



Natural



Sweet

**VEDAN**  
*INTERNATIONAL*

Vedan International (Holdings) Limited  
味丹國際(控股)有限公司  
Stock Code 股份代號: 2317

ANNUAL REPORT 2010 年報



Taste





# Content 目錄



- 02 Corporate Profile 公司簡介
- 04 Corporate Information 公司資料
- 05 Financial Highlights 財務摘要
- 08 Chairman's Statement 主席報告書  
Management Discussion and Analysis  
14 管理層討論與分析
- 28 Profile of Directors 董事簡介
- 30 Profile of Senior Executives 高級管理層簡介
- 31 Corporate Governance Report 企業管治報告
- 36 Report of the Directors 董事會報告
- 49 Independent Auditor's Report 獨立核數師報告
- 51 Accounts 財務資料
- 122 Five Year Financial Summary 五年財務概要
- 123 Shareholder Information 股東資料
- 124 Investor Relations 投資者關係



Vedan International (Holdings) Ltd. has been listed on the Main Board of the Stock Exchange of Hong Kong since 2003. The Group is the leading producer of fermentation-based amino acids, food additive products and cassava starch-based industrial products in Asia. Our products are sold to food distributors, international trading companies, and manufacturers of food, paper, textile, and chemical products in Vietnam and other ASEAN countries, the PRC, Japan, Taiwan and several European countries. Most of our products are marketed under the VEDAN brand name.

味丹國際於二零零三年在香港聯交所主板上市。本集團是亞洲區域內以醱酵技術生產氨基酸產品、食品添加劑及澱粉工業產品的領先生產製造商。味丹國際的產品銷售予越南、東協國家、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，本集團大部份產品均以「味丹」品牌銷售。



Since the 1970s, our products have been marketed in Vietnam, the PRC, and other ASEAN countries. To accelerate market expansion, the Group established Vietnam Vedan in 1991 as our major production base. Since then, the Group's production has undergone continuous expansion due to strong growing demand. The Group is currently the largest MSG producer in the Southeast Asian region, and the largest supplier of lysine and cassava starch-based industrial products in Vietnam. In 1995, Vedan acquired a factory in Xiamen to focus on developing the PRC market. In 2004, the Group further acquired the assets and MSG business of Shanghai Vedan Foods Company Limited, which will be developed into its business operations center in the PRC, signifying its determination and commitment to become a major player in the PRC market. To ensure the Group has a stable supply of starch and a strong production platform for starch related products, Vedan Vietnam acquired Ve-Thai Tapioca-Starch Co. Ltd. in November 2005. In December the same year, Shandong Vedan Snowflake Enterprise Co., Ltd. was established and started production of GA in April 2006. Shandong Vedan Snowflake will play a crucial role in Vedan's global supply chain in the future, allowing it to meet the demand and to stabilize prices of raw materials, hence facilitate its business development strategy in China.

Leveraging on our production facilities located in Vietnam and China, steady upstream supply of raw materials, our possessing of advanced fermentation production technology and other biochemical processing technology, coupled with the experienced management team, the Group boasts strong competitiveness over its peers.

自七十年代起，我們的味精產品即銷售到越南、中國及其他東協國家。為加快開拓市場，本集團於一九九一年成立越南味丹作為主要的生產基地，之後，業務不斷發展，生產規模也持續擴大。目前，已是東南亞地區最大的味精生產廠商。在越南國內則是最大的賴氨酸和澱粉工業產品供應商。於一九九五年收購廈門茂泰廠以專注於發展中國市場。更在二零零四年收購上海味丹食品公司之資產及味精業務，作為其中國區營運中心，務求全力開發中國市場。二零零五年十一月味丹越南完成收購味泰木薯澱粉有限公司，將為本集團提供穩定之澱粉供應，並加強澱粉產品的生產基礎。同年十二月成立山東味丹雪花實業有限公司，並於二零零六年四月開始生產谷氨酸。未來，將成為味丹國際全球供應鏈中的一個重要環節，讓集團進一步穩定原材料供應量及價格，以配合其於中國的業務發展策略。

憑藉我們位於越南和中國的生產設施、上游原材料的穩定供給，所擁有高級發酵工藝技術以及其他高級生化加工技術，加上管理層團隊所擁有的豐富經驗和知識，本集團對所從事的行業享有優勢競爭力。

**BOARD OF DIRECTORS 董事會**

**Executive Directors 執行董事**

Yang, Tou-Hsiung 楊頭雄  
Yang, Cheng 楊正  
Yang, Kun-Hsiang 楊坤祥  
Yang, Chen-Wen 楊辰文

**Non-executive Directors 非執行董事**

Huang, Ching-Jung 黃景榮  
Chou, Szu-Cheng 周賜程

**Independent Non-executive Directors 獨立非執行董事**

Chao, Pei-Hong 趙培宏  
Ko, Jim-Chen 柯俊禎  
Chan, Joen-Ray 陳忠瑞

**AUTHORISED REPRESENTATIVES 法定代表**

Yang, Tou-Hsiung 楊頭雄  
Yang, Kun-Hsiang 楊坤祥

**COMPANY SECRETARY 公司秘書**

Lo, Chi-Man 羅志文

**AUDITORS 核數師**

PricewaterhouseCoopers  
*Certified Public Accountants*  
羅兵咸永道會計師事務所  
執業會計師  
22nd Floor, Prince's Building, Central, Hong Kong  
香港中環太子大廈22樓

**LEGAL ADVISORS 法律顧問**

**Deacons**

**的近律師行**

5th Floor, Alexandra House, 16-20 Chater Road,  
Central, Hong Kong  
香港中環遮打道16-20號歷山大廈5樓

**REGISTERED OFFICE 註冊辦事處**

Century Yard, Cricket Square,  
Hutchins Drive, George Town  
Grand Cayman  
British West Indies

**PRINCIPAL PLACE OF BUSINESS 主要營業地點**

**Vietnam Office 越南辦事處**

National Road 51, Hamlet 1A,  
Phuoc Thai, Long Thanh District,  
Dong Nai Province, Vietnam  
越南同奈省  
隆城縣福泰社  
51國道旁第1A邑

**Shanghai, China Office 中國上海辦事處**

No. 158 CheXin Road, Songjiang Industrial Park  
Shanghai, PRC  
中國上海市  
松江工業區車新公路158號

**Shandong, China Office 中國山東辦事處**

Xuehua Industry Park, Wangyin, Jining, Shandong, PRC  
中國山東省  
濟寧高新技術開發區  
王因鎮雪花工業園

**Xiamen, China Office 中國廈門辦事處**

568, North Tong Ji Road,  
Tong-An District, Xiamen City,  
Fujian Province, PRC  
中國福建省廈門市  
同安區同集北路568號

**Taiwan Office 台灣辦事處**

18 Jinhua Street, Shalu  
Taichung, Taiwan, ROC  
台灣台中縣  
沙鹿鎮錦華街18號

**Hong Kong Office 香港辦事處**

Suite 3706, 37th Floor, West Tower, Shun Tak Centre  
200 Connaught Road Central, Hong Kong  
香港中環干諾道中200號  
信德中心西座37樓3706室

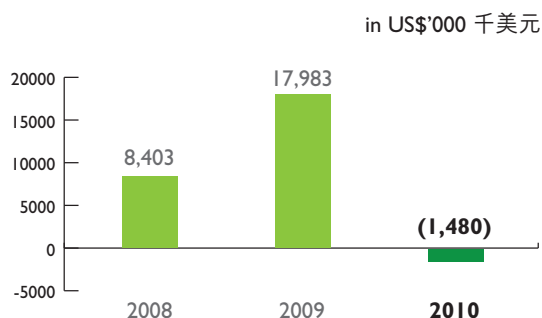
**WEBSITE 網址**

[www.vedaninternational.com](http://www.vedaninternational.com)

截至十二月三十一日止年度 For the year ended 31 December				
		2010 US\$'000 千美元	2009 US\$'000 千美元	Difference 差異
Revenue	收益	336,107	289,137	16%
Profit before income tax	除所得稅前溢利	1,955	23,028	(92%)
(Loss)/profit attributable to owners	擁有人應佔(虧損)/溢利	(1,480)	17,983	(108%)
Owners' equity	擁有人權益	266,176	271,651	(2%)
Basic (loss)/earnings per share (US cents)	每股基本(虧損)/盈利(美仙)	(0.10)	1.18	(108%)
Diluted (loss)/earnings per share (US cents)	每股攤薄(虧損)/盈利(美仙)	(0.10)	1.18	(108%)
Interim dividend per share (US cents)	每股中期股息(美仙)	-	0.273	-
Final dividend per share (US cents)	每股末期股息(美仙)	0.240	0.317	(24%)
Dividend payout ratio	派息率	-	50%	-

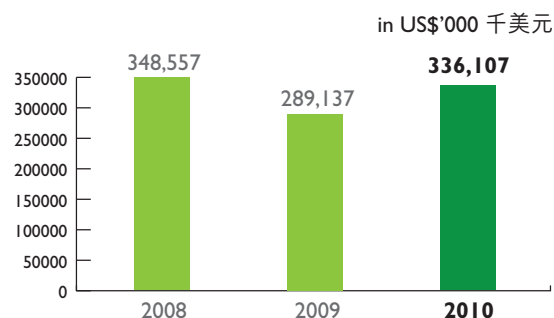
### LOSS/PROFIT ATTRIBUTABLE TO OWNERS

擁有人應佔虧損/溢利



### REVENUE

收益

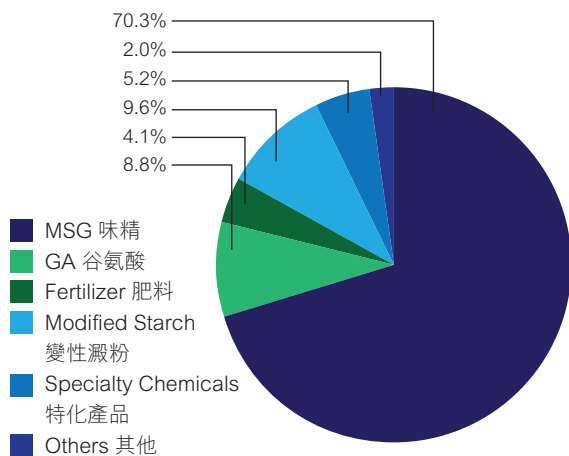


### REVENUE BY PRODUCTS

按產品分類之收益

12 months ended 31 Dec 2010

截至二零一零年十二月三十一日止十二個月

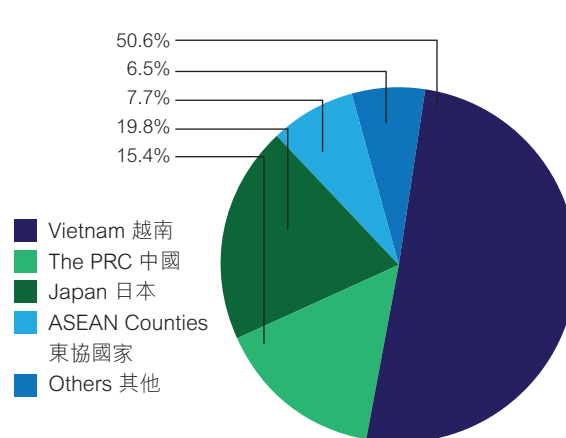


### REVENUE BY GEOGRAPHIC LOCATION

按地區分類之收益

12 months ended 31 Dec 2010

截至二零一零年十二月三十一日止十二個月



# GREAT VISION 高瞻遠矚



**ARMED WITH MODERN TECHNOLOGY AND SOUND  
MANAGEMENT, WE HAVE SUCCESSFULLY CREATED  
A NUMBER OF QUALITY PRODUCTS TO CATER TO  
THE CONSUMERS' TASTES AND DEMANDS.**

憑著現代科技設備與管理，我們成功始創多種優質產品，  
以迎合消費者的口味和要求。



Long-established in Asia, Vedan International (Holdings) Limited is a premier manufacturer of fermentation-based amino acids, food additive and cassava starch-based products. Its prominent reputation has been built on the quality manufacture of MSG, a key food additive lying at the heart of the unique tastes of Asia's two billion consumers. The Group's vision of the future is simple: to expand and enrich its markets across the Asian region while developing new products for the demand of consumers.

味丹國際(控股)有限公司立足亞洲，是以醱酵生產技術生產氨基酸、食品添加物和木薯澱粉類產品的知名生產商。味丹國際的成功奠基於其生產優質的味精產品上，而此主要食品添加物在亞洲二十億消費群眾的口味中佔有重要地位。集團未來的目標：拓展及加強亞洲市場，發展新產品，以滿足消費者的需求。



In 2010, the Group's operation and profitability were affected by the price rises of raw materials and energy in Vietnam and the depreciation in the Vietnamese Dong. Compared with 2009, the increase in the selling price of MSG in China and fluctuation of selling prices in the market has also partially lowered profits. During 2010, to mitigate the impact of increasing raw materials and energy prices on costs, we have directed efforts towards improving production efficiency, while raising selling prices of existing products and stronger sales efforts. The most unfavourable factor affecting the Group's results during the period was the environmental issue of the Group's plant in Vietnam which involved compensation to local farmers and fishermen amounting to US\$11,800,000. This settlement caused the Group to turn from an operational profit to a net loss in the period.

The Group's operations recorded a turnover of approximately US\$336,000,000, an increase of around 16.2% when compared with 2009. This was mainly attributable to the significant improvement in sales performance of the major products of the Vietnam plant, including MSG, GA and modified starch. The Group has resumed the sales of GA and MSG to export markets. Although export sales have driven the growth in overall turnover, gross margin recorded a year-on-year drop of 7.5% because the selling price in export markets was slightly lower than that in the Group's major markets such as Vietnam and Japan and the price of carbohydrates and energy continued to rise. Meanwhile, as Vietnam Dong depreciated about 5.5% in the middle of 2010 and the price of all raw materials and wages increased as a result of inflation, all these factors had to some extent offset the book profit of the Vietnam plant. The net loss for the period under review amounted to US\$2,620,000 because the profit from operations in China was unsatisfactory, and the compensation to local farmers and fishermen in Vietnam was adjusted and recognised in the period, though a profit of approximately US\$9,180,000 was achieved from operations.

集團於二零一零年的營運，受到生產原料與越南能源價格調漲及越南匯率貶值的影響，使獲利受到衝擊。同時比較二零零九年，在中國地區的味精原料價格上漲與市場售價不穩定，亦降低部份盈利。集團二零一零年的主要營運重點仍致力於提升生產效率，提高產品售價，加強銷售力度，以減緩原料與能源價格所帶來對成本之影響。而影響本期利潤最嚴重的不利因素是越南廠的環保事件中，補償受影響農漁民的金額達一仟一佰八拾萬美元，這筆費用造成集團在期內的獲利由原本營運上的盈餘反轉為虧損。

綜觀集團於二零一零年之營運與利潤，全年營業額達三億三仟六佰萬美元，較二零零九年增加約16.2%，所增加的金額主要為越南廠之主要產品：味精、谷氨酸與變性澱粉的業績有顯著提升。期內集團恢復谷氨酸及味精原有外銷市場之銷售，雖然銷售此等產品與區域增加營業額，不過此等產品與地區的售價相對略低於越南與日本等主要市場之銷售價格，再加上主要醱質原料與能源價格不斷調漲，致使毛利率較去年降低約7.5%。同時，越南盾在二零一零年中，持續約有5.5%的貶值，各項物料及費用、工資也都隨著通貨膨脹有一定幅度的上漲，這些總體環境因素反蝕越南廠在帳面上之利潤。本期集團的淨利為虧損二百六拾二萬美元，除中國區的營運獲利不甚理想外，主要原因是由於越南廠支付補償農漁民金額，使原本年內約有九佰一拾八萬美元之盈餘，反而轉為虧損。



In terms of geographical and segmental performance, Vietnam and Japan, the Group's major markets, continued to record double digit growth in each of our major product segments compared to those in 2009, as we managed to maintain the selling price level and secure a stable supply of raw materials. Insufficient production capacity forced a reduction in sales to ASEAN and European countries, with the gradual resumption of production capacity in 2010, there was a significant growth in sales by 82.8% and 248.1% respectively. Due to the aforesaid reasons, as the production capacity of the Vietnam plant has gradually resumed, the sales of our major products including MSG, GA, modified starch and specialty chemicals also increased noticeably compared to 2009. Since the profit of lysine was still lower than that of GA, the Group continued to wind down its production in the year under review. In China, the results and profitability did not reach our target and dragged down our overall profit, because of an unstable market price for MSG and high materials and production costs starting from early 2010.

以各地區市場業務與產品銷售分析，集團的主要市場，越南與日本，這兩地市場的各项產品銷售業績較二零零九年有雙位數的成長，並維持一定的售價水準，獲利來源穩定。而曾經受到產能不足的影響，減緩銷售的東協與歐盟等市場，在二零一零年隨著產能恢復也已逐漸恢復銷售，並分別錄得顯著的82.8%與248.1%之增長。承上所述，越南廠在產能逐漸恢復下，味精、谷氨酸、變性澱粉及特化產品等主要產品的銷售相較二零零九年也都有相當幅度的成長。但賴氨酸因為獲利水準仍不及谷氨酸，故在期內仍然是暫時停止生產的狀態。中國區的營運，自二零一零年初起，因味精市場售價不穩定的波動，且原料與生產成本仍處於高檔，造成業績及獲利均不如預期，影響集團整體之盈利水準。

Looking at 2011, the Company expects the increasing material prices caused by a limited supply of agricultural products, rising energy costs in Vietnam and the depreciating Vietnam Dong to create more pressure on our production costs and profitability. To cope with, the Group has ordered its special unit to expand and diversify procurement sources to secure the long-term stable supply of materials at a reasonable cost. To stabilise the market situation, in addition to sustaining reliable supplies, we intend to maintain a prudent operational approach in 2011 by leveraging our core strengths, including improving production procedures, to enhance efficiency and save energy, costs and expenses, with the major objective of rationalising production costs. In addition, the Group plans to consolidate its major markets, while capturing new markets via new channels. At the same time we are determined to increase our product prices to preserve our profit margins. Also, as our operations in China have performed under expectations in recent years, the management is considering making a larger adjustment on the Group's strategies and operations this year so as to realise efficiencies.

The Group will aggressively strengthen its marketing strategies and business structure as well as further expand its distribution and sales channels in order to realise the full potential of the Group's sales network and take advantage of the reviving economy. At the same time, to further boost its brand awareness, the Group will launch new products related to our current lines, and enhance its sales presence. With a booming economy in Vietnam and an expanding domestic market in China, the Group plans to identify potential collaborative projects to enhance its geographical coverage, raise its international exposure, and, ultimately, improve operational efficiency and broaden its revenue and profit streams. The Group will also strengthen distribution and sales, and operations in China, stepping up the development of MSG and seasoning products and expand its range of consumer products with high potential so as to improve its results and profit.

展望二零一一年，在經營上，公司面對全球性農產品供需不平衡所帶動原料價格持續上漲的趨勢、越南能源價格大幅度調高、與越南盾貶值的影響，使得集團的生產成本與獲利仍會受到相當的壓力；對此，集團已要求專責單位，針對各項原料來源的取得，積極採取更多元化與廣泛的收購，並規劃長期原料之掌握，以期能穩定原料取得之成本。基於穩定市場經營與因應原料價格的飛漲，集團於二零一一年將採取較穩健的經營策略，發揮核心優勢，掌握原料來源，改善生產製程以提升效率及節約能源，節省成本及費用，以穩定生產成本為主要重心；同時，鞏固主要銷售市場，拓展新市場與新通路，並適時的提高售價以爭取獲利空間。同時，針對中國區連年營運均不如預期，故經營層也思考在今年的策略與營運上做較大幅度的調整，使集團得以集中更多資源以發揮實際之綜效。

集團也將利用經濟回溫的機會，加緊整合集團的行銷策略與強化業務架構，精耕銷售網絡，以發揮更高的通路價值。同時，集團也將藉由成熟的通路基礎，規劃導入新的關連產品，以延伸品牌的加值成效。另一方面，對於日益蓬勃的越南的經濟環境與中國內需市場，集團也將掌握機會，積極尋找與發展各項合作的可行項目，結合地緣利基與國際經驗，以期擴張經營綜效及增加盈利之來源。同時也將加強在中國的行銷經營，深耕味精與風味調味料產品，並開拓具潛力之消費性產品，以充實業績與利潤。

The Group registered a loss in 2010, and regretfully reports results which are below the expectation of shareholders. Thus, we are strengthening our operating strategies. As regards the environmental protection issue, upon careful reflection and learning from experience, the Group has completed all the required improvement upgrades and is well prepared to move forward. Although we encountered a short-term setback, the management remains optimistic about the fundamentals of the Group's core businesses as market demand for its products has continued to increase. Moreover, the Group is leading the industry in production technologies and distribution. We are currently facing pressure from rising raw material prices and costs and are not expecting notable growth in profit in the short term, but we are confident in our operating strategies and our capabilities to optimise our strengths in production and sales, embark on market expansion and enhance our brand value. By continuing with this approach, we remain cautious yet optimistic about the Group's results and profit in the future.

By Order of the Board

**Yang Tou-Hsiung**

*Chairman*

Hong Kong, 22 March 2011

集團於二零一零年的獲利呈現虧損，管理層對此有負股東的期望深感抱歉。除了加強執行各項營運策略的力道外，對於環保工作，集團更是深切反省，記取教訓，並已經完成各項的克服措施，將會站穩腳步再出發。雖然面對短暫的挫折，管理層對集團在核心產業的基本面仍深具信心，預期市場對公司各項產品的需求仍處增長的趨勢；同時，我們相信集團的生產技術與行銷網絡在業界仍具備相當的競爭力。雖然集團目前面對原料與成本上漲的壓力，短期的獲利也許無法有突破性的貢獻，但我們仍堅信以穩健的經營策略，發揮產銷優勢，落實市場的深耕與延伸品牌的價值，我們相信以此經營方向邁進，對於集團的業績與盈利目標，仍是審慎樂觀，可以期待。

承董事會命

*主席*

**楊頭雄**

香港，二零一一年三月二十二日

# STANDING OUT IN A SPECIALIZED INDUSTRY

投注於專門產業中的  
佼佼者



As a successful long-term player in a market with significant entry barriers, Vedan International has distinct competitive advantages that add real value to its products. With advanced expertise in large-scale fermentation technology, starch processing conversion technology and chemical and electro-chemical technology, Vedan International is developing new products which represent the latest breakthroughs in industrial science and look set to be major profit drivers in the future.

味丹國際所從事的產業入行屏障高，而集團能長期屹立其中，是因為本身獨特的競爭優勢能附加真正的價值於產品中。擁有大規模之醱酵、澱粉加工轉換、化學和電解化學等先進技術，味丹國際不斷發展突破產業科學的新產品，為未來盈利創造強勁的動力。憑著現代科技設備與管理，我們成功始創多種優質產品，以迎合消費者的口味和要求。



1. BUSINESS ANALYSIS

(1) Sales Analysis by Market

Unit: US\$'000

Area	地區	2010		2009		2010/2009	
		Amount 金額	% %	Amount 金額	% %	Difference 差額	% %
Vietnam	越南	170,003	50.6%	150,562	52.1%	19,441	12.9%
Japan	日本	66,429	19.8%	56,370	19.5%	10,059	17.8%
The PRC	中國	51,790	15.4%	54,697	18.9%	(2,907)	(5.3%)
ASEAN countries	東協國家	25,975	7.7%	14,211	4.9%	11,764	82.8%
European countries	歐盟國家	9,116	2.7%	2,619	0.9%	6,497	248.1%
Other regions	其他	12,794	3.8%	10,678	3.7%	2,116	19.8%
Total	總共	336,107	100.0%	289,137	100.0%	46,970	16.2%

一、營業分析

(1) 市場銷售分析

單位：千美元

(1) Vietnam

Vietnam is the Group's major market. During the period under review, the Group received revenue of about US\$170,003,000 from the market, a 12.9% growth or US\$19,441,000, compared with 2009. The increase was mainly attributed to the notably increased revenue from GA and modified starch. During the reporting period, the Vietnam plant decided strategically to resume supply of GA to local long-term customers, which led to an about 301.1% growth in revenue from GA. At the same time, as the production facilities for modified starch are perfected, full production of the product resumed and revenue from it grew by about 161.1%. At the impact of Vietnam Dong depreciation, revenue from the Vietnam MSG market was maintained at last year's level. Against the better performing markets including Japan, ASEAN countries, the European countries, the revenue proportion of Vietnam dropped from 52.1% in 2009 to 50.6% in 2010.

(一) 越南市場

越南是集團主要市場，期內營收約170,003,000美元，比二零零九年營收成長12.9%，金額19,441,000美元。主要成長來源來自谷氨酸與變性澱粉營收額大幅度成長。期內越南廠因策略上考量開始恢復谷氨酸供應給當地長期客戶，因此谷氨酸營業額快速成長約301.1%，同時，隨著生產相關設備配套完成，變性澱粉恢復全部生產，二零一零年營收額成長約161.1%，越南市場味精因受越盾貶值影響，營收維持去年水平。以市場地區而言，由於其他市場如日本、東協國家、歐盟國家等表現亮麗，二零一零年越南市場營收比重減少，佔集團50.6%，略低於二零零九年營收佔集團總營收52.1%。



### 2. BUSINESS OVERVIEW

Looking back at 2010, the “La Niña” phenomenon, which caused extreme climate changes and more frequent natural disasters, had seriously affected the agricultural industry and food and feeds production around the world. At the same time, the world population has continued growing and fast developing new economies with enlarging middle-class populations also have rising food demands. Food and feeds supply though growing has not been able to keep up with the growth in demand. In addition, a fast growing economy, India will follow the foot step of China and turn into a major food importer from an agricultural exporter. And, Brazil, a major agricultural producer, is expected to export less corn and soybeans, which is also a result of rapid economic growth. Furthermore, more grains and feeds are used as bio-fuels and for advanced processing. The United States and Brazil, for instance, have energy policies to use large quantities of corn and sugarcane as bio-fuels. In China, in order to maintain basic supply of grains and feeds, it restricts the use of corn to produce biomass ethanol. Other ASEAN countries such as Thailand and Vietnam are pursuing biomass energy production plans, which will inevitably keep the prices of sugar sources including cassava, starch and molasses on high levels. And if oil prices continue to rise, biomass energy production will become even more attractive. Other factors that will push up food prices include increasing farming costs, like that of seeds, fertilizers, labor and land, depreciation of the U.S. dollar, global inflation and speculation in the commodity market.

At the aforementioned factors, the costs of major raw materials of the Group inevitably increased during the period under review. The price of cassava doubled and that of molasses surged by 20%, and the increased costs squeezed the Group's gross profit margin. That explains why revenue for the period under review amounted to US\$336,107,000, up by US\$46,970,000 (a 16.2% year-on-year increase), but gross profit dropped by US\$13,476,000 to US\$57,856,000 (down by 18.9%), and gross profit margin also dropped from 24.7% to 17.2%.

### 二、業務總覽

回顧二零一零年全球糧食、飼料因受二零一零年處於「反聖嬰」現象，氣候極端變化，天然災害增加，對農業影響巨大。同時世界人口增加以及新興國家處於中產階級化過程對糧食需求殷切，糧食、飼料增產幅度跟不上需求成長。另外，隨著經濟的發展，很快的印度將隨著中國腳步由農產品出口國轉為糧食、飼料進口大國。巴西是農業生產大國，但隨著快速經濟成長，玉米、大豆出口能力將降低。此外，糧食、飼料作為生物燃料和深層加工用量增加，如美國和巴西基於能源政策均將大量玉米和甘蔗用為生物燃料。在中國為維持糧食，飼料基本供應必須限制玉米作為生質酒精之用。其他東協國家如泰國、越南亦在進行生質能源計劃，勢必造成木薯、澱粉、糖蜜等糖源原料價格居高不下。若原油價格進一步高漲，生產生質能源的動機將更大。其他如耕種成本不斷的提高如種子、化肥、勞動、土地成本等，美元的貶值，全球性通貨膨脹，投機資金炒作等更是進一步激化農產品價格上揚。

集團最主要的糖質原料如同上列所言，無可避免的在期內高漲，如木薯上漲約1倍，糖蜜漲幅亦達20%，導致成本墊高毛利下降，故期內營收336,107,000美元，成長金額46,970,000美元（按年增幅約16.2%），但毛利金額為57,856,000美元，減少13,476,000美元約（18.9%），毛利率由24.7%下降到17.2%。

### 2. BUSINESS OVERVIEW (continued)

After repeated efforts, an agreement was signed in August 2010 with the Association of Farmers and Fishermen regarding compensations to the farmers affected by the environmental incident in September 2008. The US\$11,807,000 compensation was paid in August 2010 and January 2011. With reference to accounting principles, the amount was recognized as expenses in 2010. As a result, the Group incurred a net deficit of US\$2,627,000 instead of a net profit of US\$9,180,000, and net profit margin dropped from 6.2% to -0.8%.

Even though Vietnam managed an economic growth rate of 6.78% in 2010, it was a victim of global inflation and recorded an inflation rate of 11.75%. The Vietnam Dong has continued to depreciate. The country was able to keep the depreciation at within 5.5% in 2010, but after the Lunar New Year in 2011, it announced a marked 9.3% depreciation of Vietnam Dong. Having spotted the unavoidable trend, the Group has done as all that is possible to minimize foreign exchange losses.

During the year, due to depreciation of the Vietnam Dong, revenue growth from the Group's major market Vietnam was 12.9%, slightly lower than the overall rate of revenue growth at 16.2%. However, with revenue from Vietnam grew by US\$19,411,000, about 41.3% of the total increased revenue, this shows that the Group continues to enjoy strong growth momentum in Vietnam.

Japan is the second largest market of the Group. With a good understanding of the Japanese market and long-standing operations and close cooperation with local customers, the Group has maintained stable growth in the market. The Group does not rule out the possibility of more in-depth and diversified cooperation with Japan in the future.

### 二、業務總覽(續)

二零零八年九月所發生環保事件產生的農漁民補償，經過多次的努力終於在二零一零年八月和農漁會代表簽訂協議，確定補償金額為11,807,000美元，補償金已分別於二零一零年八月及二零一一年一月支付。依會計準則全數補償金於二零一零年認列費用，故淨利由9,180,000美元轉盈為虧2,627,000美元，淨利率由6.2%下降到-0.8%。

越南二零一零年經濟成長率為6.78%但亦同樣遭受全球通貨膨脹所苦，高達11.75%。同時越盾貶值依然存在，二零一零年度內貶值幅度控制在5.5%但到二零一一年農曆年後則宣佈大幅貶值9.3%。集團已預測到貶值將無可避免並盡可能做好準備，將匯兌損失降到最低。

期內最主要越南市場因越盾貶值，營收成長12.9%略低於整體營收成長16.2%。但越南區營收增長金額19,411,000美元佔總增長金額41.3%，顯示集團越南市場成長動力依然強勁。

日本是除越南以外最大的市場，由於集團對日本市場的了解及長久經營和當地客戶密切的合作下，一直維持穩定成長的局面。未來集團將不排除與日本進行更深入及多元化合作。

## 2. BUSINESS OVERVIEW (continued)

In 2010, China achieved strong economic performance with GDP at 10.3%, increased by 1.1% as compared to 2009. However, competition of China's food industry has intensified. The MSG industry is going through consolidation and is defragmenting, which has affected growth in revenue and profit of the Group from MSG. During the year, revenue from China decreased mainly due to decline in sales of beverages. However, revenue from modified starch grew. To assimilate to the evolution of MSG industry and the strong demand of consumer goods in China, the Group has adjusted its operations and business model in the country. The change in strategy commanded the Group to sell idle land in Shanghai and the decision was duly announced on 30 September 2010 in accordance with rules of the Hong Kong Stock Exchange.

As for business in ASEAN countries and EU markets, they recorded commendable growth, their revenues grew by 82.8% (US\$11,764,000) and 248.1% (US\$6,497,000) respectively, indicating that business in those markets have been recovering gradually to levels before the environmental incident.

Revenue from MSG grew by 6.4% only because of depreciation of Vietnam Dong and that some MSG was converted into GA. The revenue from GA however grew by 160.6%, and a strong market saw revenue from modified starch surged 131.6%. Specialty chemicals (i.e. hydrochloric acid, soda) and fertilizers also brought in increased revenue, by 10.4% and 20.7% respectively.

The Group expects steady growth for MSG product demand in 2011. Depreciation of the Vietnam Dong will benefit exports of our Vietnam plant, but increase cost of some imported raw materials. Rising prices of electricity, oil, natural gas and so forth in Vietnam since the beginning of 2011, and high inflation rate in the country, will also increase operational pressure. However, such developments are not exclusive to Vietnam. As the prices of energy and agricultural raw materials climb globally, apart from adjusting sales prices, the Group will implement various solutions to overcome the challenges from high costs. For example, it will actively diversify procurement of sugar sources to ensure long-term stable raw-material supply, improve production procedures and efficiency, seek to cut down energy consumption, and strengthen its brand channels.

## 二、業務總覽（續）

二零一零年中國經濟表現亮眼，GDP二零一零年成長10.3%，增數比二零零九年增加達1.1%，但中國食品業競爭深化，味精行業面臨行業劇烈整合，行業集中度不斷提升，影響到集團味精營收和獲利的成長。期內集團中國區營收減少主要來自飲料的下降，但在變性澱粉則有不錯的成長。為配合中國味精行業生態的改變及消費品內需產品的龐大需求，集團已重新調整中國區的經營及營運模式。由於策略的改變，集團已決定處理上海廠閒置土地，並此決定已於二零一零年九月三十日依香港聯交所規定公告。

另外，在東協國家及歐盟市場均有不錯的成長，分別為82.8%（金額11,764,000美元）及248.1%（金額6,497,000美元），已逐漸恢復因受環保事件減產影響而喪失之市場。

味精營收因受越盾貶值和部分轉作谷氨酸影響僅成長6.4%，但谷氨酸有160.6%成長，同時變性澱粉因市場需求旺盛有131.6%增長。另外，特化產品（鹽酸、蘇打）和肥料的營業額亦分別增長10.4%及20.7%。

預估二零一一年味精產品需求依然是穩定增長，越盾的貶值有助於越南廠的外銷，但部分進口原物料將增加成本。同時越南自二零一一年初起電價、石油、天然瓦斯等價格的調漲及高通貨膨脹率勢必增加經營的困難度。然而面對此非越南單獨所處狀況，在全球能源、農產品原物料調漲的趨勢下，集團除應調整售價外，將積極落實各項解決方案的執行，如積極多元化糖源採購，掌握長期穩定的原料來源，生產製程的改善，效率的提昇，節省能源的推動，品牌通路的強化，以克服原料、能源成本高漲的挑戰。

## 2. BUSINESS ANALYSIS

### (1) Sales Analysis by Market (continued)

#### (2) Japan

Japan is the Group's second largest market. It recorded US\$66,429,000 in revenue, a 17.8% increase, during the period under review. Fertilizers had the most significant growth in revenue, a 268.4%, in the market. The major products, namely MSG and modified starch, saw their revenues up by 11.7% and 72.6% respectively. Japan is the Group's most important export market with revenue accounting for 19.8% of the Group's total turnover. Currently, the Group is actively working with Japanese partners on closer and more extensive cooperation that can help grow the Japanese market further.

#### (3) The PRC

In China, the MSG industry has initially consolidated with the emergence of an oligopoly. Heeding the changing landscape of the industry and its effect on business growth, the Group has adjusted its business strategy in China accordingly. Also, with the Mao Tai Plant stopping sub-contracted work for beverage products during the period under review and starting to produce its own products, overall revenue came down by 5.3% despite that modified starch business recorded satisfactory growth. In the future, in addition to sales of MSG, the Group will also promote sales of modified starch and other products to build them into new growth drivers.

#### (4) ASEAN countries

During the period under review, the Group increased supply to and consolidated its market position in ASEAN countries. Revenue from ASEAN increased from US\$14,211,000 to US\$25,975,000, representing an 82.8% growth. During the period, products sold in the ASEAN market included MSG, modified starch, fertilizers and revenues from them were up by 83.1%, 110.2% and 45.8% respectively. The revenue generated from ASEAN markets constituted 7.7% of the Group's total revenue for the period compared to 4.9% in 2009.

## 二、營業分析

### (1) 市場銷售分析（續）

#### (二) 日本市場

日本是集團第二大市場，期內營收約66,429,000美元，成長17.8%，日本市場銷售成長最高的產品為肥料成長268.4%，主要產品如味精成長11.7%，變性澱粉成長72.6%。日本是集團重要的外銷市場，營收比重約佔集團19.8%營收。目前正積極和日本夥伴尋求更緊密、更廣泛的合作，以期讓日本市場能有更一步成長。

#### (三) 中國市場

鑒於區內味精業者已初步達成整合，逐漸形成寡頭壟斷局勢。味精產業生態已產生變化，因此影響到中國區的成長，集團因應此項變化已調整中國區營運策略。同時因年度內廈門茂泰廠停止飲料代工，將改為生產自有產品，影響整體營收減少5.3%，但變性澱粉有不錯的成長。未來中國區的銷售除味精外，將擴大變性澱粉和其他產品的銷售，成為成長的動力。

#### (四) 東協國家市場

期內集團增加對此東協市場產品的供應，鞏固集團在東協國家的地位，二零一零年東協市場營收由二零零九年14,211,000美元增長至25,975,000美元，增長82.8%。期內東協市場銷售的產品，營收都大量增加，味精、變性澱粉及肥料增加分別為83.1%，110.2%及45.8%。東協市場二零一零年營收佔集團營收從二零零九年的4.9%增到7.7%。

## 2. BUSINESS ANALYSIS (continued)

### (1) Sales Analysis by Market (continued)

#### (5) European countries

In 2010, revenue from European countries increased from US\$2,619,000 to US\$9,116,000, representing growth of 248.1%. The market has become the fastest growing revenue contributor of the Group. Revenues from MSG, modified starch and fertilizers grew by 309.3%, 169.1% and 214.0% respectively.

### (2) Sales Analysis by Product

Unit: US\$'000

Product	產品名稱	2010		2009		2010/2009	
		Amount 金額	%	Amount 金額	%	Difference 差額	%
MSG	味精	236,403	70.3%	222,188	76.8%	14,215	6.4%
GA	谷氨酸	29,417	8.8%	11,296	3.9%	18,121	160.4%
Lysine	賴氨酸	-	0.0%	1,007	0.3%	(1,007)	-100.0%
Modified starch	變性澱粉	32,130	9.6%	13,874	4.8%	18,256	131.6%
Seasoning	調味料	2,434	0.7%	2,558	0.9%	(124)	-4.8%
Specialty chemicals	特化產品	17,445	5.2%	15,448	5.3%	1,997	12.9%
Fertilizer	肥料	13,701	4.1%	11,341	4.0%	2,360	20.8%
Others	其他	4,577	1.3%	11,425	4.0%	(6,848)	-59.9%
Total	總共	336,107	100.0%	289,137	100.0%	46,970	16.2%

#### (1) MSG and GA

In 2010, with improved environmental protection equipment in place, MSG and GA production in the Vietnam plant returned to normal. Due to the depreciation of Vietnam Dong, revenue from MSG was US\$236,403,000 only 6.4% higher than in 2009. As other products reported increased revenues, the share of revenue from MSG in the Group total decreased from 76.8% in 2009 to 70.3%. The revenue from GA was US\$29,417,000, representing a 160.4% annual growth and its share of the Group total increased from 3.9% in 2009 to 8.8% for the year under review. MSG and GA remained the Group major products and accounted for 79.1% of the Group's total revenue, slightly lower than 80.7% in 2009.

## 二、營業分析(續)

### (1) 市場銷售分析(續)

#### (五) 歐盟國家市場

歐盟國家市場是集團期內營收增長最多的市場，增長248.1%，由二零零九年營收2,619,000美元增長到二零一零年的9,116,000美元。其中味精增長309.3%，變性澱粉增長169.1%，肥料增長214.0%。

### (2) 產品銷售分析

單位：千美元

#### (一) 味精和谷氨酸

二零一零年度內，隨著相關環保改善設備已到位，越南廠的味精與谷氨酸都已逐步恢復正常生產。味精營收為236,403,000美元，因受越盾貶值影響，比二零零九年僅增長6.4%，因其他產品的營收均有增長，味精營業額佔總營收相較於二零零九年76.8%減少為70.3%。另外，谷氨酸營收為29,417,000美元，年增長160.4%，營業額佔總營收自二零零九的3.9%增至8.8%。味精和谷氨酸營業額仍是集團的主力產品，佔總營收比較二零零九年80.7%稍微減少為79.1%。

## 2. BUSINESS ANALYSIS (continued)

### (2) Sales Analysis by Product (continued)

#### (2) Lysine

Increasing production cost and consistently low selling price commanded the continuous suspension of lysine production during the year under review. The Group is reviewing various cooperation programs with the aim of making use of the production facilities to create other revenue streams.

#### (3) Modified starch

With relevant production facilities fully installed, output of modified starch surged substantially during the period. Revenue from the product was US\$32,130,000, representing a 131.6% growth compared to US\$13,874,000 in 2009. The amount made up 9.6% of the Group's total revenue, up from 4.8% in 2009. Profit from modified starch also improved as a result of high market demand and that demand is expected to remain strong in 2011.

#### (4) Specialty chemicals/fertilizers

In 2010, the revenue from specialty chemicals maintained its over 5% share of the total revenue as in 2009. Soda price dropped because of reduced demand whereas the output and price of hydrochloric acid both saw slight increase. During the period, the revenue from hydrochloric acid and soda was US\$17,445,000, 12.9% higher year-on-year, or US\$1,997,000 more compared to US\$15,448,000 in 2009. The Group's solid fertilizer plant completed expansion of production line at the end of 2009. With output boosted and product price risen, revenue from fertilizer sales increased by 20.8%, or US\$2,360,000, from US\$11,341,000 in 2009 to US\$13,701,000 in 2010.

## 二、營業分析(續)

### (2) 產品銷售分析(續)

#### (二) 賴氨酸

因賴氨酸生產成本增大，價格處於低迷，二零一零年期內仍然暫時停止生產。目前積極評估各種合作方案，以期利用相關設備，以創造營收獲利效益。

#### (三) 變性澱粉

由於相關生產配套設施已安裝完成，變性澱粉期內產量大增，營收為32,130,000美元，比二零零九年的13,874,000美元增加131.6%，營收額佔總營收比重也大量增加，自二零零九年的4.8%到二零一零年的9.6%。同時由於市場需求殷切，利潤亦比上期有所提昇，展望二零一一年變性澱粉需求依然旺盛。

#### (四) 特化產品／肥料

二零一零年集團特化產品營收額佔總營收額比重維持二零零九年5%多的水準，蘇打因需求減少而價格下跌，鹽酸產量與價格都稍微提升，期內鹽酸與蘇打營收額為17,445,000美元，年成長12.9%，比二零零九年營收額15,448,000美元高1,997,000美元。固體肥料廠於二零零九年底完成生產線擴增，肥料產量增加同時價格也增加，期內肥料營收額13,701,000美元與二零零九年營收額11,341,000美元相比增長為20.8%，金額2,360,000美元。

### 3. MAJOR RAW MATERIALS OVERVIEW

As the global economy gradually recovers, demands for raw materials in emerging markets especially Asia has been strong. However, supply of raw materials have dropped at the impacts of natural disasters, pests, climate changes, and correspondingly the prices of main raw materials have shot up. Thus, during the review year, the Group's Vietnam plant had to pay a much higher average price for raw materials than in 2009, and that affected the profit of the Group.

#### (1) Molasses

As a result of surging oil prices, main sugar-producing countries, such as Brazil, Thailand and the like, converted sugar source into alcohol. The feeds industry however had the same demand for molasses. The situations resulted in an imbalance between supply and demand and a drop in molasses export. To ensure it has stable supply, the Group increased purchases from Central and South Americas. With shipping costs increased, the procurement cost of molasses during the period rose by about 20%.

#### (2) Cassava/cassava starch

During the year under review, the price of cassava increased by more than 100% largely due to pest attacks lowering yields in Thailand. Furthermore, China had a strong demand for dried cassava slices, which also pushed up cassava price. Currently, China accounts for 90% of the cassava exports from Vietnam. And, since new bio-ethanol plants in Vietnam are expected to start production in 2011, demand for cassava have increased. Although there is an increase in planted area, output still cannot keep up with demand, which explains the consistently high price of cassava. In addition to actively strengthening cassava procurement from starch plants, the Company has increased purchase of cassava starch from other countries to stabilize costs and sources.

#### (3) Liquid ammonia

The price liquid ammonia has changed markedly. In 2009, its price dropped sharply with the financial crisis cooling demand. In 2010, as the global economy recovered and the price of natural gas increased, demand for liquid ammonia also climbed, hence its average price went up about 48% compared with 2009.

### 三、主要原料概況

隨著全球經濟逐漸復甦，特別是亞洲等新興市場需求強盛，原料需求大幅度增加，但原料供應因天災、病蟲害、氣候惡化等影響而減少，期內主要原物料價格都暴增。期內越南廠購買原料的平均價格比二零零九年大幅攀升，影響集團期內的利潤。

#### (一) 糖蜜

由於受到石油價格上漲，主要產糖國家如巴西、泰國等國將糖源轉作酒精，同時，飼料業對於糖蜜需求並無減少，導致供需失衡，出口減少。集團為穩定充足來源，期內增加對中南美採購，因距離較遠，運費增加，糖蜜期內採購價格上揚超過20%。

#### (二) 木薯／木薯澱粉

木薯在期內價格大漲逾100%，主因是最主要木薯產地泰國因受蟲害產量下降，同時中國木薯干需求強勁，導致木薯價格颯漲。目前越南木薯干出口中國佔90%，同時在二零一一年預計越南本地新設生質酒精廠陸續開工，木薯需求隨之增加，雖然種植面積有增加但趕不上需求，木薯價格依然呈高檔價位。公司目前除積極強化外部澱粉廠之木薯收購外，並擴及到其它國家採購進口木薯澱粉以穩定成本及來源。

#### (三) 液氨

液氨價格變動較大，二零零九年雖受金融海嘯影響需求銳減價格大幅下跌，但二零一零年在天然氣價格上漲及國際景氣復甦、需求增加下，整年平均價格比二零零九年價格漲約48%。

#### 4. FINANCIAL REVIEW

##### (1) Liquidity and financial resources

During the year, the Group's cash and bank deposits amounted to US\$34,536,000, down by 12.8%, or US\$5,078,000 when compared with 2009. Its short-term bank borrowings were US\$27,875,000, an increase of US\$1,500,000; long-term loans were US\$15,259,000, a decrease of US\$963,000. These bank borrowings were 97.7% (US\$42,146,000) in US dollars, with the remaining 2.3% (equivalent to US\$988,000) being New Taiwan dollar bank borrowings. The ratio of short-term to long-term borrowings was 64.6% versus 35.4%.

Accounts receivable were US\$40,328,000, an increase of US\$13,391,000, and 66% were receivables within 30 days. Inventories amounted to US\$83,193,000, up by US\$17,597,000 or 26.8% reflecting the increased prices of raw material.

The gearing ratio (total loan to shareholder equity ratio) was 16.2%, higher than 15.6% in 2009. Net gearing ratio (total loan less cash and deposits to shareholder equity ratio) was 3.2%. As for current ratio, it went down to 2.28 from 2.50 last year as a result of increase in accounts payable and decrease in cash on hand.

##### (2) Capital expenditure

During the year, the Group's total capital expenditure was about US\$18,435,000, a decrease of US\$19,131,000 compared to US\$37,566,000 in 2009.

#### 四、財務回顧

##### (一) 流動資金和財政資源

期內集團現金和銀行存款為34,536,000美元比二零零九年底減少5,078,000美元，約12.8%。短期借款為27,875,000美元，增加1,500,000美元；中長期借款為15,259,000美元，減少963,000美元，借款以美元為主（42,146,000美元），佔97.7%。其餘為新台幣佔2.3%（相當988,000美元）；短期和中長期借款比率為64.6%比35.4%。

應收帳款為40,328,000美元，因為市場價格與供貨調整之故，增加13,391,000美元，66%是在30天期內應收帳款；存貨總額為83,193,000美元，因為原料價格調升原因，也增加17,597,000美元，約26.8%。

資本負債比（總借款比股東權益）為16.2%，高於二零零九年的15.6%，淨資本負債比（總借款扣除現金和存款比股東權益）則為3.2%。另外，因為應付帳款增加、現金減少，流動比率由2.50減少為2.28。

##### (二) 資本支出

期內資本支出共約18,435,000美元，比二零零九年資本支出的37,566,000美元減少19,131,000美元。



#### 4. FINANCIAL REVIEW (continued)

##### (3) Exchange Rate

Impacted by the financial crisis, the Vietnam Dong depreciated about 10% and 5.5% respectively in 2009 and 2010. During the year, the central bank devaluated the official exchange rate of Vietnam Dong twice. The first time was on February 2, 2010 from 17,941 Vietnam Dong against 1 U.S. dollar to 18,544 Vietnam Dong against 1 U.S. dollar; and the second time on August 18, 2010 to 18,932 Vietnam Dong against 1 U.S. dollar. The daily fluctuation range of the exchange rate among banks in the country was maintained at 3%. However, the black market exchange rate of Vietnam Dong was 10% higher than the official rate. To close the gap between the official exchange rate of Vietnam Dong and the real market level, the State Bank of Vietnam announced a 9.3% depreciation of the Vietnam Dong on February 11, 2011, meaning the official exchange rate Vietnam Dong against the US dollar is 20,693 to 1, and the daily interbank fluctuation range narrowed down to 1%. During the period under review, heeding the obvious Vietnam Dong depreciation trend, the Group had taken all measures possible to minimize foreign exchange losses.

##### (4) Dividends

With compensation expenses incurred, the Board decided not to distribute dividends in the first half of the year. However, to maintain the Group's dividend policy since listing, the Board has decided to distribute a final dividend of US cents 0.240 per share for the year.

#### ENVIRONMENTAL INCIDENT AT THE VIETNAM PLANT

Farmers and fishermen who demanded compensation were scattered and numerous, thus relevant authorities had required industry associations in relevant provinces to represent the claimants in negotiating with the Company. After more than a year's hard work, an agreement was finally signed in September 2010 with representatives of the affected in Dong Nai Province, Ba Ria Vung Tau Province and Ho Chi Minh City. Vedan Vietnam agreed to pay the total compensation of US\$11,807,000 to farmers and fishermen in the three regions and the representative associations are responsible for calculation and distribution of the compensation payments.

As commanded in the agreement, Vedan Vietnam already remitted the due total amount into designated accounts of the associations in August 2010 and January 2011. The total amount of the compensation was recognized as expenditure for the year 2010.

#### 四、財務回顧（續）

##### （三）匯率

因金融海嘯的影響二零零九年越南貨幣貶值約10%，二零一零年貶值約5.5%。期內中央銀行曾二次宣佈越南盾官方匯率貶值。第一次為二零一零年二月二日從17,941越盾兌1美元貶值至18,544越盾兌1美元；二零一零年八月十八日越盾官方匯率再次貶值至18,932兌1美元，全年國內銀行間市場的每日匯率波動區間維持3%。但越南盾黑市匯價比官方匯率高約10%。為了使越南盾官方匯率水平降至真正市場水平，二零一一年二月十一日越南央行宣佈將越盾官方匯率貶值9.3%即20,693越盾兌1美元，銀行間每日匯率波動區縮小至1%。期內由於越南貶值趨勢明顯，集團也盡量做好避險措施將匯兌損失減至最小。

##### （四）股息

董事會考慮一方面因上半年認列補償費，故並未派發股利，且為維持上市以來每年均派發股息政策，決定派發期末股息每股0.240美仙。

#### 越南廠環保事件

由於要求補償農漁民分散且眾多，主管機關要求相關省市農會代表負責和公司協商。經過一年多的努力終於和受影響地區的同奈省、巴地頭頓省和胡志明市農會代表於二零一零年九月簽訂協議書。味丹越南同意支付總計11,807,000美元給三個地區農漁民作為補償費用，農會則負責補償金的統計和發放。

味丹越南已依協議書分別於二零一零年八月及二零一一年一月將款項全部匯入農會指定專戶。補償費用則全部於二零一零年度內認列。

### OUTLOOK

Stepping into 2011, the world is facing high raw materials and energy costs. China is not the only market feeling high inflationary pressure. Vietnam's inflation rate was as high as 11.75% in 2010, especially after the 9.3% depreciation of the Vietnam Dong announced by the Vietnamese government after the Lunar New Year, which added pressure on hike of import costs and wages. At the same time, the cost of electricity and gasoline also surged, which made the rise in production cost at the Vietnam plant unavoidably. To counter rising costs and maintain profit levels, the Group has embarked on measures on four major fronts, namely production, procurement, operation and administration.

Generally speaking, facing soaring raw material and energy costs in 2011, controlling costs and maintaining profitability will be the most important tasks of the Group. The long term strategy of the Group is to integrate the resources it has in Mainland China and Vietnam, and hence ensure it has a strong growth engine in the future.

#### 1. Production

- Increase productivity
- Step up saving energy and boost energy efficiency
- Increase automation and mechanization to replace labor
- Improve use of raw materials and increase cost efficiency in usage of raw materials.
- Start work in relation to acquiring ISO 22000 certification and ensure environmental safety and health (OHSAS 18001)
- Improve the quality of cassava (raw materials) source from external starch plant

#### 2. Procurement

- Heeding the depreciated Vietnam Dong, make procurement in Vietnam as much as possible
- Diversify sugar sources and procurement areas
- Review packaging designs and means to save packaging materials and shipping costs
- Monitor safety management of safety of raw-material warehouse to reduce capital cost

#### 3. Operation

- Flexible price adjustment to respond to changes in exchange rate
- Strengthen business development, sales channels and brand image
- Boost the export business of the Vietnam plant and business in the ASEAN and European markets to previous levels
- Recruit and train high-caliber business personnel to enhance business development capability

### 展望

二零一一年初全球已面臨原物料及能源成本高漲的局面。不僅在中國有通貨膨脹的壓力，越南通貨膨脹率二零一零年更高達11.75%，特別是在農曆年後越南政府宣佈越盾貶值9.3%，造成進口成本增加及工資上昇壓力，同時二零一一年三月起電價與汽、柴油價格分別都已提高，故越南廠的生產成本上揚已是無法避免。集團為克服成本上昇維持獲利水平，在生產、採購、業務及行政等四大項提出因應措施。

整體而言，在二零一一年全球面臨原物料、能源成本高漲之下，如何控制成本是一重要課題。依集團長期策略，集團將再進一步整合中國與越南相關的資源，確保集團未來的成長動力。

#### 1. 生產方面

- 提高生產效率
- 加強能源節省，提高能源效率
- 朝自動化、機械化取代人力
- 將原物料做最好的調配，增加原料使用效益
- 展開取得ISO 22000認證，做好環安衛工作(OHSAS 18001)
- 外部澱粉廠木薯原料的掌握的再提昇

#### 2. 採購方面

- 越幣貶值依然存在，盡量越南境內採購
- 糖源多元化及分散採購地區
- 包裝形態及形式檢討以節省包材費用及運費
- 監督原料安全庫存管控以節省資金成本

#### 3. 業務方面

- 售價機動反應匯率的變化
- 加強業務拓展，強化銷售通路與品牌提升
- 在越南廠增加出口業務，逐步恢復東協及歐盟市場
- 培訓招募高階業務人才，增強業務拓展力

### OUTLOOK (continued)

#### 4. Administration

- Add staff and raise workforce quality
- Simplify administrative processes and improve efficiency.
- Introduce ERP and improve management and operational effectiveness

Furthermore, to ensure its growth momentum, in addition to existing products, the Group has been active in exploring new products and new businesses and related plans are gradually being implemented.

- For the most proper application of production facilities, the Group is carefully studying the feasibility of different project items
- To ensure sugar sources supply, the Group is reviewing medium and long term supply solutions
- It is actively securing relevant supply chains
- Assess investment opportunities related to relevant new businesses

As at 31 December 2010, the Group had a total of 3,840 employees, 3,270 of whom were employed by subsidiaries in Vietnam, 552 by subsidiaries in China and 18 by the Taiwan Branch.

The Group's employees are remunerated in accordance with prevailing industry practices, and with reference to the financial performance of the Group and performance of individual employees. Other fringe benefits such as accommodations, meals, insurance, medical coverage and provident fund are provided to employees to ensure staff loyalty and the Group's competitiveness. To enhance the quality of human resources, bolster the professional skills and management abilities of employees and build localised workforces, the Group provides job rotation and internal and external training courses on professional skills, languages, and other self-improvement programs.

### 展望 (續)

#### 4. 行政方面

- 人員補充及素質提昇
- 行政流程簡化及效率提昇
- 導入ERP，增加管理及作業效能

另一方面，為確保集團的成長動力，除了原有產品外，集團也積極朝新產品和新事業作規劃並開始逐步執行。

- 為妥善利用生產設備，目前正積極審慎評估各項專案的可行性
- 為糖源掌握，積極評估中長期原料確保方案
- 主動尋找相關供應鏈
- 評估相關新事業的投入機會

截至二零一零年十二月三十一日，本集團僱有員工3,840名，包括受僱於味丹越南廠子公司3,270名，味丹中國各子公司552名及台灣分公司18名。

本集團根據一般行業慣例，以集團業績及個別員工表現釐定僱員薪酬及其他員工福利，包括住宿、膳食、保險、醫療及退休金等，以確保競爭力及員工之忠誠度。為增進員工專業素質及管理能力的，落實本地化政策，集團亦為員工提供職務輪調，並積極規劃及舉行有關專業技能及語言等內外教育訓練及研討會，以強化專業技能，擴展新知，提高人力素質。

# HIGH QUALITY HIGH-DEMAND PRODUCTS

高品質高需求產品



At the heart of Vedan International's business success is a group of core products with widespread applications and strong brand recognition, one of the Group's most important and well-guarded assets. Its renowned "Vedan" brand MSG, for example, is considered essential throughout the food processing industries across Asia for its role in enhancing the flavours of a range of foodstuffs, and enjoys a huge and constantly growing market throughout Vietnam, the PRC, ASEAN countries, Japan and the United States.

味丹國際的成功有賴於一組應用廣泛和品牌知名度高的產品，是集團高度重視的資產之一。例如馳名的「味丹」味精，能夠加強食物的鮮味，普遍地用於各類食品調味，更在亞洲各地，被食品加工業視為不可或缺的烹調材料，而在越南、中國、東協各國、日本以及美國等市場亦錄得強勁的銷售增長。



#### EXECUTIVE DIRECTORS

**Mr. YANG, Tou-Hsiung**, 68, our Chairman. Mr. YANG, Tou-Hsiung graduated from Taichung Min Der Commercial Vocational High School. Mr. YANG, Tou-Hsiung has approximately 48 years' working experience in the MSG industry and is one of the founders of the Taiwan Vedan Group. Mr. YANG, Tou-Hsiung is responsible for formulating our overall corporate strategy. Mr. YANG, Tou-Hsiung is also a director of Vietnam Vedan and a director of Taiwan Vedan.

**Mr. YANG, Cheng**, 56, an executive Director. Mr. YANG, Cheng had approximately 35 years' working experience in the MSG industry. Mr. YANG, Cheng is responsible for formulating our business development strategy. Mr. YANG, Cheng is also a director of Vietnam Vedan and Taiwan Vedan. Mr. YANG, Cheng is also a member of Taiwan MSG Manufacturing Association. Mr. Yang holds an EMBA Degree from Xiamen University in China in 2004.

**Mr. YANG, Kun-Hsiang**, 53, the Chief Executive Officer of the Company. Mr. YANG, Kun-Hsiang obtained a master degree in agricultural chemistry in 1986 from Meiji University, Japan. Mr. YANG, Kun-Hsiang has 21 years' working experience in the MSG industry and has been involved in the development of the business operations of Vietnam Vedan since 1991. During the last 20 years, Mr. YANG, Kun-Hsiang was involved in the development and management of Vietnam Vedan. Mr. YANG, Kun-Hsiang is responsible for overseeing Group's operations and strategic management.

**Mr. YANG, Chen-Wen**, 47, an executive Director and the director of Vietnam Vedan. Mr. YANG, Chen-Wen has approximately 14 years' working experience in the MSG industry. Mr. YANG, Chen-Wen is responsible for coordinating our purchase activities. Mr. YANG, Chen-Wen obtained a bachelor degree in mechanics in 1993 from Waseda University, Japan.

#### 執行董事

**楊頭雄先生**，68歲，本集團主席。楊頭雄先生畢業於台中明德高職，彼在味精行業積累約48年工作經驗，是台灣味丹集團創辦人之一。楊頭雄先生負責制訂集團之整體企業策略。楊頭雄先生亦是越南味丹之董事及台灣味丹之董事。

**楊正先生**，56歲，執行董事。楊正先生在味精行業積累約35年工作經驗。楊正先生負責制訂本集團之業發展策略。楊正先生亦是越南味丹及台灣味丹之董事。此外，楊正先生是台灣味精製造業協會成員。楊先生於二零零四年取得中國廈門大學EMBA學位。

**楊坤祥先生**，53歲，本公司之行政總裁。楊坤祥先生於一九八六年在日本明治大學取得農業化學碩士學位。楊坤祥先生在味精行業積累21年工作經驗，並自一九九一年起參與越南味丹之業務發展。在過去20年，楊坤祥先生參與越南味丹之發展及管理。楊坤祥先生負責監督本集團之業務運作及策略管理。

**楊辰文先生**，47歲，本公司執行董事及越南味丹董事。楊辰文先生在味精行業積累約14年工作經驗。楊辰文先生負責統籌本集團之採購活動。楊辰文先生於一九九三年在日本早稻田大學取得機械學士學位。

### NON-EXECUTIVE DIRECTORS

**Mr. HUANG, Ching-Jung**, 57, a non-executive Director and Chairman of Shanghai Vedan and Xiamen Maotai. Mr. HUANG is a director of Vietnam Vedan and a vice president of Taiwan Vedan. Mr. HUANG graduated from the department of accounting and statistics of the National Taichung Commercial College, Taiwan in 1974. Mr. HUANG has approximately 33 years' experience in administration and finance.

**Mr. Chou, Szu-Cheng**, 50, a non-executive Director. Mr. Chou is the Supervisor of Vedan Enterprise Corporation. Mr. Chou was the director and legal consultant of Wincome Technologies Company Limited and he has over 18 years of experience in the legal industry. Mr. Chou obtained his Bachelor of Law degree from Soochow University, Master of Law degree from East China University and Doctorate of Law degree from Peking University.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. CHAO, Pei-Hong**, 49, an independent non-executive Director and a member of the Audit Committee. Mr. CHAO obtained a bachelor degree in law in 1984 and a master degree in law from Soochow University, Taiwan in 1986 and a master degree in law from the University of Houston in 1992. Mr. CHAO is an executive partner of Jurist Law Offices, a law firm in Taiwan. Mr. CHAO has approximately 18 years' experience in his practice.

**Mr. KO, Jim-Chen**, 50, is an Independent Non-executive Director and member of the Audit Committee of the Group. Mr. Ko has been the executive partner of Weyong International & Co., Certified Public Accountants in Taiwan since 2000. He graduated with a Bachelor of Business Degree from Feng Chia University, Taiwan, and subsequently obtained a Master of Science Degree in Accounting from the University of Delaware, USA.

**Mr. Chen, Joen-Ray**, 51, is an independent non-executive director and a member of the Audit Committee of the Group. Mr. Chen, holds a Master of Business Administration Degree from the Eastern Illinois State University, and a Bachelor Degree from the National Taiwan University. Mr. Chen is presently the Managing Director of 瑞展產經研究股份有限公司 (Ray Wing Research and Investment Corporation). He has more than 23 years of experience in securities business in Taiwan and was the Vice Chairman and General Manager of Yuanta Core Pacific Capital Management Corp. (元大證券投資顧問股份有限公司), the Chairman of Concord Securities Investment & Consulting Corp. (康和證券投資顧問股份有限公司) and the Senior Vice President of Concord Securities Corp. (康和證券股份有限公司).

### 非執行董事

**黃景榮先生**，57歲，非執行董事兼上海味丹與廈門茂泰董事長。黃先生亦是越南味丹之董事兼台灣味丹之副總裁。黃先生在一九七四年畢業於台灣國立台中商學院之會計及統計系。黃先生在行政及財務方面累積約33年經驗。

**周賜程先生**，50歲，非執行董事。周先生為味丹企業股份有限公司之監事。周先生曾為懷康科技股份有限公司之董事及法律顧問，於法律界擁有逾18年經驗，周先生獲得東吳大學法學學士學位、華東政法學院法學碩士學位及北京大學法學博士學位。

### 獨立非執行董事

**趙培宏先生**，49歲，獨立非執行董事兼審核委員會成員。趙先生分別於一九八四年及一九八六年獲台灣東吳大學頒授法律學士及法律碩士學位，及於一九九二年獲休斯頓大學頒授法律碩士學位。趙先生是台灣一家律師事務所法學律師事務所之執行合夥人。趙先生約有18年執業經驗。

**柯俊禎先生**，50歲，獨立非執行董事兼審核委員會成員。柯先生自二零零零年起為台灣註冊會計師維揚聯合會計師事務所之執行合夥人。柯先生畢業於台灣逢甲大學獲頒授商業學士學位，並於美國德拉瓦大學獲授會計學理學碩士學位。

**陳忠瑞先生**，51歲，獨立非執行董事兼本集團審核委員會成員。陳先生持有Eastern Illinois State University之工商管理碩士學位，以及台灣國立大學之學士學位。陳先生目前為瑞展產經研究股份有限公司之董事總經理。彼於台灣之證券業務擁有逾23年經驗，曾擔任元大證券投資顧問股份有限公司副主席兼總經理、康和證券投資顧問股份有限公司主席及康和證券股份有限公司高級副總裁。

#### SENIOR EXECUTIVES

**Mr. HSIEH, Jau-Hwang**, 61, our Chief Financial Officer and vice president of Vietnam Vedan. Mr. HSIEH graduated from the National Cheng Kung University, major in accounting and finance. Mr. HSIEH is responsible for the finance functions of the Group. Mr. HSIEH has approximately 32 years of finance management and banking experience. Mr. HSIEH worked for several financial institutions in Taiwan and Vietnam including International Bank of Singapore and ABN AMRO Bank. Mr. HSIEH was also a general manager of ChinFon Bank, Ho Chi Minh City Branch. Prior to joining us, Mr. HSIEH worked as the President in Gia Hen International Co., Ltd.

**Mr. LIAO, Ruei-Hsing**, 51, is the General Manager in charge of the Group's China operations. Mr. Liao holds a Master Degree in Business Administration from Taiwan Cheng-Chi University. In the past 20 years, he had held different senior executive positions in sales and management in various multinational companies such as Coca-Cola, Pepsi-Cola, Sara Lee and Bestfoods in Taiwan, the PRC, and the Philippines.

**Mr. LIN, Yu**, 52, Vice President of Shanghai Vedan Enterprise, is responsible for sales and marketing planning. A graduate of Taipei Jianguo Senior High School, Mr. Lin joined Taiwan Vedan in 1989 first as a sales executive, and then was promoted to sales manager. He started with Shanghai Vedan Foods in 1994, and made it to the position of Vice President in Sales in June 2004. Mr. Lin has over 24 years of sales management experience in the food industry.

**Mr. YANG, Chang-Keng**, 54, president of Shandong Vedan Snowflake Enterprise Co., Ltd. Mr. YANG graduated from Taichung Commercial College and is responsible for the overall administration and operation of Shandong Vedan Snowflake Enterprise Co., Ltd. He has had 17 years of work experience in the MSG and food additive. Before joining the Group, Mr. YANG, Chang-Keng served as the manager of the product development department in Tah Hsin Industrial Corporation and San- Sun Hat & Caps Co., Ltd.

**Mr. YANG, Tung**, 40, Vice Chairman of the China Region, is responsible for the company's financial and administrative work. Mr. Yang obtained a Master Degree in Business Administration from the University of Northwest in New York, USA. Mr. Yang joined Taiwan Vedan in 1995, and had held various positions in Purchasing, Logistics and administration.

**Mr. LO Chi Man**, 49, the company secretary of the Company. He is responsible for the Group's company secretarial and listing compliance matters. Mr. Lo is a practising certified public accountant in Hong Kong, holds a degree of Bachelor of Laws in the Peking University, the PRC and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Lo has over 27 years' experience in finance, accounting and company secretarial practice.

#### 高級管理層

**謝朝煌先生**，61歲，本集團之財務總監及越南味丹之副總裁。謝先生畢業於台灣國立成功大學，主修會計及財經。謝先生負責本集團之財務事宜。謝先生於財務管理及銀行方面積累約32年經驗。謝先生曾於台灣及越南多家財務機構任職，包括新加坡國際銀行及荷蘭銀行。謝先生亦曾任慶豐商業銀行胡志明市分行總經理。於加盟本集團之前，謝先生為Gia Hen International Co., Ltd.之總經理。

**廖瑞星先生**，51歲，味丹國際中國（大陸）區總經理。廖先生畢業於台灣政治大學，獲得企業管理碩士學位。過去20年，廖先生曾歷任台灣、中國大陸和菲律賓數家大型國際企業行銷與管理高階主管，如可口可樂、百事可樂、Sara Lee及Bestfoods。

**林昱先生**，52歲，上海味丹企業副總裁，負責該公司行銷企劃、銷售工作。林先生畢業於台北市建國高級中學。林先生於一九八九年加入台灣味丹，從銷售主任升至銷售襄理。一九九四年加入上海味丹食品，直至二零零四年六月，期間逐步升任行銷協理。林先生在食品製造業從事行銷管理工作逾24年。

**楊長庚先生**，54歲，山東味丹雪花實業有限公司總裁。楊先生畢業於台中商學院。楊先生負責山東味丹雪花實業有限公司之整體行政與營運。楊先生於味精及食品添加劑行業累積17年工作經驗。於加盟本集團以前，楊長庚先生曾擔任達新工業股份有限公司及三勝製帽股份有限公司之產品開發部經理。

**楊統先生**，40歲，中國區副董事長，負責該公司財務及行政管理。楊先生畢業於美國紐約西北大學，獲得工商管理碩士學位。楊先生於一九九五年加入台灣味丹，經歷採購專員、運務處經理、總務部經理等職位。

**羅志文先生**，49歲，本公司之公司秘書。羅先生負責本集團公司秘書及上市合規事宜。羅先生為香港執業會計師。羅先生持有中國北京大學法學士學位，並為英國特許公認會計師公會及香港會計師公會資深會員。羅先生於財務、會計及公司秘書方面具逾27年經驗。



### CORPORATE GOVERNANCE PRACTICE

The Group commits to maintaining and ensuring a high level of corporate governance standards and continuously reviews and improves our corporate governance and internal controls practices. Set out below are the principles of corporate governance as adopted by the Company during the reporting year.

### DISTINCTIVE ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER (“CEO”)

The Chairman of the Board is responsible for leading the Board of Directors in establishing and monitoring the implementation of strategies and plans to create values for shareholders.

The CEO is responsible for managing the operation of the Group’s businesses, proposing strategies to the Board and the effective implementation of the strategies and policies adopted by the Board.

### THE BOARD

As of 31 December 2010, there were nine members on the Board, which are the Chairman, the CEO, two other Executive Directors, two Non- Executive Directors (“NED”) and three Independent Non-Executive Directors (“INEDs”).

The INEDs are considered by the Board to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgments. The Board considered that each of the INEDs brings his/her own relevant expertise to the Board and its deliberations.

None of the INEDs has any business or financial interests with the Group nor has any relationship with other directors and confirmed their independence to the Group.

The Board met regularly during the year and on ad hoc basis as required by business needs. The Board’s primary purpose is to set and review the overall strategic development of the Group and to oversee the achievement of the plans to enhance shareholders’ value. Daily operational decisions are delegated to the Executive Directors. The Board met five times during the year and the Directors’ attendance is shown in the table on page 34. The NED and INEDs may take independent professional advice at the Company’s expense in carrying out their functions.

### 企業管治常規

本集團一直致力確保企業管治標準維持於高水平，並持續檢討及改善企業管治及內部監控常規。以下為本公司於報告年度內採納的企業管治原則。

### 主席及行政總裁的分工

董事會主席負責領導董事會制訂及監控業務策略與計劃的推行，務求為股東締造更高的企業價值。

行政總裁負責管理集團業務運作，向董事會提呈策略方針，以及落實推行獲董事會採納的策略及政策。

### 董事會

於二零一零年十二月三十一日，董事會由九位成員組成，分別為主席、行政總裁、其他兩位執行董事、兩位非執行董事（「非執行董事」）及三位獨立非執行董事（「獨立非執行董事」）。

董事會認為，各獨立非執行董事均為與管理層並無關係的獨立人士，其獨立判斷不會受到影響。此外，董事會認為，各獨立非執行董事均為董事會事務及其決策貢獻本身的相關經驗。

獨立非執行董事並無涉及本集團的任何業務及財務利益，且與其他董事亦並無任何關係，並已向本集團確認彼等為獨立人士。

年內，董事會定期及按業務所需不時舉行會議。董事會的主要功能為制訂及檢討本集團的整體策略發展，以及監督業務計劃成效以提升股東價值。日常營運決策乃授予執行董事。年內，董事會舉行了五次會議，而董事的出席記錄見第34頁所載表內。非執行董事及獨立非執行董事在執行彼等的職務時，可諮詢獨立專業人士的意見，費用概由本公司承擔。

## AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference as suggested under the Code of Best Practice set out in Appendix 14 of the Listing Rules and adopted with reference to "A Guide for Effective Audit Committees" published by the Hong Kong Institute of Certified Public Accountants. The Audit Committee comprises Mr. CHAO, Pei-Hong, Mr. KO, Jim-Chen and Mr. Chan, Joen-Ray, all independent non-executive directors. The chairman of the Audit Committee is Mr. Chao, Pei-Hong. Each member brings to the Committee his valuable experience in reviewing financial statements and evaluating significant control and financial issues of the Group who among themselves possess a wealth of management experience in the accounting profession, commercial and legal sectors. During the year, the Audit Committee met 2 times.

The main duties of the Audit Committee are as follows:–

- (i) to review the half-year and annual financial statements before they are submitted to the Board for approval;
- (ii) to make recommendations to the Board on, the appointment, reappointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of that auditors;
- (iii) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (iv) to review the Company's financial controls, internal controls and risk management systems;
- (v) to review the Group's financial and accounting policies and practice;
- (vi) to review and monitor the effectiveness of the internal audit function; and
- (vii) to review the terms and conditions of connected transactions of the Group.

The Audit Committee reviewed the financial statements of the Group for the year ended 31 December 2010 prior to recommending them to the Board for approval.

## 審核委員會

本公司已按照當時上市規則附錄14所載的最佳應用守則及香港會計師公會刊發的「審核委員會有效運作指引」成立審核委員會並以書面釐定其職權。審核委員會成員包括獨立非執行董事趙培宏先生、柯俊禎先生及陳忠瑞先生。審核委員會的主席為趙培宏先生。每位成員貢獻其寶貴的經驗，審核財務報表及評估本集團重大控制及財務事宜。彼等均於會計專業、商界和法律界擁有豐富的管理經驗。年內，審核委員會舉行兩次會議。

審核委員會的主要職責如下：

- (i) 在半年及年度財務報表提呈董事會批准前審閱有關報表；
- (ii) 就委任、重新委任及撤換核數師向董事會提出建議，批准核數師的酬金及委聘條款，以及處理任何有關該核數師辭任或解聘的問題；
- (iii) 按照適用準則，審閱及監察核數師的獨立及客觀性，以及核數程序的效用；
- (iv) 檢討本公司的財務監控、內部監控及風險控制系統；
- (v) 檢討本集團的財務及會計政策與慣例；
- (vi) 檢討及監察內部審核職能的效用；及
- (vii) 審閱本集團關連交易的條款及條件。

審核委員會在提交本集團截至二零一零年十二月三十一日止年度的財務報表予董事會批准前，已審閱有關報表。

### REMUNERATION COMMITTEE

The Company established a remuneration committee in January 2006. Its terms of reference are summarized as follows:

- (i) To make recommendations with respect to the remuneration of the Executive Directors and the senior management of the Company for approval by the Board;
- (ii) To review the remuneration package and recommend salaries, bonuses, including the incentive awards for Directors and the senior management; and
- (iii) To administer and make determinations with regard to the Company's share option scheme.

The remuneration committee annually sets out its recommendation on the remuneration package of the Executive Directors. For the financial year ended 31 December 2010, the remuneration committee has reviewed and recommended to the Board the salaries and bonuses of the Executive Directors and the senior management.

Details of the amount of Directors emoluments are set out in note 30 to the accounts and details of the 2003 Share Option Scheme are set out in the Report of Director and note 30 to the financial statements.

### NOMINATION COMMITTEE

The Company established the Nomination Committee in April 2008 to make recommendations to the Board on the appointment and reappointment of Directors, structure, size and composition of the Board to ensure fair and transparent procedures for the appointment and reappointment of Directors to the Board. There being no meetings be held by the nomination committee during the year.

### 薪酬委員會

本公司於二零零六年一月設立薪酬委員會，其職權範圍概述如下：

- (i) 就本公司執行董事及高級管理人員之薪酬提供推薦意見，以尋求董事會批准；
- (ii) 審議董事及高級管理人員之薪酬組合，並就薪資、花紅包括獎勵提出建議；及
- (iii) 管理及釐定本公司之購股權計劃。

薪酬委員會每年提呈其對執行董事薪酬組合之建議。於截至二零一零年十二月三十一日止財政年度，薪酬委員會已審議執行董事及高級管理層之薪酬及花紅，並向董事會提出建議。

董事酬金款額之詳情載於賬目附註30，而二零零三年購股權計劃之詳情載於董事會報告及財務報表附註30。

### 提名委員會

本公司於二零零八年四月成立提名委員會，就委任及重新委任董事、董事會架構、人數及組成向董事會提出建議，以確保董事會董事之委任及重新委任程序公平及具透明度。年內提名委員會並無舉行會議。

## LOOKING FORWARD

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure the compliance with the provisions of the Code on Corporate Governance Practices introduced by the Stock Exchange.

## MEETINGS ATTENDANCE

Number of Meetings	會議次數	Board 董事會 (4)	Audit Committee 審核委員會 (2)	Remuneration Committee 薪酬委員會 (1)
<b>Executive directors</b>				
Yang, Tou-Hsiung ( <i>Chairman</i> )	楊頭雄 (主席)	4	N/A不適用	1
Yang, Cheng	楊正	4	N/A不適用	N/A不適用
Yang, Kun-Hsiang ( <i>CEO</i> )	楊坤祥 (行政總裁)	4	2	N/A不適用
Yang, Chen-Wen	楊辰文	4	N/A不適用	N/A不適用
<b>Non-executive director</b>				
Huang, Ching-Jung	黃景榮	4	2	N/A不適用
Chou, Szu-cheng	周賜程	4	N/A不適用	N/A不適用
<b>Independent non-executive directors</b>				
Chao, Pei-Hong	趙培宏	3	2	1
Ko, Jim-Chen	柯俊禎	4	2	1
Chan, Joen-Ray	陳忠瑞	4	2	1

## INDEPENDENCE CONFIRMATION

The Company has received, from each of the independent non-executive directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

## COMPLIANCE WITH THE CODE OF BEST PRACTICE AND THE CODE ON CORPORATE GOVERNANCE PRACTICES OF THE LISTING RULES

In the opinion of the Directors, the Company has complied with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules, throughout the accounting period covered by the annual report. The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices ("Corporate Governance Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") for the year 2010.

## 展望

本集團將繼續適時檢討其企業管治水平，而董事會將竭力採取所需措施，以確保遵守聯交所頒佈的企業管治常規守則條文。

## 會議出席記錄

Number of Meetings	會議次數	Board 董事會 (4)	Audit Committee 審核委員會 (2)	Remuneration Committee 薪酬委員會 (1)
<b>Executive directors</b>				
Yang, Tou-Hsiung ( <i>Chairman</i> )	楊頭雄 (主席)	4	N/A不適用	1
Yang, Cheng	楊正	4	N/A不適用	N/A不適用
Yang, Kun-Hsiang ( <i>CEO</i> )	楊坤祥 (行政總裁)	4	2	N/A不適用
Yang, Chen-Wen	楊辰文	4	N/A不適用	N/A不適用
<b>Non-executive director</b>				
Huang, Ching-Jung	黃景榮	4	2	N/A不適用
Chou, Szu-cheng	周賜程	4	N/A不適用	N/A不適用
<b>Independent non-executive directors</b>				
Chao, Pei-Hong	趙培宏	3	2	1
Ko, Jim-Chen	柯俊禎	4	2	1
Chan, Joen-Ray	陳忠瑞	4	2	1

## 獨立確認

根據上市規則第3.13條，本公司獲得各獨立非執行董事確認其獨立性。本公司認為所有獨立非執行董事均是獨立的。

## 遵守上市規則的最佳應用守則及企業管治常規守則

董事認為，本公司在本年報所涉及會計期間一直遵守上市規則附錄14所載的最佳應用守則。本公司於二零一零年一直遵守聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）所有守則條文。

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company had adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix 10 of the Listing Rules as the code for dealing in securities of the Company by the directors (the “Code”). Having made specific enquiry, the Company confirmed that all directors have complied with the required standard as set out in the Code.

### AUDITOR’S REMUNERATION

The Audit Committee of the Company is responsible for considering the appointment of the external auditor and reviewing any non-audit functions performed by the external auditor. During the year under review, the Group is required to pay an aggregate of approximately US\$374,000 to the external auditor for their services including audit and non-audit services.

### DIRECTORS’ AND AUDITOR’S RESPONSIBILITIES FOR ACCOUNTS

The Directors’ responsibilities for the accounts and the responsibilities of the external auditor to the shareholders are set out on pages 49 and 50.

### 上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的「上市發行人董事進行證券交易的標準守則」作為董事進行本公司證券交易的標準守則（「標準守則」）。經作出特定查詢後，本公司確認所有董事已遵守標準守則所載的規定準則。

### 核數師薪酬

本公司審核委員會負責考慮聘請核數師及審核核數師所進行之任何非核數之職能。於回顧年度內，本集團需支付約共374,000美元予核數師之服務，包括核數及非核數之服務。

### 董事及核數師對賬目之責任

董事對賬目之責任及核數師對股東之責任載於第49及50頁。

The directors of the Company ("Directors") present their report and the audited accounts for the year ended 31 December, 2010.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the production of fermentation-based amino acids, food additive products and cassava starch based industrial products. Details of the principal activities of its subsidiaries are set out in Note 9 to the accounts.

There have been no significant changes in the nature of these activities during the year under review.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December, 2010 are set out in the consolidated income statement on pages 54 to 55.

The Board recommend the payment of a final dividend of 0.240 US cents per share, totalling US\$3,670,000 (2009: US\$4,840,000) for the year ended 31 December, 2010. Subject to shareholders' approval at the forecoming annual general meeting of the Company, the final dividend will be paid in cash on or about 17 June 2011 to the Shareholders whose names appear on the register of members of the Company on 3 June 2011.

### SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 14 to the accounts.

### DISTRIBUTABLE RESERVES

As at 31 December, 2010, the Company's share premium reserve of approximately US\$194,098,000 (subject to the Cayman Companies Law and the articles of association of the Company) and retained earnings of approximately US\$16,604,000 were available for distribution to the Company's shareholders.

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December, 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

### RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in Note 15 to the accounts.

本公司董事（「董事」）謹此呈報截至二零一零年十二月三十一日止年度的董事會報告及經審核賬目。

### 主要業務

本公司為投資控股公司，其附屬公司主要從事以發酵技術生產氨基酸產品、食品添加劑及木薯澱粉工業產品。其附屬公司主要業務的詳情載列於賬目附註9。

該等業務於回顧年度並無重大轉變。

### 業績及分派

本集團截至二零一零年十二月三十一日止年度的業績載於第54至55頁的綜合收益表。

董事會建議宣派截至二零一零年十二月三十一日止年度末期股息每股0.240美仙，合共3,670,000美元（二零零九年：4,840,000美元）。待股東於本公司應屆股東週年大會上批准後，末期股息將於二零一一年六月十七日或前後以現金方式支付予於二零一一年六月三日名列本公司股東名冊的股東。

### 股本

本公司股本變動的詳情載於賬目附註14。

### 可供分派儲備

本公司於二零一零年十二月三十一日有股份溢價賬約194,098,000美元（須符合開曼群島公司法及本公司組織章程細則的規定）及保留盈利約16,604,000美元可供分派予本公司股東。

### 購買、出售或贖回證券

本公司及其任何附屬公司於截至二零一零年十二月三十一日止年度內概無購買、出售或贖回本公司任何股份。

### 儲備

本集團及本公司於本年度的儲備變動載於賬目附註15。

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in Note 7 to the financial statements.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group purchased less than 30% of its goods and services from its five largest suppliers and sold less than 30% of its goods and services to its five largest customers.

At no time during the year, did a director, an associate of a director or any shareholder of the Company, which to the knowledge of the directors own more than 5% of the Company's issued share capital, have an interest in the share capital of any of the five largest customers or suppliers of the Company.

### DIRECTORS

The Directors during the year under review and up to the date of this report are:

#### Executive Directors

Yang, Tou-Hsiung  
Yang, Cheng  
Yang, Kun-Hsiang  
Yang, Chen-Wen

#### Non-executive Directors

Huang, Ching-Jung  
Chou, Szu-Cheng

#### Independent Non-executive Directors

Chao, Pei-Hong  
Ko, Jim-Chen  
Chen, Joen-Ray

According to Article 87(1) of the Company's articles of association, Mr. Huang, Ching-Jung, Mr. Ko, Jim-Chen and Mr. Chen, Joen-Ray will retire by rotation at the forthcoming annual general meeting of the Company. All such Directors being eligible, offer themselves for re-election.

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management are set out on pages 28 to 30.

### 物業、廠房及設備

本集團物業、廠房及設備於本年度變動的詳情載於財務報表附註7。

### 主要客戶及供應商

本年度內，本集團從其五位最大供應商購入之貨品及服務少於30%，向其五位最大客戶售出之貨品及服務亦少於30%。

於年內任何時間，概無董事、董事之聯繫人士或據董事所知擁有本公司5%以上已發行股本之股東，於本公司任何五大客戶或供應商之股本中擁有權益。

### 董事

於回顧年度及截至本報告日期在任的董事如下：

#### 執行董事

楊頭雄  
楊正  
楊坤祥  
楊辰文

#### 非執行董事

黃景榮  
周賜程

#### 獨立非執行董事

趙培宏  
柯俊禎  
陳忠瑞

根據本公司之組織章程細則第87(1)條，黃景榮先生、柯俊禎先生及陳忠瑞先生將於本公司應屆股東週年大會上輪席退任。所有該等董事符合資格及願意重選連任。

### 董事及高級管理層履歷

董事及高級管理層的簡歷詳載於第28至30頁。

**DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

(a) As at 31 December, 2010, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:—

**董事於股份、相關股份及債券之權益及淡倉**

(a) 於二零一零年十二月三十一日，本公司各董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文董事被認為或被視為擁有之權益及淡倉），或(b)規定須列入證券及期貨條例第352條規定存置之登記冊內之權益及淡倉，或(c)根據香港聯合交易所有限公司證券上市規則（「上市規則」）所載之上市公司董事進行證券交易之標準守則須知會本公司及聯交所之權益及淡倉如下：

**Interests in shares  
於股份中之權益**

Name 姓名	Number of ordinary shares 普通股數目	Percentage of issued shares of the Company 佔本公司已發行 股份百分比
Mr. YANG, Tou-Hsiung 楊頭雄先生	169,730,196 (Note 1) (附註1)	11.15%
Mr. HUANG, Ching-Jung 黃景榮先生	200,000	0.01%
Mr. CHAO, Pei-Hong 趙培宏先生	500,000	0.03%



Notes:

1. Mr. YANG, Tou-Hsiung's interest in shares was held in the following capacities:-

Capacity	身份	Number of ordinary shares 普通股數目
Interest of company controlled by him	於楊頭雄先生控制之公司中擁有權益	169,730,196 *

- \* Mr. YANG, Tou-Hsiung was entitled to exercise or control the exercise of more than one-third of the voting power of King International Limited ("King International") and King International is the holder of such 169,730,196 shares.

附註：

1. 楊頭雄先生以下列身份持有股份權益：

- \* 楊頭雄先生有權行使或控制行使 King International Limited (「King International」) 超過三分之一的投票權，而 King International 為該批 169,730,196 股股份之持有人。

Save as disclosed above, as at 31 December 2010, none of the Directors or chief executives of the Company had or was deemed to have any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一零年十二月三十一日，概無本公司董事或最高行政人員於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有或被視為擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文被認為或被視為擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條須列入該條文所述之登記冊內之任何權益或淡倉；或(c)根據上市規則所載之上市公司董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

## SHARE OPTION SCHEMES

On 13 June, 2003, the Pre-IPO Share Option Scheme and the Share Option Scheme were approved by shareholders under which the Directors may, at their discretion, offer any employee (including any executive director of the Company) of the Group, options to subscribe for shares in the Company subject to the terms and conditions stipulated in the two schemes.

Options to subscribe for 29,770,000 shares had been granted to the Directors and employees of the Group on 13 June, 2003 under the Pre-IPO Share Option Scheme. No further options can be, or have been, granted under the Pre-IPO Share Option Scheme from 27 June, 2003, the date of listing of the shares on the Stock Exchange. As at 31 December 2009, there was no share option outstanding under the Pre-IPO Share Option Scheme.

As at 31 December 2010, no option had been granted or exercised under the Share Option Scheme.

## DIRECTORS' SERVICE CONTRACTS

Each of Mr. Yang, Tou-Hsiung, Mr. Yang, Cheng, Mr. Yang, Kun-Hsiang and Mr. Yang, Chen-Wen has entered into a service agreement with the Company for an initial period of three years. Such service agreements may continue thereafter unless terminated by not less than three months' notice in writing served by either party following the expiration of the end of the initial term or at any time thereafter.

Each of Mr. Huang, Ching-Jung and Mr. Chao, Pei-Hong has entered into a service agreement with the Company for an initial term of one year. Such service agreements may continue thereafter unless terminated by one month's notice in writing served by either party following the expiration of the end of the initial term or at any time thereafter.

Mr. Chou, Szu-Cheng has entered into a service agreement with the Company for a term of three years and both parties may upon or before the expiration of the original term or any renewed term (as the case may be) thereof, agree in writing to extend the term of the service agreement for another year.

## 購股權計劃

二零零三年六月十三日，股東已批准首次公開售股前購股權計劃及購股權計劃。據此，董事可酌情向本集團的任何僱員（包括任何本公司執行董事）授出購股權，根據該兩項購股權計劃的條款及條件認購本公司的股份。

二零零三年六月十三日，已根據首次公開售股前購股權計劃向董事及本集團僱員授出可認購29,770,000股股份之購股權。自二零零三年六月二十七日（即股份於聯交所上市之日）起，再不可亦再無根據首次公開售股前購股權計劃授出購股權。於二零零九年十二月三十一日，概無首次公開售股前購股權計劃項下之購股權尚未行使。

於二零一零年十二月三十一日，概無購股權計劃項下的購股權已授出或已行使。

## 董事服務合約

楊頭雄先生、楊正先生、楊坤祥先生及楊辰文先生已分別與本公司訂立初步為期三年之服務協議，該等服務協議可於其後繼續生效，除非其中一方於初步年期屆滿後或於其後任何時間發出不少於三個月書面通知終止服務協議。

黃景榮先生及趙培宏先生已分別與本公司訂立初步為期一年之服務協議，該等服務協議可於其後繼續生效，除非其中一方於初步年期屆滿後或於其後任何時間發出不少於一個月書面通知終止服務協議。

周賜程先生已與本公司訂立為期三年之服務協議，而雙方可於原有期限或其任何重續期限（視乎情況而定）屆滿前以書面方式同意延長服務協議期限一年。

Mr. Ko, Jim-Chen has not entered into service contract with the Company, and has no fixed term of service with the Company but will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the articles of association of the Company.

Mr. Chen, Joen-Ray has entered into a service contract with the Company for a term of one year and both parties may upon or before the expiration of the original term or any renewed term (as the case may be) thereof, agree in writing to extend the term of the service contract for another year.

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

### DIRECTORS' INTERESTS IN CONTRACTS

Except for the service contracts detailed above, no director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

### CONNECTED TRANSACTIONS

#### Transactions with Taiwan Vedan Enterprise Corporation ("Taiwan Vedan")

For the year ended 31 December, 2010, the Company entered into the following transactions with its substantial shareholder, Taiwan Vedan, a connected person of the Company, which constituted continuing connected transactions of the Company subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules:

柯俊禎先生並無與本公司訂立服務合約，與本公司亦無訂立固定服務年期，惟將根據本公司組織章程細則於股東週年大會上輪席退任及重選連任。

陳忠瑞先生已與本公司訂立為期一年之服務合約，而雙方可於原有期限或其任何重續期限（視乎情況而定）屆滿前以書面方式同意延長服務協議期限一年。

在應屆股東週年大會上擬重選之董事並無與本公司訂立本公司在一年內不作賠償（法定賠償除外）則不可撤銷之服務協議。

### 董事所擁有之合約權益

除上文所詳述之服務合約外，並無董事在年內本公司或其任何附屬公司參與訂立而對本集團業務有重大影響之合約中擁有重大權益。

### 關連交易

#### 與台灣味丹企業股份有限公司（「台灣味丹」）之交易

截至二零一零年十二月三十一日止年度，本公司與其主要股東及關連人士，台灣味丹進行下列交易，而該等交易屬於須遵守上市規則第14A章申報及公告規定之持續關連交易：

		Note 附註	US\$'000 千美元
A. Sale of goods to Taiwan Vedan	A. 向台灣味丹銷售貨品	(i)	4,137
B. Technological support fee paid to Taiwan Vedan	B. 向台灣味丹支付技術支援費	(ii)	2,441
C. Agency commission income received from Taiwan Vedan	C. 收取台灣味丹的代理佣金收入	(iii)	149
Agency commission expense paid to Taiwan Vedan	向台灣味丹支付代理佣金開支	(iii)	-

Notes:

- (i) The Group has been selling certain GA (acronym as "glutamic acid"), MSG (acronym as "monosodium glutamate") and cassava starch based industrial products to Taiwan Vedan and its subsidiaries (other than members of the Group) ("Taiwan Vedan Group") for use in Taiwan. On 23 December 2008, the Company and Taiwan Vedan entered into an agreement in respect of the sales of such products by the Group to the Taiwan Vedan Group for a term of three years from 1 January 2009 to 31 December 2011 ("Taiwan Sales Agreement"). At that time, the Company estimated that the annual total aggregate amount of sales of the products to the Taiwan Vedan Group will not exceed the maximum cap of US\$1,700,000 for each of the three financial years ending 31 December 2011. The parties entered into a supplemental agreement on 29 April 2009 to increase the annual cap under the Taiwan Sales Agreement to US\$4,000,000, US\$4,800,000 and US\$4,800,000 for the three financial years ending 31 December 2009, 2010 and 2011 respectively. The Directors believe that the sale of goods to the Taiwan Vedan Group pursuant to the Taiwan Sales Agreement will generate additional income to the Group.
- (ii) The Taiwan Vedan Group has been providing certain technological support services to the Group. On 24 December 2009, the Company and Taiwan Vedan entered into an agreement in respect of the provision of such services by the Taiwan Vedan Group to the Group for a term of two years from 1 January 2010 to 31 December 2011 ("Technology Support Agreement"). At the relevant time, the Company estimated that the annual total aggregate amount of service fee payable pursuant to the agreement will not exceed the maximum cap of US\$3,000,000 for each of the two financial years ending 31 December 2011. The Directors believe that the technological support from the Taiwan Vedan Group will benefit the Group's future business developments.

附註：

- (i) 本集團素來向台灣味丹及其附屬公司（本集團成員公司除外）（「台灣味丹集團」）出售若干谷氨酸、味精及澱粉工業產品，以供其於台灣使用。於二零零八年十二月二十三日，本公司與台灣味丹就該等產品而訂立協議，由二零零九年一月一日至二零一一年十二月三十一日止，為期三年（「台灣銷售協議」）。於相關時間，本公司估計銷售產品予台灣味丹集團之年度總額將不會超過截至二零一一年十二月三十一日止三個財政年度各年之最高上限1,700,000美元。各訂約方於二零零九年四月二十九日訂立補充協議，以將台灣銷售協議項下分別截至二零零九年、二零一零年及二零一一年十二月三十一日止三個財政年度之每年上限增加至4,000,000美元、4,800,000美元及4,800,000美元。董事相信根據台灣銷售協議向台灣味丹集團銷售貨品，將為本集團帶來額外收入。
- (ii) 台灣味丹集團素來向本集團提供若干技術支援服務。於二零零九年十二月二十四日，本公司與台灣味丹就台灣味丹集團向本集團提供該等服務而訂立協議，由二零一零年一月一日至二零一一年十二月三十一日止，為期兩年（「技術支援協議」）。於相關時間，本公司估計根據協議之截至二零一一年十二月三十一日止兩個財政年度各年年度應付服務費總額將不會超過最高上限3,000,000美元。董事相信從台灣味丹集團獲得技術支援，將對本集團之未來業務發展有利。

(iii) Each of Taiwan Vedan and the Company has been acting as the sole and exclusive agent of the other party to sell, distribute, supply and/or provide the products that are produced or proposed to be produced by the Group from time to time to the customers in Vietnam, ASEAN countries and the PRC or in Taiwan (as the case may be). On 31 December 2008, the Company and Taiwan Vedan entered into an agreement in respect of such transactions ("Agency Agreement") for a term of three years from 1 January 2009 to 31 December 2011. At the relevant time, the Company estimated that the annual total aggregate amount of commission to be received by each of the Group and the Taiwan Vedan Group will not exceed the maximum cap of US\$150,000 and US\$80,000 for each of the three financial years ending 31 December 2011. The Directors believe that the Group will continue to benefit from the transactions as the Group will receive additional commission income, and, it will also continue to benefit from the transactions in respect of additional sales to customers in Taiwan which may not be satisfied by the production capacity of, or the available products from, the Taiwan Vedan Group.

#### Transactions with Shandong Xue Hua Bio-chemical Co., Ltd. ("Xue Hua")

For the year ended 31 December 2010, the subsidiaries of the Company entered into various transactions with Xue Hua, which constituted continuing connected transactions as defined in the Listing Rules. The Directors are of the view that such transactions will provide cost benefits to the Group for its GA and MSG manufacturing businesses.

On 22 December 2005, Ordino Investments Pte Ltd ("Ordino"), a wholly-owned subsidiary of the Company and Xue Hua entered into a joint venture contract to set up a joint venture company, Shandong Vedan Snowflake Enterprise Co., Ltd. ("JV Company") in the PRC. Upon the establishment of the JV Company, the JV Company becomes a 70% non wholly-owned subsidiary of the Company, and Xue Hua, which holds 30% of the equity interest in the JV Company, becomes a connected person of the Company under Chapter 14A of the Listing Rules.

(iii) 台灣味丹及本公司各自作為另一方之唯一獨家代理，以不時銷售、分銷、供應及／或提供由本集團生產或建議將由本集團生產之產品予越南、東協國家及中國或台灣（視乎情況而定）之客戶。於二零零八年十二月三十一日，本公司及台灣味丹就該等交易（「代理協議」）訂立協議，由二零零九年一月一日至二零一一年十二月三十一日止，為期三年。於相關時間，本公司估計本集團及台灣味丹集團於截至二零一一年十二月三十一日止三個財政年度各年各自將予收取之年度佣金總額將不會超過最高上限150,000美元及80,000美元。董事相信，本集團將繼續受惠於該等交易，此乃由於本集團將收取額外佣金收入，而其亦將繼續受惠於有關額外銷售予台灣客戶之該等交易，台灣味丹集團之產能可能未能滿足或無法提供產品予該等客戶。

#### 與山東雪花生物化工股份有限公司（「雪花」）之交易

截至二零一零年十二月三十一日止年度，本公司之附屬公司與雪花訂立若干交易，構成持續關連交易（定義見上市規則）。董事認為，該等交易將為本集團的谷氨酸及味精製造業務帶來成本效益。

於二零零五年十二月二十二日，本公司全資附屬公司Ordino Investments Pte Ltd（「Ordino」）與雪花訂立合營協議，在中國成立合營公司山東味丹雪花實業有限公司（「合營公司」）。成立合營公司後，合營公司成為本公司擁有70%權益之非全資附屬公司，雪花則持有合營公司30%股權，根據上市規則第14A章，成為本公司之關連人士。

Set out below is a table summarising the non-exempt continuing connected transactions with Xue Hua as at 31 December 2010 which are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules:

下表概述截至二零一零年十二月三十一日與雪花之間須遵守上市規則第14A章申報、公告及獨立股東批准規定之不獲豁免持續關連交易：

		Note 附註	RMB'000 人民幣千元
A. Purchase of certain raw materials by the JV Company from Xue Hua	A. 雪花向合營公司供應若干原材料	(i)	18,486

Notes:

附註：

(i) On 28 December, 2005, Ordino, Xue Hua and the JV Company entered into an agreement in respect of the supply of certain raw materials ("Raw Materials") by Xue Hua to the JV Company. On 31 December 2006, Xue Hua and the JV Company entered into a supplemental agreement (the agreement, as supplemented by the supplemental agreement, will be referred to as the "Original Raw Materials Purchase Agreement") to revise certain terms of the agreement. On 23 December 2008, Ordino, Xue Hua and the JV Company entered into an agreement to renew the Original Raw Materials Purchase Agreement on substantially the same terms and for a term of three years from 28 December 2008 to 27 December 2011 (with the JV Company's right to renew for a successive term of three years each until the end of the term of the JV Company subject to compliance with the relevant requirements under the Listing Rules) ("Raw Materials Purchase Agreement"). At the relevant time, the Company estimated that the annual total aggregate amount of the raw materials to be purchased by the JV Company from Xue Hua will not exceed the maximum cap of RMB200,000,000 for each of the three financial years ending 31 December 2011.

(i) 於二零零五年十二月二十八日，Ordino、雪花及合營公司就有關雪花向合營公司供應若干原材料（「原材料」）訂立一項協議。於二零零六年十二月三十一日，雪花與合營公司訂立一項補充協議（經補充協議補充之協議將稱為「原有原材料採購協議」），以修訂協議之若干條款。於二零零八年十二月二十三日，Ordino、雪花與合營公司按大致相同條款，重續原有原材料採購協議，由二零零八年十二月二十八日至二零一一年十二月二十七日止，為期三年（合營公司有權連續重續三年，直至合營公司屆滿，惟須遵守上市規則項下之相關規定）（「原材料採購協議」）。於相關時間，本公司估計合營公司將向雪花採購之原材料之年度總額將不會超過截至二零一一年十二月三十一日止三個財政年度各年之最高上限人民幣200,000,000元。

Under the Raw Materials Purchase Agreement, Xue Hua will guarantee to the JV Company that in the event of the GA products produced by the JV Company utilising the Raw Materials reaching 25,000 tonnes per annum, the lower of (a) the average profit before tax for each tonne of such GA products will be not less than RMB450; or (b) the annual profit before tax for such GA products produced will reach RMB11,470,000, and Xue Hua will reimburse the shortfall to the JV Company for a period, up to a maximum term of 5 years from 1 May 2006 to 30 April 2011 or when an amount of RMB71,420,000 (which includes the service fees payable by Xue Hua to Ordino under a technology services agreement) or RMB60,570,000 (which excludes the service fees payable under such technology services agreement) is reached, whichever is earlier.

根據原材料採購協議，雪花將向合營公司作出擔保，倘合營公司採用該等原材料所生產之谷氨酸產品每年超過25,000噸，則（以下較低者）(a)平均每噸該等谷氨酸產品之除稅前溢利將不會低於人民幣450元；或(b)所生產之該等谷氨酸產品全年除稅前溢利將達致人民幣11,470,000元，否則雪花將向合營公司補償差額，最多為期五年，由二零零六年五月一日至二零一一年四月三十日，最高金額為人民幣71,420,000元（包括雪花根據一項技術服務協議應付Ordino之服務費）或人民幣60,570,000元（不包括根據該項技術服務協議應付之服務費），以較早到達金額為準。

Pursuant to the Raw Materials Purchase Agreement, Xue Hua is entitled to claim reasonable damages from the JV Company in case of the JV Company sells products to the Group at a price level lower than the then average selling price available from Xue Hua of a comparable product.

The Directors, including the independent non-executive Directors have reviewed the above continuing connected transactions of the Company for the year ended 31 December 2010 and confirmed that:

- (a) Such transactions were:
- (i) entered into in the ordinary and usual course of business;
  - (ii) conducted on normal commercial terms; which were no less favourable than those available to or from independent third parties; and
  - (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders as a whole;
- (b) the aggregate amount for each of the above transactions has not exceeded the relevant caps disclosed in previous announcements.

#### Confirmations

The aforesaid continuing connected transactions have been reviewed by independent non-executive Directors of the Company. The independent non-executive Directors confirmed that the aforesaid connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 41 to 45 of the annual report in accordance with paragraph 14A.38 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

根據原材料採購協議，倘合營公司向本集團出售產品，而價格低於雪花相若產品當時之平均售價，則雪花有權向合營公司申索合理賠償。

本公司董事（包括獨立非執行董事）已審閱上述截至二零一零年十二月三十一日止年度的本公司持續關連交易，並確認：

- (a) 該等交易：
- (i) 於一般日常業務中進行；
  - (ii) 按不遜於與獨立第三者交易之一般商業條款進行；及
  - (iii) 根據有關之規管協議以公平合理且符合股東整體利益之條款進行；
- (b) 上述各項交易之總值並無超過過往公佈所披露之有關上限。

#### 確認

本公司獨立非執行董事已審閱上述持續關連交易。獨立非執行董事確認上述關連交易乃(a)於一般日常業務中進行；(b)按一般商業條款或不優於本集團向獨立第三方提供或本集團獲獨立第三方提供的條款進行；及(c)根據有關的規管協議以公平合理且符合本公司股東整體利益的條款進行。

本公司核數師已獲聘根據香港會計師公會頒佈的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已根據香港聯合交易所有限公司證券上市規則第14A.38段發出無保留意見函件，當中載有核數師對本集團於年報第41至45頁所披露的持續關連交易的發現及結論。本公司已將核數師函件副本送呈香港聯合交易所有限公司。

### PRE-EMPTIVE RIGHTS

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

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

So far as was known to any Director or chief executive of the Company, as at 31 December, 2010, other than the interests and short positions of the Directors or chief executives of the Company as disclosed above, the following persons had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

### 優先購買權

本公司組織章程細則或開曼群島法例並無優先購買權規定，要求本公司按比例向現有股東發售新股份。

### 主要股東權益及股份之淡倉

據任何董事及本公司最高行政人員所知，於二零一零年十二月三十一日，除上文所披露董事或本公司最高行政人員的權益及淡倉外，以下人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露的權益或淡倉，或列入本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉：

Name 名稱	Number of ordinary shares 普通股數目	Percentage of issued shares of the Company 佔本公司已 發行股份百分比
Billion Power Limited ("Billion Power")	460,237,609 (Note 1) (附註1)	30.22%
Taiwan Vedan 台灣味丹	460,237,609 (Note 1) (附註1)	30.22%
King International Limited ("King International")	169,730,196 (Note 2) (附註2)	11.15%
Concord Worldwide Holdings Limited ("Concord Worldwide")	127,297,646 (Note 3) (附註3)	8.36%
High Capital Investments Limited ("High Capital")	127,297,646 (Note 4) (附註4)	8.36%



Notes:

1. Taiwan Vedan is entitled to exercise or control the exercise of more than one third of the voting power of Billion Power and is therefore taken to be interested in these 460,237,609 shares held by Billion Power.
2. The capacity of King International in holding the 169,730,196 shares was as beneficial owner.
3. The capacity of Concord Worldwide in holding the 127,297,646 shares was as beneficial owner.
4. The capacity of High Capital in holding the 127,297,646 shares was as beneficial owner.

Save as disclosed above, so far as is known to the Directors or chief executives of the Company, as at 31 December 2010, no other person (not being a Director or chief executives of the Company) had any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange, under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

#### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Four Directors of the Company, namely, Messrs. Yang, Tou-Hsiung, Yang, Cheng, Yang, Kun-Hsiang and Yang, Chen-Wen, were also directors of the Group's controlling shareholder, Taiwan Vedan. In addition, Messrs. Yang, Tou-Hsiung, Yang, Cheng, Yang, Kun-Hsiang and Yang, Chen-Wen indirectly held approximately 19.77 percent., 9.89 percent., 6.18 percent., and 8.24 percent. interest in Taiwan Vedan, respectively and they were therefore considered as having an interest in Taiwan Vedan under Rule 8.10 of the Listing Rules.

The Taiwan Vedan Group is principally engaged in, inter alia, the production of food additive products, including MSG products, and beverages in Taiwan, which may compete with the Group's business operations in respect of the product portfolio of the Group ("Product Portfolio").

附註：

1. 台灣味丹有權行使或控制行使Billion Power超過三分之一的投票權，故台灣味丹被視為擁有Billion Power所持有該460,237,609股股份之權益。
2. King International乃以實益持有人身份持有169,730,196股股份。
3. Concord Worldwide乃以實益擁有人身份持有127,297,646股股份。
4. High Capital乃以實益擁有人身份持有127,297,646股股份。

除上文所披露者外，據董事或本公司最高行政人員所知，於二零一零年十二月三十一日，概無任何人士（並非董事或本公司最高行政人員）於本公司之股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之權益或淡倉或須列入本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉。

#### 董事於競爭業務之權益

本公司董事楊頭雄先生、楊正先生、楊坤祥先生及楊辰文先生亦為本集團控股股東台灣味丹之董事。此外，楊頭雄先生、楊正先生、楊坤祥先生及楊辰文先生分別間接持有台灣味丹約19.77%、9.89%、6.18%及8.24%權益，因此，根據上市規則第8.10條，彼等被視為擁有台灣味丹之權益。

台灣味丹集團主要在台灣從事（其中包括）食品添加劑產品（包括味精產品）及飲料生產業務，可能對本集團之產品系列業務（「產品系列」）構成競爭。

Since Messrs. Yang, Tou-Hsiang and Yang, Cheng are both responsible only for the overall strategic planning and the business development of the Taiwan Vedan Group and the Group and the daily operations of the Group are managed by Messrs. Yang, Kun-Hsiang and Yang, Chen-Wan together with an independent management team, the Directors are of the view that the management and the operational functions of the Group are independent of and separate from those of other members of the Taiwan Vedan Group.

For safeguarding the interests of the Group, the independent non-executive Directors and the Audit Committee of the Company would on a regular basis review the business and operational results of the Group to ensure, inter alia, that the Group's business operations in respect of the Product Portfolio is and continues to be run on the basis that it is independent of, and at arm's length from, that of Taiwan Vedan.

#### AUDITOR

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

By Order of the Board

**Yang, Kun-Hsiang**

*Director and Chief Executive Officer*

22 March 2011

由於楊頭雄先生及楊正先生均僅負責台灣味丹集團及本集團之整體策略規劃及業務發展，而本集團日常業務則由楊坤祥先生及楊辰文先生以及一個獨立管理團隊管理，故董事認為，本集團之管理及營運功能乃獨立於台灣味丹集團之其他成員公司。

為保障本集團利益，本公司獨立非執行董事及審核委員會定期檢討本集團之業務及經營業績，以確保（其中包括）本集團之產品系列業務乃及繼續獨立於台灣味丹而營運及與其並無關聯。

#### 核數師

本賬目已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟表示願意應聘連任。

承董事會命

**楊坤祥**

*董事兼行政總裁*

二零一一年三月二十二日



羅兵咸永道會計師事務所

PricewaterhouseCoopers  
22/F, Prince's Building  
Central, Hong Kong  
Telephone (852) 2289 8888  
Facsimile (852) 2810 9888  
www.pwchk.com

**TO THE SHAREHOLDERS OF  
VEDAN INTERNATIONAL (HOLDINGS) LIMITED**

*(incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Vedan International (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 51 to 121, which comprise the consolidated and company balance sheets as at 31 December 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Directors' responsibility for the consolidated financial statements**

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

**Auditor's responsibility**

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

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

**致味丹國際(控股)有限公司股東**

*(於開曼群島註冊成立之有限公司)*

本核數師(以下簡稱「我們」)已審核列載於第51至第121頁味丹國際(控股)有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零一零年十二月三十一日的綜合資產負債表及公司資產負債表、截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋資料。

**董事就綜合財務報表須承擔的責任**

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平的反映,及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

**核數師的責任**

我們的責任是根據我們的審核對該等綜合財務報表作出意見,僅向整體股東報告,除此以外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

## Independent Auditor's Report 獨立核數師報告

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

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

### Opinion

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

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 22 March 2011

審計涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一零年十二月三十一日的事務狀況及集團截至該日止年度的虧損和現金流量，並已按照香港公司條例的披露規定妥為編製。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零一一年三月二十二日

# Consolidated Balance Sheet

## 綜合資產負債表

As at 31 December 2010 二零一零年十二月三十一日

		Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Land use rights	土地使用權	6	654	6,472
Property, plant and equipment	物業、廠房及設備	7	174,013	189,577
Intangible assets	無形資產	8	15,049	16,178
Prepayment for property, plant and equipment	物業、廠房及設備之預付款項		200	1,103
Investment in associate	於聯營公司之投資	10	1,230	–
Total non-current assets	非流動資產總額		191,146	213,330
<b>Current assets</b>	<b>流動資產</b>			
Held-to-maturity financial assets	持有至到期之財務資產		–	2,959
Trade receivables	應收貿易賬款	11	40,328	26,937
Inventories	存貨	12	83,193	65,596
Amount due from a minority shareholder of a subsidiary	應收附屬公司少數股東款項		1,308	1,288
Prepayments and other receivables	預付款項及其他應收款項		7,950	7,849
Current income tax recoverable	即期所得稅資產		–	46
Cash and cash equivalents	現金及現金等價物	13	34,536	39,614
Non-current assets held for sale	持作出售非流動資產	6	167,315 12,415	144,289 –
<b>Total current assets</b>	<b>流動資產總額</b>		179,730	144,289
<b>Total assets</b>	<b>總資產</b>		370,876	357,619
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	14	15,228	15,228
Reserves	儲備			
– Proposed final dividend	– 建議末期股息	15, 26	3,670	4,840
– Others	– 其他	15	245,647	248,898
Non-controlling interest	非控股權益		264,545 1,631	268,966 2,685
<b>Total equity</b>	<b>權益總額</b>		266,176	271,651

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

# Consolidated Balance Sheet

## 綜合資產負債表

As at 31 December 2010 二零一零年十二月三十一日

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term bank borrowings	17	15,259	16,222
Deferred income tax liabilities	18	7,513	8,050
Long-term payable to a related party	34(d)	2,074	4,031
Provision for long service payment		1,179	1,119
<b>Total non-current liabilities</b>		<b>26,025</b>	29,422
<b>Current liabilities</b>			
Trade payables	16	26,030	13,043
Accruals and other payables		19,847	12,428
Due to related parties	34(d)	2,280	2,043
Short-term bank borrowings	17	23,596	23,252
Current portion of long-term bank borrowings	17	4,279	3,123
Current income tax liabilities		2,643	2,657
<b>Total current liabilities</b>		<b>78,675</b>	56,546
<b>Total liabilities</b>		<b>104,700</b>	85,968
<b>Total equity and liabilities</b>		<b>370,876</b>	357,619
<b>Net current assets</b>		<b>101,055</b>	87,743
<b>Total assets less current liabilities</b>		<b>292,201</b>	301,073

The financial statements were approved by the Board of Directors and were signed on its behalf.  
財務報表已獲董事會審批並由下列人士代表簽署。

**YANG, Tou-Hsiung**  
楊頭雄  
Director  
董事

**YANG, Kun-Hsiang**  
楊坤祥  
Director  
董事

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

# Balance Sheet

## 資產負債表

As at 31 December 2010 二零一零年十二月三十一日

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	8	5,037	6,246
Investments in subsidiaries, at cost	9	170,390	170,390
Long-term loan to a subsidiary	9	10,500	2,700
Investment in associate	10	1,230	-
<b>Total non-current assets</b>		<b>187,157</b>	179,336
<b>Current assets</b>			
Due from subsidiaries	9	52,150	59,885
Prepayments and other receivables		396	400
Cash and cash equivalents	13	1,151	3,866
<b>Total current assets</b>		<b>53,697</b>	64,151
<b>Total assets</b>		<b>240,854</b>	243,487
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital	14	15,228	15,228
Reserves			
- Proposed final dividend	15, 26	3,670	4,840
- Others	15	207,032	205,748
<b>Total equity</b>		<b>225,930</b>	225,816
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Long-term payable to a related party	34(d)	2,074	4,031
<b>Current liabilities</b>			
Accruals and other payables		1,282	3,035
Short-term bank borrowings	17	9,288	8,734
Due to a related party	34(d)	2,280	1,871
<b>Total current liabilities</b>		<b>12,850</b>	13,640
<b>Total liabilities</b>		<b>14,924</b>	17,671
<b>Total equity and liabilities</b>		<b>240,854</b>	243,487
<b>Net current assets</b>		<b>40,847</b>	50,511
<b>Total assets less current liabilities</b>		<b>228,004</b>	229,847

The financial statements were approved by the Board of Directors and were signed on its behalf.  
財務報表已獲董事會審批並由下列人士代表簽署。

**YANG, Tou-Hsiung**  
楊頭雄  
Director  
董事

**YANG, Kun-Hsiang**  
楊坤祥  
Director  
董事

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

# Consolidated Income Statement

## 綜合收益表

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

		Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
Revenue	收益	19	336,107	289,137
Cost of sales	銷售成本	21	(278,251)	(217,805)
<b>Gross profit</b>	<b>毛利</b>		<b>57,856</b>	71,332
Other losses – net	其他虧損－淨額	20	(2,076)	(2,937)
Selling and distribution expenses	銷售及分銷開支	21	(16,393)	(14,452)
Administrative expenses	行政開支	21	(24,897)	(30,068)
Compensation to farmers	農民賠償	22	(11,807)	–
<b>Operating profit</b>	<b>經營溢利</b>		<b>2,683</b>	23,875
Finance income	財政收入		968	747
Finance costs	財政支出		(1,696)	(1,594)
Finance costs – net	財政支出－淨值	23	(728)	(847)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>1,955</b>	23,028
Income tax expense	所得稅開支	24	(4,582)	(5,234)
<b>(Loss)/profit for the year</b>	<b>本年度（虧損）／溢利</b>	25	<b>(2,627)</b>	17,794
<b>(Loss)/profit attributable to:</b>	<b>以下各方應佔（虧損）／溢利：</b>			
Owners of the Company	本公司擁有人		(1,480)	17,983
Non-controlling interest	非控股權益		(1,147)	(189)
			<b>(2,627)</b>	17,794
(Losses)/earnings per share for (loss)/profit attributable to the owners of the Company during the year	本公司擁有人應佔年內（虧損）／溢利之每股（虧損）／盈利			
<b>Basic (losses)/earnings per share (expressed in US cents)</b>	<b>每股基本（虧損）／盈利（以美仙計）</b>	27	<b>(0.10)</b>	1.18
<b>Diluted (losses)/earnings per share (expressed in US cents)</b>	<b>每股攤薄（虧損）／盈利（以美仙計）</b>	27	<b>(0.10)</b>	1.18
<b>Dividends</b>	<b>股息</b>	26	<b>3,670</b>	8,992

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。



# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
<b>(Loss)/profit for the year</b>	本年度(虧損)/溢利	<b>(2,627)</b>	17,794
<b>Other comprehensive income</b>	其他全面收入		
Currency translation differences	匯兌差額	<b>1,992</b>	99
<b>Total comprehensive (loss)/income for the year</b>	本年度全面(虧損)/收入總額	<b>(635)</b>	17,893
<b>Total comprehensive (loss)/income for the year attributable to:</b>	以下各方應佔全面(虧損)/收入總額:		
– Owners of the Company	– 本公司擁有人	<b>419</b>	18,087
– Non-controlling interest	– 非控股權益	<b>(1,054)</b>	(194)
<b>Total comprehensive (loss)/income for the year</b>	本年度全面(虧損)/收入總額	<b>(635)</b>	17,893

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔					Non- controlling interest	Total 總計
		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	非控股權益 US\$'000 千美元	US\$'000 千美元
Balance at 1 January 2009	於二零零九年一月一日之結餘	15,228	47,358	10,204	79,994	102,247	2,879	257,910
Comprehensive income	全面收入							
Profit/(loss) for the year	本年度溢利/(虧損)	-	-	-	-	17,983	(189)	17,794
Other comprehensive income:	其他全面收入:							
Currency translation differences	匯兌差額	-	-	104	-	-	(5)	99
<b>Total comprehensive income</b>	<b>全面收入總額</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>17,983</b>	<b>(194)</b>	<b>17,893</b>
Total transactions with owners	與擁有人之總交易額							
Dividend paid	已付股息	-	-	-	-	(4,152)	-	(4,152)
<b>Balance at 31 December 2009</b>	<b>於二零零九年十二月三十一日之結餘</b>	<b>15,228</b>	<b>47,358</b>	<b>10,308</b>	<b>79,994</b>	<b>116,078</b>	<b>2,685</b>	<b>271,651</b>
Balance at 1 January 2010	於二零一零年一月一日之結餘	15,228	47,358	10,308	79,994	116,078	2,685	271,651
Comprehensive income	全面收入							
Loss for the year	本年度虧損	-	-	-	-	(1,480)	(1,147)	(2,627)
Other comprehensive income:	其他全面收入:							
Currency translation differences	匯兌差額	-	-	1,899	-	-	93	1,992
<b>Total comprehensive loss</b>	<b>全面虧損總額</b>	<b>-</b>	<b>-</b>	<b>1,899</b>	<b>-</b>	<b>(1,480)</b>	<b>(1,054)</b>	<b>(635)</b>
Total transactions with owners	與擁有人之總交易額							
Dividend paid	已付股息	-	-	-	-	(4,840)	-	(4,840)
<b>Balance at 31 December 2010</b>	<b>於二零一零年十二月三十一日之結餘</b>	<b>15,228</b>	<b>47,358</b>	<b>12,207</b>	<b>79,994</b>	<b>109,758</b>	<b>1,631</b>	<b>266,176</b>

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
<b>Cash flows from operating activities</b>	<b>經營業務產生之現金流量</b>		
Cash generated from operations	31	<b>21,960</b>	61,430
Interest paid		<b>(447)</b>	(524)
Income taxes paid		<b>(5,033)</b>	(6,960)
Net cash generated from operating activities		<b>6,480</b>	53,946
<b>Cash flows from investing activities</b>	<b>投資活動產生之現金流量</b>		
Purchases of property, plant and equipment	7	<b>(16,802)</b>	(37,478)
Long-term prepayment of property, plant and equipment		<b>903</b>	3,297
Proceeds from sale of property, plant and equipment	31	<b>166</b>	44
Purchases of intangible assets and land use rights	6, 8	<b>(1,633)</b>	(88)
Redemption of held-to-maturity financial assets		<b>2,959</b>	-
Investment in an associate	10	<b>(1,230)</b>	-
Interest received from held-to-maturity financial assets		<b>61</b>	405
Net cash used in investing activities		<b>(15,576)</b>	(33,820)
<b>Cash flows from financing activities</b>	<b>融資活動產生之現金流量</b>		
Dividends paid	26	<b>(4,840)</b>	(4,152)
Net change in short-term bank borrowings		<b>344</b>	(15,408)
Proceeds from long-term bank borrowings		<b>20,169</b>	8,670
Repayment of long-term bank borrowings		<b>(19,976)</b>	(3,817)
Repayment of long-term payable to Vedan Enterprise Corporation ("Taiwan Vedan")		<b>(2,145)</b>	(2,145)
Net cash used in financing activities		<b>(6,448)</b>	(16,852)
Net (decrease)/increase in cash and cash equivalents		<b>(5,544)</b>	3,274
Cash and cash equivalents at beginning of year	13	<b>39,614</b>	36,286
Exchange gains on cash and cash equivalents		<b>466</b>	54
<b>Cash and cash equivalents at end of year</b>	<b>於年末之現金及現金等價物</b>	<b>34,536</b>	39,614

The notes on pages 58 to 122 are an integral part of these consolidated financial statements.  
載於第58至122頁的附註乃構成綜合財務報表的一部份。

## 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 food, 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 United States dollar (“US\$”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 22 March 2011.

## 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 the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention.

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.

## 1 一般資料

味丹國際(控股)有限公司(「本公司」)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產品(包括化工澱粉、葡萄糖糖漿、味精、蘇打及鹽酸)以及飲料。產品乃銷售往越南、其他東協成員國家、中華人民共和國(「中國」)、日本、台灣及多個歐盟國家的食品分銷商、國際貿易公司,以及食品、紙品、紡織及化工產品生產商。

本公司為於開曼群島註冊成立之有限公司,註冊辦事處地址為: Century Yard, Cricket Square, 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有限公司第一上市地位。

除另有列明外,此等綜合財務報表以美元列值。此等綜合財務報表於二零一一年三月二十二日獲董事會批准發佈。

## 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

本集團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。

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。

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Basis of preparation (continued)**

The following interpretations and amendments/revisions to standards are mandatory for the first time for the financial year beginning 1 January 2010, but do not have significant financial impact to the Group.

HKAS 17	Leases (and consequential amendment to HK(IFRIC) – Int 4, “Leases – Determination of the length of lease term in respect of Hong Kong land leases”)
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedge Items
HKFRS 1 (Revised)	First-Time Adoption of HKFRSs
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transaction
HKFRS 3 (Revised)	Business Combinations (and consequential amendments to HKAS 27, “Consolidated and Separate Financial Statements”, HKAS 28 “Investments in Associates” and HKAS 31 “Interests in Joint Ventures”)

**2 主要會計政策概要 (續)**

**2.1 編製基準 (續)**

以下準則之詮釋及修訂本／修訂必須於二零一零年一月一日開始之財政年度首次採納，但有關詮釋及修訂本／修訂對本集團並無任何重大財務影響。

香港會計準則第17號	租賃(及對香港(國際財務報告詮釋委員會)－詮釋第4號「租賃－釐定香港土地租賃之租期」之其後修訂本)
香港會計準則第27號(經修訂)	綜合及獨立財務報表
香港會計準則第39號(修訂本)	合資格對沖項目
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免
香港財務報告準則第2號(修訂本)	集團以現金結算以股份為基礎支付之交易
香港財務報告準則第3號(經修訂)	業務合併(及對香港會計準則第27號「綜合及獨立財務報表」、香港會計準則第28號「於聯營公司之投資」及香港會計準則第31號「於合營企業之權益」之其後修訂)

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Basis of preparation (continued)**

HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations (and Consequential Amendment to HKFRS 1 “First Time Adoption”)
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owners
HK(IFRIC) – Int 18	Transfer of Assets from Customers
HK – Int 5	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause

The following new standard and interpretation, amendments/revision to standards and interpretation have been issued, but are not effective for the financial year beginning 1 January 2010 and have not been early adopted.

**2 主要會計政策概要(續)**

**2.1 編製基準(續)**

香港財務報告準則第5號	持作出售非流動資產及已終止經營業務(及對香港財務報告準則第1號「首次採納」之其後修訂本)
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產
香港(國際財務報告詮釋委員會) – 詮釋第18號	從客戶轉移資產
香港 – 詮釋第5號	財務報表之呈列 – 借款人對包含按 要求還款條款之 有期貸款之分類

本集團並無提早採納以下已頒佈但於二零一零年一月一日開始之財政年度尚未生效之新準則及詮釋、準則及詮釋之修訂本／修訂。

		Effective for accounting periods beginning on or after 於下列日期或之後 開始之會計期間生效
HKAS 24 (Revised) 香港會計準則第24號(經修訂)	Related Party Disclosures 關連方披露	1 January 2011 二零一一年一月一日
HKAS 32 (Amendment) 香港會計準則第32號(修訂本)	Classification of Rights Issue 供股之分類	1 February 2010 二零一零年二月一日
Amendment to HKFRS 1	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters	1 July 2010
香港財務報告準則第1號之 修訂本	首次採納者就香港財務報告準則第7號之 披露比較資料之有限豁免	二零一零年七月一日

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

HKFRS 9  
香港財務報告準則第9號  
Amendment to HK(IFRIC)  
– Int 14  
香港（國際財務報告詮釋  
委員會）— 詮釋第14號  
之修訂本  
HK(IFRIC) – Int 19  
香港（國際財務報告詮釋  
委員會）— 詮釋第19號

Financial Instruments  
金融工具  
Prepayments of a Minimum Funding  
Requirement  
最低資金要求之預付款項  
Extinguishing Financial Liabilities with Equity  
Instruments  
以股本工具抵銷金融負債

Effective for  
accounting periods  
beginning on or after  
於下列日期或之後  
開始之會計期間生效

1 January 2013  
二零一三年一月一日  
1 January 2011  
二零一一年一月一日  
1 July 2010  
二零一零年七月一日

The Group has already commenced an assessment of the related impact of adopting the above new standard, amendments/revision to standards and interpretations to the Group. The Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will result.

In addition, the Hong Kong Institute of Certified Public Accountants also published a number of amendments for the existing standards under its annual improvement project published in May 2010. These amendments are not expected to have a significant financial impact on the results and financial position of the Group.

本集團已開始評估採納上述新準則、準則及詮釋之修訂本／修訂對本集團之相關影響。本集團尚未能釐定是否會令本集團之會計政策或財務報表之呈報產生重大變動。

此外，於二零一零年五月，香港會計師公會於其年度改進項目中頒佈多項對現行準則之修訂。預期此等修訂不會對本集團之業績及財務狀況構成重大財務影響。

2 主要會計政策概要（續）

2.1 編製基準（續）

Effective for  
accounting periods  
beginning on or after  
於下列日期或之後  
開始之會計期間生效

1 January 2013  
二零一三年一月一日  
1 January 2011  
二零一一年一月一日  
1 July 2010  
二零一零年七月一日

本集團已開始評估採納上述新準則、準則及詮釋之修訂本／修訂對本集團之相關影響。本集團尚未能釐定是否會令本集團之會計政策或財務報表之呈報產生重大變動。

此外，於二零一零年五月，香港會計師公會於其年度改進項目中頒佈多項對現行準則之修訂。預期此等修訂不會對本集團之業績及財務狀況構成重大財務影響。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 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. 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 Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the aggregate fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

## 2 主要會計政策概要(續)

### 2.2 綜合

綜合財務報表包括本公司及其所有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(包括特殊目的實體)，通常擁有佔過半數投票權之股份。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潛在投票權之存在及影響。附屬公司自其控制權轉移予本集團當日起全面綜合入賬，並於控制權終止當日停止綜合入賬。

本集團採用會計收購法計算業務合併。收購附屬公司的轉讓代價為所轉讓資產、所產生負債及本集團所發行股本權益的公平值總額。所轉讓代價包括或然代價安排產生的任何資產或負債的公平值。收購相關成本於產生時支銷。於業務合併時所收購的可識別資產及所承擔的負債及或然負債，初步按收購日的公平值計量。按逐項收購基準，本集團以公平值或非控股權益按比例應佔被收購方資產淨值，確認被收購方非控股權益。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Consolidation (continued)

#### (a) Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired (Note 2.6a) in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income (Note 2.6).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. The financial interests of subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments in subsidiaries are accounted for at cost less impairment. Cost includes in consideration by the Company arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for 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)

所轉讓代價、被收購方的任何非控股權益金額及任何先前於被收購方的股本權益於收購日期的公平值超出所收購之可識別資產淨值之公平值的差額乃列作商譽。倘在廉價購入的情況下，該數額低於所收購附屬公司資產淨值之公平值(附註2.6a)，則有關差額將直接在全面收益表內確認(附註2.6)。

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。本公司對附屬公司之財務利益在必要情況下已予修訂，以確保符合本集團所採納之政策。

於附屬公司之投資乃按成本減減值入賬。成本包括本公司因或然代價修訂產生的代價。成本亦包括投資的直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Consolidation (continued)

#### (b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 2 主要會計政策概要(續)

### 2.2 綜合(續)

#### (b) 與非控股權益之交易

本集團將其與非控股權益進行的交易視為與本集團權益擁有人之間進行的交易。向非控股權益採購，所支付的任何代價與所收購的附屬公司資產淨值賬面值相關部分的差額，於權益中入賬。向非控股權益進行出售所產生的盈虧亦於權益入賬。

倘本集團不再擁有控制權或重大影響力，其於該實體之任何保留權益按其公平值重新計量，而賬面值變動則於損益中確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益而言，公平值指初始賬面值。此外，先前於其他全面收入內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這可能意味著先前在其他全面收入內確認之金額重新分類為溢利或虧損。

倘於聯營公司之所有權權益減少，而重大影響力獲保留，則先前於其他全面收入內確認之金額僅有一定比例部分重新分類為溢利或虧損(如適用)。

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Consolidation (continued)**

(c) *Associates*

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial interests of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

**2 主要會計政策概要 (續)**

**2.2 綜合 (續)**

(c) *聯營公司*

聯營公司指本集團對其有重大影響力但不擁有控制權之一切實體，通常擁有其佔百分之二十至五十投票權之股份。於聯營公司之投資採用權益會計法列賬，並按成本初次確認。本集團於聯營公司之投資包括於收購時識別的商譽減除任何累計減值虧損。

本集團應佔聯營公司收購後的盈利或虧損於綜合收益表中確認，而應佔收購後的其他全面收入變動在其他全面收入中確認。收購後的累積變動乃於投資之賬面值作調整。當本集團應佔聯營公司虧損等於或大於其於聯營公司之權益（包括任何其他無抵押之應收款項）時，本集團不再確認進一步虧損，除非本集團因此產生負債或代聯營公司支付款項。

本集團與聯營公司之間交易而產生之未變現收益按本集團於聯營公司之權益所享有之部分抵銷。除非該交易提供證據證明所轉移資產出現減值，否則未變現虧損亦應抵銷。聯營公司之財務利益已在有需要情況下作更改，以確保與本集團所採納之政策一致。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors collectively.

### 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\$, which is the Company's functional and the Group's 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 or valuation where items are re-measured. 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 consolidated income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within "finance costs – net". All other foreign exchange gains and losses are presented in the consolidated income statement within "other losses – net".

Translation differences on non-monetary financial assets and liabilities are recognised in profit or loss as part of the fair value gain or loss.

## 2 主要會計政策概要(續)

### 2.3 分部報告

營運分部之呈報方式與提供予主要營運決策者之內部呈報一致。負責分配資源及評估營運分部業績之主要營運決策者已獲一併指定為董事會。

### 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。本綜合財務報表以本公司之功能貨幣及本集團之呈報貨幣美元呈列。

#### (b) 交易及結餘

外幣交易均按交易或重新計量項目之估值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收益或虧損，均於綜合收益表內確認，惟於權益內遞延作為合資格現金流量的對沖及合資格淨投資的對沖除外。

與借貸和現金及現金等價物有關的匯兌盈虧在綜合收益表內的「財政支出－淨值」中呈列。所有其他匯兌盈虧在綜合收益表內的「其他虧損－淨額」中呈列。

非貨幣財務資產及負債項目之匯兌差異，均於損益內確認為公平值收益或虧損的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)

2.4 Foreign currency translation (continued)

(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;
- income and expenses for each consolidated 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 rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated 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 主要會計政策概要(續)

2.4 外幣換算(續)

(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;
- 每項綜合收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
- 所有匯兌差異均在其他全面收入中確認。

在編製綜合賬目時,折算海外業務投資淨額之匯兌差異,均列入其他全面收入內。當出售部分海外業務時,此等匯兌差異將計入權益並於綜合收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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.5 Property, plant and equipment

Property, plant and equipment, except for construction-in-progress, is 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 consolidated income statement during the financial period in which they are incurred.

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 – net", in the consolidated income statement.

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.

## 2 主要會計政策概要(續)

### 2.5 物業、廠房及設備

物業、廠房及設備(在建工程除外)均按歷史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。

只有在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取消確認。所有其他維修及保養費用,均於產生之財政期間內,於綜合收益表內支銷。

物業、廠房及設備的折舊乃利用直線法在其估計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,並列入綜合收益表內確認為「其他虧損—淨額」。

在建工程包括未完成樓宇及廠房的資本支出,以成本減累計減值虧損入賬。在建工程不作折舊。

2 SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)

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 at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in "intangible assets". 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.

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 identified according to operating segment.

(b) Trademarks, brand names and licences

Separately acquired trademarks, brand names and licences are shown at historical cost less accumulated impairment. Trademarks, brand names and licences 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, brand names and licences over their estimated useful lives of 6 to 10 years.

(c) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years.

2 主要會計政策概要 (續)

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於收購當日之可識別資產淨值之公平值多出之數額。收購附屬公司所產生的商譽包括於「無形資產」內。每年測試商譽是否出現減值，並按成本減累計減值虧損列賬。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賬面值。

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根據營運分部已識別為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。

(b) 商標、品牌及牌照

分開收購的商標、品牌及牌照乃按歷史成本減累計減值呈列。商標、品牌及牌照具有有限可使用年期，並按成本減累計攤銷入賬。攤銷乃利用直線法計算，以將商標、品牌及牌照成本分配於彼等之六年至十年估計可使用年期。

(c) 電腦軟件

購入的電腦軟件牌照根據購買及使用該特定軟件所引起的成本資本化。有關成本按其估計可用年期（五年）攤銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Assets that have an indefinite useful life – for example, goodwill – are not subject to amortisation and are tested annually for impairment. Assets 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). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment testing of the investments in subsidiaries or associate is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiaries or associate in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2.8 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probably.

## 2 主要會計政策概要(續)

### 2.7 附屬公司或聯營公司投資及其他非財務資產之減值

並無限定可使用年期之資產(如商譽)毋須攤銷,但須每年測試減值。每當有事件或變動顯示賬面值可能不能收回時,本公司將會對資產作出減值評估。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成本或使用價值(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。出現減值之非財務資產(不包括商譽),於各呈報日期均就可能撥回減值而予以評估。

倘股息超出附屬公司或聯營公司於宣派股息期間的全面收入總額,或獨立財務報表內投資之賬面值超出投資對象資產淨額(包括商譽)之綜合財務報表之賬面值,收取該等投資之股息時則須對於附屬公司或聯營公司之投資作出減值測試。

### 2.8 持作出售非流動資產

非流動資產乃在其賬面值將主要通過出售交易收回且出售被視作有很大可能進行時分類為持作出售資產。倘非流動資產之賬面值主要通過出售交易而非通過持續使用予以收回且出售被視作有很大可能進行時,則按賬面值與公平值減銷售成本兩者之較低者列賬。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Financial assets

#### 2.9.1 Classification

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

- (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 those with maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables (Note 2.11), amount due from a minority shareholder of a subsidiary, loan to a subsidiary and amounts due from subsidiaries in the balance sheet.
- (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.

## 2 主要會計政策概要(續)

### 2.9 財務資產

#### 2.9.1 分類

本集團將其財務資產分為以下類別：貸款及應收款項，以及持有至到期之財務資產。分類視乎購入有關財務資產之目的而定。管理層按初步確認決定其財務資產之類別。

- (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財務資產。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。本集團之貸款及應收款項包括資產負債表內之貿易及其他應收款項於(附註2.11)、應收一間附屬公司少數股東款項、向一間附屬公司貸款及應收附屬公司款項。
- (ii) 持有至到期之財務資產  
持有至到期之財務資產為附帶固定或可釐定付款及有固定到期日，而本集團管理層有明確意圖及能力持有至到期之非衍生性質財務資產。倘若本集團出售任何有關投資(不包括持有至到期之財務資產之非重大款額)，則整個類別會被破壞，並重新歸類為可供出售。持有至到期之財務資產均列入非流動資產內，惟到期日不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。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Financial assets

#### 2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Loans and receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

#### 2.9.3 Impairment

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.

### 2.10 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)

### 2.9 財務資產

#### 2.9.2 確認及計量

財務資產常規買賣於交易日確認，即本集團承諾購買或出售該等資產日期。貸款及應收款項及持有至到期之財務資產，均利用實際利息法按攤銷成本列賬。財務資產於收取投資現金流量的權利屆滿或已轉讓及本集團已轉移擁有權的大部分風險及回報時終止確認。

#### 2.9.3 減值

本集團於各結算日評估是否有客觀證據顯示財務資產或一組財務資產出現減值。

### 2.10 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。製成品和在製品成本包括原材料、直接人工、其他直接成本和相關生產費用（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成本列賬。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.11 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 consolidated 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 consolidated income statement.

### 2.12 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

### 2.13 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.

### 2.14 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)

### 2.11 貿易及其他應收款項

貿易及其他應收款項初期按公平值確認，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出現減值之跡象。撥備之金額為資產賬面值與估計未來現金流量之現值（按原實際利率折現計算）間之差額。資產之賬面值透過減值撥備賬扣除，而虧損於綜合收益表內確認為銷售及市場推廣成本。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撥備賬中對銷。其後收回已對銷的款項會用作扣除綜合收益表內的銷售及市場推廣成本。

### 2.12 現金及現金等價物

綜合現金流量表內的現金及現金等價物包括手頭現金、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。

### 2.13 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。

### 2.14 應付貿易賬款

應付貿易賬款初始按公平值確認，而其後則採用實際利率法按攤銷成本計量。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated 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.

### 2.16 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associate operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, 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 substantively 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.

## 2 主要會計政策概要(續)

### 2.15 借款

借款初始按公平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綜合收益表內確認。

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。

### 2.16 當期及遞延所得稅

年內稅項開支包括當期及遞延稅項。稅項在綜合收益表確認。

當期所得稅開支乃根據本公司附屬公司及聯營公司經營及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅採用負債法就資產及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確認。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。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.16 Current and deferred income tax (continued)

Deferred income tax assets are recognised only 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 and associate, except for deferred income tax liability 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.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.17 Employee benefits

#### (a) Pension obligations

The Group participates in a number of defined contribution plans, the assets of which are generally held in independently administered funds. The Group's contributions to the defined contribution retirement schemes are expensed as incurred.

#### (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 a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## 2 主要會計政策概要 (續)

### 2.16 當期及遞延所得稅 (續)

遞延所得稅資產僅就有可能將未來應課稅溢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及聯營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。

遞延所得稅資產及負債在有合法行使之權利將即期稅項資產與即期稅項負債互相抵銷，且遞延所得稅資產及負債乃有關由同一稅務機關向同一應課稅實體或不同應課稅實體徵收之所得稅且擬按淨額基準處理結餘方可互相抵銷。

### 2.17 僱員福利

#### (a) 退休金責任

本集團參與多個定額退休金計劃，其資產一般由獨立管理基金持有。本集團向定額供款計劃作出的供款實報實銷。

#### (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，或每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終止僱用及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）時確認終止服務權益。倘提出一項要約以鼓勵自願遣散，則終止服務權益按預期接納有關建議的僱員人數計量。在報告期後超過十二個月支付的福利貼現為現值。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.17 Employee benefits (continued)

#### (c) Bonus plans

The Group recognises a liability and an expense for bonuses, 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.

### 2.18 Contingent liabilities and provisions

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements, if any. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

## 2 主要會計政策概要(續)

### 2.17 僱員福利(續)

#### (c) 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。

### 2.18 或然負債及撥備

或然負債指因已發生的事件而可能引起之責任,此等責任需就某一宗或多宗事件會否發生才能確認,而集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任,但由於可能不需要消耗經濟資源,或責任金額未能可靠地衡量而未有入賬。

或然負債不會被確認,但會在綜合財務報表附註中披露(倘有)。當消耗資源之可能性改變導致可能出現資源消耗,此等負債將被確認為撥備。

當本集團因已發生的事件而產生現有的法律或推定責任,而很可能需要有資源的流出以履行責任及金額已被可靠估計時作出撥備。本集團概不會就未來經營虧損確認撥備。

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.19 Revenue and other income recognition**

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

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 when 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*

Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and has 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.

**2 主要會計政策概要 (續)**

**2.19 收益及其他收入確認**

收益包括在本集團日常業務進程中銷售貨物或服務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、回贈及折扣及減去本集團內部之銷售。

當收益金額能可靠地衡量、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，本集團將確認收益。除非有關銷售的所有或然情況已經解決，否則收益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時確認。

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.19 Revenue and other income recognition (continued)**

- (b) *Sales of surplus electricity*  
Sales of surplus electricity are recognised 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 loan and 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 loan and receivables is recognised using the original effective interest rate.
- (d) *Dividend income*  
Dividend income is recognised when the right to receive payment is established.

**2.20 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 consolidated income statement on a straight-line basis over the period of the lease.

**2 主要會計政策概要 (續)**

**2.19 收益及其他收入確認 (續)**

- (b) *銷售盈餘電力*  
銷售盈餘電力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。倘貸款及應收賬款出現減值，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。減值貸款及應收賬款之利息收入乃以原實際利率確認。
- (d) *股息收入*  
在確立收取股息款項時，股息收入予以確認。

**2.20 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綜合收益表內。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.21 Dividend distribution

A dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company'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.

### 2.22 Financial guarantees

Financial guarantee contracts under which the Group accepts significant risk from a third party by agreeing to compensate that party on the occurrence of a specified uncertain future event are accounted for in a manner similar to insurance contracts. Provisions are recognised when it is probable that the Group has obligations under such guarantees and an outflow of economic resources will be required to settle the obligations.

## 3 FINANCIAL RISK MANAGEMENT

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and fair value interest-rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies and evaluates financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

## 2 主要會計政策概要 (續)

### 2.21 分派股息

分派予本公司股東的股息在獲得本公司股東或董事通過的會計期內，作為負債於本集團及本公司的財務報表中確認。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。

### 2.22 財務擔保

本集團透過簽訂財務擔保合同對第三方承擔重大風險，同意當特定不確定未來事項發生時以類似保險合同之方式補償該第三方。當本集團有可能根據該等保證承擔責任並就清償有關責任而導致經濟資源流出時，則須確認撥備。

## 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：市場風險（包括貨幣風險、現金流量及公平值利率風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃集中於財務市場之不可預測性及尋求將對本集團之財務報表之潛在影響降至最低。

風險管理由中央財政部（集團財務部）按董事會通過的政策進行。集團財務部與本集團營運單位緊密合作識別及評估財務風險。董事會制定整體風險管理的書面原則，以及涵蓋特定範圍的書面政策，例如外匯風險、利率風險、信貸風險及流動資金過剩風險。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

(a) Market risk

(i) 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\$. 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 risk.

At 31 December 2010, if the Vietnam Dong had weakened/strengthened by 5% against the US\$ with all other variables held constant, post-tax loss (2009: profit) for the year would have been US\$937,000 (2009: US\$1,088,000) higher/lower (2009: lower/higher), mainly as a result of foreign exchange losses/gains on translation of Vietnam Dong-denominated trade receivables, cash and cash equivalents and trade payables.

(ii) Cash flow and fair value interest-rate risk

As the Group has no significant interest-bearing assets apart from bank balances, 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 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 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(a) 市場風險

(i) 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。本集團並未為其外匯風險進行對沖。

於二零一零年十二月三十一日，倘越南盾兌美元貶值／升值5%而其他因素維持不變，本年度除稅後虧損（二零零九年：溢利）將增加／減少（二零零九年：減少／增加）937,000美元（二零零九年：1,088,000美元），主要來自換算以越南盾計算之應收貿易賬款、現金及現金等價物及應付貿易賬款。

(ii) 現金流量及公平值利率風險

由於本集團除銀行結餘外，概無重大計息資產，因此本集團之收入及營運現金流量實際上獨立不受市場利率變動影響。

本集團之計息風險來自借款。以不同利率授出之借款令本集團面對現金流量利率風險。本集團並未對沖其現金流量利率風險。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest-rate risk (continued)

At 31 December 2010, if interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, post-tax loss (2009: profit) for the year would have been US\$149,000 (2009: US\$72,000) higher/lower (2009: lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

Credit risk arises from bank deposits and bank balances, trade receivables, amount due from a minority shareholder of a subsidiary and other receivables.

The Group has policies in place to ensure that sales of products are made to customers with appropriate credit histories. The Group has policies to assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limit is regularly monitored.

The carrying amount of cash and cash equivalents, trade receivables, amount due from a minority shareholder of a subsidiary and other receivables included in the consolidated balance sheets represents the Group's maximum exposure to credit risk in relation to these financial assets.

For bank deposits and bank balances, the Group only uses banks and financial institutions with good reputation. As at 31 December 2010 and 2009, all the bank balances as detailed in Note 13 are held in major financial institutions, which are either state owned or with high credit quality. Management believes that the credit risk for bank deposits and bank balances is minimal.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 現金流量及公平值利率風險 (續)

於二零一零年十二月三十一日，倘借款之利率上升／下降100點子而其他因素維持不變，本年度除稅後虧損（二零零九年：溢利）將增加／減少（二零零九年：減少／增加）149,000美元（二零零九年：72,000美元），主要由於浮息借款之利率開支增加／減少。

(b) 信貸風險

信貸風險來自銀行存款、銀行結餘、應收貿易賬款、應收一間附屬公司一名少數股東款項及其他應收款項。

本集團所定之政策是確保僅售貨予具備合適信貸記錄的客戶。本集團設有政策，在考慮客戶之財務狀況、過往經驗以及其他因素後，評估客戶信貸質素。本集團會按內部或外界評級而設定個別風險上限。本集團會定期監察所動用之信貸上限。

綜合資產負債表包括之現金及現金等價物、應收貿易賬款、應收一間附屬公司一名少數股東款項以及其他應收款項之賬面值即本集團承受有關該等財務資產的最高信貸風險。

就銀行存款及銀行結餘而言，本集團僅利用具良好信譽之銀行及財務機構。於二零一零年及二零零九年十二月三十一日，載列於附註13之全部銀行結餘乃於國有或擁有良好信貸質素之主要財務機構持有。管理層相信銀行存款及銀行結餘之信貸風險並不重大。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

(b) *Credit risk (continued)*

As at 31 December 2010 and 2009, the amount due from a minority shareholder of a subsidiary is neither past due nor impaired. Given that all the balance is within credit period, management are of opinion that the receivable from a minority shareholder of a subsidiary is of low credit risk.

No impairment has been provided for other receivables as at 31 December 2010 and 2009. Other receivables do not contain impaired assets. Management are of opinion that these balances are of low credit risk.

(c) *Liquidity risk*

Due to the capital intensive nature of the Group's business, the Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements.

Management monitors rolling forecasts of the Group's liquidity reserve which comprises undrawn borrowing facilities and cash and cash equivalents (Note 13) on the basis of expected cash flows. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(b) *信貸風險 (續)*

於二零一零年及二零零九年十二月三十一日，應收一間附屬公司一名少數股東款項並無逾期或減值。由於全部結餘均在信貸期內，管理層認為應收一間附屬公司一名少數股東款項之信貸風險較低。

於二零一零年及二零零九年十二月三十一日，其他應收款項並無作出減值撥備。其他應收款項並不包括減值資產。管理層認為該等結餘之信貸風險較低。

(c) *流動資金風險*

由於本集團業務的資本集中性質，本集團確保其維持充足現金及信貸額以應付其流動資金需求。

管理層根據預期現金流量，監控本集團的流動資金儲備的滾存預測，包括未提取的借貸融資和現金及現金等價物（附註13）。本集團訂有政策，定期監察目前及預期之流動資金需求及其遵守借款契據之情況，以確保其維持充裕現金儲備以及獲主要財務機構承諾提供足夠資金，以應付其短期及較長期之流動資金需求。

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 一年內 US\$'000 千美元	Between 1 and 2 years 一年至兩年 US\$'000 千美元	Between 2 and 5 years 兩年至五年 US\$'000 千美元	Over 5 years 超過五年 US\$'000 千美元	Total 合計 US\$'000 千美元
<b>Group</b>						
<b>本集團</b>						
At 31 December 2010	於二零一零年十二月三十一日					
Bank borrowings (Note)	銀行借貸 (附註)	24,852	606	21,412	-	46,870
Trade payables	應付貿易賬款	26,030	-	-	-	26,030
Long-term payable to a related party	應付有關連人士之長期款項	2,145	2,166	-	-	4,311
Other payables	其他應付款項	19,847	-	-	-	19,847
Due to related parties	應付有關連人士款項	323	-	-	-	323
At 31 December 2009						
於二零零九年十二月三十一日						
Bank borrowings	銀行借貸	24,538	600	21,200	-	46,338
Trade payables	應付貿易賬款	8,012	-	-	-	8,012
Long-term payable to a related party	應付有關連人士之長期款項	2,145	2,145	2,166	-	6,456
Other payables	其他應付款項	12,428	-	-	-	12,428
Due to related parties	應付有關連人士款項	172	-	-	-	172
<b>Company</b>						
<b>本公司</b>						
At 31 December 2010						
於二零一零年十二月三十一日						
Bank borrowings (Note)	銀行借貸 (附註)	9,495	-	-	-	9,465
Long-term payable to a related party	應付有關連人士之長期款項	2,145	2,166	-	-	4,311
At 31 December 2009						
於二零零九年十二月三十一日						
Bank borrowings	銀行借貸	8,970	-	-	-	8,970
Long-term payable to a related party	應付有關連人士之長期款項	2,145	2,145	2,166	-	6,456

Note:

The balance includes interest payable on bank borrowings up to their respective maturities.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

下列表格按結算日至合約到期日餘下期間分析本集團及本公司於相關到期組別之財務負債。於表格中披露之金額為合約未折現現金流量。

附註：

資產負債表包括有關銀行借貸至其各自到期的應付利息。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total bank borrowings divided by equity holders' equity as shown in the consolidated balance sheet. Total borrowings include non-current borrowings and current borrowings.

During 2010, the Group's strategy, which was unchanged from 2009, was to maintain a minimal gearing ratio. The gearing ratios at 31 December 2010 and 2009 were as follows:

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
Total bank borrowings (Note 17)	總銀行借貸 (附註17)	43,134	42,597
Owners' equity (including non-controlling interest in equity)	擁有人之權益 (包括列入權益之非控股權益)	266,176	271,651
Gearing ratio	資產負債比率	16%	16%

Management considers that the current gearing ratio is reasonable.

### 3 財務風險管理 (續)

#### 3.2 資本風險管理

本集團管理資金之目標為保障本集團持續經營，以為股東帶來回報及為股權持有人帶來利益，以及維持合適之資本結構以減少資本成本之能力。

為了維持或調整資本結構，本集團可能調整派付予股東之股息金額、向股東歸還資本、發行新股份或出售資產以減輕債務。

與業內其他公司一樣，本集團按資產負債比率基準監察資本。該比率如綜合資產負債表所示乃按總銀行借貸除以股權持有人權益計算。總借款包括非流動借款及流動借款。

於二零一零年，本集團之策略與二零零九年所採納者貫徹一致，乃維持資產負債比率於最低水平。於二零一零年及二零零九年十二月三十一日之資產負債比率如下：

管理層認為現時資產負債比率合理。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation

The carrying values less impairment provisions of trade and other receivables and trade and other payables are assumed to approximate their fair values because of their short maturity. The fair value of financial assets and liabilities for disclosure purposes or estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

#### 3.4 Financial instruments by category – Group and Company

As at 31 December 2010 and 2009, all financial assets are loans and receivables and all financial liabilities are financial liabilities at amortised cost.

### 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.

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 within the next financial year are addressed below.

#### (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 (Note 8).

#### (b) Estimated impairment of property, plant and equipment and intangible assets

Property, plant and equipment 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 and intangible assets have been determined based on value-in-use calculations. These calculations and valuations require the use of judgements and estimates.

### 3 財務風險管理 (續)

#### 3.3 公平值估計

基於應收貿易賬款及其他應收賬款以及應付貿易賬款及其他應付賬款屬短期性質，本集團假定其賬面值減減值撥備後與公平值相若。供披露財務資產及負債之公平值，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。

#### 3.4 財務工具類別 – 本集團與本公司

於二零一零年及二零零九年十二月三十一日，全部財務資產乃貸款以及應收賬款，且全部財務負債乃按攤銷成本之財務負債。

### 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。

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。下文討論對下一財政年度內資產及負債之賬面值造成重大調整之高風險估計及假設。

#### (a) 商譽的估計減值

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測試，而賺取現金單位的可收回金額，則按照使用價值計算。計算過程中需要作出估算（附註8）。

#### (b) 物業、廠房及設備和無形資產的估計減值

每當有跡象顯示可能無法收回賬面值時，本公司將會對物業、廠房及設備和無形資產作出減值評估。物業、廠房及設備和無形資產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。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) Estimated impairment of property, plant and equipment and intangible assets (continued)

During the year, management made a provision on its property, plant and equipment in Shandong based on a five-year cash flow forecast. The recoverable amount of the property, plant and equipment is determined based on value-in-use calculations. These calculations use post-tax cash flow projections based on financial budgets approved by management covering a five-year period. The discount rate used in the cash flow forecast is 10%.

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

The Group's management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets by reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment and intangible assets of similar nature and functions. Management will adjust the depreciation and amortisation charges where useful lives vary with previously estimated. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore depreciation and amortisation expense in the future periods.

(d) Current income taxes and deferred income taxes

The Group is subject to income taxes in the PRC, Vietnam and Taiwan. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. 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 current and deferred income tax assets and liabilities in the period in which such determination is made.

4 重要會計估計及判斷 (續)

(b) 物業、廠房及設備和無形資產的估計減值 (續)

年內，管理層根據五年現金流量預測為其位於山東之物業、廠房及設備作出撥備。物業、廠房及設備之可收回金額按照使用價值計算方法而釐定。有關之計算乃使用管理層批核之五年期財務預算之除稅後現金流量預測。現金流量預測所使用之貼現率為10%。

(c) 物業、廠房及設備和無形資產的使用年期

本集團的管理層參考本集團有意使用該等資產產生的未來經濟利益的估計年期，釐定其物業、廠房及設備和無形資產的估計可使用年期及相關折舊及攤銷開支。有關估計乃以相似性質及功能的物業、廠房及設備和無形資產的實際使用年期的歷史經驗為基準。若可使用年期與過往估計不同，管理層將調整折舊及攤銷開支。實際經濟年期可能與估計可使用年期有所不同。定期審閱可能導致可使用年期及日後折舊及攤銷開支出現變動。

(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。對於確定所得稅稅項撥備的金額，本集團須作出重大判斷。許多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當期及遞延所得稅資產及負債。



**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**

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

Deferred income 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 tax assets and income tax expense in the periods in which such estimate is changed.

**5 SEGMENT INFORMATION**

The chief operating decision-maker has been identified as the Board of Directors collectively. The Directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions. These reports include segment revenue, segment assets and capital expenditures.

The chief operating decision-makers consider the business from a geographical aspect. In presenting information on the basis of operating 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.

Since the Group is mainly engaged in the manufacturing and selling of MSG products in which the gross profit would not differentiate much in geographical location, the chief operating decision makers mainly assess the performance based on revenue derived by each geographical segment. Accordingly, the segment performance is restricted to revenue information.

In 2010 and 2009, the revenue from the Group's largest customer amounted to less than 10 per cent of the Group's total revenue.

**4 重要會計估計及判斷 (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所得稅資產及稅項虧損。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所得稅開支之確認構成影響。

**5 分部資料**

主要營運決策者已一併確定為董事會。董事審閱本集團之內部報告，以評核表現及分配資源。管理層根據此等報告釐定營運分部。

本集團根據主要營運決策者所審閱並用於制定策略決定之報告釐定其營運分部。此等報告包括分部收益、分部資產及資本支出。

主要營運決策者以地理層面分析其業務。以營運分部呈報資料時，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。

由於本集團主要從事味精產品之製造及銷售，其毛利不會因地理位置而存在重大差異，主要營運決策者主要根據各地理分部所產生之收益評估業績。因此，分部業績僅限於收益資料。

於二零一零年及二零零九年，來自本集團最大客戶之收益佔本集團收益總額少於10%。

5 SEGMENT INFORMATION (continued)

(i) Segment revenue

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	170,003	150,562
The PRC	中國	51,790	54,697
Japan	日本	66,429	56,370
Taiwan	台灣	5,781	6,363
ASEAN member countries (other than Vietnam)	東協成員國家 (不包括越南)	25,975	14,211
Other regions	其他地區	16,129	6,934
		<b>336,107</b>	289,137

(ii) Capital expenditures

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	16,794	37,279
The PRC	中國	1,641	287
		<b>18,435</b>	37,566

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.

資本支出乃根據資產所在地而分配。

資本支出包括對土地使用權、物業、廠房及設備及無形資產之添置，包括通過業務合併進行收購的添置。

(iii) Total assets

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	300,089	286,144
The PRC	中國	67,905	67,121
Hong Kong	香港	2,032	3,344
Taiwan	台灣	785	946
Singapore	新加坡	65	64
		<b>370,876</b>	357,619

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

總資產乃根據資產所在地而分配。

5 分部資料(續)

(i) 分部收益

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	170,003	150,562
The PRC	中國	51,790	54,697
Japan	日本	66,429	56,370
Taiwan	台灣	5,781	6,363
ASEAN member countries (other than Vietnam)	東協成員國家 (不包括越南)	25,975	14,211
Other regions	其他地區	16,129	6,934
		<b>336,107</b>	289,137

(ii) 資本支出

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	16,794	37,279
The PRC	中國	1,641	287
		<b>18,435</b>	37,566

資本支出乃根據資產所在地而分配。

資本支出包括對土地使用權、物業、廠房及設備及無形資產之添置，包括通過業務合併進行收購的添置。

(iii) 總資產

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam	越南	300,089	286,144
The PRC	中國	67,905	67,121
Hong Kong	香港	2,032	3,344
Taiwan	台灣	785	946
Singapore	新加坡	65	64
		<b>370,876</b>	357,619

總資產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:

		2010 US\$'000 千美元	2009 US\$'000 千美元
Held outside Hong Kong	在香港以外持有		
Leases of between 10 to 50 years	十年至五十年之租約	654	6,472
		2010 US\$'000 千美元	2009 US\$'000 千美元
At 1 January	於一月一日	6,472	6,609
Exchange differences	匯兌差額	196	7
Additions	添置	1,502	-
Amortisation of land use rights (Note 21)	土地使用權攤銷(附註21)	(86)	(144)
Transfer to non-current assets held for sale (Note ii)	轉撥至持作出售非流動資產(附註ii)	(7,430)	-
At 31 December	於十二月三十一日	654	6,472

Notes:

- (i) 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"), subsidiaries established and operating in the PRC, have been granted rights to use the land by the relevant authority for 50 years, which expire in 2042, 2055, 2056 and 2060 respectively.
- (ii) In September 2010, Shanghai Vedan signed an agreement with an independent third party for sales of certain land use rights and property, plant and equipment.

As at report date, the transfer procedures have not been completed. Management expects the sales to be completed in 2011. The relevant land use rights and property, plant and equipment amounted to US\$12,415,000, are transferred to non-current assets held for sale.

## 6 土地使用權

本集團於土地使用權之權益指營業租約之預繳費用，其賬面淨值分析如下：

		2010 US\$'000 千美元	2009 US\$'000 千美元
Held outside Hong Kong	在香港以外持有		
Leases of between 10 to 50 years	十年至五十年之租約	654	6,472
		2010 US\$'000 千美元	2009 US\$'000 千美元
At 1 January	於一月一日	6,472	6,609
Exchange differences	匯兌差額	196	7
Additions	添置	1,502	-
Amortisation of land use rights (Note 21)	土地使用權攤銷(附註21)	(86)	(144)
Transfer to non-current assets held for sale (Note ii)	轉撥至持作出售非流動資產(附註ii)	(7,430)	-
At 31 December	於十二月三十一日	654	6,472

附註：

- (i) 就本集團的土地使用權而言，三間於中國成立及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」)及山東味丹雪花實業有限公司(「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、二零五六年以及二零六零年屆滿。
- (ii) 於二零一零年九月，上海味丹與獨立第三方簽訂協議出售若干土地使用權以及物業、廠房及設備。

截至報告日期，有關轉讓手續尚未完成。管理層預期有關出售將於二零一一年內完成。有關價值約12,415,000美元的土地使用權和物業、廠房及設備已轉撥至持作出售非流動資產。

7 PROPERTY, PLANT AND EQUIPMENT

7 物業、廠房及設備

		Construction in progress 在建工程 USD'000 千美元	Properties 物業 USD'000 千美元	Plant and machinery 廠房及機器 USD'000 千美元	Motor vehicles 汽車 USD'000 千美元	Office equipment and other fixed assets 辦公室設備 及其他 固定資產 USD'000 千美元	Total 合計 USD'000 千美元
<b>At 1 January 2009</b>	於二零零九年一月一日						
Cost	成本	13,067	88,002	354,138	8,543	30,886	494,636
Accumulated depreciation	累計折舊	-	(40,268)	(235,144)	(6,651)	(26,747)	(308,810)
Accumulated impairment	累計減值	-	(141)	(2,009)	-	(4)	(2,154)
Net book amount	賬面淨值	13,067	47,593	116,985	1,892	4,135	183,672
<b>Year ended 31 December 2009</b>	截至二零零九年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	13,067	47,593	116,985	1,892	4,135	183,672
Exchange differences	匯兌差額	-	12	19	(1)	1	31
Additions	添置	36,614	73	243	230	318	37,478
Transfer	轉讓	(37,548)	13,139	23,507	288	614	-
Disposals	出售	-	-	(42)	(43)	(3)	(88)
Depreciation (Note 21)	折舊(附註21)	-	(4,311)	(22,488)	(450)	(834)	(28,083)
Impairment loss	減值虧損	-	(923)	(2,492)	-	(18)	(3,433)
Closing net book amount	年末賬面淨值	12,133	55,583	115,732	1,916	4,213	189,577
<b>At 31 December 2009</b>	於二零零九年十二月三十一日						
Cost	成本	12,133	101,228	377,713	8,706	31,772	531,552
Accumulated depreciation	累計折舊	-	(44,581)	(257,480)	(6,790)	(27,537)	(336,388)
Accumulated impairment	累計減值	-	(1,064)	(4,501)	-	(22)	(5,587)
Net book amount	賬面淨值	12,133	55,583	115,732	1,916	4,213	189,577
<b>Year ended 31 December 2010</b>	截至二零一零年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	12,133	55,583	115,732	1,916	4,213	189,577
Exchange differences	匯兌差額	-	352	566	26	14	958
Additions	添置	15,202	-	1,168	243	189	16,802
Transfer	轉讓	(20,637)	5,050	15,446	-	141	-
Disposals	出售	-	(70)	(491)	-	(107)	(668)
Depreciation (Note 21)	折舊(附註21)	-	(5,055)	(19,234)	(449)	(878)	(25,616)
Impairment loss	減值虧損	-	(498)	(1,557)	-	-	(2,055)
Transfer to non-current assets held for sale (Note 6)	轉撥至持作出售非流動資產 (附註6)	-	(4,985)	-	-	-	(4,985)
Closing net book amount	年末賬面淨值	6,698	50,377	111,630	1,736	3,572	174,013
<b>At 31 December 2010</b>	於二零一零年十二月三十一日						
Cost	成本	6,698	102,547	402,442	8,849	31,523	552,059
Accumulated depreciation	累計折舊	-	(50,608)	(284,754)	(7,113)	(27,929)	(370,404)
Accumulated impairment	累計減值	-	(1,562)	(6,058)	-	(22)	(7,642)
Net book amount	賬面淨值	6,698	50,377	111,630	1,736	3,572	174,013

7 PROPERTY, PLANT AND EQUIPMENT (continued)

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
Net book amount of pledged property, plant and equipment (Note 35)	已抵押物業、廠房及設備賬面淨值(附註35)	22,715	14,206

Depreciation expense of US\$21,691,000 (2009: US\$23,536,000) has been charged in cost of sales, US\$49,000 (2009: US\$55,000) in selling and distribution expenses and US\$3,876,000 (2009: US\$4,492,000) 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21,691,000美元(二零零九年：23,536,000美元)、49,000美元(二零零九年：55,000美元)和3,876,000美元(二零零九年：4,492,000美元)已於銷售成本、銷售及分銷開支以及行政開支中扣除。

8 INTANGIBLE ASSETS

		Group 本集團				Company 本公司	
		Goodwill 商譽 千美元	Software and licence 軟件及牌照 千美元	Brand name 品牌 千美元	Trademarks 商標 千美元	Total 合計 千美元	Trademarks 商標 千美元
<b>At 1 January 2009</b>	於二零零九年一月一日						
Cost	成本	8,310	1,423	1,142	12,089	22,964	12,089
Accumulated amortisation	累計攤銷	(158)	(290)	(342)	(4,634)	(5,424)	(4,634)
Net book amount	賬面淨值	8,152	1,133	800	7,455	17,540	7,455
<b>Year ended 31 December 2009</b>	截至二零零九年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	8,152	1,133	800	7,455	17,540	7,455
Exchange differences	匯兌差額	7	-	-	-	7	-
Additions	添置	-	88	-	-	88	-
Amortisation charge (Note 21)	攤銷開支(附註21)	-	(134)	(114)	(1,209)	(1,457)	(1,209)
Closing net book amount	年末賬面淨值	8,159	1,087	686	6,246	16,178	6,246
<b>At 31 December 2009</b>	於二零零九年十二月三十一日						
Cost	成本	8,317	1,511	1,142	12,089	23,059	12,089
Accumulated amortisation	累計攤銷	(158)	(424)	(456)	(5,843)	(6,881)	(5,843)
Net book amount	賬面淨值	8,159	1,087	686	6,246	16,178	6,246
<b>Year ended 31 December 2010</b>	截至二零一零年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	8,159	1,087	686	6,246	16,178	6,246
Exchange differences	匯兌差額	230	-	-	-	230	-
Additions	添置	-	131	-	-	131	-
Amortisation charge (Note 21)	攤銷開支(附註21)	-	(167)	(114)	(1,209)	(1,490)	(1,209)
Closing net book amount	年末賬面淨值	8,389	1,051	572	5,037	15,049	5,037
<b>At 31 December 2010</b>	於二零一零年十二月三十一日						
Cost	成本	8,547	1,642	1,142	12,089	23,420	12,089
Accumulated amortisation	累計攤銷	(158)	(591)	(570)	(7,052)	(8,371)	(7,052)
Net book amount	賬面淨值	8,389	1,051	572	5,037	15,049	5,037

Amortisation charge is included in administrative expenses.

攤銷開支列入行政開支。

8 INTANGIBLE ASSETS (continued)

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to operating segment.

		The PRC 中國	Vietnam 越南	
		MSG 味精包裝 US\$'000 千美元	MSG 味精包裝 US\$'000 千美元	Total 合計 US\$'000 千美元
At 31 December 2010	於二零一零年十二月三十一日	7,659	730	8,389
At 31 December 2009	於二零零九年十二月三十一日	7,429	730	8,159

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. The growth rate does not exceed the long-term average growth rate in which the CGU operates.

Key assumptions used for value-in-use calculations

Gross margin	毛利率
Discount rate	折現率

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

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

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

8 無形資產(續)

商譽減值測試

本集團因應營運分部·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五年財政預算使用除稅前現金流量預測進行。超出五年期之現金流量使用下列估計增長率推算。所使用的增長率不會高於賺取現金單位營運年期的長期平均增長率。

用以計算使用價值之主要假設

	2010	2009
Gross margin	16.0% – 22.9%	16.0% – 22.9%
Discount rate	10%	10%

該等假設用於分析經營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，並反映相關經營分部之特定風險。

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, LONG-TERM LOAN TO A SUBSIDIARY AND AMOUNTS DUE FROM SUBSIDIARIES – COMPANY

9 對附屬公司投資、向附屬公司長期貸款及應收附屬公司款項—本公司

		2010 US\$'000 千美元	2009 US\$'000 千美元
Unlisted shares, at cost	非上市股份 (按成本)	170,390	170,390

In 2010, the long-term loan granted to a subsidiary is unsecured, denominated in US\$, repayable on 31 July 2013 and carries an interest at three-month SIBOR (2009: unsecured, interest-free, denominated in US\$ and repayable on 14 March 2011). The carrying value of loan to a subsidiary approximates its fair value.

於二零一零年，授予一間附屬公司之長期貸款乃無抵押、以美元計值及須於二零一三年七月三十一日償還，並按三個月新加坡銀行同業拆息計息（二零零九年：於二零一一年三月十四日無抵押、免息、按美元計值及償還）。向一間附屬公司貸款之賬面值接近其公平值。

In 2010, except for US\$2,700,000 (2009: US\$10,500,000), which is a short-term loan to a subsidiary and is unsecured, denominated in US\$, repayable on 31 March 2011 and carries an interest at three-month SIBOR (2009: unsecured, interest-free, denominated in US\$ and repayable on 31 July 2010), the amounts due from subsidiaries are unsecured, interest-free, denominated in US\$ and repayable on demand.

於二零一零年，除無抵押、以美元計值、須於二零一一年三月三十一日償還及按三個月新加坡銀行同業拆息計息之2,700,000美元（二零零九年：10,500,000美元）（二零零九年：於二零一零年七月三十一日無抵押、免息、按美元計值及償還）授予附屬公司短期貸款外，應收附屬公司款項為無抵押、免息以及以美元計值，且於催繳時償還。

The following is a list of the principal subsidiaries at 31 December 2010:

下列為於二零一零年十二月三十一日的主要附屬公司：

Name 名稱	Place of incorporation/ establishment 註冊成立／成立地點	Principal activities and place of operation 主要業務及營運地點	Particulars of issued/paid up share capital 已發行／繳足 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	100 Ordinary shares of US\$1 each 100股每股面值 1美元的普通股	100%
Talent Top Investment Ltd.	BVI 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	100 Ordinary shares of US\$1 each 100股每股面值 1美元的普通股	100%

9 INVESTMENTS IN SUBSIDIARIES, LONG-TERM LOAN TO A SUBSIDIARY AND AMOUNTS DUE FROM SUBSIDIARIES – COMPANY (continued)

9 對附屬公司投資、向附屬公司長期貸款及應收附屬公司款項—本公司(續)

Name 名稱	Place of incorporation/ establishment 註冊成立／成立地點	Principal activities and place of operation 主要業務及營運地點	Particulars of issued/paid up share capital 已發行／繳足 股本詳情	Interest held 持有權益
<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、谷氨酸、化工澱粉、葡萄糖漿、梳打及鹽酸並銷售出口	131,970,000 Ordinary shares of US\$1 each 131,970,000股 每股面值1美元的普通股	100%
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	1,838,282 Ordinary shares of US\$1 each 1,838,282股每股 面值1美元的 普通股	100%



9 INVESTMENTS IN SUBSIDIARIES, LONG-TERM LOAN TO A SUBSIDIARY AND AMOUNTS DUE FROM SUBSIDIARIES – COMPANY (continued)

9 對附屬公司投資、向附屬公司長期貸款及應收附屬公司款項—本公司(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/成立地點	Principal activities and place of operation 主要業務及營運地點	Particulars of issued/paid up share capital 已發行/繳足股本詳情	Interest held 持有權益
<i>Indirectly held: (continued)</i> 間接持有：(續)				
Shandong Vedan Snowflake Enterprise Co., Ltd. 山東味丹雪花實業有限公司	PRC 中國	Manufacture and sale of MSG in the PRC 在中國生產及銷售味精	US\$17,200,000 Registered capital 17,200,000美元 註冊資本	70%
Shanghai Vedan Enterprise Co. Ltd. 上海味丹企業有限公司	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	2,300,000 Ordinary shares of US\$1 each 2,300,000股每股 面值1美元的 普通股	100%
Xiamen Darong Import & Export Trade Co., Ltd. 廈門大容進出口貿易有限公司	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%
上海星尚實業發展有限公司	PRC 中國	Property holding in the PRC 在中國持有物業	RMB104,600,000 Registered capital 人民幣104,600,000元 註冊資本	98.97%

10 INVESTMENT IN ASSOCIATE – GROUP AND COMPANY

10 於聯營公司之投資 – 本集團及本公司

		2010 US\$'000 千美元	2009 US\$'000 千美元
Unlisted shares, at cost	非上市股份 (按成本)	1,230	–

Movement on the investment in associate is as follows:

於聯營公司之投資變動分析如下：

		2010 US\$'000 千美元	2009 US\$'000 千美元
As at 1 January	於一月一日	–	–
Additions	添置	1,230	–
As at 31 December	於十二月三十一日	1,230	–

The Group's and Company's share of the results of the associate and its assets and liabilities are as follows:

本集團及本公司應佔聯營公司之業績及其資產及負債分析如下：

Name 名稱	Country of incorporation 註冊成立國家	Particulars of issued share capital 已發行股本詳情	% interest held 持有權益%
Dacin International Holdings Limited 達欣國際控股有限公司	Cayman Islands 開曼群島	4,100,000 shares of US\$1 each 4,100,000股股份， 每股1美元	30

Summary of financial information on associate – effective interest

聯營公司之財務資料概要 – 實際權益

		Assets 資產 US\$'000 千美元	Liabilities 負債 US\$'000 千美元	Revenues 收益 US\$'000 千美元	Profits 溢利 US\$'000 千美元
Effective interest	實際權益	1,230	–	–	–

The associate is principally engaged in real estate development in Vietnam. As of 31 December 2010, the associate is inactive and has not identified any development project yet.

聯營公司於越南主要從事房地產發展。截至二零一零年十二月三十一日，聯營公司並不活躍及尚未識別任何發展項目。

**11 TRADE RECEIVABLES**

The fair values of trade receivables are as follows:

		<b>Group</b> 本集團	
		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	<b>41,600</b>	29,447
Trade receivables from a related party (Note 34(d))	應收有關連人士貿易賬款 (附註34(d))	<b>250</b>	267
Less: provision for impairment of trade receivables	減: 應收貿易賬款減值 撥備	<b>(1,522)</b>	(2,777)
		<b>40,328</b>	26,937

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:

		<b>Group</b> 本集團	
		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Current	即期	<b>27,666</b>	17,252
31 – 90 days	31至90天	<b>8,906</b>	7,171
91 – 180 days	91至180天	<b>2,959</b>	2,860
181 – 365 days	181至365天	<b>809</b>	752
Over 365 days	365天以上	<b>1,510</b>	1,679
		<b>41,850</b>	29,714

**11 應收貿易賬款**

應收貿易賬款之公平值如下:

		<b>Group</b> 本集團	
		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	<b>41,600</b>	29,447
Trade receivables from a related party (Note 34(d))	應收有關連人士貿易賬款 (附註34(d))	<b>250</b>	267
Less: provision for impairment of trade receivables	減: 應收貿易賬款減值 撥備	<b>(1,522)</b>	(2,777)
		<b>40,328</b>	26,937

應收貿易賬款之信貸期由貨到付現至120天，而應收貿易賬款之賬齡分析如下:

		<b>Group</b> 本集團	
		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Current	即期	<b>27,666</b>	17,252
31 – 90 days	31至90天	<b>8,906</b>	7,171
91 – 180 days	91至180天	<b>2,959</b>	2,860
181 – 365 days	181至365天	<b>809</b>	752
Over 365 days	365天以上	<b>1,510</b>	1,679
		<b>41,850</b>	29,714

**11 TRADE RECEIVABLES (continued)**

As at 31 December 2010, trade receivables of US\$31,337,000 (2009: US\$22,470,000) were fully performing.

As at 31 December 2010, trade receivables of US\$7,372,000 (2009: US\$4,083,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of those past due but not impaired receivables is as follows:

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
Overdue by	逾期		
Current to 90 days	即期至90天	5,722	3,947
91 – 180 days	91至180天	1,636	57
Over 180 days	180天以上	14	79
		<b>7,372</b>	<b>4,083</b>

As of 31 December 2010, trade receivables of US\$3,141,000 (2009: US\$3,161,000) were impaired. The amount of the provision was US\$1,522,000 as of 31 December 2010 (2009: US\$2,777,000). The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
Overdue by	逾期		
91 days to 180 days	91天至180天	1,626	1,548
181 days to 365 days	181天至365天	–	–
Over 365 days	365天以上	1,515	1,613
		<b>3,141</b>	<b>3,161</b>

**11 應收貿易賬款 (續)**

於二零一零年十二月三十一日，已悉數收回31,337,000美元應收貿易賬款（二零零九年：22,470,000美元）。

於二零一零年十二月三十一日，金額為7,372,000美元（二零零九年：4,083,000美元）的應收貿易賬款已到期但並未減值，其來自若干近期概無拖欠紀錄的獨立客戶。該等到期但並未減值的應收款項的賬齡分析如下：

於二零一零年十二月三十一日，應收貿易賬款3,141,000美元（二零零九年：3,161,000美元）已予減值。於二零一零年十二月三十一日作出的撥備金額為1,522,000美元（二零零九年：2,777,000美元）。個別減值的應收款項主要與處於無法預計經濟困難的批發商有關，而部分應收款項則評估為預期將予收回。該等應收款項的賬齡分析如下：

### 11 TRADE RECEIVABLES (continued)

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

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam Dong	越南盾	24,732	16,640
US\$	美元	12,735	8,836
Renminbi	人民幣	2,861	1,461
		<b>40,328</b>	26,937

Movements on the Group's provision for impairment of trade receivables are as follows:

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
At 1 January	於一月一日	2,777	427
Provision for receivables impairment (Note 21)	應收款項減值撥備 (附註21)	11	2,350
Unused amounts reversed (Note 21)	已撥回未用金額(附註21)	<b>(1,266)</b>	-
At 31 December	於十二月三十一日	<b>1,522</b>	2,777

The creation and release of provision for impaired receivables have been included in "administrative expenses" in the consolidated income statement (Note 21). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

### 11 應收貿易賬款(續)

本集團之應收貿易賬款賬面值按下列貨幣計值：

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam Dong	越南盾	24,732	16,640
US\$	美元	12,735	8,836
Renminbi	人民幣	2,861	1,461
		<b>40,328</b>	26,937

本集團之應收貿易賬款減值撥備變動分析如下：

		Group 本集團	
		2010 US\$'000 千美元	2009 US\$'000 千美元
At 1 January	於一月一日	2,777	427
Provision for receivables impairment (Note 21)	應收款項減值撥備 (附註21)	11	2,350
Unused amounts reversed (Note 21)	已撥回未用金額(附註21)	<b>(1,266)</b>	-
At 31 December	於十二月三十一日	<b>1,522</b>	2,777

作出及解除應收款項減值撥備已計入綜合收益表的「行政開支」中(附註21)。於撥備賬扣除的金額一般於預期無法收回額外現金時撇銷。

## 12 INVENTORIES

		2010 US\$'000 千美元	2009 US\$'000 千美元
Spare parts and consumables	零件及消耗品	4,350	4,338
Raw materials	原材料	46,914	37,877
Work in progress	在製品	4,771	2,979
Finished goods	製成品	27,158	20,402
		<b>83,193</b>	65,596

The cost of inventories recognised as expense and included in cost of sales amounted to US\$241,547,000 (2009: US\$179,486,000).

確認為開支及計入銷售成本之存貨成本為241,547,000美元(二零零九年: 179,486,000美元)。

## 13 CASH AND CASH EQUIVALENTS

Bank balances totaling US\$8,945,000 (2009: US\$11,861,000) and US\$24,421,000 (2009: US\$23,868,000) as at 31 December 2010 were mainly placed with major state-owned financial institutions in PRC and Vietnam, respectively. The remittance of these funds out of the PRC and Vietnam is subject to the exchange restrictions imposed by the PRC and Vietnamese governments.

## 13 現金及現金等價物

於二零一零年十二月三十一日，銀行結餘合共8,945,000美元(二零零九年: 11,861,000美元)及24,421,000美元(二零零九年: 23,868,000美元)分別存入中國及越南的主要國有財務機構。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。

		Group 本集團		Company 本公司	
		2010 US\$'000 千美元	2009 US\$'000 千美元	2010 US\$'000 千美元	2009 US\$'000 千美元
Cash at bank and on hand	銀行及庫存現金	28,046	27,863	1,151	3,866
Short-term bank deposits	短期銀行存款	6,490	11,751	-	-
Cash and cash equivalents	現金及現金等價物	<b>34,536</b>	39,614	<b>1,151</b>	3,866

**13 CASH AND CASH EQUIVALENTS (continued)**

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

		Group 本集團		Company 本公司	
		2010 US\$'000 千美元	2009 US\$'000 千美元	2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam Dong	越南盾	9,890	14,001	–	–
US\$	美元	15,300	13,789	728	3,458
Renminbi	人民幣	8,923	11,416	–	–
Hong Kong dollar	港元	45	42	45	42
New Taiwan dollar	新台幣	378	366	378	366
		<b>34,536</b>	39,614	<b>1,151</b>	3,866

The effective interest rate per annum of the Group's short-term bank deposits in 2010 was 12.5% (2009: 8.2%).

**13 現金及現金等價物 (續)**

本集團現金及現金等價物按以下貨幣計值：

二零一零年本集團短期銀行存款之每年實際利率為12.5% (二零零九年：8.2%)。

**14 SHARE CAPITAL**

**14 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 2009 and 31 December 2010	於二零零九年 十二月三十一日及 二零一零年十二月三十一日	0.01	10,000,000,000	100,000

		Issued and fully paid ordinary shares 已發行及繳足普通股		
		Par value US\$ 面值美元	Number of shares 股份數目	US\$'000 千美元
At 31 December 2009 and 31 December 2010	於二零零九年 十二月三十一日及 二零一零年十二月三十一日	0.01	1,522,742,000	15,228

15 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 (註) 合併儲備 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 2009	於二零零九年一月一日	47,358	10,204	79,994	102,247	239,803
Profit for the year	本年度溢利	-	-	-	17,983	17,983
Dividends	股息	-	-	-	(4,152)	(4,152)
Exchange translation differences	匯兌差額	-	104	-	-	104
At 31 December 2009	於二零零九年十二月三十一日	47,358	10,308	79,994	116,078	253,738
Representing:	即:					
2009 Final dividend proposed	建議派付之二零零九年末期股息				4,840	
Others	其他				111,238	
Retained earnings as at 31 December 2009	於二零零九年十二月三十一日之保留盈利				116,078	
At 1 January 2010	於二零一零年一月一日	47,358	10,308	79,994	116,078	253,738
Loss for the year	本年度虧損	-	-	-	(1,480)	(1,480)
Dividends	股息	-	-	-	(4,840)	(4,840)
Exchange translation differences	匯兌差額	-	1,899	-	-	1,899
At 31 December 2010	於二零一零年十二月三十一日	47,358	12,207	79,994	109,758	249,317
Representing:	即:					
2010 Final dividend proposed	建議派付之二零一零年末期股息				3,670	
Others	其他				106,088	
Retained earnings as at 31 December 2010	於二零一零年十二月三十一日之保留盈利				109,758	

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.

15 儲備

(a) 本集團

附註:

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集團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。



15 RESERVES (continued)

(b) Company

		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 2009	於二零零九年一月一日	194,098	13,733	207,831
Profit for the year	本年度溢利	-	6,909	6,909
Dividends	股息	-	(4,152)	(4,152)
At 31 December 2009	於二零零九年十二月三十一日	194,098	16,490	210,588
Representing:	即:			
2009 Final dividend proposed	建議派付之二零零九年 末期股息		4,840	
Others	其他		11,650	
Retained earnings as at 31 December 2009	於二零零九年十二月三十一日 之保留盈利		16,490	
At 1 January 2010	於二零一零年一月一日	194,098	16,490	210,588
Profit for the year	本年度溢利	-	4,954	4,954
Dividends	股息	-	(4,840)	(4,840)
At 31 December 2010	於二零一零年十二月三十一日	194,098	16,604	210,702
Representing:	即:			
2010 Final dividend proposed	建議派付之二零一零年 末期股息		3,670	
Others	其他		12,934	
Retained earnings as at 31 December 2010	於二零一零年十二月三十一日 之保留盈利		16,604	

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.

15 儲備(續)

(b) 本公司

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。

## 16 TRADE PAYABLES

As at 31 December 2010, the ageing analysis of trade payables is as follows:

		2010 US\$'000 千美元	2009 US\$'000 千美元
Current	即期	22,754	12,448
31 – 90 days	31至90天	3,224	353
91 – 180 days	91至180天	35	60
181 – 365 days	181至365天	17	182
		<b>26,030</b>	13,043

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam Dong	越南盾	11,275	6,121
US\$	美元	14,130	6,474
Renminbi	人民幣	625	448
		<b>26,030</b>	13,043

## 16 應付貿易賬款

於二零一零年十二月三十一日，應付貿易賬款之賬齡分析如下：

		2010 US\$'000 千美元	2009 US\$'000 千美元
Current	即期	22,754	12,448
31 – 90 days	31至90天	3,224	353
91 – 180 days	91至180天	35	60
181 – 365 days	181至365天	17	182
		<b>26,030</b>	13,043

本集團之應付貿易賬款按以下貨幣計值：

		2010 US\$'000 千美元	2009 US\$'000 千美元
Vietnam Dong	越南盾	11,275	6,121
US\$	美元	14,130	6,474
Renminbi	人民幣	625	448
		<b>26,030</b>	13,043

## 17 BANK BORROWINGS

		Group 本集團		Company 本公司	
		2010 US\$'000 千美元	2009 US\$'000 千美元	2010 US\$'000 千美元	2009 US\$'000 千美元
Long-term bank borrowings	長期銀行借貸				
– secured (Note 33 and 35)	– 有抵押 (附註33及35)	19,538	19,345	–	–
Current portion of long-term bank borrowings	長期銀行借貸之即期部份				
– secured	– 有抵押	(4,279)	(3,123)	–	–
		<b>15,259</b>	16,222	–	–
Short-term bank borrowings	短期銀行借貸				
– secured (Note 33 and 35)	– 有抵押 (附註33及35)	14,308	14,518	–	–
– unsecured	– 無抵押	9,288	8,734	9,288	8,734
		<b>23,596</b>	23,252	9,288	8,734

## 17 銀行借貸

17 BANK BORROWINGS (continued)

As at 31 December 2010, the Group's long-term bank borrowings were repayable as follows:

		Group 本集團		Company 本公司	
		2010 US\$'000 千美元	2009 US\$'000 千美元	2010 US\$'000 千美元	2009 US\$'000 千美元
Within 1 year	一年內	4,279	3,123	-	-
Between 1 and 2 years	一年至兩年	5,314	-	-	-
Between 2 and 5 years	兩年至五年	9,945	16,222	-	-
		<b>19,538</b>	19,345	-	-

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

		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	Total 合計 US\$'000 千美元
At 31 December 2009	於二零零九年 十二月三十一日				
Total borrowings	借貸總額	26,768	8,734	7,095	42,597
At 31 December 2010	於二零一零年 十二月三十一日				
Total borrowings	借貸總額	10,873	12,723	19,538	43,134

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

		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	Total 合計 US\$'000 千美元
At 31 December 2009	於二零零九年 十二月三十一日				
Total borrowings	借貸總額	-	8,734	-	8,734
At 31 December 2010	於二零一零年 十二月三十一日				
Total borrowings	借貸總額	329	8,959	-	9,288

17 銀行借貸 (續)

於二零一零年十二月三十一日，本集團之長期銀行借貸須於以下期間償還：

受利率變化影響的本集團借貸及約定重新訂價日期如下：

受利率變化影響的本公司借貸及約定重新訂價日期如下：

**17 BANK BORROWINGS (continued)**

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

		2010		2009	
		US\$ 美元	New Taiwan dollar 新台幣	US\$ 美元	New Taiwan dollar 新台幣
Bank borrowings	銀行借貸	3.1%	2.4%	3.1%	2.1%

**17 銀行借貸 (續)**

於結算日，本集團實際年利率如下：

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

		2010		2009	
		US\$ 美元	New Taiwan dollar 新台幣	US\$ 美元	New Taiwan dollar 新台幣
Bank borrowings	銀行借貸	2.2%	2.4%	1.9%	2.1%

於結算日，本公司實際年利率如下：

The carrying amounts of bank borrowings approximate their fair value.

銀行借貸的賬面金額約為其公平值。

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

銀行借貸的賬面金額按以下貨幣計值：

		Group 本集團		Company 本公司	
		2010 US\$'000 千美元	2009 US\$'000 千美元	2010 US\$'000 千美元	2009 US\$'000 千美元
US\$	美元	42,146	39,163	8,300	5,300
New Taiwan dollar	新台幣	988	3,434	988	3,434
		<b>43,134</b>	42,597	<b>9,288</b>	8,734

**18 DEFERRED INCOME TAX**

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

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

		<b>2010</b>	2009
		<b>US\$'000</b>	US\$'000
		千美元	千美元
At 1 January	於一月一日	<b>8,050</b>	9,497
Credited to income statement (Note 24)	計入收益表(附註24)	<b>(537)</b>	(1,447)
At 31 December	於十二月三十一日	<b>7,513</b>	8,050

Provided for in respect of:

		<b>2010</b>	2009
		<b>US\$'000</b>	US\$'000
		千美元	千美元
Accelerated tax depreciation	加速稅項折舊	<b>8,249</b>	8,939
Dividend withholding tax on undistributed profit in the PRC subsidiary	中國附屬公司未分派溢利的股息預扣稅	<b>127</b>	-
Other temporary differences	其他暫時差額	<b>(863)</b>	(889)
		<b>7,513</b>	8,050

**18 遞延所得稅**

遞延所得稅乃根據負債法以本集團營運所在國家當時的主要稅率就所有暫時差額計算。

遞延所得稅負債變動如下：

	<b>2010</b>	2009
	<b>US\$'000</b>	US\$'000
	千美元	千美元
At 1 January	<b>8,050</b>	9,497
Credited to income statement (Note 24)	<b>(537)</b>	(1,447)
At 31 December	<b>7,513</b>	8,050

就下列各項作出撥備：

	<b>2010</b>	2009
	<b>US\$'000</b>	US\$'000
	千美元	千美元
Accelerated tax depreciation	<b>8,249</b>	8,939
Dividend withholding tax on undistributed profit in the PRC subsidiary	<b>127</b>	-
Other temporary differences	<b>(863)</b>	(889)
	<b>7,513</b>	8,050

## 18 DEFERRED INCOME TAX (continued)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

### Deferred income tax liabilities

		Accelerated tax depreciation		Dividend withholding tax on undistributed profits in the PRC subsidiary		Total	
		2010 US\$'000 美元	2009 US\$'000 美元	2010 US\$'000 美元	2009 US\$'000 美元	2010 US\$'000 美元	2009 US\$'000 美元
At 1 January	於一月一日	8,939	10,179	-	-	8,939	10,179
(Credited)/charged to income statement	(計入)/扣除自收益表	(690)	(1,240)	127	-	(563)	(1,240)
At 31 December	於十二月三十一日	8,249	8,939	127	-	8,376	8,939

According to the New PRC Enterprise Income Tax Law, the profits of the PRC subsidiary of the Group derived since 1st January 2008 will be subject to withholding tax at a rate of 10% upon the distribution of such profits to foreign investors.

### Deferred income tax assets

		Other temporary differences	
		2010 US\$'000 千美元	2009 US\$'000 千美元
At 1 January	於一月一日	(889)	(682)
Charged/(credited) to income statement	扣除自/(計入)收益表	26	(207)
At 31 December	於十二月三十一日	(863)	(889)

## 19 REVENUE

The Group manufactures and sells 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 2010 and 2009 was US\$336,107,000 and US\$289,137,000 respectively.

## 18 遞延所得稅 (續)

本年度遞延所得稅資產及負債(未計及抵銷相同徵稅司法權區的結餘前)的變動如下:

### 遞延所得稅負債

Dividend withholding tax on undistributed profits in the PRC subsidiary  
中國附屬公司未分派溢利的股息預扣稅

根據新中國企業所得稅法，本集團旗下中國附屬公司自二零零八年一月一日起產生的溢利，須就分派予外國投資者的該等溢利按10%的稅率繳納預扣稅。

### 遞延所得稅資產

Other temporary differences  
其他暫時差額

## 19 收益

本集團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，包括化工澱粉、葡萄糖漿、味精、梳打、酸及飲料。截至二零一零年及二零零九年十二月三十一日止年度的經確認營業額分別為336,107,000美元及289,137,000美元。

20 OTHER LOSSES – NET

20 其他虧損－淨額

		2010 US\$'000 千美元	2009 US\$'000 千美元
Net exchange loss	匯兌虧損淨額	(1,740)	(3,825)
Net loss from sale of electricity	出售電力淨虧損	(28)	(278)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 虧損	(502)	(44)
Sale of scrap materials	廢料銷售	318	231
Interest income from held-to-maturity financial assets	持有至到期之財務資產 利息收入	61	234
Others	其他	(185)	745
		<b>(2,076)</b>	<b>(2,937)</b>

21 EXPENSES BY NATURE

21 按性質分類之開支

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

銷售成本、銷售及分銷開支及行政開支所包括的開支分析如下：

		2010 US\$'000 千美元	2009 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	(8,548)	4,230
Raw materials and consumables used	已用原料和消耗品	250,095	175,256
Amortisation of intangible assets (Note 8)	無形資產攤銷(附註8)	1,490	1,457
Amortisation of land use rights (Note 6)	土地使用權攤銷(附註6)	86	144
Auditor's remuneration	核數師酬金	329	295
Depreciation on property, plant and equipment (Note 7)	物業、廠房及設備折舊 (附註7)	25,616	28,083
Provision for impairment of property, plant and equipment (Note 7)	物業、廠房及設備減值 撥備(附註7)	2,055	3,433
Operating leases expenses in respect of leasehold land	有關租賃土地經營租約之 開支	159	180
Employee benefit expenses (Note 28)	僱員福利開支(附註28)	20,759	21,271
(Write back of)/provision for impairment of trade receivables (Note 11)	應收貿易賬款減值 (撥回)/撥備 (附註11)	(1,255)	2,350
Other expenses	其他開支	28,755	25,626
Total cost of sales, selling and distribution expenses and administrative expenses	銷售成本、銷售及分銷 開支及行政開支總額	<b>319,541</b>	<b>262,325</b>

## 22 COMPENSATION TO FARMERS

On 8 October 2008, the Group received a decision from the relevant government authority that the Group had been in violation of certain environmental laws in Vietnam. The Group was required to pay approximately US\$16,000 and US\$7,713,000 as penalty and environmental fees respectively. All these penalty and environmental fees were recorded in the consolidated income statement in 2008. Due to this environmental matter, farmer associations in Ho Chi Minh City, Bà Rịa-Vung Tàu Province and Dong Nai Province in Vietnam intended to file a court claim against the Group. On 13 August 2010, the Group agreed to provide approximately US\$11,807,000 (equivalent to VND218,949,000,000) to farmer associations in Ho Chi Minh City, Bà Rịa-Vung Tàu Province and Dong Nai Province in Vietnam to settle the claim. This has been recorded in the consolidated income statement for the year ended 31 December 2010. The Group paid the amount in two instalments with 50% each in August 2010 and January 2011. The Directors obtained a legal opinion and considered that there is no further significant liability to any parties in relation to this environmental matter.

## 23 FINANCE COSTS – NET

Finance income – interest income on short-term bank deposits	財政收入－短期銀行存款利息收入	(968)	(747)
Interest expense on bank borrowings	銀行借貸利息開支	1,420	1,235
Amortisation of discount on long-term payable to a related party (Note 34(d))	應付有關連人士之長期款項折讓攤銷(附註34(d))	276	359
Finance costs	財政支出	1,696	1,594
Finance costs – net	財政支出－淨值	728	847

There is no interest expense on bank borrowings capitalised under property, plant and equipment for current year. Interest expense on bank borrowings for last year was stated after deducting interest of US\$472,000 capitalised under property, plant and equipment.

## 22 農民賠償

於二零零八年十月八日，本集團獲悉相關政府機構有關本集團違反越南若干環境法例之決議。本集團須分別支付約16,000美元及7,713,000美元作為罰款及環境費用。全部該等罰款及環境費用已於二零零八年之綜合收益表中記錄。由於此環境事項，越南胡志明市、巴地頭頓省及同奈省之農民協擬入稟法院向本集團索取賠償。於二零一零年八月十三日，本集團同意向越南胡志明市、巴地頭頓省及同奈省之農民協會賠償約11,807,000美元（相等於218,949,000,000越南盾）。全部該等賠償已於截至二零一零年十二月三十一日止年度之綜合收益表中記錄。本集團同意分兩期分別於二零一零年八月及二零一一年一月支付賠償，每次支付50%。董事獲得法律意見並認為並無就此環境事項對任何人士負有其他重大負債。

## 23 財政支出－淨值

	2010 US\$'000 千美元	2009 US\$'000 千美元
Finance income – interest income on short-term bank deposits	(968)	(747)
Interest expense on bank borrowings	1,420	1,235
Amortisation of discount on long-term payable to a related party (Note 34(d))	276	359
Finance costs	1,696	1,594
Finance costs – net	728	847

並無關於銀行借貸利息開支於現年物業、廠房及設備項下撥充資本。去年銀行借貸利息開支於扣除利息472,000美元後列賬，並於物業、廠房及設備項下撥充資本。



## 24 INCOME TAX EXPENSE

Taxation on profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
Enterprise income tax ("EIT")	企業所得稅	5,119	6,681
Deferred income tax (Note 18)	遞延所得稅 (附註18)	(537)	(1,447)
		<b>4,582</b>	5,234

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
Profit before tax	除稅前溢利	1,955	23,028
Tax calculated at domestic tax rate of 15% (2009: 15%)	按本地稅率15%計算之稅項 (二零零九年: 15%)	293	3,454
Tax effects of different tax rates	不同稅率之稅務影響	129	25
Income not subject to tax	毋需繳稅收入	(1)	(2)
Expenses not deductible for tax purposes	不可扣減之評稅開支	3,542	1,659
Utilisation of previously unrecognised tax losses	動用之前未確認稅務虧損	(134)	-
Tax losses for which no deferred income tax asset was recognised	無確認遞延所得稅資產之稅損	753	98
Tax charge	稅項支出	<b>4,582</b>	5,234

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\$13,845,000 (2009: US\$9,547,000) to carry forward against future taxable income. These tax losses will expire in one to five years.

## 24 所得稅開支

溢利的稅項按年內估計應課稅溢利乘以本集團營運所在國家的適用稅率計算。

於綜合收益表內扣除之所得稅開支包括：

本集團未計所得稅前溢利的所得稅與倘若採用本集團主要附屬公司－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：

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13,845,000美元（二零零九年：9,547,000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。

## 24 INCOME TAX EXPENSE (continued)

### Enterprise income tax ("EIT")

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.

(i) *Vietnam*

The applicable EIT rates for the Group's operations in Vietnam range from 15% to 25%, as stipulated in the respective subsidiaries' investment licenses.

(ii) *The PRC*

The applicable EIT rate for the Group's operation in the PRC range from 12.5% to 25%.

Shanghai Vedan, Shandong Snowflake and Xiamen Maotai 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 brought forward from the previous years. Shanghai Vedan, Shandong Snowflake and Xiamen Maotai have already triggered their first year of tax exemption entitlement in 2005, 2006 and 2008 respectively.

(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*

The applicable EIT rate for the Group's operations in Taiwan is 25%.

## 25 PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of US\$4,954,000 (2009: US\$6,909,000).

## 24 所得稅開支(續)

### 企業所得稅

企業所得稅按財務申報的法定溢利計算，且就所得稅的毋須課稅或不可扣減的收支項目作出調整。

(i) *越南*

本集團在越南的業務適用企業所得稅率介乎15%至25%，按附屬公司各自的投資許可證所規定。

(ii) *中國*

本集團在中國的業務適用企業所得稅率介乎12.5%至25%。

上海味丹、山東雪花及廈門茂泰在抵銷所有過往年度結轉的未過期稅項虧損後，由首個盈利年度開始可享首兩年全數豁免企業所得稅及緊接其後三個年度可享50%企業所得稅寬減。上海味丹、山東雪花及廈門茂泰分別已於二零零五年、二零零六年及二零零八年踏入首年免稅期。

(iii) *新加坡／香港*

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

(iv) *台灣*

本集團在台灣業務適用企業所得稅率為25%。

## 25 本公司擁有人應佔溢利

計入本公司財務報表的公司擁有人應佔溢利為4,954,000美元(二零零九年：6,909,000美元)。

## 26 DIVIDENDS

The dividends paid in 2010 and 2009 were US\$4,840,000 (0.317 US cents per ordinary share) and US\$4,152,000 (0.273 US cents per ordinary share), respectively. The directors recommend the payment of a final dividend of 0.240 US cents per ordinary share, totalling US\$3,670,000 (2009: US\$4,840,000). Such dividend is to be approved by the shareholders at the forthcoming Annual General Meeting. These financial statements do not reflect this dividend payable.

## 26 股息

二零一零年及二零零九年之已付股息分別為4,840,000美元(每股普通股0.317美仙)及4,152,000美元(每股普通股0.273美仙)。董事建議派付末期股息每股普通股0.240美仙,合共3,670,000美元(二零零九年:4,840,000美元)。有關股息尚待股東於應屆股東週年大會上批准。有關財務報表並不反映此應付股息。

		2010 US\$'000 千美元	2009 US\$'000 千美元
2010 interim dividend, paid of nil (2009: 0.273 US cents) per ordinary share, paid	已付二零一零年中期股息 每股普通股零元 (二零零九年: 0.273美仙)	-	4,152
2010 final dividend, proposed of 0.240 US cents (2009: 0.317 US cents) per ordinary share	擬派二零一零年末期 股息每股普通股 0.240美仙 (二零零九年: 0.317美仙)	3,670	4,840
		<b>3,670</b>	8,992

The aggregate amounts of the dividends paid and proposed during 2010 and 2009 have been disclosed in the consolidated income statement in accordance with the disclosure requirements of Hong Kong Companies Ordinance

二零一零年及二零零九年已付及擬派股息總額已根據香港公司條例披露要求於綜合收益表披露。

## 27 (LOSSES)/EARNINGS PER SHARE

### (a) Basic

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

## 27 每股(虧損)/盈利

### (a) 基本

每股基本(虧損)/盈利按本公司擁有人應佔(虧損)/溢利除以年內已發行普通股的加權平均數計算。

		2010 US\$'000 千美元	2009 US\$'000 千美元
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔 (虧損)/溢利	(1,480)	17,983
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
Basic (losses)/earnings per share (US cents per share)	每股基本(虧損)/盈利 (每股美仙)	(0.10)	1.18

**27 (LOSSES)/EARNINGS PER SHARE (continued)**

**(b) Diluted**

Diluted (losses)/earnings per share is same as basic (losses)/earnings per share as there is no dilutive instruments for the years ended 31 December 2010 and 2009.

**28 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' REMUNERATION)**

		2010 US\$'000 千美元	2009 US\$'000 千美元
Wages, basic salaries and allowances	工資、底薪及津貼	17,780	17,173
Bonuses	花紅	-	1,822
Pension costs – defined contribution plans	退休金成本—定額供款計劃	1,462	1,436
Other employee benefits	其他僱員福利	1,517	840
		<b>20,759</b>	21,271

**29 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 2010, the Group has contributed approximately US\$415,000 (2009: US\$570,000) to the aforesaid state-sponsored retirement plans.

As stipulated by rules and regulations in Vietnam, the Group contributes to state-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 2010, the Group has contributed approximately US\$920,000 (2009: US\$753,000) to the aforesaid state-sponsored social insurance scheme.

**27 每股（虧損）／盈利（續）**

**(b) 攤薄**

截至二零一零年及二零零九年十二月三十一日止年度，由於無攤薄工具，每股攤薄（虧損）／盈利與每股基本（虧損）／盈利相同。

**28 僱員福利開支（包括董事薪酬）**

**29 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。截至二零一零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415,000美元（二零零九年：570,000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。截至二零一零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920,000美元（二零零九年：753,000美元）。

**30 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:

		2010 US\$'000 千美元	2009 US\$'000 千美元
Fees	袍金	-	-
Basic salaries and allowances	底薪及津貼	1,109	1,188
Discretionary bonuses	酌情發放的花紅	-	1,798
		<b>1,109</b>	<b>2,986</b>

None of the directors of the Company waived any emoluments during the year (2009: Nil).

The remuneration of every director of the Company for the year ended 31 December 2010 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> 執行董事						
Mr. Yang, Tou-Hsiung	楊頭雄先生	-	341	-	13	354
Mr. Yang, Cheng	楊正先生	-	200	-	13	213
Mr. Yang, Kun-Hsiang	楊坤祥先生	-	305	-	13	318
Mr. Yang, Chen-Wen	楊辰文先生	-	150	-	13	163
<b>Non-executive Director</b> 非執行董事						
Mr. Chou, Sze-Cheng	周賜程先生	-	-	-	12	12
Mr. Huang, Ching-Jung	黃景榮先生	-	-	-	13	13
<b>Independent non-executive Director</b> 獨立非執行董事						
Mr. Chao, Pei-Hong	趙培宏先生	-	-	-	12	12
Mr. Chen, Joen-Ray	陳忠瑞先生	-	-	-	12	12
Mr. Ko, Jim-Chen	柯俊禎先生	-	-	-	12	12
Total	合計	-	996	-	113	1,109

**30 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：

本年度本公司董事並無放棄任何薪酬（二零零九年：無）。

截至二零一零年十二月三十一日止年度本公司各董事的薪酬載列如下：

30 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

The remuneration of every director of the Company for the year ended 31 December 2009 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	-	354	1,204	13	1,571
Mr. Yang, Cheng	楊正先生	-	200	548	13	761
Mr. Yang, Kun-Hsiang	楊坤祥先生	-	317	23	13	353
Mr. Yang, Chen-Wen	楊辰文先生	-	150	23	13	186
Mr. Wang, Joel J.	王肇樹先生	-	50	-	4	54
<b>Non-executive Director</b>		<b>非執行董事</b>				
Mr. Chou, Sze-Cheng	周賜程先生	-	-	-	12	12
Mr. Huang, Ching-Jung	黃景榮先生	-	-	-	13	13
<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
Mr. Chen, Joen-Ray	陳忠瑞先生	-	-	-	12	12
Mr. Ko, Jim-Chen	柯俊禎先生	-	-	-	12	12
Total	合計	-	1,071	1,798	117	2,986

Notes:

- (i) Other benefits include travelling allowance.
- (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.

There are no outstanding share options as at 31 December 2010 and 2009.

30 董事及高級管理層的薪酬(續)

截至二零零九年十二月三十一日止年度本公司各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>		<b>執行董事</b>				
Mr. Yang, Tou-Hsiung	楊頭雄先生	-	354	1,204	13	1,571
Mr. Yang, Cheng	楊正先生	-	200	548	13	761
Mr. Yang, Kun-Hsiang	楊坤祥先生	-	317	23	13	353
Mr. Yang, Chen-Wen	楊辰文先生	-	150	23	13	186
Mr. Wang, Joel J.	王肇樹先生	-	50	-	4	54
<b>Non-executive Director</b>		<b>非執行董事</b>				
Mr. Chou, Sze-Cheng	周賜程先生	-	-	-	12	12
Mr. Huang, Ching-Jung	黃景榮先生	-	-	-	13	13
<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
Mr. Chen, Joen-Ray	陳忠瑞先生	-	-	-	12	12
Mr. Ko, Jim-Chen	柯俊禎先生	-	-	-	12	12
Total	合計	-	1,071	1,798	117	2,986

附註:

- (i) 其他福利包括差旅津貼。
- (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。

於二零一零年及二零零九年十二月三十一日概無購股權尚未行使。

31 CASH GENERATED FROM OPERATIONS

31 業務產生之現金

		2010 US\$'000 千美元	2009 US\$'000 千美元
Profit before income tax	除所得稅前溢利	<b>1,955</b>	23,028
Adjustments for:	就以下項目調整：		
– Finance costs – net (Note 23)	– 財政支出－淨值 (附註23)	<b>728</b>	847
– Interest received from held-to-maturity financial assets (Note 20)	– 已收持有至到期之財務 資產之利息(附註20)	<b>(61)</b>	(234)
– Depreciation of property, plant and equipment (Note 7)	– 物業、廠房及設備折舊 (附註7)	<b>25,616</b>	28,083
– Provision for impairment of property, plant and equipment (Note 7)	– 物業、廠房及設備減值 撥備(附註7)	<b>2,055</b>	3,433
– (Write back of)/provision for impairment of trade receivables (Note 11)	– 應收貿易賬款減值 (撥回)/撥備 (附註11)	<b>(1,255)</b>	2,350
– Amortisation of intangible assets (Note 8)	– 無形資產攤銷(附註8)	<b>1,490</b>	1,457
– Amortisation of land use rights (Note 6)	– 土地使用權攤銷(附註6)	<b>86</b>	144
– Loss on disposal of property, plant and equipment (see below)	– 出售物業、廠房及設備 虧損(見下文)	<b>502</b>	44
		<b>31,116</b>	59,152
Change in working capital (excluding the effects of exchange differences on consolidation)	營運資金變動(未計收購 影響及綜合產生之 匯兌差額)		
– Inventories	– 存貨	<b>(17,597)</b>	6,900
– Trade receivables, prepayments and other receivables	– 應收貿易賬款、預付 款項及其他應收款項	<b>(12,237)</b>	(2,160)
– Trade payables, accruals and other payables	– 應付貿易賬款、應計 費用及其他應付款項	<b>20,461</b>	(2,502)
– Amount due from minority shareholder of a subsidiary	– 應收附屬公司少數股東 款項	<b>(20)</b>	82
– Amount due to a related party	– 應付有關連人士款項	<b>237</b>	(42)
Cash generated from operations	業務產生之現金	<b>21,960</b>	61,430

**31 CASH GENERATED FROM OPERATIONS  
(continued)**

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

		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Net book amount (Note 7)	賬面淨值 (附註7)	<b>668</b>	88
Loss on disposal of property, plant and equipment (Note 20)	出售物業、廠房及設備虧損 (附註20)	<b>(502)</b>	(44)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項	<b>166</b>	44

**31 業務產生之現金 (續)**

在綜合現金流量表內，銷售物業、廠房及設備之所得款項如下：

**32 COMMITMENTS**

**(a) Capital commitments**

The Group's capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

		<b>2010</b> <b>US\$'000</b> 千美元	2009 US\$'000 千美元
Contracted but not provided for Property, plant and equipment	已訂約但未撥備物業、廠房及設備	<b>825</b>	1,593
Land use rights	土地使用權	-	1,273
Investment in associate (Note)	於聯營公司之投資 (附註)	<b>5,190</b>	-
		<b>6,015</b>	2,866

**32 承擔**

**(a) 資本承擔**

本集團於結算日已訂約但未產生之資本支出如下：

Note: Details of investment are disclosed in Note 10.

The Company had capital commitment of US\$5,190,000 (2009: Nil) in respect of its investment in associate at 31 December 2010.

附註：投資詳情於附註10披露。

本公司於二零一零年十二月三十一日有關其於聯營公司的投資的資本承擔為5,190,000美元 (二零零九年：無)。



### 32 COMMITMENTS (continued)

#### (b) Operating lease commitments

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

		2010 US\$'000 千美元	2009 US\$'000 千美元
Not later than one year	一年內	120	126
Later than one year and not later than five years	二至五年內	474	475
Later than five years	五年後	3,104	3,223
		<b>3,698</b>	<b>3,824</b>

The Company did not have any significant commitment under operating lease at 31 December 2010 (2009: Nil).

### 32 承擔 (續)

#### (b) 經營租約承擔

本集團根據土地及樓宇的不可撤銷經營租約而須於未來支付的最低租賃款項總額如下：

本公司於二零一零年十二月三十一日在經營租約下並無任何重大承擔 (二零零九年：無)。

### 33 CONTINGENT LIABILITIES

Save as disclosed in Note 22 to the financial statements, as at 31 December 2010, the Company has given guarantees for bank borrowings of subsidiaries amounting to US\$102,300,000 (2009: US\$138,654,000) of which US\$59,165,000 (2009: US\$101,357,000) has not been utilised.

### 33 或然負債

除財務報表附註22所披露者外，於二零一零年十二月三十一日，本公司為附屬公司提供銀行借貸之擔保達102,300,000美元 (二零零九年：138,654,000美元)，其中59,165,000美元 (二零零九年：101,357,000美元) 尚未動用。

### 34 RELATED PARTY TRANSACTIONS

(a) The table below summarises the related party and nature of its relationships with the Company as at 31 December 2010:

Related party 有關連人士	Relationship with the Company 與本公司的關係
Taiwan Vedan 台灣味丹	A substantial shareholder of the Company 本公司的主要股東

### 34 有關連人士交易

(a) 下表概述於二零一零年十二月三十一日有關連人士名稱及其與本公司的關係性質：

**34 RELATED PARTY TRANSACTIONS (continued)**

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

		Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
Sale of goods to Taiwan Vedan	向台灣味丹銷售貨品	(i)	4,137	3,590
Technological support fee paid to Taiwan Vedan	向台灣味丹支付技術支援費	(ii)	2,441	1,641
Agency commission income received from Taiwan Vedan	收取台灣味丹的代理佣金收入	(ii)	149	103

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 normal course of business and the fees are charged in accordance with the terms of underlying agreements.

**(c) Key management compensation**

Key management includes all executive directors. The compensation paid or payable to key management for employee services is shown below.

		2010 US\$'000 千美元	2009 US\$'000 千美元
Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	1,048	2,925

**34 有關連人士交易 (續)**

- (b) 在本集團日常業務中與有關連人士進行的重大交易如下：

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。

**(c) 主要管理人員酬金**

主要管理人員包括所有執行董事。已付及應付主要管理人員之員工服務薪酬載列如下：

34 RELATED PARTY TRANSACTIONS (continued)

(d) Year-end balances with the related party

As at 31 December 2010, the Group had the following significant balances with the related party:

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
Current:			
Trade receivable from Taiwan Vedan (Note 11)	(i)	250	267
Due to Taiwan Vedan	(i)	323	172
Current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	1,957	1,871
Non-current:			
Non-current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	2,074	4,031

Notes:

- (i) All these balances with related parties are unsecured, interest-free and have no fixed terms of payment.
- (ii) The amount represents the fair value payable to Taiwan Vedan for the assignment of certain trademarks. It is payable by seven equal annual instalment commencing on 1 January 2007. The original face amount was US\$15,014,000 and was discounted to fair value using a rate based on the borrowing rate of 4.7% at the date of assignment of the trademarks (Note 23).

35 BANKING FACILITIES

Save as disclosed in Note 33 to the financial statements, the Group's bank borrowings of US\$33,846,000 as at 31 December 2010 (2009: US\$33,863,000) were secured by legal charges over certain of the Group's property, plant and equipment (Note 7) with net book amount of approximately US\$22,715,000 (2009: US\$14,206,000).

34 有關連人士交易(續)

(d) 與有關連人士之年末結欠

於二零一零年十二月三十一日，本集團與有關連人士之主要結欠如下：

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
Current:			
Trade receivable from Taiwan Vedan (Note 11)	(i)	250	267
Due to Taiwan Vedan	(i)	323	172
Current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	1,957	1,871
Non-current:			
Non-current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	2,074	4,031

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) 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。原本面值為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(附註23)。

35 銀行信貸

除財務報表附註33所披露者外，本集團於二零一零年十二月三十一日之銀行借貸33,846,000美元(二零零九年：33,863,000美元)由賬面淨值約22,715,000美元(二零零九年：14,206,000美元)之若干本集團物業、廠房及設備(附註7)之法定抵押作出抵押。

## Five-Year Financial Summary 五年財務概要

### CONSOLIDATED RESULTS FOR THE YEARS ENDED 31 DECEMBER 截至十二月三十一日止年度綜合業績

		2010 US\$'000 千美元	2009 US\$'000 千美元	2008 US\$'000 千美元	2007 US\$'000 千美元	2006 US\$'000 千美元
Revenue	收益	<b>336,107</b>	289,137	348,557	317,431	290,695
Profit before income tax	除所得稅前溢利	<b>1,955</b>	23,028	13,462	20,738	14,762
Income tax expense	所得稅開支	<b>(4,582)</b>	(5,234)	(7,053)	(4,878)	(3,827)
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利	<b>(1,480)</b>	17,983	8,403	16,856	10,915

### CONSOLIDATED ASSETS AND LIABILITIES AS AT 31 DECEMBER 於十二月三十一日綜合資產及負債

		2010 US\$'000 千美元	2009 US\$'000 千美元	2008 US\$'000 千美元	2007 US\$'000 千美元	2006 US\$'000 千美元
Assets and liabilities	資產及負債					
Total assets	資產總額	<b>370,876</b>	357,619	360,497	347,840	367,458
Total liabilities	負債總額	<b>(104,700)</b>	(85,968)	(102,587)	(90,124)	(123,474)
Total equity	權益總額	<b>266,176</b>	271,651	257,910	257,716	243,984

## Shareholder Information 股東資料

Listing : Main Board of  
The Stock Exchange of  
Hong Kong Limited ("HKEx")

Stock Code  
HKEx : 2317  
Access to Bloomberg : 2317 HK Equity  
Access to Reuters : 2317.HK

Board Lot : 4,000  
Par Value : US\$0.01  
Trading Currency : HKD

上市 : 香港聯合交易所有限公司  
主板(「聯交所」)

股份代號  
聯交所 : 2317  
彭博版面 : 2317 HK Equity  
路透社版面 : 2317.HK

買賣單位 : 4,000  
面值 : 0.01美元  
交易貨幣 : 港元

### FINANCIAL CALENDAR

Financial year ended 31 December, 2010  
Full year results announced 22 March, 2011  
Annual general meeting 24 May, 2011  
Interim results to be announced In the last week of  
August, 2011\*

\* subject to change

### SHAREHOLDER SERVICES

For enquiries about share transfer and registration, please contact the Company's Hong Kong branch share registrars:

Tengis Limited  
26/F Tesbury Centre  
28 Queen's Road East  
Wanchai, Hong Kong  
Telephone : (852) 2980 1768  
Facsimile : (852) 2528 3158

Holders of the Company's shares should notify the Hong Kong branch share registrars promptly of any change of addresses.

### 財務行事曆

全年業績結算 二零一零年十二月三十一日  
全年業績公佈 二零一一年三月二十二日  
股東週年大會 二零一一年五月二十四日  
中期業績公佈 二零一一年八月  
最後一個星期\*

\* 有待確定

### 股東服務

任何有關股份過戶及登記之查詢，請聯絡本公司之香港股份過戶登記分處：

登捷時有限公司  
香港灣仔  
皇后大道東28號  
金鐘匯中心26樓  
電話：(852) 2980 1768  
傳真：(852) 2528 3158

持有本公司股份之人士，若更改地址，請盡快通知本公司之香港股份過戶登記分處。

The Group has been active in maintaining close relationship with investors over the years. Its management believes by maintaining close contact and good communication with investors in a professional and open manner can allow it to collect more information and valuable opinions for the benefit of enhancing corporate governance. Timely disclosure of business strategies and directions of the Group will also help strengthen investor confidence.

During the year under review, the management team had regular meetings or conference calls with investors in Hong Kong and was proactive in the dispatch of latest information about its business to investors. Information about environmental issue concerning its Vietnam operation was relayed to investors at first instance. This is in line with the Group's commitment to open and transparent communication as well as ensuring investors fully understand its operation for making sound investment decisions.

Vedan International appreciates the importance of providing up to date information about the Group to investors. During the year under review, the Group met with and hosted one-on-one meetings and teleconferences with renowned international institutional investors including Value Partners, DBS Vickers and Standard Chartered Bank etc., making use of all the different important channels to build investor relations.

In addition, the Group maintains interaction with investors via its website. During the year, the Group posted its annual reports, interim reports and all relevant announcements on its website promptly for the convenient access and reference by investors. The Company website address is: <http://www.vedaninternational.com>

Vedan welcomes all opinions and suggestions from investors. The e-mail address of its investor relations department is [vdi@vedaninternational.com](mailto:vdi@vedaninternational.com)

集團長期以來均致力與投資者維持緊密聯繫。管理層相信以專業及坦誠的態度與投資者保持充分及良好的溝通，收集更多訊息及寶貴意見，有利於企業管治；及時披露有關集團的業務策略及發展方向，鞏固投資者信心。

於回顧年度內，集團管理層均定期與本港投資者會面及進行電話會議，並積極及主動向投資者發佈最新資訊及業務消息，更就越南廠房的環保事宜及時發佈公告給投資者，力求保持信息的公開與透明，讓投資者充分了解公司營運情況，作出最佳的投資決定。

味丹國際相當重視為投資者帶來最新的集團訊息，於回顧年度內，集團曾與國際知名的投資機構如惠理基金、星展銀行及渣打銀行等在香港舉行個別投資者會議及電話會議，充分利用各種主要渠道建立投資者關係。

另一方面，集團通過網站與投資者保持溝通。年內集團及時將年報、中期業績報告及所有相關公佈上載至集團網站，方便投資者閱覽及參考有關資訊。公司網址為：<http://www.vedaninternational.com>。

味丹國際期待投資者繼續對集團提出寶貴意見，歡迎隨時與集團的投資者關係部聯絡 [vdi@vedaninternational.com](mailto:vdi@vedaninternational.com)。





Delicacy



Science



**VEDAN**  
INTERNATIONAL

Vedan International (Holdings) Limited  
味丹國際(控股)有限公司  
[www.vedaninternational.com](http://www.vedaninternational.com)