iii)	—	12,089

**33. Related party transactions (continued)**

- (a) Significant related parties transactions, which were carried out in the normal course of the Group's business are as follows: (continued)

Notes:

- (i) In the opinion of the directors of the Company, sales to the related party were conducted in the normal course of business at prices and terms no less favourable than those charged to and contracted with other third party customers of the Group.
- (ii) In the opinion of the directors of the Company, the transactions were carried out in the ordinary course of business and the fees are charged in accordance with the terms of underlying agreements.
- (iii) On 13 June 2003, the Company entered into a trademark assignment agreement with Taiwan Vedan and Tung Hai, pursuant to which each of Taiwan Vedan and Tung Hai agree to assign to the Company absolutely all its entire right, title and interest in and to the trademarks registered in the name of Taiwan Vedan and Tung Hai in Vietnam, the PRC and certain ASEAN member countries.

In 2005, the transfer of the titles and registrations of these trademarks was substantially completed and accordingly, these trademarks were recognised as intangible assets.

**(b) Key management compensation**

	2006 US\$'000 千美元	2005 US\$'000 千美元
Salaries and other short-term employee benefits 薪金及其他短期員工福利	2,233	1,880

**33. 有關連人士交易(續)**

- (a) 在本集團日常業務中與有關連人士進行的重大交易如下：(續)

附註：

- (i) 本公司董事認為向有關連人士銷售是在日常業務中進行，且價格及條款不遜於本集團與其他第三者客戶交易所支付及訂立的價格及條款。
- (ii) 本公司董事認為該等交易在日常業務中進行，並且根據相關協議的條款收費。
- (iii) 於二零零三年六月十三日，本公司與台灣味丹及東海訂立一項商標轉讓協議。據此，台灣味丹及東海各自同意向本公司轉讓彼等各自以台灣味丹及東海名義於越南、中國及若干東盟國家註冊之商標中之全部權利、所有權及權益。

於二零零五年，大致上已完成該等商標之所有權轉讓及註冊事宜，故該等商標乃披露認為無形資產。

**(b) 主要管理人員酬金**

**33. Related party transactions (continued)****(c) Balances with related parties**

As at 31 December 2006, the Group had the following significant balances with related parties:

	Note 附註	2006 US\$'000 千美元	2005 US\$'000 千美元
Current:			
Trade receivable from related parties (Note 12)	(i)		
– Shanghai Vedan Foods		4	633
– Taiwan Vedan		359	1,654
		363	2,287
Due to Taiwan Vedan	(i)	258	274
Non-current:			
Due to Taiwan Vedan in connection with assignment of trademarks	(ii)	11,023	12,560

Notes:

- (i) All these balances with related parties are unsecured, interest-free and have no fixed terms of repayment.
- (ii) The amount represents the fair value payable to Taiwan Vedan for assignment of certain trademarks under the Trademark Assignment Agreement (Note 33(a)(iii)). It is payable by seven equal annual instalment commencing on 1 January 2007. The face amount is US\$15,014,000 and is discounted to fair value using a rate based on the borrowing rate of 4.7% at the date of assignment of the trademarks.

**33. 有關連人士交易(續)****(c) 有關連人士的結餘**

於二零零六年十二月三十一日，本集團與有關連人士有以下重大結餘。

附註：

- (i) 有關連人士的所有結餘均無抵押、免息及無固定還款期。
- (ii) 根據商標轉讓協議(附註33(a)(iii))，該款項相當於就轉讓若干商標而應付台灣味丹之公平值。其須由二零零七年一月一日起，分七期每年支付相同款額。面值為15,014,000美元，並按根據轉讓商標當日之借貸利率4.7厘計算之利率折現至公平值。

**34. Banking facilities**

The Group's bank borrowings of US\$36,919,000 (2005: US\$38,552,000) as at 31 December 2006 were secured by:

- (i) legal charges over certain of the Group's property, plant and equipments and land use rights with the net book value of approximately US\$41,908,000 (2005: US\$50,341,000); and
- (ii) corporate guarantee provided by the Company.

**34. 銀行信貸**

本集團於二零零六年十二月三十一日的銀行借貸36,919,000美元(二零零五年: 38,552,000美元)以下列各項作為抵押:

- (i) 本集團賬面淨值約41,908,000美元(二零零五年50,341,000美元)的若干物業、廠房及設備和土地使用權的法定抵押;及
- (ii) 本公司提供的公司擔保。