



# 年報 ANNUAL REPORT 2017

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



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# Corporate Profile

## 公司簡介



Vedan International (Holdings) Limited 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.

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 been undergoing 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 stabilise prices of raw materials, hence facilitate its business development strategy in the PRC.

Leveraging on our production facilities located in Vietnam and the PRC, 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.

味丹國際(控股)有限公司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、其他東盟國家、中國、日本、台灣以及一些歐洲國家的食品分銷商、國際貿易公司，以及食品、紙類加工、紡織和化學產品生產商，本集團大部份產品均以「味丹」品牌銷售。

自七十年代起，我們的味精產品即銷售到越南、中國及其他東盟國家。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，所擁有高級醱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。

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS 董事會

#### Executive Directors 執行董事

YANG, Tou-Hsiung 楊頭雄 (Chairman 主席)  
YANG, Cheng 楊正  
YANG, Kun-Hsiang 楊坤祥 (CEO 行政總裁)  
YANG, Chen-Wen 楊辰文  
YANG, Kun-Chou 楊坤洲

#### 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  
CHEN, Joen-Ray 陳忠瑞  
HSIEH, Lung-Fa 謝龍發

### AUTHORISED REPRESENTATIVES 法定代表

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

### COMPANY SECRETARY 公司秘書

WONG, Wai Yee, Ella 黃慧兒

### AUDITOR 核數師

PricewaterhouseCoopers  
羅兵咸永道會計師事務所  
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, 18 Chater Road,  
Central, Hong Kong  
香港中環遮打道18號歷山大廈5樓

### REGISTERED OFFICE 註冊辦事處

P.O. Box 10008  
Willow House, Cricket Square  
Grand Cayman KY1-1001  
Cayman Islands

### BRANCH SHARE REGISTRAR 股份過戶登記分處

Tricor Tengis Limited  
卓佳登捷時有限公司  
Level 22, Hopewell Centre,  
183 Queen's Road East, Hong Kong  
香港皇后大道東183號合和中心22樓

### 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. 518 Lianying Road, Chedun Town,  
Songjiang District, Shanghai, PRC  
中國上海市松江區車墩鎮聯營路518號

#### Shandong, China Office 中國山東辦事處

Xuehua Industry Park, Wangyin, Jining High-tech  
Industrial Development Zone, Shandong Province, PRC  
中國山東省  
濟寧高新技術開發區  
王因鎮雪花工業區

#### 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  
台灣台中市  
沙鹿區錦華街18號

#### Hong Kong Office 香港辦事處

Level 54, Hopewell Centre,  
183 Queen's Road East,  
Hong Kong  
香港皇后大道東183號  
合和中心54樓

### CAYMAN ISLANDS SHARE REGISTRAR 開曼群島股份過戶登記處

Tricor Services (Cayman Islands) Limited  
P.O. Box 10008  
Willow House, Cricket Square  
Grand Cayman KY1-1001  
Cayman Islands

### INTERNET ADDRESS 互聯網網址

Website 網址: [www.vedaninternational.com](http://www.vedaninternational.com)  
Email address 電郵地址: [vdi@vedaninternational.com](mailto:vdi@vedaninternational.com)

Stock Code 股份代號  
The Stock Exchange of Hong Kong Limited  
香港聯合交易所: 2317  
Bloomberg 彭博: 2317.HK  
Reuters 路透: 2317.HK

# Financial Highlights

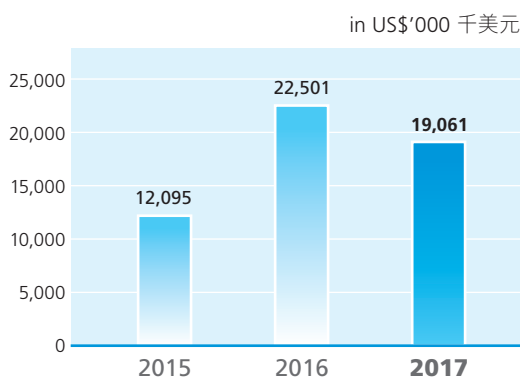
## 財務摘要

截至十二月三十一日止年度  
For the year ended 31 December

		2017 US\$'000 千美元	2016 US\$'000 千美元	Difference 差異
Revenue	收益	322,805	327,640	(1.5%)
Gross profit	毛利	68,137	79,030	(13.8%)
Profit for the year	本年度溢利	18,738	22,233	(15.7%)
Profit attributable to owners	擁有人應佔溢利	19,061	22,501	(15.3%)
Basic earnings per share	每股基本盈利	1.25 US cents美仙	1.48 US cents美仙	
Diluted earnings per share	每股攤薄盈利	1.25 US cents美仙	1.48 US cents美仙	
Final dividend proposed per share	擬派每股末期股息	0.443 US cents美仙	0.837 US cents美仙	
Total dividends paid and proposed per share	已付及擬派每股股息總額	0.750 US cents美仙	1.478 US cents美仙	

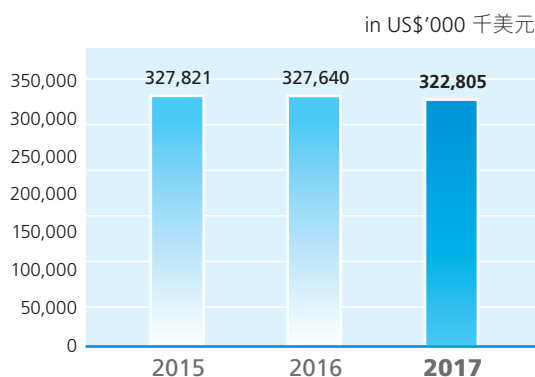
### PROFIT ATTRIBUTABLE TO OWNERS

擁有人應佔溢利



### REVENUE

收益

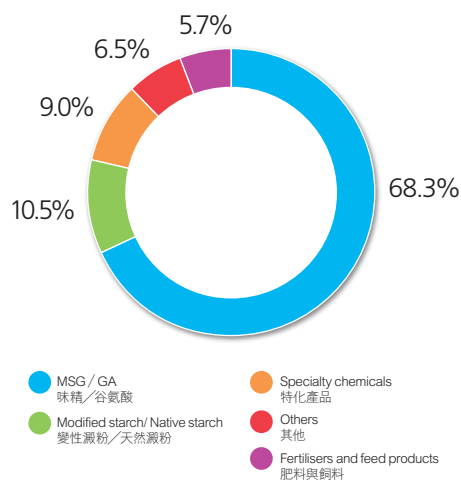


### REVENUE BY PRODUCTS

按產品分類之收益

12 months ended 31 Dec 2017

截至二零一七年十二月三十一日止十二個月

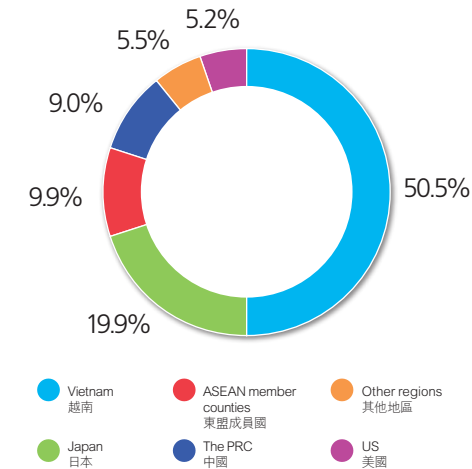


### REVENUE BY GEOGRAPHIC LOCATION

按地區分類之收益

12 months ended 31 Dec 2017

截至二零一七年十二月三十一日止十二個月





**GREAT VISION**  
高瞻遠矚





## Chairman's Statement 主席報告書

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，我們開創多種  
優質產品，以迎合  
消費者的口味和要求。

**Yang, Tou-Hsiung 楊頭雄**  
Chairman 主席

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.

In 2017, the global economy began to recover on the back of more stable raw material prices, gradual recovery of the economy in Europe and stronger economic momentum in the US, which in turn drove the economies of emerging countries to grow steadily as well as stimulate international trade. However, ongoing geopolitical tension and unrest in regions such as Europe, the Middle East and Asia, combined with interest rate hikes by the US Federal Reserve, led to fluctuations in currency exchange rates and interest rates, triggering the threat of inflation. All of these factors consequently brought uncertainty to the market.

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。

二零一七年全球的經濟環境，隨著原物料價格回穩，歐美國家經濟的逐步復甦，帶動新興國家之經濟升溫與國際貿易轉趨活躍，各地市場經濟成長回溫穩定。雖然如此，在歐洲、中東與亞洲等區域的緊張與動盪情勢持續，加上美元幾次的升息，牽動貨幣匯率及利率的起伏並醞釀通貨膨脹，此等因素使市場景氣存在變數。

With regard to our operations, the selling price and revenue of our major products, in particular MSG and modified starch, were affected by price competition in the market. Compounding matters, the surge in the unit price of coal boosted energy costs which has been just stabilised recently, hence the overall cost of production increased. Our profit margin was directly affected by such intense price competition in the market and rising production costs. The Group has therefore continued to direct focus on stabilising costs, actively expand its business and boost sales, and develop new products and markets, with the ultimate goal of strengthening profitability.

Looking at the Group's operations and profit during the year, revenue amounted to approximately US\$322,000,000, around US\$4,830,000 less than the preceding year, which was mainly due to intense price competition in the MSG and modified starch segments. Such competition also dragged down selling prices and subsequently affected business growth. While overall raw materials prices stood firm or modestly tapered, energy cost increased, resulting in an overall rise in production costs. Gross profit margin for the year was 21.1%, and gross profit declined appreciably by 13.8% from the previous year to approximately US\$68,140,000. Net profit declined by US\$3,490,000 from the preceding year to US\$18,730,000, with net profit margin at 5.8%.

Regarding major geographic markets and segment performance, the demand for products and level of competition varied from market to market. In Vietnam, the overall economy recorded stable growth, and the prices of various raw materials remained stable. The performances of some of our products, including soda, fertiliser and feed products improved along with gradually increasing market demand. Energy costs have, however, increased due to rising coal prices, while the selling prices of MSG, modified starch and maltose products dropped due to fierce price competition, which in turn impacted on overall sales. In Vietnam, though adversely affected by declining selling prices and increasing production costs, we were nonetheless able to increase overall revenue by 1.5% year-on-year owing to our solid branding and sales channels and growth spurred by continuous development of new products in new markets. As for the PRC, although the local economy has been gradually recovering, the Group's operations still encountered headwinds as the MSG and starch products businesses suffered from intense price competition. We have worked hard to maintain profitability, and were modestly successful that the profit is slightly higher than the preceding year, even though revenue was approximately 8.8% lower than the previous year. In respect of Japan and Korea, sales of fertilisers stabilised due to greater demand in the two countries, but the selling prices of MSG and modified starch declined slightly owing to competition, hence revenue slid by roughly 3.0% in these markets when compared with 2016. With respect to ASEAN countries, while revenue increased due to greater demand for fertiliser and feed products as well as maltose during the year, the selling prices of MSG and modified starch decreased. Consequently, revenue derived from ASEAN countries fell by approximately 1.9% when compared with the previous year. It is worth noting as well that our operations in Europe and the US were affected by intense competition, which led to a modest decline in revenue.

集團於二零一七年度之營運，由於主要產品，尤其是味精與變性澱粉，於市場上受到低價的競爭，售價與營收均受到影響。同時，由於煤炭價格的單價提升，致使剛回穩的能源成本又再度上揚，生產成本亦因而有所提高。故在市場低價的競爭與生產成本的上升的情況下，獲利直接受壓。有鑑於此，集團本年的主要營運重點仍為致力穩定成本，積極地拓展業務與加強銷售力度，開發新產品與新市場，以提升利潤空間。

綜觀集團於本年之營運與獲利，營業額約3億2仟2百萬美元，比去年下滑約483萬美元。主要因為味精與變性澱粉於市場上價格的激烈競爭，售價下滑，影響業績增長。然而，雖然整體原料價格持平或略降，但能源成本上升，使整體生產成本提高，毛利率為21.1%，毛利額約6,814萬美元，較去年大幅下跌13.8%。而淨利為1,873萬美元，較去年減少349萬美元，淨利率為5.8%。

綜觀集團各主要市場與業務經營分析，各地市場對不同產品的需求與競爭均有不同表現。在越南市場，因整體經濟景氣穩定成長，多項原料價格穩定，部份產品包括蘇打與肥飼料等業績隨著市場需求逐漸恢復而增加。另外，能源成本因煤炭價格上漲而上升，而且味精、變性澱粉與麥芽糖產品亦受到市場價格競爭，以致售價下滑，影響整體銷售進度。然而，雖然產品售價下降與生產成本上升，但集團於年內藉著穩定的品牌力與銷售通路，加上集團新產品於新市場的持續經營略有增長，令越南整體區域內業績較去年略為提升1.5%。然而，集團在中國區的營運，雖經濟景氣逐漸恢復，但味精與澱粉產品仍受到市場價格的競爭，業績仍稍受到影響。而公司以利潤為主要考量，故雖然獲利較去年略增，但營收較去年下滑約8.8%。另外，就日本與韓國市場的營運而言，雖然肥料於該等區域因需求增加而銷售穩定，但味精與變性澱粉卻因競爭使售價略有下降，以致集團於此市場的業績較去年下滑約3.0%。而東盟市場雖然受惠於年內肥飼料及麥芽糖的需求提升而增加營收，但味精與變性澱粉同樣因下調售價，使本年此等地區之業績較去年下滑約1.9%。除此之外，歐美市場整體之營運因也受到市場競爭的影響，營收亦略為下滑。

As for the performance of the Group's products, MSG and seasonings, our major products were affected by weaker selling prices and rising costs, and in particular, by keen competition in Vietnam and the PRC. As a consequence, overall revenue fell by approximately 3.0% when compared with 2016. With regard to starch, which is another key product segment, revenue has contracted by around 15.8% from the preceding year, even as raw material prices have remained stable. The reason for the decrease was cut-throat price competition in the PRC, Japan and Taiwan markets. A further product that is part of the starch product category is maltose. While rapid revenue growth was achieved in 2016, new competitors emerged in Vietnam during 2017. Consequently, the selling price did not increase along with sales volume, resulting in a decline in revenue of around 5.9% year-on-year. Nevertheless, the Group remains confident in the potential of this product and in the market, and is developing maltose and related products that possess higher value and margins. In respect of hydrochloric acid and soda, which are under the specialty chemicals segment, their performance grew steadily, with revenue up 28.8% year-on-year. This was due to more stable demand for fundamental chemicals in Vietnam as market sentiment in the country gradually improved along with the strengthening economy. With regard to our fertiliser and feed products, the demand from Vietnam, Japan and ASEAN markets expanded, with sales also climbing strongly by approximately 18.0% from the previous year, and this was despite the selling price of similar products remaining low. Demand has begun to rise amid keen market competition.

就以產品別分析而言，集團主要的味精與調味料產品，由於售價下滑與成本提高的影響，尤其於越南與中國地區競爭尤為激烈，整體營收較去年減少約3.0%。集團另一項重要的澱粉產品，雖然受惠原料價格穩定，但由於在中國、日本與台灣的銷售，部份品項受到市場低價競爭的影響，使該產品業績較去年明顯下滑約15.8%。集團於澱粉產品之另一項重要的麥芽糖產品，雖然二零一六年增長快速，但年內越南有新增數家競爭者，故雖然銷售數量仍有增長，但售價下跌，使營業額較去年略降約5.9%。雖然如此，集團目前仍看好此類產品在此市場的潛力與發展，並致力於此類產品與延伸產品之開發，以發展多元化產品與開創更高之產品價值。另外，在特化產品中的鹽酸與蘇打產品，因越南景氣的逐漸提升，對基礎化學品有穩定需求，集團生產之鹽酸與蘇打業績也有穩健的增長，業績較去年大幅增加28.8%。而集團的肥飼料產品，因越南、日本與東盟市場的需求提升，雖然市場上競爭激烈，同類產品價格仍低，但需求上升，銷售額較去年也增加約18.0%。



In view of intense price competition and rise in production costs during the year, the Group directed its focus on strengthening its businesses and improving cost controls, while at the same time developing new products and expanding its markets. It is worth noting as well that the Group plans to set up a subsidiary in Cambodia in a move to promote local sales and seek new business opportunities. To cope with the rapidly evolving and competitive environment, the Group will review and timely devise contingency strategies and mechanisms, as well as adopt a more flexible raw material procurement procedure. Furthermore, it will steadily work towards improving production procedures and technologies. Such efforts will help to stabilise costs and maintain the competitiveness of the Group's production capabilities. Besides, given that trading opportunities and conditions in Vietnam and ASEAN countries have been gradually improving, leading to prospects of mid-to-long-term economic growth. The Group will therefore also leverage its sales and marketing capabilities to seize opportunities to expand, particularly in the Vietnam market, though maintaining an eye on emerging markets that hold development potential. Concurrently, the Group will strengthen its distribution channels. Yet another effort by the Group will be to integrate its marketing strategies as it widens its sales channels in order to realize the full potential of its sales network. Furthermore, research and development will be intensified so as to introduce new products and raise brand awareness. As for the PRC operation specifically, besides bolstering the business development team, the Group will continue to expand in regional markets and develop new products with higher gross profit margin. Apart from that, the Group will continue to identify and evaluate potential acquisitions and strategic collaborations as it leverages its strength in niche markets and international experience to accelerate expansion of its overseas business presence, a benefit of which also includes greater operational efficiency and profitability.

年內，集團主要因應市場的低價競爭與上升之生產成本，故專注強化業務與改善成本，並致力開拓新產品與新市場之發展，集團計劃於柬埔寨增設附屬公司，佈局強化當地銷售及尋求新商機。集團了解目前競爭環境變化快速，面對此環境變化，集團將隨時檢討擬訂應變策略與機制，採取靈活的原料採購模式與持續提升生產技術，以穩定成本，維持生產競爭力。另一方面，越南與東協區域的貿易機會與景氣逐漸恢復，預料將會帶動中長期經濟發展之潛力。有鑒於此，集團將把握機會，在行銷業務方面，除精耕越南本地市場之外，並著力於具發展潛質空間之新興市場，強化通路架構，對於較為成熟的通路，將再整合集團的行銷策略，深耕銷售網絡，以發揮通路價值；同時，集團將強化研發新產品與藉由規劃導入相關新產品之銷售，延伸品牌的加乘效果。而在中國區的營運，除了再強化業務團隊，集團將再努力於區域市場之精耕與開發高毛利新產品。此外，集團仍將持續檢討尋找各項併購或策略聯盟合作的項目，結合地緣利基與國際經驗，加速佈局海外據點，以擴張經營綜效及增加盈利。

## Chairman's Statement 主席報告書

We realize that the operating environment and market competition will continue to rapidly evolve. In 2018, there will nonetheless be ample opportunities created by broad-based global economic growth. As for Vedan International's operations, we expect the Group to face challenges in the form of further escalation in raw material prices and keen competition. To address these issues, we will increase investment in developing new products and penetrating new markets. By enhancing our branding efforts and more effectively utilising channel resources, we will strive to improve the flexibility and capability of our operations. In general, we will formulate strategies for capturing opportunities created in response to the fast-changing operating environment. At the same time, we will continue to stabilise production costs and look for strategic collaboration opportunities. In this way, we trust that we will be able to strengthen and effectively execute sales strategies in an increasingly open market, including in Vietnam where economic growth has been stabilising. This will facilitate further expansion into different business sectors and markets. Leveraging our strong business foundation, our operations will develop and grow in a suitable and positive manner. We are aware of the changing operating environment and the opportunities presented to the Company, as well as the responsibilities that it bears. The management at every level will therefore execute strategies in a pragmatic and prudent manner, with the aim of achieving further breakthroughs and milestones in terms of its business performance and overall development.

By Order of the Board  
**Yang Tou-Hsiung**  
*Chairman*

27 March 2018

我們體會到目前經營環境與市場競爭仍充滿快速變化的特性，展望二零一八年，面對世界經濟持續的增長，雖然存在許多機會，然而在集團的營運上，雖然仍會面臨原料上漲，市場競爭的態勢，但是集團將更大腳步投入新產品新市場的發展，藉由擴大品牌的效益，善用通路的資源，提升經營的彈性與機動性，擬訂相關的策略，以掌握時機及因應快速變化的經營環境。同時，集團將持續努力穩定生產成本，加速新產品發展或策略聯盟的腳步，這才能在越南開放市場與經濟穩定增長下，強化並發揮業務銷售策略，同時也將有機會對於各事業領域與市場，進一步的拓展。集團也相信，在目前的經營基礎下，經營將持續朝向正面與成長的方向發展。而集團管理層，亦深切體會處於多變的環境中，公司的契機與所肩負之責任，將會以開創的眼光與積極的態度，務實並謹慎地來執行集團擬具之各項營運策略，努力對集團的業績與經營有更高的突破與發展。

承董事會命  
主席  
**楊頭雄**

二零一八年三月二十七日



# STANDING OUT IN A SPECIALISED 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。



### I. BUSINESS OVERVIEW

The global economy has rebounded gradually in 2017 with a broad-based worldwide recovery. The employment situation and the labour market have continued to show improvement, trading of bulk commodities and various raw materials has picked up and pushed up prices, and international trade has revived to end the continuous declining trend in the global economic growth rate. Forecast data issued by International Monetary Fund (IMF) indicated that global Gross Domestic Product (GDP) growth rate was higher in 2017 when compared with the same period in 2016. GDP in key economies including the US, the Eurozone and Japan has also generally increased, while emerging markets and developing economies are expected to experience their first GDP growth in seven years. Growth in global trading volume was satisfactory in 2017, and the recovery of international trade has become an important gear driving global economic growth. After remaining nearly stagnant in the past decade, the global economy has finally shown a clearer albeit mild inflection point. A number of economic analysis reports mentioned that the global financial crisis has essentially come to an end and the global economy is gradually entering into a long cycle of recovery.

In Vietnam, the GDP growth rate in 2017 was 6.81%, higher than its 6.7% target for the year. During the third and fourth quarters, its economic growth exceeded 7%, and, on average, the CPI was 3.53% higher than that in 2016. Besides, Vietnam set a new record in import and export trading volume in 2017, exceeding US\$400 billion for the first time. Total exports and total imports increased by 21.1% and 20.8% year-on-year respectively, both representing the largest respective increases over several years. Investment capital lending rose 10.8% year-on-year at US\$17.5 billion, reaching the highest level in history. Total capital arising from registration of new enterprises invested by foreign investors, an increase in capital injection and acquisition of equity interest by foreign investors grew by 44.4% year-on-year. Foreign exchange reserves also surged to a historic high and the growth in Vietnam's stock market was the highest in Asia. These outstanding performances plus the relatively stable interest rate and exchange rate have combined to create a prosperous year for Vietnam's economy in 2017.

### 一、業務總覽

二零一七年世界經濟普遍逐步復甦，就業勞動市場持續改善，大宗商品與各種原料交易逐步轉趨活躍，價格上揚，國際貿易加速，結束全球經濟增長率連續下降的趨勢。國際貨幣基金組織(IMF)預測數據顯示，二零一七年世界國內生產總值(GDP)增長率同比前期上升。美國、歐元區和日本等主要經濟區域的GDP亦普遍提升，新興市場與發展中經濟體GDP亦有望實現七年以來的首次回升。二零一七年全球貿易量增長良好，國際貿易復甦已成為全球經濟提速換擋的重要動力。全球經濟經過近10年於底部徘徊，出現了較為清晰卻微弱的拐點，多篇經濟分析報告亦提到，國際金融危機基本上已經結束，世界經濟將逐漸進入復甦的長周期。

越南二零一七年GDP成長率為6.81%，超過預定增長6.7%之目標，其中，第三季度及第四季度的經濟成長率超過7%，而平均CPI比二零一六年平均上漲3.53%。另外，二零一七年越南創造了進出口貿易額的新紀錄，進出口貿易總額首次衝破4000億美元大關，出口總額同期相比增長21.1%，進口總額增長20.8%，兩者均是多年來增幅最大的一年。同時投資資金放款為175億美元，同比增長10.8%，亦為歷年來放款最高的一年。而外商投資的新增企業註冊、增加註資及收購股權等的資金總額同比增長44.4%，外匯存款創新高，越南股市在亞洲國家中漲幅最大，且利率與匯率相對地穩定，故二零一七年可以說是越南經濟取得良好成果的一年。

### I. BUSINESS OVERVIEW (continued)

The recovery and invigouration of the global and Vietnamese economies was also accompanied by more intense competition and rises in raw material and energy prices. The Group saw both growth and decline in its main products. For example, growth in demand for specialty chemicals, fertilisers and feed products pushed up sales, while competition in the MSG, modified starch and maltose product markets led to drop in revenue and gross profit of these products. In 2017, the Group's turnover decreased by 1.5% or US\$4,835,000 year-on-year to US\$322,805,000; gross profit decreased by 13.8% or US\$10,893,000 year-on-year to US\$68,137,000, with the overall gross profit margin was down from 24.1% in 2016 to 21.1%. The Group's net profit for the year declined by 16% or US\$3,495,000 year-on-year to US\$18,738,000, with net profit margin down from 6.8% to 5.8% year-on-year. The drop in price of some of its products due to market competition and the increase in energy costs caused a slight decrease in the Group's revenue and profit during the period.

Looking at 2018, it is generally forecast that the global economy will maintain its growth trend but still faces certain challenges. The unstable political environment in the Middle East and East Asia, and the potential disasters caused by extreme weather events, as well as the general economic factors such as rising trade protectionist sentiment in different countries, the monetary policies of the US Federal Reserve and the European Central Bank, changes in energy prices, inflation and market competition resulting from excess production capacity will affect the Group's operation in varying extents. Facing such uncertainties, the Group will prudently and proactively implement strategies aiming to strengthen its businesses, control production costs and develop new products and new markets in order to raise revenue and profitability.

### 一、業務總覽(續)

雖然在全球及越南經濟面貌呈現復甦與活躍的情況下，另一方面也帶來競爭的增加與原物料與能源價格的上漲。綜觀集團主要產品互有漲跌，如特化產品、肥飼料因需求上升而銷售增加；味精、變性澱粉與麥芽糖等因市場競爭，營收與毛利則減少。二零一七年期內集團本期營業額達322,805,000美元，較去年減少1.5%或金額4,835,000美元；毛利達68,137,000美元，較去年減少13.8%或金額10,893,000美元；集團總體毛利率由二零一六年24.1%降至21.1%；集團淨利18,738,000美元，與較去年減少16%或金額3,495,000美元；淨利率則由同期6.8%降至5.8%。由於市場競爭，集團部份產品調降售價，且能源成本提升，致使集團於本年之營收和獲利均略為下降。

二零一八年度，預測全球經濟總體仍將保持成長的態勢，但同時也存在一些挑戰，除中東及東亞區域不穩的政治局勢與及極端氣候可能引發災難外，經濟上如各國貿易保護主義、美聯儲和歐盟央行對貨幣政策的調控、能源價格變化及通貨膨脹等總體因素仍然存在，加上由產品產能過剩所造成之市場競爭，均將對經營環境產生不同程度的影響。而有鑒於此等不穩定的變數，集團將以謹慎的態度，積極的策略，致力於業務之強化與生產成本之掌控以及新產品、新市場之開拓，以期提高營收與獲利。



II. BUSINESS ANALYSIS

(I) Sales Analysis by Market

二、營業分析

(一) 市場銷售分析

Unit: US\$'000

單位：千美元

Country	國家	2017 二零一七年		2016 二零一六年		Difference 差異	
		Amount 金額	%	Amount 金額	%	Amount 金額	%
Vietnam	越南	162,986	50.5%	160,615	49.0%	2,371	1.5%
Japan	日本	64,199	19.9%	66,793	20.4%	-2,594	-3.9%
The PRC	中國	29,056	9.0%	31,853	9.7%	-2,797	-8.8%
ASEAN	東盟國家	31,792	9.9%	32,422	9.9%	-630	-1.9%
US	美國	16,761	5.2%	19,042	5.8%	-2,281	-12.0%
Others	其他	18,011	5.5%	16,915	5.2%	1,096	6.5%
Total	合計	322,805	100.0%	327,640	100.0%	-4,835	-1.5%

1 Vietnam

During the period, turnover from Vietnam amounted to approximately US\$162,986,000, an increase of 1.5% or US\$2,371,000 when compared with 2016. The growth in revenue was mainly because of the gradual improvement in overall economic sentiment in Vietnam. Sales volume and selling price, and hence turnover of soda products, fertilisers and feed products were boosted as market demand for these products increased. In contrast, revenue of MSG, hydrochloric acid and starch products dropped slightly due to import price competition among industry peers. The Group is actively exploring sales opportunities in the consumer food sector in a bid to capture the fast growing consumer product market, as well as consolidating its sales channels to enhance efficiency and increasing promotion of new products. As a result, the share of the Group's revenue generated from the Vietnamese market rose from 49.0% in 2016 to 50.5%.

1 越南市場

本期內，越南市場營業額約162,986,000美元，較二零一六年增加1.5%或金額2,371,000美元。營收增加主要由於越南整體經濟景氣逐漸好轉，蘇打產品與肥飼料產品因市場需求增加，使銷售量與售價上升，營業額亦隨之增加。但味精、鹽酸與澱粉產品卻因同業進口價格競爭而營收略為下滑。集團目前也積極佈局消費食品之銷售商機，藉以投入發展迅速的消費品市場，同時整合銷售通路效率，強化新產品的推廣。越南市場營收於集團營收佔比由二零一六年49.0%增至50.5%。

### II. BUSINESS ANALYSIS (continued)

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

##### 2 Japan

During the period, revenue from the Japan market decreased by 3.9% or US\$2,594,000 year-on-year to US\$64,199,000, and the country remained as the second largest geographic sales market of the Group. The decrease in revenue was mainly due to the lower price of modified starch and the adjustment of product items, which caused the sales amount to drop. Revenue from the Japan market occupied 19.9% of the Group's total revenue during the period, which was slightly lower than 20.4% in 2016.

##### 3 The PRC

Revenue from the PRC market reached US\$29,056,000 during the period, representing a decrease of US\$2,797,000 or 8.8% from 2016. Its share in the Group's total revenue was reduced from 9.7% in 2016 to 9.0%. The decrease was mainly because the competition in the modified starch and MSG markets brought down product selling prices, and the Group decided to avoid a price war and maintain the selling price and profit at a certain level to maintain profitable operations. Although the revenue decreased, the profit was still higher than the preceding year. The Group is consolidating its sales network and developing more new high value-added products in a bid to raise its performance and market share.

### 二、營業分析(續)

#### (一) 市場銷售分析(續)

##### 2 日本市場

日本市場期內之營業額達64,199,000美元，比二零一六年減少3.9%或金額2,594,000美元，仍為集團第二大銷售市場。營收減少主要由於變性澱粉價格下調與調整品項所致，致使銷售額減少。日本市場期內營收佔比為19.9%，略低於二零一六年之20.4%。

##### 3 中國市場

本期中國市場營收為29,056,000美元，較二零一六年減少8.8%或金額2,797,000美元，營收佔比由二零一六年9.7%降至9.0%。營收減少主要也是由於變性澱粉與味精市場的競爭，產品售價下跌，而集團為維持獲利，避免陷入市場之價格競爭，維持一定的售價與利潤，故此雖然其營業額減少，但獲利仍較去年增加。集團亦正整合銷售網絡與開拓較高附加價值之新產品，以繼續提升業績及市場份額。

### II. BUSINESS ANALYSIS (continued)

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

##### 4 ASEAN member countries

During the period, revenue from ASEAN member countries, excluding Vietnam, decreased by 1.9% or US\$630,000 year-on-year to US\$31,792,000, and its contribution to the Group's total revenue remains at 9.9%. The decrease in revenue during the period was mainly because the revenue of MSG moderately declined due to price competition, but the sales of MSG and maltose had already rebounded slightly due to higher demand. As for the ASEAN market, the Group reinforced its market channels and actively developed new markets thereby managing to secure new customers. The market has replaced the PRC market as the Group's third largest geographic market as the Group is proactively setting up its presence there. The Group plans to establish a subsidiary in Cambodia, with the aim to enhance the business team, further develop the market and expand the sales network and structure of the Group's market in ASEAN.

##### 5 The US

Revenue from the US market reached US\$16,761,000 in the period, a decrease of US\$2,281,000 or 12.0% from US\$19,042,000 in 2016. The reduction in revenue was mainly due to lower selling prices of MSG products and slowing sales of maltose which was caused by decreasing demand from distributors. Its contribution to the Group's total revenue was down from 5.8% to 5.2%.

### 二、營業分析(續)

#### (一) 市場銷售分析(續)

##### 4 東盟市場

本期東盟市場，除越南之外，營收為31,792,000美元，較二零一六年減少1.9%或金額630,000美元，佔集團總營收維持為9.9%。期內營收減少主要由於味精營收因競爭降價而稍微減少，而肥料與麥芽糖因需求增加，銷售已略為提升。對於東盟市場，集團致力鞏固市場通路，積極開發新市場及新客戶。東盟市場已取代中國市場成為集團第三大市場，集團也正積極佈局，並計劃於柬埔寨設立附屬公司，以強化業務團隊，再一步深耕市場，同時延伸東協之銷售網絡架構。

##### 5 美國市場

美國市場期內營收16,761,000美元比二零一六年19,042,000美元減少12.0%，金額2,281,000美元。主要由於味精產品銷售價格下調，麥芽糖產品銷售因代理商客戶需求稍為放緩，致使營收減少。美國營收對公司佔比由5.8%降至5.2%。



II. BUSINESS ANALYSIS (continued)

(I) Sales Analysis by Market (continued)

6 Other regions

In other regions, mainly including Taiwan, Korea and the European Union ("EU"), total revenue during the period rose by 6.5% or US\$1,096,000 to US\$18,011,000, compared with US\$16,915,000 in 2016. Its proportion in the Group's total revenue increased from 5.2% to 5.5%. The increase in revenue was mainly contributed from higher product sales of fertilisers and MSG.

(II) Sales Analysis by Product

二、營業分析(續)

(一) 市場銷售分析(續)

6 其它市場

其他市場主要為台灣、韓國及歐盟市場，本期合計營收達18,011,000美元，比二零一六年16,915,000美元增加6.5%或金額1,096,000美元，佔集團總營收由5.2%增至5.5%。營收增加主要由於肥料及味精等產品的銷售增加所致。

(二) 產品銷售分析

		Unit : US\$'000				單位：千美元	
Item	項目	2017 二零一七年		2016 二零一六年		Difference 差異	
		Amount 金額	%	Amount 金額	%	Amount 金額	%
MSG/GA	味精／谷氨酸	220,491	68.3%	228,893	69.9%	-8,402	-3.7%
Modified starch/ Native starch	變性澱粉／ 天然澱粉	34,005	10.5%	40,393	12.3%	-6,388	-15.8%
Specialty chemicals	特化產品	29,012	9.0%	22,518	6.9%	6,494	28.8%
Fertilisers and feed products	肥料與飼料	18,425	5.7%	15,613	4.8%	2,812	18.0%
Others	其他	20,872	6.5%	20,223	6.1%	649	3.2%
Total	合計	322,805	100.0%	327,640	100.0%	-4,835	-1.5%

1 MSG/GA

During the period, the revenue from MSG and GA amounted to US\$220,491,000, a decrease of 3.7% or US\$8,402,000 from 2016. The drop in the revenue from MSG was mainly because the Group realised there was fierce competition in major markets and lowered the selling prices and sales volume of MSG products in certain markets, so various markets recorded differing extents of reduction. In general, the contribution from the MSG and GA to the Group's total turnover decreased from 69.9% in 2016 to 68.3%. However, these items remained as the Group's most important products.

1 味精／谷氨酸

期內味精和谷氨酸營收220,491,000美元，較二零一六年減少3.7%或金額8,402,000美元。味精營收減少主要是由於幾個主要市場價格較為競爭，集團因應市場的競爭態勢，在不同市場地區，分別下調部份市場之味精售價與銷售量，導致營收於各市場有不同程度的減少。整體而言，味精和谷氨酸佔集團總營收由二零一六年69.9%降至68.3%，但仍然是集團的主力產品。

### II. BUSINESS ANALYSIS (continued)

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

##### 2 Modified starch/Native starch

The drop in the materials cost of starch during the period was conducive to controlling costs. However, fierce price competition in most of the markets, particularly in the PRC and Japan, resulted in a sharp decrease in selling prices of certain products, and the revenue dropped accordingly. The Group's revenue from modified starch and native starch during the period dropped by 15.8% or US\$6,388,000 year-on-year to US\$34,005,000 as the selling prices of modified starch obviously decreased in different markets. As a result of the drop in revenue, the contribution from starch products to the Group's total revenue also declined from 12.3% to 10.5%.

##### 3 Specialty chemicals/Fertilisers and feed products

The Group's specialty chemicals including hydrochloric acid, soda and bleach are sold in the Vietnam market. During the period, driven by steady economic growth in Vietnam, the demand for basic chemicals increased, resulting in a notable surge of sales volume of this product category when compared to 2016. Revenue from specialty chemicals climbed by 28.8% or US\$6,494,000 year-on-year to US\$29,012,000 while the contribution to the Group's total revenue rose from 6.9% to 9.0%.

As for fertilisers and feed products, subsequent to the short-term drop of demand for the former due to agricultural products in different regions being adversely affected by the weather in 2016 and the over-supply of chemical fertilisers, the demand gradually picked up in 2017, particularly in the Vietnamese and ASEAN markets. Although selling prices remained within the low price range of 2016, sales volume surged significantly. The Group's revenue from fertilisers and feed products increased by 18% or US\$2,812,000 year-on-year to US\$18,425,000 and its contribution to the Group's total revenue rose from 4.8% to 5.7%.

### 二、營業分析(續)

#### (二) 產品銷售分析(續)

##### 2 變性澱粉／天然澱粉

本期澱粉原料價格下降，雖然有利於成本控制，但於大部份市場，尤其在中國、日本等市場之價格競爭激烈，導致部份產品之售價大幅下滑，營收也隨著減少。集團期內變性澱粉與天然澱粉產品營收達34,005,000美元，比二零一六年減少15.8%或金額6,388,000美元，變性澱粉在各市場的銷售均有較大幅的價格下降調整。因營收減少，澱粉產品佔集團總營收由12.3%降至10.5%。

##### 3 特化產品／肥飼料產品

特化產品包括鹽酸、蘇打、漂白水均在越南銷售。期內因越南經濟穩定成長，基礎化學產品需求增加，銷售量較二零一六年大幅增加，特化產品營收達29,012,000美元，較二零一六年增加28.8%或金額6,494,000美元，佔集團總營收由6.9%增至9.0%。

至於肥飼料產品，經過二零一六年受氣候影響，各地農作物收成受到波及，肥料短期需求下降，以及化學肥料產能過剩所影響，二零一七年需求已逐漸回升，尤其越南、東盟國家尤為明顯。雖然價格仍維持在二零一六年的低價範圍，但銷售量已明顯增加，集團肥飼料產品營收達18,425,000美元，較二零一六年增加18.0%或金額2,812,000美元，佔集團總營收由4.8%增至5.7%。

### II. BUSINESS ANALYSIS (continued)

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

##### 4 Other products

Other products principally include the new products and trading products business that the Group operates in Vietnam and the PRC. Revenue reached US\$20,872,000, up 3.2% or US\$649,000 year-on-year, thanks to higher revenue from trading products in the PRC and Vietnam. The contribution from other products to the Group's total revenue increased from 6.1% to 6.5%.

The amylase products including maltose that the Group has launched in recent years generated revenue of US\$10,177,000 in 2017. The decrease of US\$637,000, or 5.9% recorded year-on-year is believed to represent a short-term adjustment of product items. The Group is highly confident in the potential of this product and its quality has increasingly gained recognition from its customers. Thus, the Group is developing related products, so as to broaden the scope of its business and the source of its profitability.

### 二、營業分析(續)

#### (二) 產品銷售分析(續)

##### 4 其他產品

其它產品主要為集團於越南與中國區所經營之新產品與代理品，營收達20,872,000美元，比二零一六年增加3.2%或金額649,000美元。營收增加主要是中國區與越南之代理銷售產品營收增加，此等其他產品佔集團總營收由6.1%增至6.5%。

集團近年新推出的麥芽糖等澱粉糖產品，二零一七年營收達10,177,000美元。雖然較去年同期減少5.9%或金額637,000美元，但主要為產品品項的短期調整，集團對此產品發展潛力深具信心，且品質亦逐漸受到客戶肯定，目前正開發更多元的相關品項，以擴闊其營業範圍與獲利來源。

### III. MAJOR RAW MATERIALS/ENERGY OVERVIEW

#### (1) Cassava

During the harvest season of 2016 to 2017, the material costs of cassava and starch dropped due to an abundant cassava harvest in Vietnam and Thailand, which was favourable to the Group's production costs during the period. However, the selling prices of cassava starch-related products also decreased accordingly. The relatively lower price of cassava in 2017 reduced farmers' incentive to grow cassava, while the extended rainy season of Thailand and the pests plaguing the plantations of Northern Thailand also contributed to a drastically lower harvest. Therefore, the significantly lower harvest has acted to boost the price of cassava, and the material costs of cassava starch is expected to surge in Vietnam in 2018.

#### (2) Molasses

The global molasses market experienced a shortage in 2016/2017. The growth in production capacity fell significantly short of the demand, so the stock dropped to the lowest level since 2010/2011. However, after entering the production season of 2017/2018, the supply balance started to change. Regarding the global molasses production volume, the weather in the regions that grow the prolific beetroot and sugar cane was good and the sugar factories in Brazil reduced the production of ethanol, so more sugar cane can be used to produce sugar, which boosted the production volume of sugar and molasses. The production volume of sugar in Thailand recovered from the impact of El Nino and rose 17% quarter-on-quarter to a new high. As the sugar market continued to enjoy the free flow of goods after the EU called off the restriction of Common Agricultural Policy (CAP), and with the abundant harvest resulting from good weather, the supply of beetroot molasses increased. According to a report from the International Sugar Organisation, the production volume of sugar increased by around 6.6% in the production season of 2017/2018 but the consumer demand for sugar only climbed around 1.7%, so an excess of supply is expected in the global sugar market. The price of molasses might remain stable in 2018. However, due to the implementation of biomass alcohol policies in India, Thailand, Pakistan and the PRC whereby part of the sugar beet supply is switched from molasses to production of biomass alcohol, the supply and demand, as well as the price of molasses may be adversely affected.

### 三、主要原料／能源概況

#### (一) 木薯

於二零一六至二零一七年的產季，越南與泰國木薯豐收，使得木薯與澱粉原料價格下滑，此等原料價格下降對集團本期生產成本有利。但，同時也使得木薯澱粉相關的產品項目價格下滑。同時，也因為二零一七年木薯價格偏低，導致農民種植木薯意欲降低，加上泰國雨季增長與其北部種植區發生病虫害，使得收成銳減，產量大幅下滑，木薯價格上漲，故預期二零一八年越南木薯澱粉原料價格亦將大幅上揚。

#### (二) 糖蜜

世界糖蜜市場於二零一六／二零一七年供不應求，產能增加，但增加速度低於需求之增加，存貨為二零一零／二零一一年來最低。但進入二零一七／二零一八年產季，供需格局開始轉變，世界糖蜜產量由於高產量的甜菜及甘蔗的生產地區氣候條件良好，且因巴西糖廠減少乙醇生產，更多甘蔗用以榨糖，導致糖和糖蜜的生產量增加。泰國自聖嬰氣候現象復甦糖產量創新高記錄，比上一季度增加17%，歐盟由於取消農業改革(CAP)的限制，糖市場自由化，再加上良好的氣候，帶來豐收，進而促使甜菜糖蜜供應數量增加。根據國際糖業組織(International Sugar Organization)報告，二零一七／二零一八年產季糖產量增加約6.6%，但糖消費需求僅增加約1.7%，全球糖市預計將有過剩，故糖蜜價格於二零一八年也預計有機會維持穩定。惟印度、泰國、巴基斯坦和中國，這些國家因應其國內的生質酒精政策，導致部份糖蜜將轉用於生產生質酒精，此將潛在牽動糖蜜供需與價格。



III. MAJOR RAW MATERIALS/ENERGY OVERVIEW  
(continued)

(3) Energy

As for the major sources of energy in the world, oil, natural gas and thermal coal followed similar trends. In the first half of 2017, the prices were stable, but began to rise in the second half, particularly for oil and thermal coal which even surged to the highest level in three years. The main reasons behind the surge included the strong demand in Asian countries and continuous negative news from main fuel-producing countries, for instance, the policies of capacity reduction and mining hour regulations in the PRC, the cyclones in Australia, persistent downpours in Indonesia, etc. Despite the trading volume of coal in Europe and South Africa dropping substantially in 2017, the austerity measures for the coal industry have gradually changed from “reduction of excessive capacity and restriction on output” in 2016 to “securing supply and stabilising coal prices” in 2017. In the coal industry, the PRC and India have greater influence on the demand of the global coal market as the aggregate consumption of these two emerging economies accounted for 61.6% of global consumption (coal consumption in Asia accounted for 73.8% of global consumption). The demand of these two large consumers should not change too much in the short term, so the coal price is expected to remain at a high level in 2018.

With regard to the cost of electricity, no adjustment was made to the electricity tariff in Vietnam in the first half of 2017. However, under the pressure of rising coal prices, Electricity of Vietnam announced that the electricity tariff would rise by 3.17% effective from 1 December 2017, the first such increase within the past three years. In spite of this situation, with its new energy system commencing operation, the Group has increased the use of self-generated electricity. Hence, the upward adjustment of electricity tariff had only an insignificant impact on the Group.

三、主要原料／能源概況（續）

（三）能源

世界主要能源，原油、天然氣與動力煤走勢大致相同。二零一七年上半年價格呈現穩定狀態，下半年則是一路走強，尤其是原油及動力煤均突破年度最高點，甚至是3年來的最高價格水平。主要原因來自亞洲區國家的需求量增加及主要供應國家的不利狀況頻傳所致，如中國的去產能及採礦工時控制等政策、澳大利亞的颶風、印尼的連續性大雨等等影響。儘管二零一七年歐洲及南非的煤炭交易量大幅度下跌，二零一七年煤炭行業調控政策已經由二零一六年的「去產能，限產量」逐漸調整為「保供應，穩煤價」。在煤炭行業中，中國、印度較大幅度影響全球煤炭市場需求，這兩大新興經濟體合計消費佔比全球61.6%（亞洲區的煤炭消費量佔全球73.8%），短期內此兩大消費國需求，應不會有太大變化，故可預期二零一八年煤炭價格將持續維持於一定之高價位水平。

在電價方面，二零一七年上半年越南電價雖不調整，但在煤炭價格持續上升之壓力下，於二零一七年十二月一日起，越南電力集團公佈調漲電價3.17%，這是3年以來第一次越南調漲電價。雖然電價增加，但集團自用新設能源系統後，使用自生產電力增加，故電力價格調漲對集團的影響較為有限。

#### IV. FINANCIAL REVIEW

##### 1. Liquidity and Financial Resources

The Group had cash and cash equivalents, short-term bank deposits and structured bank deposit of US\$69,645,000, US\$18,852,000 or around 21.3% less than that at the end of 2016. Short-term bank borrowings increased by US\$3,286,000 or around 26.0% to US\$15,906,000 compared with that at the end of 2016, while middle-to-long-term bank borrowings declined by US\$4,699,000 or around 19.4% to US\$19,491,000. Total bank borrowings amounted to US\$35,397,000, US\$1,413,000 or around 3.8% less than that at the end of 2016. The borrowings were mainly denominated in US dollars, representing 98.1% of the total borrowing while the remaining 1.9% was in New Taiwan dollars. The proportions of short-term and medium-to-long-term bank borrowings were 44.9% and 55.1% respectively. During the year, net finance income of US\$49,000 was recorded in 2017, while net finance costs of US\$189,000 were recorded in 2016.

Trade receivables were US\$31,651,000, representing an increase of US\$3,658,000 or around 13.1% when compared with that at the end of 2016. Around 57.9% of the trade receivables were due within 30 days. As at 31 December 2017, total inventory was US\$82,868,000, up by US\$17,586,000 or around 26.9% when compared with that at the end of 2016, and included a higher proportion of raw materials.

As the bank borrowings declined, the gearing ratio (total borrowings to total equity ratio) was 12.5%, lower than 13.2% at the end of 2016. Since cash decreased but still exceeded borrowings, net gearing ratio (total borrowings less cash and deposits to total equity ratio) was -12.1%, higher than -18.5% at the end of 2016.

Current ratio was 3.8 at the end of 2017, slightly lower than 4.0 at the end of 2016, while the quick ratio declined from 2.7 at the end of 2016 to 2.2 due to the increase in inventory. Although both the current ratio and the quick ratio dropped, the financial position of the Group remained sound.

#### 四、財務回顧

##### (一) 流動資金和財政資源

集團現金及現金等價物、銀行短期存款和結構性銀行存款為69,645,000美元，比2016年底減少18,852,000美元，約21.3%。而短期借款為15,906,000美元，比2016年底增加3,286,000美元，約26.0%；中長期借款為19,491,000美元，比2016年底減少4,699,000美元約19.4%。借款總額為35,397,000美元，比同期減少1,413,000美元或約3.8%。借款以美元為主，佔98.1%，其餘為新台幣佔1.9%；短期和中長期借款比率為44.9%比55.1%。年內淨財務支出由2016年189,000美元轉為2017年淨財務收入49,000美元。

應收貿易帳款為31,651,000美元，比2016年底增加3,658,000美元，約13.1%，30天期內應收帳款佔約57.9%。存貨總額於2017年12月31日為82,868,000美元比2016年底增加17,586,000美元，約26.9%，其中主要為原料佔較大之比例。

因借款減少，資本負債比（總借款比股東權益）為12.5%，小於2016年底的13.2%；由於現金減少，但仍高於借款，淨資本負債比（總借款扣除現金和存款比股東權益）為-12.1%，高於2016年底的-18.5%。

流動比率2017年底為3.8，稍低於2016年底之4.0，速動比率因庫存增加，由2016年底之2.7降為2.2。雖然流動比率及速動比率均降下，但集團財務結構仍是穩健。

#### IV. FINANCIAL REVIEW (continued)

##### 2. Capital expenditure

During the year, capital expenditure amounted to approximately US\$20,539,000, US\$8,386,000 higher than the capital expenditure of US\$12,153,000 recorded in 2016.

##### 3. Exchange rate

The economy of Vietnam achieved remarkable growth in 2017 and thus the import and export volume significantly increased with a trade surplus, foreign direct investment significantly rose, and the country's foreign exchange reserve surged to a historical high. All these factors has helped stabilise the exchange rate of the Vietnam Dong. The State Bank of Vietnam announced that the Vietnam Dong depreciated by 1.2% in 2017, from 22,159 Vietnam Dong/US dollar at the end of 2016 down to 22,425 Vietnam Dong/US dollar in 2017. However, the general bank and market exchange rates were similar to the end of last year with an appreciation of the Vietnam Dong (the interbank exchange rate of Vietnam Dong appreciated by 30 Vietnam Dong/US dollar when compared with the end of 2016). Entering 2018, the economy of Vietnam is generally expected to achieve continued growth as the export volume and foreign investment are expected to rise, the withdrawal of state capital will boost the supply of foreign currency and the country's foreign exchange reserve will increase. In this regard, the exchange rate of Vietnam Dong to the US dollar is expected to remain stable in 2018.

The Group's subsidiaries in the PRC are mainly engaged in domestic distribution and the transactions there are denominated in RMB. During 2015 and 2016, the median exchange rate of the RMB depreciated by 6%-6.6%. Stepping into 2017, the global economy has continued its recovery, the international financial markets have remained relatively stable, and the PRC economy has demonstrated a clear steady upward growth momentum. The stability, coordination and sustainability of economic development are strengthening, so the RMB is generally likely to continue to appreciate or stabilise this year. The exchange rate of the RMB to the US dollar has appreciated around 6% in 2017, a relatively high increment over past five years.

#### 四、財務回顧(續)

##### (二) 資本支出

年內資本支出共約20,539,000美元，比2016年資本支出的12,153,000美元增加8,386,000美元。

##### (三) 匯率

越南二零一七年因經濟增長表現亮麗，進出口額大幅上升，貿易已呈順差，外國人直接投資放款大增，外匯存底為歷年來新高。這些因素均對匯率穩定有所幫助。越南國家銀行公佈的中心匯率二零一七年貶值1.2%，由二零一六年底的22,159越幣／美元貶值至二零一七年之22,425越幣／美元，不過貿易銀行及市場匯率與去年底幾乎沒有差異，越幣甚至升值（銀行間匯率越幣比二零一六年底升值30越幣／美元）。進入二零一八年，一般預期越南經濟將繼續增長，出口及外國人投資增長，國有資本退出會使外幣供應源豐富，外匯存底增高，預計二零一八年，越幣美元匯率將維持穩定。

集團中國區附屬公司主要以中國國內銷售為主，交易以人民幣計算。二零一五年及二零一六年人民幣中間價貶值6%-6.6%。進入二零一七年，全球經濟總體延續復甦態勢，國際金融市場相對穩定，中國經濟穩定向好態勢將更趨明顯，經濟發展的穩定性、協調性和可持續性增強，綜觀人民幣今年整體仍維持走升或穩定格局。二零一七年人民幣兌美元升值約6%，是近5年以來的較高之升幅。

### IV. FINANCIAL REVIEW (continued)

#### 4. Earnings per share and Dividends

Basic earnings per share were 1.25 US cents during the period. The Board has resolved to declare the payment of a final dividend of 0.443 US cents per share. The dividend payout ratio was 60%.

### V. PROSPECTS

Looking ahead to 2018, in face of the changing global backdrop and shifting economic trends, although the Group is optimistic about the projections of global economic growth, as excessive capacity still exists in many commodities, the price competition in the market is expected to continue. Moreover, factoring in the uncertainties from the policies of major countries around the world, future economic conditions and trends are likely to become more complicated.

Nevertheless, the Group has reinforced its operational structure in recent years, by securing a stable supply of raw materials, improving production efficiency, stabilising production costs and strengthening its marketing and business development activities including developing new products, new markets and new customers. All of these efforts have brought a measure of encouraging success. Despite the uncertainty in the future, the Group will continue to adhere to its development strategies and adopt measures to ensure that these strategies are well-implemented, highlighted by the following:

- Product lines will be restructured in order to raise the proportion of high value-added products. The number of low gross profit items will be reduced to maintain reasonable profitability of products and, in turn, operations.
- New products are to be actively developed while the Group strengthens its business in new markets. The Group will increase the number of new agents and customers through strengthening its business structure. Meanwhile, it will enhance the existing distribution channels and maximise the branding efforts so as to further reinforce its business development.
- The Group will actively diversify the sources of raw materials and will strengthen and secure the procurement of critical materials in bulk.

### 四、財務回顧(續)

#### (四) 每股基本盈利和股息

本期每股基本盈利為1.25美仙。董事會決定派發末期股息每股0.443美仙。派息率為60%。

### 五、展望

展望二零一八年之發展，面對全球性景氣與經濟形勢的變化，雖然集團對全球經濟將增長預測抱持樂觀的態度，但仍可觀察到尚有眾多品項產品的產能仍然過剩，仍存在供大於求的情況，預期價格的競爭仍將存在。另外，面對全世界各主要大國的政策面不確定的影響，將使未來的經濟情勢變化更形複雜。

近年來，集團執行各項紮根的基礎工作，掌握穩定原料供應，提升生產效率，穩定生產成本，強化行銷與業務的拓展，開發新產品新市場新客戶，已可見初步改善成效。展望未來，集團雖仍面臨經營的不確定性，但仍將積極落實既定的發展策略，強化落實力度，持續推動進行，其中包括：

- 透過產品線的重新組合，提升高附加產品的比重，減少低毛利品項，以維持產品的合理利潤。
- 積極投入進行新產品開發，提升新市場的業務；透過業務組織的強化，增加新代理、新客戶的拓展；同時再深耕目前既有的市場通路，並延續與發揮品牌效益，以再強化集團整體業務的拓展。
- 積極進行多元化原料使用，再強化並靈活掌握關鍵大宗原料來源。



### V. PROSPECTS (continued)

- The Group will continue to upgrade production technology in order to improve the production efficiency. At the same time, it will also increase capital expenditure to expand the production scale of high-potential products and implement energy-saving measures.
- The Group will develop customised production techniques and enhance the production scale of new products by more effectively utilising its resources, collaborating across different industries and with different customers, conducting regular evaluations of its partnerships and working more closely with customers. More products from third parties will be introduced to fulfill customers' needs in a segmented market and to bolster offerings to niche markets.
- Based on the strategy of "co-opetition", the production base in Vietnam will be used to develop markets in ASEAN and Free Trade Agreement (FTA) nations, enabling the Group to develop new businesses with added value.
- Business footholds will be set up in ASEAN countries to extend its business network from Vietnam, explore business opportunities for the Group's products, broaden its brand influence and eventually expand its business presence across the region.
- By strengthening its financial management, the Group can enhance efficiency and optimise the asset utilisation rate. Steps will also be taken to mitigate the risk of foreign exchange and interest rate fluctuations amidst the potential for increased turbulence in financial markets.

To conclude, the Group will maintain flexibility at the operating level to cope with the rapidly-changing business environment. Apart from maintaining fundamental operations, the Group will also devote greater efforts to formulate appropriate strategies for new environments. While the current situation presents many challenges, there are still many development opportunities. The management is confident that by implementing strategies based on its solid foundation cautiously and prudently and continuing to proactively capture opportunities, the Group will achieve further development and advances in its operations and its business.

### 五、展望(續)

- 繼續提升技術以不斷改善生產效益，同時再增加投入資本支出，擴充潛力產品的生產規模，並持續推動節能省電專案。
- 運用集團資源，結合同業異業，持續與加強策略聯盟之檢討；緊密結合客戶，並朝向客制化生產開發，以提升新產品規模；並引進多樣化代理產品，滿足分眾市場客戶需求，強化利基市場。
- 以競合策略為基礎，利用越南生產基地，積極發展東協市場與有簽訂自由貿易協定(FTA)的合作市場，拓展相關具有價值優勢的新事業。
- 進行前進東盟國家設立營運據點，以延伸業務與行銷網絡，開創產品商機，延伸品牌力度，擴增公司的事業版圖。
- 強化財務管理，在提升效益的同時，致力資產使用效率極大化，並對於金融市場振盪幅度增大之際，做好匯率及利率的風險管理工作。

隨著經營環境變化快速，經營層面將保持彈性靈活的行動方案，除落實經營基本工作之外，面對新環境而延伸的策略，更將積極投入，展望目前局勢，雖有挑戰，卻仍存在許多發展機會。經營層相信在運用既有的經營基礎，並以謹慎的態度，落實的執行各項策略，並積極有效率機動彈性的把握機會，以期集團營運有更一步的突破與發展。



**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、東盟國家、日本以及美國等市場亦錄得強勁的銷售增長。



## Profile of Directors, Senior Management and Company Secretary 董事、高級管理層及公司秘書簡介

### EXECUTIVE DIRECTORS

**Mr. YANG, Tou-Hsiung**, 75, the Chairman and an Executive Director of the Company. Mr. YANG, Tou-Hsiung graduated from Taichung Min Der Commercial Vocational High School. Mr. YANG, Tou-Hsiung has approximately 55 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 Vedan Vietnam, Taiwan Vedan, Billion Power Limited and King International Limited. Mr. YANG, Tou-Hsiung is also an executive director of Taiwan Amino Acid Manufacturers Association.

**Mr. YANG, Cheng**, 63, an Executive Director of the Company. Mr. YANG, Cheng had approximately 42 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 Taiwan Vedan, Billion Power Limited and King International Limited. Mr. YANG, Cheng is presently the Chairman of Vedan Culture and Education Foundation, one of the advisers to the Taichung City Government, the commissioner of Industrial Development and Investment Promotion Committee of Taichung City, the executive director of Chunghwa Real Property Research Association, Executive director of New Taiyuan Urban Development Association and the supervisor of Taichung Culture & Education Foundation. Mr. YANG, Cheng obtained an EMBA Degree from Xiamen University in the PRC in 2004.

**Mr. YANG, Kun-Hsiang**, 60, the Chief Executive Officer of the Company. Mr. YANG, Kun-Hsiang is responsible for overseeing the Group's operations and strategic management. Mr. YANG, Kun-Hsiang obtained a master degree in agricultural chemistry from Meiji University, Japan. Mr. YANG, Kun-Hsiang has been involved in the development of the business operations of Vedan Vietnam since 1991. Mr. YANG, Kun-Hsiang is currently a director and President of Vedan Vietnam and also a director of Taiwan Vedan, Billion Power Limited and Concord Worldwide Holdings Ltd. Mr. YANG, Kun-Hsiang is also the Chairman of Taiwan Amino Acid Manufacturers Association and Mr. YANG, Kun-Hsiang has 31 years' working experience in the MSG industry.

**Mr. YANG, Chen-Wen**, 54, an Executive Director and a director of Vedan Vietnam, Taiwan Vedan, Billion Power Limited, High Capital Investments Limited and also the President of Dan Lian Biotechnology Corporation. Mr. YANG, Chen-Wen has approximately 24 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.

**Mr. YANG, Kun-Chou**, 58, an Executive Director. Mr. YANG, Kun-Chou had approximately 36 years' working experience in the food, beverage and consumer products industry. Mr. YANG, Kun-Chou is a director and Vice President of Taiwan Vedan and is also a director of Vedan Vietnam, Shanghai Vedan, Xiamen Vedan (formerly known as Xiamen Maotai) and Concord Worldwide Holdings Ltd. Mr. YANG, Kun-Chou also holds directorship in Ve Wong Corporation (a company listed on the Taiwan Stock Exchange Corporation) since 28 June 2006.

### 執行董事

**楊頭雄先生**，75歲，本公司主席兼執行董事。楊頭雄先生畢業於台中明德高職，彼在味精行業積累約55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。楊頭雄先生亦是味丹越南、台灣味丹、Billion Power Limited及King International Limited之董事。楊頭雄先生現任台灣胺基酸工業同業公會常務理事。

**楊正先生**，63歲，本公司執行董事。楊正先生在味精行業積累約42年工作經驗。楊正先生負責制訂本集團之業務發展策略。楊正先生亦是台灣味丹、Billion Power Limited及King International Limited之董事。此外，楊正先生現任味丹文教基金會董事長、台中市政府市政顧問、台中市工商發展投資策進會委員、中華不動產研究發展協會常務理事、台中市新太原都市發展促進會常務理事及台中市文教基金會監事。楊正先生於二零零四年取得中國廈門大學EMBA學位。

**楊坤祥先生**，60歲，本公司之行政總裁，負責監督本集團之業務運作及策略管理。楊坤祥先生畢業於日本明治大學，取得農業化學碩士學位。楊坤祥先生自一九九一年起參與味丹越南之發展及管理，現任味丹越南董事兼總經理，亦是台灣味丹、Billion Power Limited及Concord Worldwide Holdings Ltd之董事。此外，楊坤祥先生目前也擔任台灣胺基酸工業同業公會理事長。楊坤祥先生在味精行業積累逾31年工作經驗。

**楊辰文先生**，54歲，執行董事及味丹越南、台灣味丹、Billion Power Limited及High Capital Investments Limited之董事，亦是丹聯生技股份有限公司總經理。楊辰文先生在味精行業積累約24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。

**楊坤洲先生**，58歲，執行董事。楊坤洲先生在食品、飲料及消費產品行業中擁有約36年工作經驗。楊坤洲先生為台灣味丹之董事兼副總裁，亦為味丹越南、上海味丹、廈門味丹（前稱廈門茂泰）及Concord Worldwide Holdings Ltd之董事。楊坤洲先生亦於二零零六年六月二十八日起出任味王股份有限公司（台灣證券交易所上市公司）之董事。



## Profile of Directors, Senior Management and Company Secretary

### 董事、高級管理層及公司秘書簡介

#### NON-EXECUTIVE DIRECTORS

**Mr. HUANG, Ching-Jung**, 64, a Non-executive Director and Chairman of Shanghai Vedan and Xiamen Vedan (formerly known as Xiamen Maotai). Mr. HUANG is also the 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 40 years' experience in administration and finance.

**Mr. CHOU, Szu-Cheng**, 57, a Non-executive Director. Mr. CHOU is the Supervisor of Taiwan Vedan and an Independent Non-executive Director of Shin-Kuen Plastics Co., Ltd. (a publicly-traded company on the Taiwan Stock Exchange Corporation). Mr. CHOU was the founder member of Legalway Law Firm, the director and legal consultant of Wincome Incorporation and a supervisor of Shih-Kuen Plastics Co., Ltd. (a publicly-traded company on the Taiwan Stock Exchange Corporation). He has over 25 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 of Political Science and Law and Doctorate of Law degree from Peking University.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. CHAO, Pei-Hong**, 56, 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 is also a director of Hua Yu Lien Development Co., Ltd (a company listed on the Taiwan Stock Exchange Corporation, formerly known as Fui Industrial Co., Ltd. and was renamed on 19 June 2013) and the Independent Non-executive Director of Force-MOS Technology Co., Ltd (an emerging-stock company on the Taiwan Stock Exchange Corporation). Mr. CHAO has approximately 28 years' experience in his practice.

**Mr. KO, Jim-Chen**, 57, an Independent Non-executive Director and a member of the Audit Committee. Mr. KO 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. KO has been the executive partner of Weyong International CPAs & Co., Certified Public Accountants in Taiwan since 2000. Mr. KO is also the Independent Non-executive Director of Kunyue Development Co., Ltd. (a publicly-traded company on the Taiwan Stock Exchange Corporation). Mr. KO is currently a director of Taichung Season Arts Education Foundation, Taiwan.

#### 非執行董事

**黃景榮先生**，64歲，非執行董事兼上海味丹與廈門味丹（前稱廈門茂泰）董事長。黃先生亦是台灣味丹之副總裁。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40年經驗。

**周賜程先生**，57歲，非執行董事。周先生為台灣味丹之監察人，亦是世堃塑膠股份有限公司（台灣證券交易所上櫃公司）之獨立董事。周先生曾為理維國際法律事務所創辦人之一、懷康科技股份有限公司之董事及法律顧問及世堃塑膠股份有限公司（台灣證券交易所上櫃公司）之監察人，於法律界擁有逾25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**，56歲，獨立非執行董事兼審計委員會成員。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，亦是華友聯開發股份有限公司（台灣證券交易所上市公司，原名：福益實業股份有限公司，於二零一三年六月十九日被重新命名）之董事及力士科技股份有限公司（台灣證券交易所上櫃公司）之獨立非執行董事。趙先生約有28年執業經驗。

**柯俊禎先生**，57歲，獨立非執行董事兼審計委員會成員。柯先生畢業於台灣逢甲大學並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。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。柯先生亦是坤悅開發股份有限公司（台灣證券交易所上櫃公司）之獨立非執行董事。柯先生目前也擔任台灣臺中市四季藝術教育基金會之董事。

## Profile of Directors, Senior Management and Company Secretary 董事、高級管理層及公司秘書簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

**Mr. CHEN, Joen-Ray**, 58, an Independent Non-executive Director and a member of the Audit Committee. 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 Chairman of Ray Wing Research and Investment Corporation and also an Independent Non-executive Director of Vectorite Biomedical Inc. (an emerging-stock company on the Taiwan Stock Exchange Corporation). Mr. Chen has more than 30 years of experience in securities business in Taiwan and was the Vice Chairman and General Manager of Yuanta Securities Investment Consulting Co., Ltd., the Chairman of Concord Capital Management Corp. and the Senior Vice President of Concord Securities Co., Ltd.

**Mr. HSIEH, Lung-Fa**, 64, was appointed as an Independent Non-Executive director and a member of the Audit Committee of the Group on 28 December 2012. Mr. HSIEH obtained a master degree in management from National Chiao Tung University, Taiwan and obtained a doctor degree in business management from National Chengchi University, Taiwan. Mr. HSIEH is presently the President of Commerce Development Research Institute and is also the independent director of Y.C.C. PARTS MFG. CO. LTD. (a company listed on the Taiwan Stock Exchange Corporation) and the representative of legal entity as director of First Commercial Bank. He was the General Manager and the member of remuneration committee of Long Bon International Co., Ltd (a company listed on the Taiwan Stock Exchange Corporation). He was also the supervisor of Taiwan Life Insurance Co., Ltd. Mr. HSIEH has approximately 25 years' working experience in the business management, strategic management and technology management field.

The relationships of the following directors are as follows:

- Mr. YANG, Tou-Hsiung and Mr. YANG, Cheng are brothers.
- Mr. YANG, Kun-Hsiang and Mr. YANG, Kun-Chou are brothers.
- Mr. YANG, Tou-Hsiung and Mr. YANG, Cheng are cousins of Mr. YANG, Kun-Hsiang, Mr. YANG, Kun-Chou, as well as Mr. YANG, Chen-Wen.

### 獨立非執行董事 (續)

**陳忠瑞先生**，58歲，獨立非執行董事兼審計委員會成員。陳先生持有Eastern Illinois State University之工商管理碩士學位，以及國立台灣大學之學士學位。陳先生目前為瑞展產經研究股份有限公司之董事長，亦是鑫品生醫科技股份有限公司（台灣證券交易所興櫃公司）之獨立非執行董事。陳先生於台灣之證券業務擁有逾30年工作經驗，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綜合證券股份有限公司高級副總裁。

**謝龍發先生**，64歲，於二零一二年十二月二十八日獲委任為獨立非執行董事兼本集團審計委員會成員。謝先生持有國立交通大學管理科學碩士學位，及國立政治大學企業管理博士學位。謝先生目前為商業發展研究院院長亦是昭輝實業股份有限公司（台灣證券交易所上市公司）之獨立董事及第一商業銀行股份有限公司之法人董事代表人。彼曾擔任龍邦國際興業股份有限公司（台灣證券交易所上市公司）之總經理及其薪資報酬委員會委員，並曾擔任台灣人壽保險股份有限公司監察人。謝先生於企業管理、策略管理及科技管理方面擁有約25年工作經驗。

以下董事間的親屬關係如下：

- 楊頭雄先生與楊正先生為親兄弟。
- 楊坤祥先生與楊坤洲先生為親兄弟。
- 楊頭雄先生和楊正先生與楊坤祥先生和楊坤洲先生及與楊辰文先生為堂兄弟。

# Profile of Directors, Senior Management and Company Secretary

## 董事、高級管理層及公司秘書簡介

### SENIOR MANAGEMENT

**Mr. NI, Chih-Hao**, 52, the Group's Chief Financial Officer and the Executive Vice President of Vedan Vietnam and Financial Vice President, is responsible for the finance functions of the Group. Mr. NI graduated from University of Oregon, major in finance and marketing, and holds a master degree in business administration from Tunghai University, Taiwan. Mr. NI joined Vedan Group in 1993, and was the senior manager of financial department, vice manager of business and foreign trade department of Vedan Vietnam, special assistant to the chairman, project manager of finance department of Taiwan Vedan as well as the manager of the Group's Taiwan branch. Mr. NI has full qualification in finance, marketing and executive administration, and has accumulated approximately 25 years of working experience.

**Mr. HSIEH, Jau-Hwang**, 67, Chief Strategy Officer of Vedan Vietnam. Mr. HSIEH graduated from the National Cheng Kung University, major in accounting and finance. Mr. HSIEH is responsible for the strategic development and functions of the Group. Mr. HSIEH has approximately 38 years of finance management and banking experience. Mr. HSIEH was financial vice president of Vedan Vietnam and 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. CHAO, Wen-Jui**, 54, general plant manager of the production management department of Vedan Vietnam, is responsible for managing and overseeing all production departments of the company. Mr. CHAO graduated from National Tsing Hua University with a master degree in chemistry. Mr. CHAO joined Taiwan Vedan in 1987, and was the vice plant manager of a recycle plant and the manager of a MSG plant. He joined Vedan Vietnam in 2009 as the vice general plant manager of the production management department. Mr. CHAO has over 28 years of working experience in the MSG and food additive industry.

**Mr. HUANG, Chih-Yuan**, 67, Vice President of food and amino acid business department of Vedan Vietnam, is responsible for the marketing and management functions of the company's amino acid product business. Mr. HUANG graduated from National Tainan Commercial Vocational Senior High School. Mr. HUANG joined Taiwan Vedan in 1988 as business supervisor, and joined Vedan Vietnam in 1993 as the senior manager of food and amino acid business department. Mr. HUANG also served as the head of business department of Ve Wong Corporation, and has over 30 years of sales management experience in the food industry.

### 高級管理層

**倪志豪先生**，52歲，本集團之財務總監及味丹越南執行副總經理兼財務副總經理，負責本集團之財務事宜。倪先生畢業於美國俄勒岡大學，主修財務及行銷，並取得台灣東海大學企業管理碩士學位。倪先生於一九九三年加入味丹企業集團，曾任味丹越南業務部與外貿部副理、董事長特助、財務部協理、台灣味丹財務部專案經理及本集團台灣分公司經理。倪先生在財務、行銷及行政管理各方面擁有完整資歷，累積近25年工作經驗。

**謝朝煌先生**，67歲，味丹越南總經理室之策略長。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策略發展事宜。謝先生於財務管理及銀行方面積累約38年經驗。謝先生曾任味丹越南之財務副總經理，並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。

**趙文瑞先生**，54歲，味丹越南生產管理部之總廠長，負責該公司各生產部門的管理與督導。趙先生畢業於國立清華大學，取得化工碩士學位。趙先生於一九八七年加入台灣味丹，曾任回收廠副廠長及味精廠經理。二零零九年加入味丹越南，擔任生產管理部副總廠長。趙先生在味精及食品添加劑行業累積逾28年工作經驗。

**黃志遠先生**，67歲，味丹越南食品胺基酸事業部副總經理，負責該公司胺基酸產品業務行銷及管理工作。黃先生畢業於國立台南高級商業職業學校。黃先生於一九八八年加入台灣味丹，擔任業務督導，一九九三年加入味丹越南，擔任食品胺基酸事業部協理。黃先生亦曾任味王股份有限公司業務主管，黃先生在食品行銷管理方面累積逾30年工作經驗。



## Profile of Directors, Senior Management and Company Secretary 董事、高級管理層及公司秘書簡介

### SENIOR MANAGEMENT (continued)

**Mr. YANG, Tzu-Chang**, 56, Vice President of specialty chemicals business department of Vedan Vietnam, is responsible for the marketing planning and sales management of the company's specialty chemicals products. Mr. YANG, Tzu-Chang graduated from National Taiwan University, major in economics. Mr. YANG, Tzu-Chang joined Taiwan Vedan in 1991 as the assistant manager of international trading department. Mr. YANG, Tzu-Chang joined Vedan Vietnam in 1996, and was the manager of amino acid business division and marketing planning division. Mr. YANG, Tzu-Chang has over 27 years of sales management experience in the food production industry.

**Mr. KO, Chung-Chih**, 55, Vice President of Vedan Vietnam, is responsible for planning the overall management system and overseeing the administration of the company. Mr. KO holds a master degree in management from National University of Kaohsiung. Mr. KO joined Taiwan Vedan in 1988, and had served as the supervisor of the finance department. He joined Vedan Vietnam in 1991 as the assistant manager of the finance department, and was subsequently promoted to senior manager of the General Manager Office, Corporate Administration Management Division. Mr. KO has 29 years of working experience in finance and administration.

**Mr. ZHUANG, Kuixing**, 50, General Manager of the Group in Chinese mainland region. Mr. ZHUANG graduated from Zhi-Ren School of General Education. He joined Vedan Taiwan in 1997 and had acted as Manager of the Consumer Goods Division and Assistant Vice President to the Agent Products Division successively. Mr. ZHUANG has rich agency sales experience in international brands such as Kinmen Kaoliang Liquor, SPEY Whiskey, Gekkeikan Sake, and Cha Cha Spiced Sunflower Seeds. Mr. ZHUANG has over 22 years' profound sales, operational, and management experience in the food industry.

### 高級管理層 (續)

**楊梓正先生**，56歲，味丹越南企業特化事業部副總經理，負責該公司特化產品行銷企劃及銷售管理。楊梓正先生畢業於國立台灣大學，主修經濟。楊梓正先生於一九九一年加入台灣味丹，擔任國際貿易部副理。一九九六年加入味丹越南，曾任氨基酸事業處、行銷企劃處經理。楊梓正先生在食品製造業從事行銷管理工作逾27年。

**柯宗志先生**，55歲，味丹越南企業副總經理，負責該公司各項管理制度的規劃與行政工作的督導。柯先生畢業於國立高雄大學，取得管理碩士學位。柯先生於一九八八年加入台灣味丹，曾任財務部主任。一九九一年加入味丹越南，擔任財務部副理，期間逐步調升至總經理室與行政管理部協理。柯先生在財務及行政管理方面累積29年工作經驗。

**莊奎星先生**，50歲，本集團（中國大陸）區總經理。莊先生畢業於志仁高級中學。自一九九七年加入台灣味丹，擔任消費品事業部經理及代理品事業部助理副總裁等職務，莊先生對於代理金門高粱酒、SPEY威士忌、月桂冠清酒及洽洽香瓜子等國際知名品牌擁有豐富的行銷經驗。莊先生在食品業之行銷業務及經營管理各方面擁有完整的資歷，累積逾22年工作經驗。

## Profile of Directors, Senior Management and Company Secretary

### 董事、高級管理層及公司秘書簡介

#### SENIOR MANAGEMENT (continued)

**Mr. YANG, Meng-Ta**, 44, senior manager of the Group's Taiwan Branch, is responsible for overseeing various aspects of the finance, business and administrative function of the company. Mr. YANG, Meng-Ta graduated from National Taiwan University with a bachelor degree in civil engineering, and holds a master degree in civil engineering from Pennsylvania State University. Mr. YANG, Meng-Ta is also the director of Vedan Vietnam, Shanghai Vedan and Xiamen Maotai. Mr. YANG, Meng-Ta joined Taiwan Vedan in 2001, and was the supervisor of consumer product business department, international trade department and finance department. He was subsequently promoted to the senior manager of Taiwan branch. Mr. YANG, Meng-Ta has accumulated extensive experience during his service in various departments in the food production industry, and has 17 years of management experience.

#### COMPANY SECRETARY

**Ms. WONG, Wai Yee, Ella**, 42, is a Director, Corporate Services of Tricor Services Limited ("Tricor"), a global professional services provider specializing in integrated Business, Corporate and Investor Services. Ms. WONG has over 19 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. WONG is a Chartered Secretary and an Associate of both The Hong Kong Institute of Chartered Secretaries ("HKICS") and The Institute of Chartered Secretaries and Administrators ("ICSA") in the United Kingdom. (Note: The Company has engaged Tricor Services Limited as external service provider and appointed Ms. WONG as the Company's company secretary since 1 April 2012.)

#### 高級管理層 (續)

**楊孟達先生**，44歲，本集團台灣分公司協理，負責該公司財務、業務及行政管理各方面之督導。楊孟達先生畢業於國立台灣大學，取得土木工程系學士學位，並於美國賓州州立大學獲得土木工程碩士學位。楊孟達先生亦為味丹越南、上海味丹及廈門茂泰之董事。楊孟達先生於二零零一年加入台灣味丹，曾任消費品事業部、國際貿易部及財務部主管，期間逐步調升為本集團台灣分公司協理。楊孟達先生在食品製造業各部門歷練完整，擁有17年管理經驗。

#### 公司秘書

**黃慧兒女士**，42歲，現為卓佳專業商務有限公司（「卓佳」）企業服務部董事。卓佳是全球性的專業服務公司，為客戶提供商務、企業及投資者綜合服務。黃女士於企業服務範疇擁有逾十九年經驗，一直為香港上市公司，以及跨國公司、私人公司及離岸公司提供專業的企業服務。黃女士為特許秘書，以及香港特許秘書公會（「HKICS」）及英國特許秘書及行政人員公會（「ICSA」）的會員。（註：本公司聘用卓佳為外聘服務機構及自二零一二年四月一日起委任黃女士為本公司的公司秘書。）

## Corporate Governance Report 企業管治報告

The Group always believes that high-level corporate governance standards and a sound and efficient board of directors are the crucial foundation for the assurance of the Company's effective operation and sustainable development. In addition to mitigating operational risks, pursuing performance excellence and enhancement of the shareholders' interests by making significant efforts through continuous improvement of the corporate governance and internal monitoring system, we also fulfill the environmental and social responsibility of the Group in the ordinary course of business, which has become a power for the advancement of society.

### CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are disclosed based on the principles as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). 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, and the Board endeavors to take the necessary actions to ensure the compliance with the provisions of the CG Code introduced by the Hong Kong Stock Exchange.

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

The positions of Chairman of the Board and CEO are held by Mr. YANG, Tou-Hsiung and Mr. YANG, Kun-Hsiang respectively. The Chairman of the Board is responsible for leading the Board 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 2017, there were 11 members on the Board, which are the Chairman, the CEO, 3 other Executive Directors, 2 Non-executive Directors ("NED") and 4 Independent Non-executive Directors ("INEDs").

本集團一直相信高水平的企業管治標準及健全有效率的董事會，是確保公司有效營運、邁向持續發展的重要基礎。我們透過持續改善企業管治及內部監控系統，努力降低營運風險、追求集團最佳經營績效並提升股東權益之外，也承擔企業對環境與社會的責任，並落實於日常營運中，成為社會向上提升的助力。

### 企業管治常規

本公司企業管治常規乃依據香港聯合交易所有限公司（「香港聯交所」）證券上市規則（「上市規則」）附錄十四所載《企業管治守則》之原則進行披露。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，而董事會將竭力採取所需措施，以確保遵守香港聯交所頒佈之《企業管治守則》條文。

### 主席及行政總裁的分工

董事會主席及行政總裁分別由楊頭雄先生及楊坤祥先生擔任。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

於二零一七年十二月三十一日，董事會由十一位成員組成，分別為主席、行政總裁、其他三位執行董事、兩位非執行董事及四位獨立非執行董事。

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 own relevant expertise to the Board and its deliberations. During the year ended 31 December 2017, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three INEDs representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise. 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 relationships between some members of the Board are disclosed under “Profile of Directors, Senior Management and Company Secretary” on page 30.

The Board met regularly during the year. The Board’s primary function 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 four times during the year. The NED and INEDs may take independent professional advice at the Group’s expense in carrying out their functions.

### RESPONSIBILITIES OF THE BOARD

The Board should assume responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising the Company’s affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group’s operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Director and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgment on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances for discharging their duties to the Company.

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重大影響。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。截至二零一七年十二月三十一日止年度，董事會一直遵守上市規則有關委任至少三名獨立非執行董事之規定，即佔董事會成員三分之一人數，並且其中一名成員具備適當專業資格，或具備會計或財務管理相關專業知識。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。

部分董事會成員間之關係披露於第30頁之「董事、高級管理層及公司秘書簡介」。

年內，董事會定期舉行會議。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，董事會舉行了四次會議。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，費用概由本集團承擔。

### 董事會職責

董事會負責領導及控制本公司；及集體負責指導及監管本公司的事務。

董事會直接及間接透過其委員會帶領及指導管理層（包括制定戰略及監察管理層推行戰略）、監督本集團營運及財務表現，以及確保設有良好的內部監控和風險管理制度。

全體董事（包括非執行董事及獨立非執行董事）均為董事會帶來多種領域的寶貴業務經驗、知識及專長，使其高效及有效地運作。

獨立非執行董事負責確保本公司具有高標準的合規報告，並起平衡作用，使董事會在企業行動及運營方面能夠作出有效的獨立判斷。

全體董事均可全面並及時獲得本公司所有資料，並可於要求時在適當情況下尋求獨立專業意見，以向本公司履行其職責。



The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

#### AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference as suggested under the former Code on Corporate Governance Practices as set out in Appendix 14 to the then Listing Rules. The Audit Committee comprises Mr. CHAO, Pei-Hong, Mr. KO, Jim-Chen, Mr. CHEN, Joen-Ray and Mr. HSIEH, Lung-Fa, 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.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee held two meetings to review interim and annual financial results and reports in respect of the year ended 31 December 2017 and significant issues on the financial reporting and compliance procedures, internal control and risk management systems, scope of work and appointment of external auditors, connected transactions and arrangements for employees to raise, in confidence, concerns about possible improprieties.

董事須向本公司披露彼等擔任的其他職務的詳情。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是或會涉及利益衝突者）、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運及管理的職責轉授予管理層。

#### 審計委員會

本集團已成立審計委員會，並按照當時上市規則附錄十四所載的前企業管治常規守則的建議以書面釐定其職權。審計委員會成員包括所有獨立非執行董事趙培宏先生、柯俊禎先生、陳忠瑞先生及謝龍發先生。審計委員會的主席為趙培宏先生。每位成員為委員會貢獻其寶貴的經驗，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。

審計委員會的主要職責為協助董事會審閱財務資料及申報程序、內部監控程序及風險管理制度、審核計劃及與外聘核數師的關係，以及檢討安排，使本公司僱員可以隱密方式關注本公司財務申報、內部監控或其他方面的可能不當行為。

審計委員會共舉行了兩次會議，以審閱中期及截至二零一七年十二月三十一日止年度的年度財務業績及報告，以及有關財務申報及合規程序、內部監控及風險管理制度、外聘核數師的工作範圍及委聘、關連交易的重大事宜，以及可使僱員以隱密方式關注可能不當行為的安排。

## REMUNERATION COMMITTEE

The Remuneration Committee comprises Mr. KO, Jim-Chen, Mr. CHAO Pei-Hong, Mr. CHEN, Joen-Ray, the Independent Non-executive Directors, and Mr. HUANG, Ching-Jung, the Non-executive Director. The Chairman of the Remuneration Committee is Mr. KO, Jim-Chen.

The primary functions of the Remuneration Committee include determining/reviewing and making recommendations to the Board on the remuneration packages of individual Executive Directors and senior management, the remuneration policy and structure for all directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee met once to review and make recommendation to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the Executive Directors and senior management and other related matters.

## NOMINATION COMMITTEE

The Nomination Committee comprises Mr. YANG, Tou-Hsiung, Executive Director, Mr. CHAO, Pei-Hong, Mr. KO, Jim-Chen and Mr. CHEN, Joen-Ray, the Independent Non-executive Directors. The Chairman of the Nomination Committee is Mr. YANG, Tou-Hsiung.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of directors, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of the Independent Non-executive Directors.

The Board adopted the board diversity policy (“Board Diversity Policy”) in accordance with the requirement set out in the CG Code. Such policy aims to set out the approach towards achieving diversity on the Board.

In assessing the Board composition and recommending candidates of directors to the Board, the Nomination Committee would consider a number of perspectives as set out in the Board Diversity Policy, including but not limited to skills, regional and professional experience, cultural and educational background, ethnicity, gender and other characteristics.

## 薪酬委員會

薪酬委員會成員包括獨立非執行董事柯俊禎先生、趙培宏先生、陳忠瑞先生及非執行董事黃景榮先生。薪酬委員會的主席為柯俊禎先生。

薪酬委員會的主要職責包括釐定／檢討個別執行董事及高級管理人員的薪酬待遇、全體董事及高級管理人員的薪酬政策及架構並就此向董事會提供推薦意見；及設立透明程序以制定薪酬政策及架構，從而確保概無董事或任何彼等的聯繫人士可參與釐定其本身的薪酬。

薪酬委員會已舉行一次會議，以審閱本公司薪酬政策及架構，以及執行董事及高級管理人員的薪酬待遇及其他相關事宜，並就此向董事會提供推薦意見。

## 提名委員會

提名委員會成員包括執行董事楊頭雄先生、獨立非執行董事趙培宏先生、柯俊禎先生及陳忠瑞先生。提名委員會的主席為楊頭雄先生。

提名委員會的主要職責包括檢討董事會的組成、制定及擬定提名及委任董事的相關程序、就董事委任及繼任計劃向董事會提供推薦意見，以及評估獨立非執行董事的獨立性。

董事會已按《企業管治守則》之要求採納董事會成員多元化政策。有關政策旨在列明達致董事會多元化的方法。

於檢討董事會的組成及就董事候選人提供建議予董事會的時候，提名委員會將考慮多個列明於董事會成員多元化政策的因素，包括（但不限於）技能、地區、專業經驗、文化與教育背景、族裔、性別及其他特質。

## Corporate Governance Report 企業管治報告

The Nomination Committee met once to review the structure, size and composition of the Board and the independence of the Independent Non-executive Directors, and to consider the qualifications of the retiring directors standing for election at the Annual General Meeting.

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") and Written Employee Guidelines, and the Company's compliance with the CG Code and disclosure in the Environmental, Social and Governance Report.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The principal businesses of the Group are manufacturing, R&D and sales, of which the Group has not engaged in any high-risk and high-leveraged investment. The members of the Board and the senior management have not engaged in any conduct of business which is beyond the risk acceptance level of the Company.

The Board of the Group oversees the Company to establish an appropriate and effective risk management mechanism and internal control system. The Audit Committee of the Board assists the Board to oversee the management of existing or potential risks in the Company. The management of the Company constantly supervises risks and the implementation of the internal control system to guarantee its effectiveness.

According to the characteristics of the industry in which the Group operates, a designated internal audit department and personnel are set up and appointed in each operating region with an operating cycle of control customised for the regions to carry out regular audit based on an annual plan and professional division of labour. Analysis on the seriousness and deficiency rate of each operational risk will be made, the results of which will be promptly reported to the management of the Company and subsequent improvements will be followed up. In addition to the monthly submission of audit reports to the Audit Committee for review, the audit department also presents major audit findings to the Board for examinations by the members of the Board in order to effectively mitigate the operational risks of the Group.

提名委員會已舉行一次會議，以檢討董事會的架構、規模及組成以及獨立非執行董事的獨立性，以及考慮於股東周年大會上候選的退任董事的資格。

### 企業管治職能

董事會負責履行《企業管治守則》的守則條文D.3.1條所載的職能。董事會檢討本公司的企業管治政策及常規、董事及高級管理人員的培訓及持續專業發展、本公司在遵守法律及監管規定、遵守《上市發行人董事進行證券交易的標準守則》（「《標準守則》」）及《僱員明文指引》以及遵守《企業管治守則》及環境、社會及管治報告的披露規定方面的政策及常規。

### 風險管理與內部監控

本集團以製造、研發及銷售為本業，並無從事任何高風險、高槓桿之投資，董事會成員及高階管理層也並未從事逾越公司風險接受程度之商業行為。

本集團董事會監督公司建立合適且有效的風險管理機制及內部監控系統；董事會下轄之審計委員會協助董事會監督公司存在或潛在之風險管理；公司管理層持續監察風險及內部監控系統的落實，以確保其有效性。

依集團產業特性，各營運區域均設有專責之內部稽核部門與人員，並訂定適地之循環控制作業，按年度計劃及專業分工定期稽核，分析各項營運風險之嚴重性及缺失頻率，即時送交公司管理層並追蹤後續改善情況。稽核部門除按月將稽核報告呈交予審計委員審核之外，同時也針對稽核重大發現於董事會中提報董事會成員檢討，以有效降低集團營運風險。

The major scopes of work of the risk management and internal controls of the Group are summarised as follows:

- Financial and financing cycle management – Alleviate risks through stringent internal controls and legitimate taxation planning applicable locally, credit risk management and control, evaluation and prediction of factors attributing to financial crisis; regularly assess capital position in markets, changes in exchange rates and bank interest rates, and prudently manage the fund allocation of the Company.
- Sales and payment collection cycle management – Oversee the due execution of the procedures in the sales business, including orders, credit provision, delivery, payment collection or refund and customer complaints so as to minimise the risks in relation to operating revenue.
- Procurement and payment cycle management – Perform internal controls on operating procedures in relation to supplier management, purchase requisition, price negotiation, contracting, quality check for purchased products or product returns, verification on payment or purchase discounts in order to ensure the openness, fairness and incorruptibility of the procurement system.
- Investment cycle management – The Group has established the “Investment Review Board” to rigorously evaluate mid-to-long-term investment or the subject matters of strategic alliance and to timely deal with investment projects.
- Information risk management – Maintain the soundness of the information management system of the Company, manage and safeguard the security of network information and swiftly provide the management with effective information on operational management.
- Legal affairs, intellectual property rights and R&D cycle management – The legal affairs department of the Group collaborates with professional legal counsels to achieve risk mitigation, transfer or aversion and to secure law compliance by offering education, training and consultation in relation to indentures, product liabilities, legal disputes and litigation, patents, trademarks, intellectual property rights and other relevant matters.

本集團風險管理與內部監控主要範疇，概舉如下：

- 財務及融資循環管理—透過嚴謹的內部管控與適地適法的稅務規劃、信用風險管控及財務危機因子評估預測，以降低風險。定期評估市場資金狀況，匯率變動與銀行利率，審慎管理公司資金調度。
- 銷售及收款循環管理—監督銷售業務自訂單、授信、運送、收款或退回及客訴等程序之妥善執行，確保營收風險降至最低。
- 採購及付款循環管理—針對供應商管理、請購、比議價、發包、進貨品質檢驗或退貨處理、核准付款或進貨折讓等作業程序進行內控管理，確保採購系統公開公平不衍弊端。
- 投資循環管理—集團設有「投資審議委員會」，嚴謹評估中長期投資或策略聯盟標的，適時處理投資項目。
- 資訊風險管理—維持公司資訊管理系統健全、管控與防護網路資訊安全、提供管理階層快速且有效的營運管理資訊。
- 法務、智權及研發循環管理—集團法務專責部門與專業法律顧問合作，對於各項契約、產品責任、法律糾紛及訴訟、專利、商標及其他智慧財產權等相關事項，提供教育訓練及諮詢，以降低、轉移或避免風險，並確實遵守法令。



- Environmental protection management for production cycle: Implement all environmental protection stipulations and plans in accordance with the local regulatory requirements of the operating regions; and establish special units to plan, execute, supervise and track all environmental protection measures in order to assure the fulfillment of environmental protection responsibility.
- Occupational safety and hygiene management for production cycle – Conduct review and risk analysis on the detrimental level of abnormal environmental safety and hygiene incidents; and require the relevant departments of the plants to formulate improvement measures.
- 生產循環之環境保護管理：依據營運區域當地法規要求，落實各項環境保護規定與方案，並設專責單位計劃、執行、監管與追蹤各項環境保護措施，以確保對環境保護的責任。
- 生產循環之職業安全衛生管理－針對環安衛異常事故之危害程度進行檢討分析風險，並要求廠區相關部門訂定改善措施。

The main courses of study taken by finance personnel of the Group stationed in the plant site in Vietnam in 2017 are as follows:

本集團越南廠區財務人員於2017年主要進修情形如下：

Date of Course 進修時間	Name of Course 課程名稱	Hour of Study 進修時數
2017/04/14	New Stipulation of Statutory Provisions 法律條文新規定	2
2017/05/17	Topics on Fixed Assets Insurance and Risk Mitigation Awareness 固定資產保險專題及風險防範認識	2
2017/06/19	International Accounting Standards 國際會計準則	2
2017/08/18	Taxation Management and Trade Regulations 稅務管理與貿易規定	4
2017/09/26	Course on Foreign Exchange in Banking 銀行外匯課程	2

The main courses of study taken by finance personnel of the Group stationed in the plant site in the PRC in 2017 are as follows:

本集團中國廠區財務人員於2017年主要進修情形如下：

Date of Course 進修時間	Name of Course 課程名稱	Hour of Study 進修時數
2017/03/13	General Education on Accounting 會計常規教育	2
2017/06/16	How to Do a Good Financial Analysis by Non-Financial Personnel 非財務人員如何做好財務分析	4
2017/09/01	Statistical Continuing Education 統計持續教育	4
2017/12/04	Training on Accounting Certificate 會計證培訓	Employees to continue their external training on a voluntary basis 員工自行持續外訓

# Corporate Governance Report

## 企業管治報告

During the year under review, all Directors have reviewed the effectiveness of the internal control system of the Group, including the resources on accounting and financial reporting functions of the Company, the qualification and experience of staff members and the training programmes participated by the staff members and the relevant budgets. The Group will, from time to time, review its risk management and internal control system in order to optimise its effectiveness and in turn heighten the overall corporate governance standard of the Group.

於回顧年度內，全體董事已審閱本集團內部控制系統的成效，包括本公司會計及財務匯報職能方面的資源、員工資歷及經驗、以及員工所接受的培訓計劃及預算等。集團將不時檢討風險管理及內部監控系統，使其有效性更為完備，以提升集團整體企業管治水平。

### MEETINGS ATTENDANCE

### 會議出席記錄

		Attendance/Number of Meeting 出席率/會議次數				
		Board 董事會	Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東周年大會
<b>Executive Directors</b>	<b>執行董事</b>					
YANG, Tou-Hsiung (Chairman)	楊頭雄 (主席)	4/4	N/A不適用	N/A不適用	1/1	0/1
YANG, Cheng	楊正	2/4	N/A不適用	N/A不適用	N/A不適用	0/1
YANG, Kun-Hsiang (CEO)	楊坤祥 (行政總裁)	4/4	N/A不適用	N/A不適用	N/A不適用	1/1
YANG, Chen-Wen	楊辰文	4/4	N/A不適用	N/A不適用	N/A不適用	0/1
YANG, Kun-Chou	楊坤洲	3/4	N/A不適用	N/A不適用	N/A不適用	0/1
<b>Non-executive Directors</b>	<b>非執行董事</b>					
HUANG, Ching-Jung	黃景榮	4/4	N/A不適用	1/1	N/A不適用	0/1
CHOU, Szu-Cheng	周賜程	4/4	N/A不適用	N/A不適用	N/A不適用	0/1
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
CHAO, Pei-Hong	趙培宏	4/4	2/2	1/1	1/1	1/1
KO, Jim-Chen	柯俊禎	3/4	1/2	1/1	0/1	0/1
CHEN, Joen-Ray	陳忠瑞	3/4	2/2	1/1	1/1	0/1
HSIEH, Lung-Fa	謝龍發	3/4	1/2	N/A不適用	N/A不適用	0/1

Notes:

Mr. YANG, Cheng authorized Mr. YANG, Tou-Hsiung to exercise the voting right on the first board meeting. Mr. KO, Jim-Chen authorized Mr. CHAO, Pei-Hong to exercise the voting right on the second board meeting.

附註：

楊正先生授權楊頭雄先生於第一次董事會會議行使表決權。柯俊禎先生授權趙培宏先生於第二次董事會會議行使表決權。

### DIRECTORS' TRAINING

In respect of code provision A.6.5 of the CG Code, all Directors of the Company have developed and refreshed their knowledge and skills by reading books and articles relating to legal and regulatory updates.

### 董事培訓

就《企業管治守則》的守則條文A.6.5條，本公司全體董事均有透過閱讀有關法律及監管方面的更新資料的書籍及文章以發展並更新其知識及技能。

All Directors have already provided the training records for the year ended 31 December 2017 to the company secretary.

全體董事已向公司秘書提供其於截至二零一七年十二月三十一日年度內的培訓記錄。

### COMPLIANCE WITH APPENDIX 14 TO LISTING RULES

During the reporting period, the Company has complied with the code provisions as set out in Appendix 14 to the Listing Rules, with the exception of code provision E.1.2.

In respect of code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting and should also invite the chairman of the audit, remuneration and nomination committees to attend. Mr. YANG, Tou-Hsiung (the Chairman of the Board and the Chairman of Nomination Committee) and Mr. KO, Jim-Chen (the Chairman of Remuneration Committee) were not able to attend the Annual General Meeting of the Company held on 23 May 2017 due to business commitments.

### 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.

### NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the CG Code stipulates that Non-executive Directors shall be appointed for a specific term, subject to re-election, whereas code provision A.4.2 states that all directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment and that every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Each of the Non-Executive Directors of the Company is appointed for a specific term of 1 year or 3 years, where Mr. HUANG, Ching-Jung and Mr. CHAO, Pei-Hong were appointed for a term of 1 year and Mr. CHOU, Szu-Cheng, Mr. KO, Jim-Chen, Mr. CHEN, Joen-Ray and Mr. HSIEH, Lung-Fa were appointed for a term of 3 years. Each of the Non-Executive Directors of the Company is subject to retirement by rotation once every three years.

### COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2017.

### 遵守上市規則附錄14

除守則條文E.1.2條之外，於報告期間，本公司一直遵守上市規則附錄14所載之守則條文。

就《企業管治守則》之守則條文E.1.2條，董事會主席應出席股東周年大會，並應邀請審計、薪酬及提名委員會主席出席。董事會主席及提名委員會主席楊頭雄先生及薪酬委員會主席柯俊禎先生因業務關係未克出席本公司於二零一七年五月二十三日舉行之股東周年大會。

### 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。

### 非執行董事

企業管治守則之守則條文A.4.1條訂明非執行董事應以特定任期委任，並須接受重選，而守則條文A.4.2條訂明，所有就填補臨時空缺已獲委任的董事須於獲委任後首個股東大會上接受股東選舉，而每名董事（包括以特定任期委任的董事）最少須每三年輪值退任一次。本公司各獨立非執行董事均以特定任期（1年或3年）委任，當中黃景榮先生及趙培宏先生的任期為一年，而周賜程先生、柯俊禎先生、陳忠瑞先生及謝龍發先生的任期為三年。本公司各非執行董事須每三年輪值退任一次。

### 遵守標準守則

本公司已採納上市規則附錄10所載的《標準守則》。

本公司已向所有董事作具體查詢，所有董事亦已確認，彼等於截至二零一七年十二月三十一日止整個年度一直遵守《標準守則》。

### 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 approximately US\$345,000 and US\$115,000 to the external auditor for their audit and non-audit services, respectively.

### DIRECTORS' RESPONSIBILITIES FOR ACCOUNTS

The Directors of the Company acknowledge their responsibilities for preparing the Company's accounts for the year ended 31 December 2017. The Statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 106 to 112.

### COMPANY SECRETARY

Ms. WONG, Wai Yee, Ella of Tricor Services Limited, external service provider, has been engaged by the Company as its company secretary. Its primary contact person at the Company is Mr. NI, Chih-Hao, Chief Financial Officer of the Company.

Ms. WONG has taken no less than 15 hours of relevant professional training for the year ended 31 December 2017.

### SHAREHOLDERS' RIGHT TO CONVENE AND PUT FORWARD PROPOSALS AT EXTRAORDINARY GENERAL MEETING

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholders' meetings, including the election of individual directors. All resolutions put forward at shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Hong Kong Stock Exchange after each shareholders' meeting.

Pursuant to the Company's Articles of Association, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### 核數師薪酬

本公司審計委員會負責考慮委任外聘核數師及審核外聘核數師所進行之任何非核數之職能。於回顧年度內，本集團需就外聘核數師提供之服務（包括核數及非核數服務）向其支付分別約345,000美元和115,000美元。

### 董事對賬目之責任

本公司各董事承認其有編製本公司截至二零一七年十二月三十一日止年度賬目的責任。有關本公司的獨立核數師於財務報表的報告責任已載於第106至112頁的獨立核數師報告。

### 公司秘書

本公司已委聘卓佳專業商務有限公司（外聘服務機構）的黃慧兒女士出任公司秘書。其於本公司的主要聯絡人為本公司財務總監倪志豪先生。

於截至二零一七年十二月三十一日止年度，黃女士已完成不少於15小時的相關專業培訓。

### 股東召開股東特別大會及於會上提出議案的權利

為保障股東的利益及權利，於股東大會上，每項重大事宜（包括選舉個別董事）均會以一項獨立決議案提呈。根據上市規則，所有提呈股東大會的決議案將以按股數投票方式表決，而投票表決結果將於每次股東大會後刊載於本公司及香港聯交所網站。

根據本公司組織章程細則，於遞呈要求日期時持有不少於本公司繳足股本（賦有於本公司股東大會上之表決權）十分之一的股東於任何時候均有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且有關大會應於遞呈該要求後兩個月內舉行。倘董事會未有於遞呈要求後二十一日內召開有關大會，則遞呈要求的人士可自行以同樣方式作出此舉，而遞呈要求的人士因董事會未有召開大會而合理產生的所有開支應由本公司向遞呈要求的人士作出補償。



## Corporate Governance Report 企業管治報告

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company.

### CONTACT DETAILS

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Level 54, Hopewell Centre, 183 Queen's Road East,  
Hong Kong

(with attention to Ms. WONG, Wai Yee, Ella,  
Company Secretary)

Fax: (852) 2528 3158

Email: vdi@vedaninternational.com

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

如要向本公司董事會提出任何查詢，股東可以書面方式向本公司提出。

### 聯絡資料

股東可將上述查詢或要求郵寄或發送至：

地址：香港皇后大道東183號合和中心54樓  
(註明交黃慧兒秘書收)

傳真：(852) 2528 3158

電郵：vdi@vedaninternational.com

為免混淆，股東必須將已妥為簽署的書面要求、通知或聲明或查詢(視情況而定)的正本送達或發送至上述地址，並提供彼等的全名、聯絡資料及身份證明，上述各項方告有效。本公司可能會按照法律規定披露股東資料。

### INTRODUCTION

One year after the new global greenhouse gas emission reduction agreement came into effect at COP21, United Nations Environment Programme indicated in the Emissions Gap Report that there is a huge gap between the national pledges made on carbon reduction and the actual performance, and carbon reduction actions still need to be amplified worldwide with global warming mitigation taken as an urgent mission in order to prevent disastrous climate with best endeavour.

As an international corporate citizen, Vedan International Group pays constant attention to such issue relating to climate change and supports the civil notion of environmental protection, energy conservation and carbon reduction and earth preservation with practical actions. For many years, the Group has complied with the national standards and regulations applicable to all production bases and has formulated environmental policy which includes environmental protection in daily management with all-staff education in daily operation concerning energy conservation in respect of self-initiated carbon reduction and energy efficiency enhancement while participating in ecology-care activities and proactively developing green economy with significant importance attached to comprehensive development of corporate social responsibility in hope to maximise its local corporate influence and make valuable contribution to the local environmental protection.

Vedan International Group has established the “Corporate Social Responsibility Committee” which includes the operation directors of all production bases. The committee members practically promote environmental education with combination of regional production and sales strategy and the concept of environmental protection and earth preservation and implements sustainable environment plans with regular meetings to review the achievements under the respective indicators. In this report, the Group truthfully discloses the implementation of CSR. We will implement the corporate governance policy in accordance with the laws and strive to achieve the most outstanding operating efficiency of the Group with an aim to realise mutual benefit with the environment.

### 引言

在COP21全球溫室氣體減量新協議生效一年後，聯合國環境署於「排放落差」(Emissions Gap)報告中指出，各國所承諾的減碳目標與實際行動有著極大的落差，全球仍須擴大減碳行動，將降低暖化視為急迫性的任務，盡力避免災難性氣候的到來。

味丹國際集團作為國際企業公民的一員，長期持續關注著此氣候變遷議題，且以實際行動支持環境保護、節能減碳、愛護地球的公民理念。多年來，集團遵守各生產基地適用的國家標準法規，訂定環境政策將環境保護納入常規管理，並於日常營運中推行自主減碳、提升能源效率的全員節能教育，同時也投入自然生態關懷活動、積極開發綠色經濟，極力重視企業社會責任的全面發展，期望以深耕在地的企業影響力，對在地環境保護作出具體貢獻。

味丹國際集團設立「企業社會責任委員會」，委員會成員包含各生產基地的營運主管等，委員以各區產銷策略結合環保節能愛地球的理念，具體推動環境教育，落實永續環境發展的計劃，並定期會議以檢討各項指標成效。在本報告中，集團也如實披露CSR推動現況，我們將依循法令實踐公司治理政策，在與環境共榮的目標下，創造集團最卓越的營運成效。

## Environmental, Social and Governance Report 環境、社會及管治報告

To uphold the mission of sustainable operation, corporate social responsibility of the Vedan International Group entails not only environmental protection and energy conservation education, but also maintenance of sound corporate governance and risk management, provision employees with a safe and healthy working environment where they can fully exploit their potentials, and balance of the interests of employees, customers, supply chain, investors and the overall development of the community. We undertake to make our best endeavour to constantly contribute to economic development, environmental protection for the earth and society through good and solid corporate governance.

秉持永續經營的使命，企業社會責任對味丹國際集團而言，除了關注環境保護、重視節能教育之外，也涵蓋健全的公司治理與風險管控、提供員工一個安全健康且得以充份發揮潛力的工作環境，並兼顧員工、客戶、供應鏈、投資人及社區整體發展之均衡利益，我們承諾將持續透過良好嚴謹的企業管治，回饋社會的同時，發展經濟並為地球環境保護盡最大的力量。



The Vietnam Plant (Primary Production Base) Promoted Park-like Construction in Factory Areas with Colossal Tree Plantings to Conserve the Ecology

主要生產基地- 越南廠區推行工廠公園化，大量植樹保育自然生態

This report has been prepared in compliance with the requirements of the Environmental, Social and Governance (ESG) Reporting Guide under Appendix 27 and the principles of the CG Code under Appendix 14 to the Listing Rules on the Hong Kong Stock Exchange for the purposes of general disclosure and KPIs disclosure responsibilities. The period and areas covered by this report are as follows:

本報告係依據香港聯合交易所上市規則附錄二十七所載《環境、社會及管治報告指引》及附錄十四《企業管治守則》之原則履行一般披露及關鍵績效指標披露的責任。本報告涵蓋期間及範疇如下：

Period covered 涵蓋期間	From 1 January 2017 to 31 December 2017 西元2017年1月1日至2017年12月31日
Areas covered 涵蓋範疇	The production bases in Vietnam and China and the business footholds of branches in Taiwan covered by Vedan International Group 味丹國際集團涵蓋越南、中國生產基地及台灣分公司營運據點

### 《ENVIRONMENT》

#### ENVIRONMENTAL PROTECTION

##### Policy: Care for Environment and Sustainable Operation

The Group upholds the concept of “care for environment and sustainable operation” and proactively carries out the efficiency management of water resources, carbon reduction management and waste management, while initiating energy management system and continuous management of power consumption, and adopting energy-saving electrical equipment to enhance the energy conservation performance in the offices, as well as promoting park-like construction in factory areas with colossal tree plantings to conserve the ecology.

In respect of environmental protection and energy conservation, the Group undertakes to carry out the following actions:

##### (1) Emission management – Striving to reduce discharge of wastewater, exhaust gas and waste

- Employee safety, environmental protection and resources conservation are the prime principles of all operating activities of the Group. In the ordinary course of business, the Group shall, as long as technically practicable, provide treatment for, and secure the reduction of, emission of exhaust gas, wastewater and waste, and achieve or over-achieve the provisions of the prevailing national laws of the places where its production bases are located and the requirements of internal standards.
- The Group regularly reviews the progress and effectiveness of each resources management plan every year and improves the deficiencies to ensure that there is no substantial impact on the surrounding environment in the factory areas.
- In 2017, the emission standard of each emission of the Group was in line with the requirement of environmental impact assessment for all production bases. The Vietnam plant (primary production base of the Group) reformed the concentration system in production plants in 2017 for the purpose of reducing the consumption of steam energy, resulting in a decrease of 12,339.36 ton of emission of CO<sub>2</sub>e. It also established a new denitrification processing system which effectively reduced the production of wastewater and sludge.

### 《環境》

#### 環境保護

##### 政策：愛護環境，永續經營

本集團秉持愛護環境、永續經營的理念，積極執行水資源使用效益管理、減碳管理及廢棄物管理，同時建立能源管理制度持續用電量管理，並且採用節能省電器材提升辦公室節能實績；另於廠區推行工廠公園化，大量植樹保育自然生態。

針對環保與節能，本集團承諾將力行以下具體作為：

##### (1) 排放物管理－努力減少廢水、廢氣與廢棄物之排放

- 集團一切營運活動以確保人員安全，保護環境及保育資源為首要原則。於日常營運中，於技術可行的範圍內，儘可能處理與減少廢氣、廢水及廢棄物等之排放，並符合或超越生產基地之國家現行法令規定及內部標準之要求。
- 集團每年定期稽核各項資源管理計畫之進度及效益，並就缺失進行改善，以確保廠區周遭環境負荷無顯著之影響。
- 2017年，集團各類排放物的排放標準均符合各生產基地環評規定。主要生產基地越南廠區2017年針對生產廠濃縮系統進行改造，其目的為減少蒸汽能源使用量，其成效相當於減少12,339.36公噸CO<sub>2</sub>e排放量；另外新建脫氮處理系統，有效減少廢水污泥產生量。



**ENVIRONMENTAL PROTECTION**

**Policy: Care for Environment and Sustainable Operation (continued)**

**(1) Emission management – Striving to reduce discharge of wastewater, exhaust gas and waste (continued)**

- According to the statistics, the types of emissions produced in the production process of the primary plants in 2017 and the relevant data are set out below:

**環境保護**

政策：愛護環境，永續經營（續）

**(1) 排放物管理－努力減少廢水、廢氣與廢棄物之排放（續）**

- 經統計，2017年主要廠區生產過程之排放物種類及數據分列如下：

Type of emissions	排放物種類	2017 二零一七年	Unit 單位
Total volume of wastewater discharged (m <sup>3</sup> )/product output (ton)	廢水總排放量(立方米)／產品產量(公噸)	6.35	m <sup>3</sup> /ton 立方米／公噸
Wastewater – Chemical Oxygen Demand (COD) (kg)/product output (ton)	廢水－化學需氧量(COD)(公斤)／產品產量(公噸)	9.07	kg/ton 公斤／公噸
Air emission – Sulphur oxides (SOx) (kg)/product output (ton)	空氣排放－硫氧化物(SOx)(公斤)／產品產量(公噸)	2.15	kg/ton 公斤／公噸
Air emission – nitrogen oxides (NOx) (kg)/product output (ton)	空氣排放－氮氧化物(NOx)(公斤)／產品產量(公噸)	0.11	kg/ton 公斤／公噸
Total greenhouse gas emission	溫室氣體總排放量	837,226.80	ton CO <sub>2</sub> e 公噸CO <sub>2</sub> e
Total emission intensity of greenhouse gas	溫室氣體總排放量密度	1.51	ton CO <sub>2</sub> e/ton 公噸CO <sub>2</sub> e／公噸
Total hazardous waste	有害廢棄物總量	83,788	kg公斤
Total non-hazardous waste	無害廢棄物總量	38,236,805	kg公斤
Hazardous waste intensity (kg/ton product output)	有害廢棄物密度(公斤／公噸產品產量)	0.15	kg/ton 公斤／公噸
Non-hazardous waste intensity (kg/ton product output)	無害廢棄物密度(公斤／公噸產品產量)	69.16	kg/ton 公斤／公噸

## ENVIRONMENTAL PROTECTION

### Policy: Care for Environment and Sustainable Operation (continued)

#### (2) Resources usage management – Promoting energy conservation, consumption reduction, recycle and reuse of resources

- The Group advocates and implements the 3R policy (Reduce, Reuse, Recycle) and recycles and reuses its resources to achieve the goal of reducing materials consumption and waste generation.
- The Group implements green procurement policy to procure suppliers to minimise their impacts on the environment.
- By implementing ISO 50001 Energy Management System, the Group has established an energy management system in the primary production bases and formed the “Energy Management Committee” which is responsible for the systematic management of all equipment in daily operation in order to enhance the equipment efficiency in a continuous manner. The Group has also implemented energy saving and carbon reduction plan to rationalise energy consumption and reduce energy cost.
- In 2017, the Vietnam plant (primary production base of the Group) improved the concentration system in the production process in production plants and reduced the use of steam energy while also reducing water consumption for cooling down. According to the statistics, the energy conservation rate of the concentration system in the production process in such production plant reached 72.54% and the emission of CO<sub>2</sub>e was reduced.
- The Group proactively implement the resources recycle policy which recycles the condensation produced in the concentration process of production and reuse the same in the production process. In 2017, 1.39KL of condensation can be recycled for every ton of products, representing approximately 23.5% of the water consumed in such production process.
- In 2017, the packaging materials used by the primary production bases of the Group in the production process of main products can be classified into FIBC bags, paper bags, carton boxes, plastic cylinders, etc. Towards the goal of recycling and reusing the packaging materials used for the finished products, the Company has recycled and reused the plastic cylinders used for containing maltose. According to the statistics in 2017, the recycling rate reached 82%.

## 環境保護

### 政策：愛護環境，永續經營（續）

#### (2) 資源使用管理－推動節能減耗，資源回收再利用

- 集團宣導與執行3R政策(Reduce, Reuse, Recycle)，資源回收再利用，以達成減少物質消耗減廢之目的。
- 利用綠色採購政策實施，促使供應商減低對環境造成之衝擊。
- 集團執行ISO 50001能源管理系統，在主要生產基地建立能源管理制度，並成立「能源管理委員會」，具體於日常營運有系統的管理各項設備，以持續提升設備效率，並實施節能減碳計劃，促使耗能合理化、降低能源成本等。
- 2017年集團主要生產基地越南廠針對生產廠的製程濃縮系統進行改善，降低蒸汽能源使用，同時可減少冷卻水使用量，經統計，全年此生產廠的製程濃縮系統節能率達72.54%，並減少CO<sub>2</sub>e排放量。
- 集團積極進行資源回收再利用之政策，將生產濃縮過程中所產生之冷凝水，回收回製程再使用，2017年每噸的產品可回收再使用1.39KL之冷凝水，約占該製程使用水之23.5%。
- 2017年集團主要廠區於生產主產品過程所使用包裝材料可分為太空包、紙袋、紙箱、塑膠桶等。公司朝向製成品所用之包材回收再利用的方向，目前已先進行將盛裝麥芽糖漿之塑膠桶進行回收再利用，2017年統計之回收率已達82%。

**ENVIRONMENTAL PROTECTION**

**Policy: Care for Environment and Sustainable Operation (continued)**

**(2) Resources usage management – Promoting energy conservation, consumption reduction, recycle and reuse of resources (continued)**

- The total consumption of energy used in the primary production bases in 2017 is as follows:

**環境保護**

政策：愛護環境，永續經營（續）

**(2) 資源使用管理－推動節能減耗，資源回收再利用（續）**

- 2017年主要生產基地資源使用總耗量統計如下：

Types of usage	使用種類	2017 二零一七年	Unit 單位
Indirect energy – unit consumption of electricity (total electricity consumption (kWh)/production output (ton))	間接能源－電力單位用量 (電力總用量(千瓦小時)/ 產品產量(公噸))	808.63	kWh/ton 千瓦小時/公噸
Indirect energy – unit consumption of biofuel (total biofuel consumption (kg)/production output (ton))	間接能源－生質燃料單位用量 (生質燃料總用量(公斤)/ 產品產量(公噸))	85.97	kg/ton 公斤/公噸
Direct energy – unit consumption of coal (total coal consumption (kg)/ production output (ton))	直接能源－煤炭單位用量 (煤炭總用量(公斤)/ 產品產量(公噸))	461.49	kg/ton 公斤/公噸
Total water consumption	總耗水量	7,598,055	m <sup>3</sup> 立方米
Water consumption intensity (total water consumption (m <sup>3</sup> )/ production output (ton))	耗水密度(總耗水量(立方米)/ 產品產量(公噸))	13.74	m <sup>3</sup> /ton 立方米/公噸
Total packaging materials used – FIBC bags	使用的包裝物料總量－太空包	55,722	kg 公斤
Total packaging materials used – paper bags	使用的包裝物料總量－紙袋	387,799	kg 公斤
Total packaging materials used – carton boxes	使用的包裝物料總量－紙箱	3,938,692	kg 公斤
Total packaging materials used – plastic cylinders	使用的包裝物料總量－塑膠桶	507,944	kg 公斤
Intensity of packaging materials used – FIBC bags	使用的包裝物料密度－太空包	5.23	kg/ton 公斤/公噸
Intensity of packaging materials used – paper bags	使用的包裝物料密度－紙袋	9.29	kg/ton 公斤/公噸
Intensity of packaging materials used – carton boxes	使用的包裝物料密度－紙箱	70.30	kg/ton 公斤/公噸
Intensity of packaging materials used – plastic cylinders	使用的包裝物料密度－塑膠桶	40.68	kg/ton 公斤/公噸

### ENVIRONMENTAL PROTECTION

Policy: Care for Environment and Sustainable Operation  
(continued)

#### (3) Environment and natural resources management – Enhancing efficiency of energy consumption, caring for environment and protecting natural ecosystem

- In order to combat the global warming and devote our efforts against the climate change, the Vietnam plant (primary production base of the Group) obtained the ISO 50001 energy management system certificate in October 2016. We established an impeccable equipment maintenance and examination system through a high-standard certification inspection. The usage of energy consuming equipment has been gradually optimised, which facilitated reasonableness and efficiency of energy consuming equipment and reduced energy costs.
- Based on the differences of soil and changes in climate among different business footholds globally, the Group adopts environmentally friendly designs for its plants and grows a variety of appropriate and diversified plants and trees in the surroundings and at the same time promotes park-like construction in factory areas. Various animals are commonly seen in the landscaping wildlife ponds at certain business footholds. The Group aims to bring land greening, carbon reduction, biodiversity and ecosystem and environmental protection into its daily operation.
- With reference to the international environmental education regulations, the Group merges the national environmental protection concept into the employee concept through daily trainings and enhances the knowledge, skills, attitude and values of the employees in respect of environmental protection while promoting environmental protection, safety and hygiene propaganda and continuously universalising civic environmental protection education
- Since April 2017, the thermal plants of the Vietnam plant (primary production base of the Group) has planned to use non-burnt bricks equipment which recycled the clinker (fly ash and bottom ash) in electrical boilers into non-burnt bricks and building backfill materials. Being in line with the national development policy, it reused and recycled waste and used such equipment and technical skills to enhance reuse of resources, which conserved energy and reduced consumption and brought significant meanings to earth preservation. It is estimated that this equipment will commence operation at the end of 2018.

### 環境保護

政策：愛護環境，永續經營（續）

#### (3) 環境及天然資源管理－提升能源使用效 率，愛護環境保護自然生態

- 為減緩全球暖化、對改善氣候變遷盡一份心力，集團主要生產基地越南廠區已於2016年10月取得ISO 50001能源管理系統之認證，透過高標準的認證稽核，建立完善的設備保養與診斷制度，逐步改善耗能設備之使用，促使設備耗能合理效率提升，降低能源成本。
- 依全球營運據點土壤及氣候變化之不同，集團廠區採友善環境設計，於廠辦周遭栽植大量合適的、多樣的植物與樹木，推行工廠公園化，部份營運據點設置之造景生態池亦常見各種生物，集團朝增加綠地減碳、生物多樣性及生態環境保護於日常中。
- 參考國際環境教育法規，集團將國民環境保護之概念融入員工觀念的日常培訓，增進員工對環境保護的知識技能、態度及價值觀，並推展各項環安衛宣導活動，持續普及公民環保教育。
- 集團主要生產基地越南廠區熱電廠於2017年4月起規劃免燒磚設備，將煤炭鍋爐之煤渣（飛灰、底灰）再製為免燒磚及建築回填物料。依照當地國家發展政策，落實廢棄物再利用，利用該設備及工藝技術增加資源化再利用，節能降耗，保護土地都具有重大的意義。此設備預計於2018年底正式運作。



**ENVIRONMENTAL PROTECTION**

**Policy: Care for Environment and Sustainable Operation (continued)**

**(3) Environment and natural resources management – Enhancing efficiency of energy consumption, caring for environment and protecting natural ecosystem (continued)**

- In 2017, the primary production bases of the Group organised a total of 37 training courses in relation to environmental safety and hygiene with 2,617 participants and the average training hours were 7.45 hours per person every year. The contents of the courses are summarised as follows:

No. 項次	Course Name 課程名稱
1	Groups 1 – 6 Training Targets about Labour Safety under National Requirements 國家要求之勞安第1 – 6組訓練對象
2	Industrial Safety Management and Practice for Foreign Workers 外籍幹部工業安全管理與實務
3	Learning ISO/OHSAS Environmental Management System, Occupational Safety and Hygiene Management System/Internal Inspector ISO/OHSAS環境管理系統、職業安全與衛生管理系統認識／內部稽核員
4	Chemical Drugs Safety Course 化學藥品安全課程
5	Waste Management and Resources Recycle Course 廢棄物管理、資源回收課程
6	Safety of Gas Welder and Electric Welder 氣焊、電焊安全
7	Operation Safety of Loading Equipment and Stacking Machine 吊卸設備、堆高機運行安全
8	Electricity Safety 用電安全
9	Operation in Dust Area 粉塵區域作業
10	Safety Training for Operation in Limited Space and Overhead Operation 安全訓練在局限空間作業及高空作業
<b>Total</b> 合計	<b>Total training hours for the year</b> 全年總訓練時數 19,491 (hours) 19,491(小時)
	<b>Total participation</b> 總參與人次 2,617 (persons) 2,617(人)
	<b>Average training hours of employees</b> 員工平均受訓時數 7.45 (hours/year) 7.45(小時／年)

**環境保護**

政策：愛護環境，永續經營（續）

**(3) 環境及天然資源管理－提升能源使用效率，愛護環境保護自然生態（續）**

- 2017年集團主要廠區共舉辦環境安全衛生相關教育訓練課程總計37場次，參加人次為2,617人，平均每人每年受訓時數為7.45小時，其課程內容概列如下：

### ENVIRONMENTAL PROTECTION

**Policy: Care for Environment and Sustainable Operation (continued)**

#### (4) Internal inspection enhancement and cycle improvement

- The Vietnam plant (primary production base of the Group) implements the Environmental Management System (ISO 14000), Occupation Health Safety Management System (OHSAS 18001) and Energy Management System (ISO 50001), and regularly reviews the progress and effectiveness of all plans every year and proactively improves the deficiencies in order to continuously improve and govern the Company with high-standard international regulations and conduct self-reflection.
- In 2017, in respect of all laws related to environmental protection as well as the air monitoring, discharge of sewage and waste disposal, the Group met the national standard of all the places where its production bases are located.
- In 2017, the external inspection and environmental examination in respect of environmental safety and hygiene and energy in the primary production bases are as follows:

No. 項次	Name 名稱	Result 結果
1	First Quarter Environmental Examination 第一季環境檢測	Qualified 合格
2	Annual External Inspection (ISO14001&OHSAS18001) 年度外部稽核(ISO14001&OHSAS18001)	Pass 通過
3	Second Quarter Environmental Examination 第二季環境檢測	Qualified 合格
4	Third Quarter Environmental Examination 第三季環境檢測	Qualified 合格
5	Annual External Inspection (ISO 50001) 年度外部稽核(ISO 50001)	Pass 通過
6	Fourth Quarter Environmental Examination 第四季環境檢測	Qualified 合格

Note: The Group's production bases in China and business footholds in Taiwan are primary engaged in sales and light industry trade. The primary production base of the Group is the Vietnam plant and therefore the environmental emission and energy data disclosed in this report mainly concern the Vietnam plant.

### 環境保護

政策：愛護環境，永續經營（續）

#### (4) 加強內部稽核與循環改善

- 集團主要生產基地越南廠區執行環境管理系統(ISO 14001)、職業安全衛生管理系統(OHSAS 18001)與能源管理系統(ISO 50001)，每年定期稽核各項計畫進度及執行成效，並積極改善缺失，持續改進以高標準國際規章管治公司並自我檢視。
- 2017年集團所有環保相關法律及檢測空氣、放流水、廢棄物等，皆符合各生產基地之國家標準。
- 2017年主要生產基地環境安全衛生及能源外部稽核與環境檢測統計如下：

備註：集團中國廠區與台灣營運據點之活動以銷售及輕貿易為主，集團之主要生產基地為越南廠，故本報告所披露之環境排放與能源數據以越南廠區之統計為主。

### 《SOCIETY》

#### EMPLOYEE PRACTICE AND BENEFIT

##### Policy: Building Corporate Harmony and Enhancing Employees' Benefits

To gain trust from the employees, the Group maintains sincere communication, proactively cares for the employees and values employees' benefits and opinions. The Group supports the international labour and human right standards and achieves the goal of "building corporate harmony and enhancing employees' benefits" through three measures, namely "full compliance with the labour laws, continuous optimisation of the safety and healthiness of the working environment and proactive implementation of employees' training and communication", which help build a sound labour-employer interrelationship and maximise the benefits of the Group and society.

The Group undertakes to earnestly implement the following employee relations policies:

##### (1) Employment principles – Fair employment conditions, compliant and reasonable remuneration

- The Group considers its employees to be its most important cooperative partners. The employment of an employee is based on the ability-oriented and fair employment principles. There is no discrimination in each division and department in terms of recruitment, employment, promotion, training and reward. Upon employment, the remuneration of an employee shall be based on an equal pay for equal work principle and there shall be no bias or discrimination against different identities such as race, religion, nationality, gender or disability in terms of appointment and promotion.
- The Group has long been complying the national labour laws of the places where its production bases are located to systematise the remuneration and report to the competent authorities of the places where the enterprises are located.

### 《社會》

#### 員工常規與福利

##### 政策：建立企業和諧、增進員工福利

本集團真誠溝通、主動關懷員工、重視員工權益與意見回應等，以獲得員工信賴，本集團支持國際勞工及人權標準，並從「確實遵守勞動法令、持續提升安全健康的工作環境、積極落實員工培訓與溝通」三方面來達成「企業和諧與增進員工福利」之目標，建立良好的勞資互動關係，為集團及社會整體創造最大的利益。

本集團承諾將力行以下員工關係政策：

##### (1) 僱傭原則－公平之聘雇條件與合規合理之報酬

- 集團視員工為最重要的合作夥伴，聘任員工以能力取向、平等任用為原則，於招募、雇用、晉升、培訓及獎勵等，各職類科別均無歧視。員工聘任後，薪酬計以同工同酬，不因其種族、宗教、國籍、性別或殘疾等身分地位之不同，而在任用與升遷上有所偏頗或歧視。
- 集團長期遵守各生產基地之國家勞動法令，確實履行薪酬制度化，並依法向企業所在地之主管機關進行申報。

**EMPLOYEE PRACTICE AND BENEFIT**

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits**

**員工常規與福利**

**政策：建立企業和諧、增進員工福利**

**(1) Employment principles – Fair employment conditions, compliant and reasonable remuneration (continued)**

- In 2017, the Group had 3,781 employees in aggregate. The statistics of employee turnover rate by gender and geographic region is set out below:

The Group's primary base 集團主要基地	Male in each region 各區男員工	Female in each region 各區女員工	Total number of employees in each region 各區員工總數
The Vietnam plant 越南廠區	2,949	621	3,570
The China plant 中國廠區	126	71	197
Foothold in Taiwan 台灣據點	9	5	14

**(1) 僱傭原則 – 公平之聘僱條件與合規合理之報酬 (續)**

- 2017年集團員工總數共3,781位，以下按其性別、地區劃分人數，並統計其僱員流失比率：

The Group's primary base 集團主要基地	Total average resignation rate of male staff per month 男員工月離職率總平均	Total average resignation rate of female staff per month 女員工月離職率總平均	Total average resignation rate per month of each district 各區月離職率總平均
The Vietnam plant 越南廠區	1.38%	0.28%	1.66%
The China plant 中國廠區	1.02%	0.21%	1.23%
Foothold in Taiwan 台灣據點	0.60%	0.00%	0.60%

**(2) Employees' benefits – Enhancing benefits and good working conditions (continued)**

- The Group attaches importance to gender equality at work and has included such into the standards of the Company. It complies with the local governmental regulations. Provisions such as maternity system management measure, paternity leave and menstrual leave are clearly stipulated.
- The Group has formulated relevant regulations which provide workers based at the primary production bases in Vietnam and China with benefits, such as free food, clothing, housing, transportation, education, entertainment and training.

**(2) 員工福利 – 提升福利與良好的工作條件 (續)**

- 集團重視兩性工作平等並納入公司規範，遵守當地政府法規，明訂懷孕制度管理辦法、男性陪產假、女性生理假等規定。
- 集團制定相關規範，主要生產基地越南及中國廠區，針對長駐幹部提供免費食衣住行育樂及培訓的福利。



### EMPLOYEE PRACTICE AND BENEFIT

#### Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)

##### (2) Employees' benefits – Enhancing benefits and good working conditions (continued)

- Employees' benefits and working hour management systems have been established for all operating areas of the Group in compliance with the local labour laws, including minimum wage, annual leave and other statutory benefits. Workers are entitled to the leaves as stipulated by the local laws.
- In 2017, in addition to the fixed monthly salary, the Group's employees can receive appropriate year-end and performance bonuses based on the department or individual performance. The Vietnam plant, the primary production base, conducts promotion assessment twice a year, in order to encourage the talents to excel themselves with a friendly management approach.

##### (3) Labour communication – Strengthening communication channels and valuing human rights

- The Group provides diversified channels for internal communication and opinion expressing which allows it to persistently understand employees' real opinions and recommendations on each aspect of the Company through diversified means such as the proposal system, suggestion boxes and employee satisfactory survey, and to make improvements based on the problems raised by the employees upon discussion.
- The Group respects the right of employees to form associations and organise unions upon their own free will in accordance with the laws, and regularly convenes labour conferences to share opinions with the labour representatives and directly respond to the queries raised by the employees. Meanwhile, it regularly organises "Employee Forum" with the labour unions which allows the labour unions to promptly reflect each problem raised by the employees and constantly follow up the execution progress of each discussion topic.

### 員工常規與福利

#### 政策：建立企業和諧、增進員工福利（續）

##### (2) 員工福利－提升福利與良好的工作條件（續）

- 集團所有營運區域均建立合乎當地勞動法規的員工待遇及工時管理機制，包括最低工資、特休假及法令規定的福利，員工均依當地法令休假。
- 2017年集團員工除固定月薪外，尚可按部門或個人績效獲得適當年終及績效獎金，主要生基越南廠區且每年固定實施2次晉升評核，透過友善管理方式鼓勵人才表現。

##### (3) 勞資溝通－加強溝通管道、重視人權

- 集團提供多元的內部溝通與反映管道，持續透過提案制度、意見箱、員工滿意度調查等多元方式，了解員工對於公司各面向的真實意見與建議，並針對員工反應的問題進行討論，做為改善的依據。
- 集團尊重員工依法自由結社及組織工會的權利，每年定期召開勞動大會，與勞動代表進行意見交流，並直接答覆員工之提問。同時定期與工會共同舉辦「職場座談會議」，讓工會代表能夠即時反應員工之各項問題，並持續追蹤各項議題之執行進度。

### EMPLOYEE PRACTICE AND BENEFIT

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)**

#### (3) Labour communication – Strengthening communication channels and valuing human rights (continued)

- The Group has reported its internal regulations to the competent authorities in the countries where its production bases are located. Furthermore, it has established the “Incentive and Disciplinary Committee” comprising labour unions, legal personnel and relevant competent units to deal with the matters of the reward and punishment on the internal staff of the Company in a transparent and open manner.
- The Group attaches importance to labour interests. The Vietnam plant (primary production base of the Group) has coordinated with auditing institutions BSI/SGS/INTERTEK to regularly carry out external audits and collect employees' opinions on the Company's management system, which is in line with the internationally recognised standards.

#### (4) Establishment of safe and healthy working environment – Ensuring Company's safety to maintain employees' healthiness

- Adhering to the concept of “ensuring Company's safety to maintain employees' healthiness”, the Group places significant importance on the promotion of occupational safety and hygiene. All of its policies, which are in compliance with the relevant laws applicable to the local operating area, have formed a safe working environment to its employees, clients, underwriters and relevant personnel.
- The Group offers labour insurance and health insurance applicable to the local operating area to each employee and arranges regular health check for the employees in an endeavour to look after the physical and mental health of all employees. Moreover, the Group cooperates with professional medical institutions to find out whether an employee suffers from an occupational disease based on the differences of each business division in order to safeguard the healthiness of the employees.

### 員工常規與福利

**政策：建立企業和諧、增進員工福利（續）**

#### (3) 勞資溝通－加強溝通管道、重視人權（續）

- 集團對生產基地國家權責機關申報公司內規，同時以工會、法務人員與相關單位主管為基本成員設立「獎懲委員會」，以透明公開方式處理公司內部員工之獎懲事宜。
- 集團重視勞工權益，主要生產基地越南廠區配合BSI/SGS/INTERTEK審查單位，定期實施外部稽查，訪查員工對公司管理制度之意見，符合國際標準認證。

#### (4) 建構安全與健康的工作環境－公司安全，全員健康

- 集團本著「公司安全，全員健康」的理念，對於職業安全衛生宣導特別重視，所有政策均符合營運區域當地適用的相關法令，為員工、客戶、承包商及相關人員營造安全的工作環境。
- 集團為每位員工參保符合營運區域當地適用的勞工保險或健康保險，為照顧全體員工身心健康，並定期辦理員工身體健康檢查。同時，集團也依各功能事業單位之區別，與專業衛生機構合作，調查追蹤員工有無職業病例，為員工健康把關。

### EMPLOYEE PRACTICE AND BENEFIT

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)**

#### (4) Establishment of safe and healthy working environment – Ensuring Company's safety to maintain employees' healthiness (continued)

- In order to carry out the propaganda of the concept of environmental protection, safety and hygiene, in addition to organising environmental safety education programs for the management level and the employees from time to time, the Group has also merged the concept of environmental safety and hygiene into major corporate activities in order to create an impact of the combination of environmental safety education with operating activities.
- The Group regularly inspects the progress and outcome of every environmental protection, safety and hygiene plan and continuously improves those plans in accordance with the requirements. The department in charge of environmental management implements and supervises various safety and hygiene drills in the factory areas targeting at the harm of special or major equipment in the factory areas, and performs precaution inspections, such as fire safety equipment, use of chemicals and safety inspections on electrical equipment to avoid risks of potential disaster.
- In 2017, there were 11 cases of work injury in the Group's primary production bases, which resulted in a total of 3,444 lost working hours due to work injury. The Group will continuously minimise the occurrence of work safety accident every year through rigorous safety education, management system and equipment.
- The Vietnam plant (primary production base of the Group) has comprehensively acquired various management system certifications including ISO 14001, OHSAS 18001, ISO 50001, FSSC 22000, HACCP, ISO 9001 and so on. Meanwhile, it adheres to the standards of the management systems and frequently carries out inspections and guidance with continuous improvements.

### 員工常規與福利

**政策：建立企業和諧、增進員工福利（續）**

#### (4) 建構安全與健康的工作環境－公司安全，全員健康（續）

- 為落實環保、安全及衛生觀念之宣導，集團除不時舉辦對管理階層及員工之環境安全教育課程之外，另外也將企業重大活動結合環安衛理念，以收環境安全教育與營運活動結合之效。
- 集團每年定期檢測環安衛各項計劃進度及執行成效，持續改善符合規定；並由環境管理專責單位於廠區實施與督導各類環安衛演習活動，尤其針對廠區特殊或重要設備之危害，也實施預知專項查核，例如消防設備、化學品使用及電氣安全查核等，防範風險於未然。
- 2017年集團主要生產基地因工作關係而受傷的件數有11件，統計因此工傷而損失的工作時數共3,444小時。集團將透過嚴謹的安全教育、管理制度和設備等，每年持續降低工安事故發生率。
- 集團主要生產基地越南廠區，已經全面取得各項管理系統認證，包括ISO 14001、OHSAS 18001、ISO 50001、FSSC 22000、HACCP、ISO 9001等等。同時依循管理系統準則，經常執行稽查與督導，持續改進。

### EMPLOYEE PRACTICE AND BENEFIT

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)**

#### (5) Development and training – Talent cultivation and establishment of learning and growing environment which employees can follow

- As the Group believes that talents are, above all, the greatest assets of the Company, we value the nurture and development of talents and provide each employee with a comprehensive educational training and promotion system to satisfy the needs of employees in different countries and regions, which allows all employees to deploy their skills and unearth their potentials.
- The Group regularly convenes meetings of the education and training committee while proactively organising professional courses and language courses based on the job requirements of each department and regularly conducting language and computer skill assessments to improve occupational skills of the employees. The Group has conducted a total four assessments of language and computer skill respectively in 2017.
- The Group formulates the “Annual Plan for Education and Training” every year. To enhance the diversification of learning, in addition to assigning employees to training institutions to participate in various education and trainings, the Group also engages professional lecturers to hold a variety of seminars in the factories from time to time and nurture its employees based on their aptitudes so as to boost their potentials and enhance their work passions and at the same time raise their sense of belonging to the Company.
- Based on the global operating strategy of the Group, it continues to cultivate talents for its future senior management and strategically nurtures employees possessing high potentials with emphasis on specific trainings to heighten the professionalism and regularly updates on their promotion and development to ensure the instantaneity and integrity of its talent reserve in a bid to satisfy the needs for the long-term business growth of the Group and enhance the core competitiveness of the organisation.

### 員工常規與福利

**政策：建立企業和諧、增進員工福利（續）**

#### (5) 發展與培訓－人才培育，建立員工可遵循的學習成長環境

- 集團深信人才是公司最大的資產，我們重視人才的培育與發展，依年度計劃提供完整的教育訓練及晉升制度給每位員工，以滿足不同國家及地區員工之各種需求，使每位員工得以充分發揮所長並開發潛力。
- 集團定期召開教育訓練委員會會議，同時主動依據各單位工作需求，開辦專業課程及語文課程，並定期舉辦語文檢定及電腦技能檢定，以提升員工職場技能。2017年集團共舉辦語文及電腦檢定各四次。
- 集團每年設定「教育訓練年度計劃」，為強化多元學習，除員工外派至訓練機構接受各項教育訓練外，集團也定期外聘專業講師不定期進廠舉辦各類專題講座，因材施教培訓員工，激發其潛力，使員工對工作更加熱忱，也增進員工對公司的認同感。
- 因應集團全球營運策略，持續培育未來高階管理人才，集團有計劃地養成高潛力員工，注重其個別學習培訓，提升其專業素質，並定期追蹤其晉升與發展，確保人才儲備即時且完整，以符合集團未來長期事業成長需要，提升組織核心競爭力。



### EMPLOYEE PRACTICE AND BENEFIT

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)**

#### (5) Development and training – Talent cultivation and establishment of learning and growing environment which employees can follow (continued)

- In 2017, the Group organised a total of 52,301 hours of education and training courses with the average training hours of approximately 14.65 hours per person every year. In 2017, total hours of middle and high management personnel of the Group taking occupational training courses were 8,890.5 hours (middle management officers) and 3,823.5 hours (senior management officers), respectively.

#### (6) Labour standards – Ensuring compliance with labour and safety laws

- The Group strives to comply with all labour laws applicable to the operating areas and achieve the goal of “establishing a safe and healthy working environment” by three aspects, namely “ensuring the compliance with labour laws, constantly reviewing the development plans and prohibiting the violation of human rights”.
- The Group adheres to the principle of employment freedom and refuses to hire forced labour and child labour. All employment shall be based on the employees' own free will and imposition of mandatory measures on employees in violation of laws or human rights of employees is prohibited.
- The Group accepts inspections on its labour safety and hygiene system carried out by government authorities or external independent inspection units to ensure all operating activities are in compliance with the local government decree and international standards.

### 員工常規與福利

政策：建立企業和諧、增進員工福利（續）

#### (5) 發展與培訓－人才培育，建立員工可遵循的學習成長環境（續）

- 2017年，集團舉辦的教育訓練課程總時數52,301小時，平均每人每年訓練時數約14.65小時。2017年集團中、高階管理層接受在職培訓課程的人時總數分別為8,890.5小時（中階主管）及3,823.5小時（高階主管）。

#### (6) 勞工準則－確實遵守勞動與安全法令

- 集團致力遵守所有營運區域當地適用的勞動法令，透過「確實遵守勞動法令、持續檢討發展方案、嚴禁管理違反人權」之三個面向來達成「建構安全健康之工作環境」的目標。
- 集團遵守就業自由，拒絕雇用被迫的員工及童工，所有工作應當是出自於員工自願，並禁止對於員工實施不合法令或違反員工人權之強制措施。
- 集團接受政府單位或外部獨立審查單位，進行勞動安全衛生制度之稽查，以使各項經營活動均能符合當地政府法令及國際標準。

### EMPLOYEE PRACTICE AND BENEFIT

**Policy: Building Corporate Harmony and Enhancing Employees' Benefits (continued)**

#### (6) Labour standards – Ensuring compliance with labour and safety laws (continued)

- The Group has an internal legal affairs department which is not only responsible for revising the internal regulations and systems of the Company in accordance with the decrees issued by the government, but also for educating the employees to understand and comply with the labour laws through its education and training system.

#### (7) Continuous review on development plans in pursuit of a better safety and health management system

- The fundamental obligation of the Group is to provide its employees a safe and healthy working environment. A specialised department for the management of environmental safety and hygiene has been established within the Group which is responsible for supervising the management system for environmental protection, safety and hygiene, formulating all safety and hygiene management regulations, regularly reviewing the improvement recommendations put forward by all units, examining the abnormal safety and hygiene incidents and analysing the causes thereof, and suggesting feasible improvement proposals or refined engineering designs to the Group in an endeavour to assist the Group to continuously heighten the management standards.
- Annual targets of the safety and hygiene management have been set in each factory areas of the Group in accordance with the local regulations. The occurrences of abnormal safety and hygiene incidents have been effectively reduced through an implementation of safety and hygiene inspections, safety and hygiene education and trainings and regular inspections on working environment in order to maximise the working efficiency of the employees in a safe and healthy environment.
- In addition to the respective safety and hygiene inspection of each unit of the Group, the internal inspection department also regularly reviews the management of every environmental protection and safety operation and the relevant operating environment to ensure the implementation management systems such as ISO 14001, OHSAS 18001, ISO 50001, FSSC 22000, HACCP, ISO 9001, etc.

### 員工常規與福利

**政策：建立企業和諧、增進員工福利（續）**

#### (6) 勞工準則－確實遵守勞動與安全法令（續）

- 集團內部設立法務專責單位，除依據政府公告之法令修正公司內部規章制度外，更透過教育訓練系統，教育員工了解並遵守勞動法令。

#### (7) 持續檢討發展方案，追求更完善之安全與健康管理制

- 集團營運最基本的義務是提供員工安全健康的工作環境，集團內部設有環境安全衛生專責管理部門，負責環安衛管理系統之督導並建立各項安全衛生管理規範，同時定期審查各單位提出之改善建議，針對安衛異常事故進行檢討、分析原因，並提出集團可行之改善方案或工程改良設計，協助集團持續提升管理水平。
- 集團各廠區依據當地法規訂定安衛管理年度目標，各單位透過安衛查核、安衛教育訓練及定期作業環境檢查等實際作為，有效降低安衛異常事故發生率，讓員工在安全健康的環境中，發揮最大的工作效率。
- 除集團各單位自主安衛檢查之外，內部稽核單位也定期對廠區之各項環安作業管制及有關作業環境進行稽核，以確保ISO 14001、OHSAS 18001、ISO 50001、FSSC 22000、HACCP、ISO 9001等等管理系統的落實執行。

### SUPPLY CHAIN MANAGEMENT

#### Policy: Strengthening Green Procurement and Maintaining Mutual Growth with Suppliers

Under the primary condition of stable quality and honesty in the process of determining the suppliers, the Group selects its suppliers across the globe as if deciding a long-term cooperation partner. Under the gradual surge of green energy awareness across the globe, the Group also wishes to promote the relevant environmental protection concepts or practices to the upstream suppliers through its supply chain management strategy of green products and encourage the suppliers to actively cooperate and participate in the environmental protection movement with its influence as a local enterprise in hope to establish a green supply chain in the food industry with its suppliers and improve the performance of the Group and its suppliers in terms of social and environmental responsibility.

The raw material suppliers of the Group include manufacturers and distributors. Engineering constructions are undertaken by engineering contractors of construction and machinery. The Group adopts standardised procurement model which not only includes comparison of quality, cost, service, technology and delivery, but also includes linked management for the information of suppliers to ensure the integrity of the long-term information storage and flexibly updates the changes in procurement demands so as to reduce procurement risks.

The cooperation agreements between the Group and its suppliers or contractors firstly requires the suppliers to faithfully carry out every transaction in accordance with the contracts and not to damage the interests and image of the Group. No suppliers shall engage in transfer of personal benefits or involve in loans, leases and investments for any non-business purposes with employees of the Group or their families, relatives and friends. Meanwhile, the Group also takes into account of appeals lodged by the suppliers against the employees of the Group who may have breached the procurement rules, and carries out investigations to safeguard the interests of the suppliers in a bid to build a harmonious trading relationship between both parties and establish an open, fair and just procurement management mechanism.

### 供應鏈管理

#### 政策：強化綠色採購，持續與供應商共同成長

本集團以選擇長期合作夥伴的角度檢視全球各地供應商，品質穩定與誠信正直是我們擇定供應商的主要條件。而在全球綠能意識逐漸高漲下，集團也希望透過綠色產品供應鏈的管理策略，將相關的環保觀念或作法推廣至上游供應商，以在地企業影響力，鼓勵供應商主動配合參與環保作為，集團期盼未來與供應商共同建立食品產業綠色供應鍊，提升集團與供應商在社會和環境責任上的表現。

本集團的原物料供應商有生產製造商及代理經銷商等，工程建造則由營建、機械等工程承攬商負責。集團採行標準化之採購交易模式，除針對品質、成本、服務、技術及交貨狀況進行評比之外，也將供應商資訊作串聯管理，確保長期備料完善、採購需求異動靈活更新，以降低採購風險。

本集團與供應商或承攬商的合作協議，首先要求供應商必須依合約忠實地執行各項買賣交易行為，不得損害本集團之利益與形象。供應商也不得對本集團員工個人或親友進行私人的利益輸送，或是任何非依公務上指定之借貸、租賃及投資等；同時，本集團也接受供應商申訴違反採購紀律的集團員工，並確實調查案情，以使供應商之權益獲得保障，建構雙方和諧之買賣關係，達成公開、公平、公正之採購管理機制。

### SUPPLY CHAIN MANAGEMENT

#### Policy: Strengthening Green Procurement and Maintaining Mutual Growth with Suppliers (continued)

We undertake to implement the following supply chain management policies with considerable efforts:

#### (1) Regular supplier assessment mechanism for purpose of improving management system of both parties

- The Group has established a system for inspection upon delivery, regular inspection and assessment, and explicitly has required the suppliers to cooperate with the Group's investigation in the factories based on the "Suppliers' Annual External Assessment Program". The top priority is to guide the supplier to improve the deficiencies found in the inspection and assessment. After notifying suppliers the items which require improvement, regular investigation shall be continued and gradings will be given in order to improve the management system of both parties and ensure its business relationships with quality suppliers. In 2017, the Group fairly completed the annual supplier assessment as scheduled and organised two key supplier interactive communication meetings.
- The procurements of new raw materials or newly added suppliers of the Group are all subject to the examination and qualification judgement based on the "Assessment Form for New Supplier" in order to ensure the standards of the Group's procurement management.

### 供應鏈管理

#### 政策：強化綠色採購，持續與供應商共同成長（續）

我們承諾將力行以下供應鏈管理政策：

#### (1) 定期進行供應商評核機制，以提升雙方管理制度

- 集團建立交貨驗收、定期稽核及評價制度，依據「年度供應商外部評核計劃」確實要求供應商配合集團的進廠訪查，稽查評核之缺失項目以輔導供應商改善為第一優先，通知供應商改善項目，並持續定期訪查，評列等級，以提升雙方管理制度，並確保與優良供應商往來。2017年集團已依計劃確實完成供應商年度評核；並舉辦二次重點供應商互動溝通會議。
- 集團對於新的原物料採購或新增的供應商，均需依據「新供應商評估表」據以審查、判定合格後才得以進行採購作業，確保符合集團採購管理規範。



### SUPPLY CHAIN MANAGEMENT

**Policy: Strengthening Green Procurement and Maintaining Mutual Growth with Suppliers (continued)**

#### (2) Continuous promotion and encouragement to suppliers for implementation of their own management systems

- In order to carry out safety management for suppliers and prevent constructional safety incidents, the Group not only continuously reminds and informs contractors the relevant safety management requirements, but also conducts on-site supervision over the operation safety of the manufacturers and procures them to implement their own management to prevent safety hazard to workers or damage to the environment arising from improper operation.
- The Group also requires engineering contractors to comply with and undertake to abide by all requirements under the “Management Measures for Safety and Hygiene of Contractors” and the policies and requirements under ISO 14001 and OHSAS 18001 of the Group and concurrently requires contractors to assign safety management personnel and engineering supervisors to the construction sites to confirm the safety before, during and after the construction in order to ensure the operation safety and environmental hygiene. In 2017, the Group has organised two education programmes concerning safety and hygiene management for the contractors and continuously heightened the critical measures and requirements.

### 供應鏈管理

政策：強化綠色採購，持續與供應商共同成長（續）

#### (2) 持續宣導及鼓勵供應商落實自主管理制度

- 為落實承攬商安全管理事宜，防止施工安全事故的發生，集團除持續提醒及告知承攬商相關安全管理規定外，並於現場督導廠商作業安全，促其落實自主管理，避免因作業不當而產生人員安全或環境的危害。
- 集團並規定工程承包廠商必須遵守及切結「承包商安全衛生管理辦法」之各項規範，遵守集團ISO 14001及OHSAS 18001之政策規定，同時要求於施工區域派遣安全管理人員及工程監工人員，進行施工前、中、後之安全確認，以確保工作安全及環境衛生。2017年集團已對承包商進行二次安全衛生管理宣導，持續加強重要措施與要求。

### SUPPLY CHAIN MANAGEMENT

#### Policy: Strengthening Green Procurement and Maintaining Mutual Growth with Suppliers (continued)

##### (3) Continuously maintain the proportion of green procurement

- In principle, if the suppliers in the country of the Group's business footholds or the neighbouring countries share the advantages in delivery time with the same favourable conditions in terms of quality, service and price, priority would be given to the local raw material suppliers and contractors in order to reduce the carbon emission in the process of transportation and jointly achieve green efficiency.
- In addition to continuously facilitating the replacement of old and high-consumption equipment with new models through plans on manufacturing process improvement or special projects, the Group also regularly participates in various exhibitions of innovative technology and new energy conservation equipment in hope to continue to manufacture with relatively high-efficiency equipment, reduce energy consumption per unit, reduce the cost of electricity used for operation, thereby implement energy management and enhance the competitiveness of the Group in the industry.
- The Group advocates green procurement policy and gradually carry out the environmental protection concept of "low pollution, recyclability and resources conservation". We support ecologically friendly products and green energy, and give priority to recyclable, degradable, reusable and recoverable products in response to the international environmental protection standards. In compliance with the local environmental protection regulations, we encourage suppliers to actively develop green products so as to minimise the damage to the environment. All in all, we make a contribution to take the eco-friendly pledge for all mankind.
- In 2017, the Group's primary production bases continuously increased the proportion of green procurement to meet the carbon reduction target. Accomplishments, in particular, included: (a) continuous increase in proportion of procurement at production places with great effort, (b) completion of two annual procurement projects of energy-efficient equipment, (c) continuous adoption of biofuel of 52,106 tons/year and (d) achievement of the procurement target of 100% electrical appliances with energy efficiency label.

### 供應鏈管理

#### 政策：強化綠色採購，持續與供應商共同成長（續）

##### (3) 持續維持綠色採購比重

- 原則上，集團營運據點所在地或鄰國之供應商具有交期優勢，在品質、服務及價格合宜的相同條件下，我們優先選擇當地原物料採購及承包商，以減少貨物運輸過程的碳排量，共同達成綠色效益。
- 集團除持續透過製程改善或專案計劃，促進老舊之高耗能設備汰舊換新外，並定期參與各項創新技術、節能新設備展覽會，以期持續以相對高效能設備進行生產，降低單位產品能耗，節約營運電力成本落實能源管理，也提升集團產業競爭力。
- 集團提倡綠色採購政策，逐步落實「低污染、可回收、省資源」之環保理念，我們支持具備親善環境的產品及綠色能源，優先選擇易回收、易拆解、再生使用率及回收利用率高的產品，響應各國環保標章；在符合當地環保法規的情形下，鼓勵供應商積極開發綠色產品，減輕對地球環境的破壞，為人類環保事業盡一份心力。
- 2017年集團主要生產基地持續增加綠色採購比重，達成減碳目標，具體做為有：(a)持續努力增加在地產地採購比重(b)完成年度高效能設備採購專案二件(c)使用生質燃料52,106噸／年(d)完成電器節能標章產品100%採購目標。

### PRODUCT RESPONSIBILITY

#### Policy: Comprehensive Quality Management to Live Up to Customers' Satisfaction

Continuous pursuit of high quality is the core objective of the Group's corporate culture. Over the years, we have been enhancing the planning and implementation of quality improvement of our products and persisting to exceed customers' expectations with supreme quality.

Through a consolidation of three aspects, namely quality control, production technology and management system, the Group strictly complies with the highest standard of "Comprehensive Quality Management" to carry out quality control, enhance productivity and pursue a production process with lower cost and higher efficiency so as to achieve a more promising operating performance of the Group.

We undertake to implement the following product responsibility policies with considerable efforts:

#### (1) In compliance with national quality and safety regulations

- As product is the core competitiveness of an enterprise, the primary production bases of the Group have established GMP+ Feed Safety Assurance, ISO 17025, HACCP, ISO 9001 and FSSC 22000 food safety management systems and enforce them on relevant food production aspects to enhance its competitiveness and satisfy customers' requirements on quality and the requirements of food safety standards.
- The Group ensures the quality of every product it produced is in compliance with all requirements of relevant local laws applicable to the operating areas.
- In 2017, the Group has fully implemented the monthly review of the validity period of various intellectual property rights in a bid to ensure the due completion of registration procedure for renewal before expiration and prevent trademarks being counterfeited.
- The shipment of each batch of the products is subject to a random inspection conducted by the Group. The fail rate of the Group's product in the random inspection in 2017 was approximately 0.15%; the Group will continue to enhance the system for the traceability of source management.
- The Group performed a product recall drill in 2017 for every main product (MSG, seasoning products, modified starch, maltose and feed products).

### 產品責任

#### 政策：全員品管，顧客滿意

持續追求高品質是本集團企業文化的核心目標，多年來我們不斷強化集團對於品質提升的規劃與執行，堅持以卓越的品質超越客戶的期待。

集團透過品質管制、生產技術與管理系統三方的整合，嚴守以「全員品管」的最高標準執行品質管控、提升生產力、追求成本更精簡及效率更高的製程，進而創造集團更優越的經營績效。

我們承諾將力行以下產品責任政策：

#### (1) 符合國家品質與安全規範

- 產品是企業的核心競爭力，集團主要生產基地已建立GMP+ Feed Safety Assurance、ISO 17025、HACCP、ISO 9001、FSSC 22000食品安全管理系統，並實施於各相關食品製造的範圍，以提高競爭能力，達到客戶的品質及食品安全標準要求。
- 集團確認所生產之各項產品品質，均符合所有營運區域適用的當地相關法令規定。
- 2017年集團已確實達成每月定期檢討各項智慧財產權效期，以確保於到期前確實完成更新登記作業，避免商標遭到仿冒。
- 集團針對每批次產品進行抽檢，達標方可出貨，2017年集團產品抽檢不合格率約0.15%；未來集團將持續強化源頭管理可溯性的制度。
- 集團於2017年對主要產品（味精、風味調味料、變性澱粉、麥芽糖漿、飼料），各進行一次產品回收程序標準演習。

### PRODUCT RESPONSIBILITY

#### Policy: Comprehensive Quality Management to Live Up to Customers' Satisfaction (continued)

#### (2) Preservation of customers' interests and consolidation of customer relations

- As the Group weighs its customer relation management system, it has established feasible and effective customer communication channels to understand the needs and questions of customers. The Group has established the "operating procedures for toll-free customer service hotline". Through the toll-free customer hotline, the Group ascertains the procedures and scope of customer service operation and matters which require customers' cooperation in order to ensure customers' interests as well as to safeguard the interests of the distributors and agents.
- Addressing customers' opinions and feedbacks and the quality issues, each business unit has formulated standard operating procedures in compliance with the local laws, according to which it promptly provides proper responses, makes reports and puts forward solutions through the communication channels specified in the official website of the Group and sales personnel to achieve the goal of customer satisfaction.
- In 2017, the Group has received 11 customer feedbacks in total. The general management office has appointed a designated person to arrange the response to customers' feedback and the response rate was 100%.
- Addressing customers' data protection and privacy management, the Group carried out 6 internal inspections in 2017 to ensure that the management measures are duly implemented by every department.
- The distribution partners around the world are important market vanguards of the Group which help the Group to deliver its brand value to the potential customers at every corner of the world. The Group organises distribution partner meetings or product launching events from time to time to share the analysis on the overall market trend and its marketing strategies in order to assure customers' satisfaction and establish a long-term and stable market operating foundation for the Group.

### 產品責任

#### 政策：全員品管，顧客滿意（續）

#### (2) 保障客戶權益，鞏固客戶關係

- 集團重視客戶關係管理系統，已建立可行、有效的客戶溝通管道，了解客戶的需求及問題。集團設立「客戶免付費專線服務作業流程」，通過客戶免付費專線，確認服務客戶作業流程範圍及相關客戶需配合事項，以確保客戶權益，也包含經銷商及代理商之權益保障。
- 針對客戶的意見回饋或品質問題，各事業單位也依據當地法令訂定標準作業流程，透過集團官網指定的連絡管道以及業務人員，即時給予妥善的回應並按流程通報與處理，達到客戶滿意的目標。
- 2017年集團共接獲11件顧客反應，由總經理室責成專人統籌回覆客戶意見，並且達成100%回覆率。
- 針對消費者資料保障及隱私管理，集團於2017年完成6次內部稽查，確保管理辦法確實為各部門所執行。
- 遍佈全球的經銷通路夥伴是集團重要的市場先鋒，協助集團將企業品牌價值傳達給世界各角落的潛在客戶。集團不時舉辦經銷通路夥伴會面活動或產品發佈會，分享整體市場趨勢與行銷策略，以確保顧客滿意，建立集團長期穩健的市場經營基礎。



### ANTI-CORRUPTION AND PREVENTIVE MEASURES

#### Policy: Upholding Integrity and Formulating Standards

The Group highly values operation in good faith. It has established a designated inspection unit, in addition to the establishment of a transparent and open communication platform. The Group requires its employees to comply with the regulations of integrity and also reinforces the propaganda on a regular basis to prevent corruption and fraud.

The Group requires all employees to abide by the prevailing government regulations in each operating area and the internal regulations of the Company in an endeavour to procure employees to safeguard the Group's reputation with the highest moral standard. For the implementation of the Group's anti-corruption policy, penalty shall be imposed on inappropriate conducts in accordance with the relevant regulations of the Company, while local legal proceedings shall be instituted on a serious breach.

The Group shall implement the following policies with considerable efforts to enforce the regulations of integrity on employees:

#### (1) Continuous propaganda of integrity

The Group requires every employee internally, and reminds all customers, suppliers and all third parties involved in business transactions externally not to obtain commercial benefits directly or indirectly through malfeasance or bribery. It has also established standard operation procedure systems for business, procurement and finance departments to prevent employees from abusing their power for personal gains which would result in conflict of interests.

#### (2) Establishment of transparent and open communication platform

Integrity is a major criterion of the Group's assessment on its employees and employees who reported corrupt conducts shall not result in any implication to their salaries and promotion prospects or be subject to other unfavourable penalties. There is a feedback channel which allows all employees to report corrupt conducts to the management directly through diversified means, where the whistle blower shall be protected by the Group's system. No employee in the Group was subject to legal proceedings regarding corrupt conduct in 2017.

### 反貪污防治

#### 政策：落實誠信行為與規範

本集團重視誠信經營，除建立透明公開的溝通平台外，集團內部並設立專責之稽查單位查核，平時也加強宣導與要求員工落實誠信之規範，以防貪污與舞弊。

集團要求所有員工遵守各營運區域當地現行有效之政府法規和公司內規，期許員工以最高道德標準共同維護集團聲譽，如查有不當行為，除依公司相關規定予以懲處外，重大情節並依當地法律程序處理，以落實集團期望之反貪政策。

集團對員工之誠信規範將力行以下政策：

#### (1) 持續宣導誠信行為

集團對內要求每位員工、對外提示所有客戶、供應商及所有涉及商業行為之第三方，集團禁止以直接或間接之任何貪瀆或賄賂方式獲取商業利益，並且在業務、採購、財務部門內建立標準作業流程系統，以避免員工利用職務之便，導致任何利益衝突之情事。

#### (2) 建立透明公開溝通平台

集團對於員工之誠信列為重要考核項目，且不因員工舉報貪污行為而影響員工之待遇、升遷或受到其他不利之處分。集團設有意見反映管道，所有員工均可直接透過多元的管道，向管理階層舉報貪污案件，檢舉人並受到集團制度之保護。2017年集團並無僱員貪污訴訟案件。

### COMMUNITY DEVELOPMENT AND PUBLIC WELFARE

#### Policy: Facilitating Social Development and Willing to be Corporate Volunteer

The Group provides special care to the relatively underprivileged minority in society and gives long-term and appropriate support and positive encouragement. With a thankful heart, the Group is willing to be a cheerful corporate volunteer and communicate with the community benevolently so as to requite the public for the support to the Company.

Through internal coordination and planning of the public relations department, the Group has been devoting itself to public welfare activities, such as providing international medical support, taking care of the impoverished families, promoting environmental protection and energy conservation education and sponsoring outstanding poor students for a long period of time in hope for encouraging more enthusiasts to carry out charitable work and radiating warmth to every corner in need through our modest contribution and increased participation. Vietnam Red Cross awarded the “Red Cross Outstanding Contribution of Business Enterprise Award” to a Vietnamese company under the Group for multiple times, indicating that the Company’s active participation in the public welfare has obtained recognition by international charity and aid organisation.

The followings set forth a summary of the Group’s social operation and participation in public welfare:

#### (1) Continuous international medical support

Given that international human care has always been the benevolent activity which the Group pays attention to, other than sponsoring the “Agent Orange Victim Fund” and the “Child Protection Fund”, the Vietnam plant (primary production base of the Group) has cooperated with the Government of Dong Nai Province, Taichung Veterans General Hospital, Taiwan and Huei-Kong Social Welfare Foundation for six consecutive years to carry out international medical support activities which benefitted nearly ten thousand people. In 2017, the Group fully implemented the plan under the “Medical Cooperation Memorandum” entered into by the government, universities and companies, which supports medical personnel in Vietnam to go to Taiwan for a half-year international medical exchange in order to achieve the goal of expanding local medical services and cultivating outstanding medical professionals.

### 社區經營與慈善公益

#### 政策：促進社會發展、樂為企業志工

本集團對於社會結構中相對弱勢的族群特別關懷，長期給予適當的扶助與正向的鼓勵。集團抱持感恩的心，樂於做一員快樂的企業志工，用愛心與社會各界溝通，回饋大眾對公司的支持。

集團透過內部專責公共關係部門的統籌與規劃，長期以來持續投入國際醫療援助、關懷貧戶、推廣環境能源教育及協助清寒優秀學子等公益活動，我們希望以自己棉薄的奉獻，擴大社會參與，號召更多愛心人士攜手行善，將溫情傳送至社會需要的角落。越南紅十字會也多次頒發「紅十字會事業傑出成績貢獻獎」予集團越南公司，顯見公司積極參與慈善活動已獲得國際慈善救援組織的肯定。

以下分享集團於社區經營與慈善公益的概況：

#### (1) 持續進行國際醫療援助活動

國際人道關懷一直是本集團關注的愛心活動，除贊助「橙黃劑受害者基金會」和「兒童保護基金會」之外，主要生產基地越南廠區已連續六年與同奈省府、台灣台中榮民總醫院及惠康基金會合作國際慈善醫療活動，義診服務受惠民眾已近上萬人次；2017年集團確實執行官學產三方簽訂的「醫療合作備忘錄」計劃，協助越方醫事人員至台灣進行為期半年的國際醫事交流，達成擴大在地醫療服務、培育優秀醫護人員的目標。

**COMMUNITY DEVELOPMENT AND PUBLIC WELFARE**

**Policy: Facilitating Social Development and Willing to be Corporate Volunteer (continued)**

**(2) Encouragement to employees to participate in social welfare activities**

The Group always encourages its employees to participate in all kinds of public welfare activities and several directors of the Group and their families have set an example by working as long-term volunteers of medical institutions and hospice centres in an endeavour to motivate more employees to unite their power through personal actions and serve the public with contribution to society.

**(3) Continuous charity and public welfare activities**

To demonstrate the spirit of fraternity and help impoverished families, the Group adheres to the concept of gaining healthy lives through flavourful and delicious food and organises various activities such as “Spreading Warmth at the End of the Year”, “Gratitude Fund”, “Building Warm-Hearted House” and “Poverty Fund” every year to provide the most appropriate support to the needy.

**(4) Facilitation environmental protection and energy conservation education**

In order to enhance the awareness of the importance of energy and climate change issues among all people, the Group cooperated with the local government and international organisations every year to promote the concept of forest conservation by organising different activities such as “Green Sunday”, “Tree Planting”, “Environmental Protection Drawing Competition” and “Classification of Household Waste”, and sponsor a variety of environmental protection funds in an endeavour to facilitate environmental protection, forest conservation, forest expansion and improve the ecological environment.

**社區經營與慈善公益**

**政策：促進社會發展、樂為企業志工（續）**

**(2) 鼓勵員工參與社會公益活動**

集團向來鼓勵員工自主參與各類公益活動，集團多位董事及其家人更是躬身力行，長期擔任醫療機構、安寧照護機構的志工，期望由己身做起，帶動更多員工力量集結，服務人群回饋社會。

**(3) 持續進行慈善公益活動**

為了發揮相親相愛精神、協助環境困難的家庭，本著濃郁美味食品帶來健康生活的理念，集團每年舉辦「歲末送溫暖」、「知恩圖報基金」、「建設溫情屋」、「為貧窮基金」等多項活動，為弱勢民眾提供最適當的協助。

**(4) 推動環境能源教育**

為提高民眾體認能源及氣候變遷議題的重要，集團每年配合當地政府單位及國際組織宣導愛林護林的意識，舉辦各種「綠色週日」、「植樹」、「環保畫圖比賽」、「生活垃圾分類」活動，並且贊助各類環保基金，為綠化促進、愛林護林擴大大森林資源及改善生態環境而努力。



International Medical Support  
國際醫療援助活動



Building Warm-Hearted House  
建設溫情屋



Tree Planting  
植樹活動

**COMMUNITY DEVELOPMENT AND PUBLIC WELFARE**

**Policy: Facilitating Social Development and Willing to be Corporate Volunteer (continued)**

**(5) Continuous promotion study encouragement**

In order to incentivise impoverished students, the Group not only entered into the “Industry-University Collaboration Memorandum” with numerous higher education institutions, but also regularly carried out study encouragement in accordance with the local government policies and gave scholarships and donations for construction of schools in a bid to provide better education to outstanding students in order to encourage students to study hard.



Donations for Construction of Schools and Encouragement to Students  
捐資興學鼓勵學子

**社區經營與慈善公益**

**政策：促進社會發展、樂為企業志工（續）**

**(5) 持續推展勸學活動**

為獎勵清寒學子，集團除與多所高等教育學校簽定「產學合作備忘錄」之外，也定期配合當地政府政策進行勸學教育，頒發獎助學金及捐資興學，以協助優秀學子接受更良好的教育，鼓勵學子持續奮發向學。



Cooking Event on the Women’s Day  
三八婦女節烹飪活動

**(6) Generation of a centripetal force towards society by culture education**

The cultivation strategy of the Group is to rapidly and fully integrate into local culture where it operates. As such, the Group provides various recreational activities and supports the relevant activities of local governments, such as celebrating local festivals, participating in the International Women’s Day, commending senior employees, establishing party organisations and organising activities in a bid to enhance a sense of belonging of the employees to the local culture and earn recognition of the Company from society.



The Company’s Inter-plant Football Championship  
公司廠際盃足球賽

**(6) 以文化教育凝聚社會向心力**

深耕在地是集團的發展策略，為使集團更快速地完全融入營運區域當地文化，集團提供各種文娛活動以及配合當地政府的相關活動，例如：在地文化日慶典、三八婦女節活動、資深員工表揚活動、成立黨組織、黨部活動等，加強全球員工對在地文化的歸屬感，同時也凝聚社區對公司的認同感。



### PROSPECTS

“Care for environment and sustainable operation” is the operational mission of the Group and also a commitment and fundamental responsibility of us as an international corporate citizen to the environment and society. In process of the preparation of the disclosure in this report, we have reviewed the actual actions taken by the Group in a new perspective for implementing the three sustainability measures, namely sustainable environment, public welfare and sound corporate governance, and found that certain items still require continuous improvement. In the future, the Group will formulate better development solutions which integrate the operating procedures and will continuously strive for excellence, facilitate social development and benefit the environment as a whole.

With reference to the relevant regulations and international standards, the Group will continue to review the hindrances and risks to be involved in the future corporate governance, social development and environmental protection. It will also formulate mid-to-long-term improvement strategies and action plans as soon as possible with effective communication with the stakeholders of the Group, including employees, customers, suppliers, investors and the community, that enable them to understand and support every practical action taken by the Group for the environmental, social and governance in order to face the trend of the macro-environment and challenges together in a prudent manner and seek the best way for coexistence and mutual prosperity.

The Group believes that the fulfilment of social responsibility is the critical driving force for the sustainable growth of enterprises in the 21st century. In the future, we will continue to integrate the core competence of biotechnology with social responsibility, nurture talents for the greening field and develop green economy. The Group not only expects to have a significant influence on the food industry, but also hopes to arouse the awareness of climate change among global citizens in an endeavour to contribute to the sustainable development of the environment of the earth and create a better home together.

### 展望

「愛護環境、永續經營」是本集團的經營使命，也是身為世界企業公民對環境與社會的承諾和基本責任。我們透過披露本報告的過程，重新檢視集團對於實踐永續環境、維護社會公益及健全企業管治三個永續面的實際作為，我們發現有部份項目仍有待持續改善，未來集團將建立更完備且結合營運流程的發展方案，努力持續追求企業卓越經營、促進社會發展並創造環境的共好。

本集團將參考相關法規及國際標準，持續檢討集團未來在企業治理、社會發展與環境保護所將面臨的難題與風險，儘早規劃中長期改善策略及行動方案，並有效溝通於集團之利害關係人包括員工、客戶、供應商、投資人及社區，使之了解並支持集團在環境、社會及管治的各項作為，共同謹慎面對大環境的趨勢與挑戰，尋求共存共榮的最佳模式。

集團相信善盡社會責任，將是企業在廿一世紀永續成長的關鍵助力。未來，我們將持續運用生物技術核心能力與社會責任結合，培育綠色領域人才，發展綠色經濟，集團期望不僅在食品產業擁有重要的影響力，更希望喚起全球公民對氣候變化的警覺，共同為地球環境永續發展盡力，開創美好家園。

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

The Group's compliance of General Disclosures and KPIs:

集團遵守一般披露及關鍵績效指標之履行情形：

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

與《環境、社會及管治報告指引》之對照表

	<p align="center"><b>Subject Areas, Aspects, General Disclosures and KPIs</b>                      主要範疇、層面、一般披露及關鍵績效指標</p> <p align="center"><b>"Comply or explain" Provisions</b>                      「不遵守就解釋」</p>	<p align="center"><b>Compliance as disclosed in this report</b>                      本報告書披露之履行情形</p>
<p><b>A. Environmental</b>                      環境</p> <p><b>A1 Emissions:</b>                      排放物：</p>	<p align="center"><b>General Disclosure (effective from 2016.1.1)</b>                      一般披露 (2016.1.1生效)</p> <p>Information on:                      有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：</p> <p>(a) the policies; and                      (a) 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer                      (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p><i>Note:</i> (1) Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.                      註：(1)廢氣排放包括氮氧化物、硫氧化物及其他受國家法律及規例規管的污染物。</p> <p><i>Note:</i> (2) Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.                      註：(2)溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化合物、全氟化碳及六氟化硫。</p> <p><i>Note:</i> (3) Hazardous wastes are those defined by national regulations.                      註：(3)有害廢棄物指國家規例所界定者。</p>	<p>As stated in the section headed "Environmental Protection (1) Emission management" in this report                      如報告書「環境保護的(1)排放物管理」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs

主要範疇、層面、一般披露及關鍵績效指標

“Comply or explain” Provisions  
「不遵守就解釋」

Compliance as disclosed  
in this report

本報告書披露之履行情形

	<p><b>KPI (effective from 2017.1.1)</b> <b>關鍵績效指標 (2017.1.1生效)</b></p>	
	<p>KPI A1.1: The types of emissions and respective emissions data. 關鍵績效指標A1.1：排放物種類及相關排放數據。</p>	<p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p>
	<p>KPI A1.2: Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A1.2：溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p>	<p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p>
	<p>KPI A1.3: Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A1.3：所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p>	<p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p>
	<p>KPI A1.4: Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A1.4：所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p>	<p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

	<p align="center"><b>Subject Areas, Aspects, General Disclosures and KPIs</b></p> <p align="center">主要範疇、層面、一般披露及關鍵績效指標</p> <p align="center"><b>“Comply or explain” Provisions</b></p> <p align="center">「不遵守就解釋」</p>	<p align="center"><b>Compliance as disclosed in this report</b></p> <p align="center">本報告書披露之履行情形</p>
	<p>KPI A1.5: Description of measures to mitigate emissions and results achieved. 關鍵績效指標A1.5：描述減低排放量的措施及所得成果。</p> <p>KPI A1.6: Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 關鍵績效指標A1.6：描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。</p>	<p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (1) Emission management” in this report 如報告書「環境保護(1)排放物管理」章節敘述</p>
<p><b>A2 Use of Resources:</b> 資源使用：</p>	<p align="center"><b>General Disclosure (effective from 2016.1.1)</b></p> <p align="center">一般披露 (2016.1.1.生效)</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源 (包括能源、水及其他原材料) 的政策。</p> <p><i>Note:</i> Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc. 註：資源可用於生產、儲存、運輸、樓宇、電子設備等。</p>	<p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs

主要範疇、層面、一般披露及關鍵績效指標

“Comply or explain” Provisions  
「不遵守就解釋」

Compliance as disclosed  
in this report

本報告書披露之履行情形

	<p><b>KPI (effective from 2017.1.1)</b> <b>關鍵績效指標 (2017.1.1生效)</b></p>	
	<p>KPI A2.1: Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A2.1：按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。</p> <p>KPI A2.2: Water consumption in total and intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A2.2：總耗水量及密度（如以每產量單位、每項設施計算）。</p> <p>KPI A2.3: Description of energy use efficiency initiatives and results achieved. 關鍵績效指標A2.3：描述能源使用效益計劃及所得成果。</p> <p>KPI A2.4: Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 關鍵績效指標A2.4：描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。</p> <p>KPI A2.5: Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 關鍵績效指標A2.5：製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位佔量。</p>	<p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (2) Resources usage management” in this report 如報告書「環境保護(2)資源使用管理」章節敘述</p>



**Notes to the Environmental, Social and Governance Report**  
**環境、社會及管治報告附註**

**CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL,  
 SOCIAL AND GOVERNANCE REPORTING GUIDE  
 (continued)**

**與《環境、社會及管治報告指引》之對照表  
 (續)**

**Subject Areas, Aspects, General Disclosures and KPIs**

主要範疇、層面、一般披露及關鍵績效指標

**“Comply or explain” Provisions**

「不遵守就解釋」

**Compliance as disclosed  
 in this report**

本報告書披露之履行情形

<p><b>A3                  Environment                  and Natural                  Resources:</b>                  環境及天然資源：</p>	<p style="text-align: center;"><b>General Disclosure (effective from 2016.1.1)</b>                  一般披露 (2016.1.1.生效)</p> <p>Policies on minimising the issuer’s significant impact on the environment and natural resources.                  減低發行人對環境及天然資源造成重大影響的政策。</p> <p style="text-align: center;"><b>KPI (effective from 2017.1.1)</b>                  關鍵績效指標 (2017.1.1生效)</p> <p>KPI A3.1: Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.                  關鍵績效指標A3.1：描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。</p>	<p>As stated in the section headed “Environmental Protection (3) Environment and natural resources management” in this report                  如報告書「環境保護(3)環境及天然資源管理」章節敘述</p> <p>As stated in the section headed “Environmental Protection (3) Environment and natural resources management” in this report                  如報告書「環境保護(3)環境及天然資源管理」章節敘述</p>
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# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

Subject Areas, Aspects, General Disclosures and KPIs  
主要範疇、層面、一般披露及關鍵績效指標

	<p>“Comply or explain” Provisions 「不遵守就解釋」</p>	<p>Recommended Disclosures 建議披露</p>	<p>Compliance as disclosed in this report 本報告書披露之履行情形</p>
<p><b>B. Social 社會</b> <b>I. Employment and Labour Practices</b> 一、僱傭及勞工常規 <b>B1 Employment: 僱傭：</b></p>	<p><b>General Disclosure (effective from 2016.1.1)</b> <b>一般披露 (2016.1.1.生效)</b></p> <p>Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) the policies; and (a) 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>		<p>As stated in the section headed “Employee Practice and Benefit (1) Employment principles” in this report 如報告書「員工常規與福利(1)僱傭原則」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	<p>“Comply or explain” Provisions 「不遵守就解釋」</p>	<p>Recommended Disclosures 建議披露</p>	<p>Compliance as disclosed in this report 本報告書披露之履行情形</p>
<p><b>B2 Health and Safety:</b> 健康與安全：</p>	<p><b>General Disclosure (effective from 2016.1.1)</b> 一般披露 (2016.1.1.生效)</p> <p>Information on: 有關提供安全工作環境及保障僱員避免職業性危害的：</p> <p>(a) the policies; and (a) 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	<p><b>Recommended Disclosures – KPI</b> 建議披露 – 關鍵績效指標</p> <p>KPI B.1.1 關鍵績效指標B.1.1</p> <p>Total work force by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。</p> <p>KPI B.1.2 關鍵績效指標B.1.2</p> <p>Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。</p>	<p>As stated in the section headed “Employee Practice and Benefit (1) Employment principles” in this report 如報告書「員工常規與福利(1)僱傭原則」章節敘述</p> <p>As stated in the section headed “Employee Practice and Benefit (1) Employment principles” in this report 如報告書「員工常規與福利(1)僱傭原則」章節敘述</p> <p>As stated in the section headed “Employee Practice and Benefit (4) Establishment of safe and healthy working environment” in this report 如報告書「員工常規與福利(4)建構安全與健康的工作環境」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

“Comply or explain” Provisions 「不遵守就解釋」	Recommended Disclosures 建議披露	Compliance as disclosed in this report 本報告書披露之履行情形
	<p style="text-align: center;"><b>Recommended Disclosures – KPI</b> 建議披露 – 關鍵績效指標</p> <p>KPI B2.1 關鍵績效指標B2.1</p> <p>KPI B2.2 關鍵績效指標B2.2</p> <p>KPI B2.3 關鍵績效指標B2.3</p>	<p>As stated in the section headed “Employee Practice and Benefit (4) Establishment of safe and healthy working environment” in this report 如報告書「員工常規與福利(4)建構安全與健康的工作環境」章節敘述</p> <p>As stated in the section headed “Employee Practice and Benefit (4) Establishment of safe and healthy working environment” in this report 如報告書「員工常規與福利(4)建構安全與健康的工作環境」章節敘述</p> <p>As stated in the section headed “Employee Practice and Benefit (4) Establishment of safe and healthy working environment” in this report 如報告書「員工常規與福利(4)建構安全與健康的工作環境」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	<b>"Comply or explain" Provisions 「不遵守就解釋」</b>	<b>Recommended Disclosures 建議披露</b>	<b>Compliance as disclosed in this report 本報告書披露之履行情形</b>
<b>B3 Development and Training:</b> 發展及培訓：	<p><b>General Disclosure (effective from 2016.1.1)</b> 一般披露 (2016.1.1.生效)</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p> <p><i>Note:</i> Training refers to vocational training. It may include internal and external courses paid by the employer. <i>註：</i> 培訓指職業培訓，可包括由僱主付費的內外部課程。</p>	<p style="text-align: center;"><b>Recommended Disclosures – KPI</b> 建議披露 – 關鍵績效指標</p> <p>KPI B3.1 關鍵績效指標B3.1</p> <p>The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層等）劃分的受訓僱員百分比。</p> <p>KPI B3.2 關鍵績效指標B3.2</p> <p>The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。</p>	<p>As stated in the section headed "Employee Practice and Benefit (5) Development and training" in this report 如報告書「員工常規與福利(5)發展與培訓」章節敘述</p> <p>As stated in the section headed "Employee Practice and Benefit (5) Development and training" in this report 如報告書「員工常規與福利(5)發展與培訓」章節敘述</p>



# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	<b>"Comply or explain" Provisions 「不遵守就解釋」</b>	<b>Recommended Disclosures 建議披露</b>	<b>Compliance as disclosed in this report 本報告書披露之 履行情形</b>
<b>B4 Labour:</b> 勞工準則：	<b>Standards: General Disclosure (effective from 2016.1.1) 一般披露 (2016.1.1.生效)</b>  Information on: 有關防止童工或強制勞工的： <ul style="list-style-type: none"> <li>(a) the policies; and (a) 政策；及</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul> relating to preventing child and forced labour.		As stated in the section headed "Employee Practice and Benefit (6) Labour standards" in this report 如報告書「員工常規與福利(6)勞工準則」章節敘述
		<b>Recommended Disclosures – KPI 建議披露 – 關鍵績效指標</b>  KPI B4.1 關鍵績效指標B4.1  Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。  KPI B4.2 關鍵績效指標B4.2  Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	As stated in the section headed "Employee Practice and Benefit (6) Labour standards" in this report 如報告書「員工常規與福利(6)勞工準則」章節敘述  As stated in the section headed "Employee Practice and Benefit (6) Labour standards" in this report 如報告書「員工常規與福利(6)勞工準則」章節敘述

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	<b>"Comply or explain" Provisions 「不遵守就解釋」</b>	<b>Recommended Disclosures 建議披露</b>	<b>Compliance as disclosed in this report 本報告書披露之履行情形</b>
<b>II. Operating Practices</b> 二、營運慣例 <b>B5 Supply Chain Management:</b> 供應鏈管理：	<p style="text-align: center;"><b>General Disclosure (effective from 2016.1.1)</b>                      一般披露 (2016.1.1.生效)</p> <p>Policies on managing environmental and social risks of the supply chain.                      管理供應鏈的環境及社會風險政策。</p>	<p style="text-align: center;"><b>Recommended Disclosures – KPI</b>                      建議披露 – 關鍵績效指標</p> <p>KPI B5.1                      關鍵績效指標B5.1</p> <p>KPI B5.2                      關鍵績效指標B5.2</p>	<p>As stated in the section headed "Supply Chain Management" in this report                      如報告書「供應鏈管理」章節敘述</p> <p>As stated in the section headed "Supply Chain Management (1), (2) and (3)" in this report                      如報告書「供應鏈管理(1)、(2)及(3)」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

Subject Areas, Aspects, General Disclosures and KPIs  
主要範疇、層面、一般披露及關鍵績效指標

	<p>“Comply or explain” Provisions 「不遵守就解釋」</p>	<p>Recommended Disclosures 建議披露</p>	<p>Compliance as disclosed in this report 本報告書披露之履行情形</p>
<p><b>B6 Product Responsibility:</b> 產品責任：</p>	<p><b>General Disclosure (effective from 2016.1.1)</b> 一般披露 (2016.1.1.生效)</p> <p>Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：</p> <p>(a) the policies; and (a) 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>		<p>As stated in the section headed “Product Responsibility” in this report 如報告書「產品責任」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

"Comply or explain" Provisions 「不遵守就解釋」	Recommended Disclosures 建議披露	Compliance as disclosed in this report 本報告書披露之履行情形	
		<p style="text-align: center;"><b>Recommended Disclosures – KPI</b> <b>建議披露 – 關鍵績效指標</b></p> <p>KPI B6.1 關鍵績效指標B6.1</p> <p>Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。</p> <p>KPI B6.2 關鍵績效指標B6.2</p> <p>Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。</p> <p>KPI B6.3 關鍵績效指標B6.3</p> <p>Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。</p> <p>KPI B6.4 關鍵績效指標B6.4</p> <p>Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。</p> <p>KPI B6.5 關鍵績效指標B6.5</p> <p>Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。</p>	<p>As stated in the section headed "Product Responsibility (1)" in this report 如報告書「產品責任(1)」章節敘述</p> <p>As stated in the section headed "Product Responsibility (2)" in this report 如報告書「產品責任(2)」章節敘述</p> <p>As stated in the section headed "Product Responsibility (1)" in this report 如報告書「產品責任(1)」章節敘述</p> <p>As stated in the section headed "Product Responsibility (1)" in this report 如報告書「產品責任(1)」章節敘述</p> <p>As stated in the section headed "Product Responsibility (1)" in this report 如報告書「產品責任(1)」章節敘述</p>

# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	<b>"Comply or explain" Provisions 「不遵守就解釋」</b>	<b>Recommended Disclosures 建議披露</b>	<b>Compliance as disclosed in this report 本報告書披露之履行情形</b>
<b>B7 Anti-corruption:</b> 反貪污：	<p><b>General Disclosure (effective from 2016.1.1)</b> <b>一般披露 (2016.1.1.生效)</b></p> <p>Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的：</p> <p>(a) the policies; and (a) 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to bribery, extortion, fraud and money laundering.</p>	<p style="text-align: center;"><b>Recommended Disclosures – KPI</b> <b>建議披露 – 關鍵績效指標</b></p> <p>KPI B7.1 關鍵績效指標B7.1</p> <p>Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。</p> <p>KPI B7.2 關鍵績效指標B7.2</p> <p>Description of preventive measures and whistleblowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。</p>	<p>As stated in the section headed "Anti-corruption and Preventive Measures" in this report 如報告書「反貪污防治」章節敘述</p> <p>As stated in the section headed "Anti-corruption and Preventive Measures (1)" in this report 如報告書「反貪污防治(1)」章節敘述</p> <p>As stated in the section headed "Anti-corruption and Preventive Measures (2)" in this report 如報告書「反貪污防治(2)」章節敘述</p>



# Notes to the Environmental, Social and Governance Report

## 環境、社會及管治報告附註

### CROSS-REFERENCE SHEET OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE (continued)

### 與《環境、社會及管治報告指引》之對照表 (續)

#### Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標

	“Comply or explain” Provisions 「不遵守就解釋」	Recommended Disclosures 建議披露	Compliance as disclosed in this report 本報告書披露之履行情形	
III. Community 三、社區 B8 Community Investment: 社區投資：	<p><b>General Disclosure (effective from 2016.1.1)</b> 一般披露 (2016.1.1.生效)</p> <p>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p> <p>有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。</p>	<p><b>Recommended Disclosures – KPI</b> 建議披露 – 關鍵績效指標</p>		
		<p>KPI B8.1 關鍵績效指標B8.1</p>	<p>Focus are as of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p> <p>專注貢獻範疇 (如教育、環境事宜、勞工需求、健康、文化、體育)。</p>	<p>As stated in the section headed “Community Development and Public Welfare (1)-(6)” in this report</p> <p>如報告書「社區經營與慈善公益(1)-(6)」章節敘述</p>
		<p>KPI B8.2 關鍵績效指標B8.2</p>	<p>Resources contributed (e.g. money or time) to the focus area.</p> <p>在專注範疇所動用資源 (如金錢或時間)。</p>	<p>As stated in the section headed “Community Development and Public Welfare” in this report</p> <p>如報告書「社區經營與慈善公益」章節敘述</p>

# Report of Directors

## 董事會報告

The directors of the Company (“Directors”) present their report and the audited accounts for the year ended 31 December 2017.

### 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 10 to the accounts.

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

### BUSINESS REVIEW

#### Preface

For fair review of the Group’s business, the description about major risks and uncertainties and business prospects, please refer to “Chairman’s Statement” and “Management Discussion and Analysis” in this Report.

#### Subsequent events after year end date

No major event that influences business operation of the Group has occurred since 31 December 2017 (the balance sheet date of the financial year under review) until the date of this report.

#### Analysis of key financial performance indicators

For detailed key financial performance indicators that reflect business performance of the Group, refer to “Financial Highlights” on page 5 in this Annual Report.

#### Corporate environmental policy and performance

Environmental protection has always been a key target that the Group is concerned and works hard on. The Group has worked out an environmental policy and included environmental protection in daily management in accordance with related environmental protection laws and regulations applicable to the production base. The Group has also helped every employee cultivate their environmental protection awareness, strengthen the environmental protection concept, prevent environmental pollution, and cherish the earth’s natural resources, so as to conserve energy, reduce carbon footprint, and jointly build a sustainable green enterprise.

本公司董事（「董事」）謹此呈報截至二零一七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10。

該等業務於回顧年度並無重大轉變。

### 業務回顧

#### 緒言

有關本集團業務的中肯審視、面對主要風險和不明朗因素的描述及業務展望，請參閱本報告之「主席報告書」及「管理層討論及分析」兩節。

#### 年結日後事項

自二零一七年十二月三十一日（回顧財政年度結算日）起至本報告日，並無影響本集團營運的重大事件發生。

#### 主要財務表現指標的分析

有關反映本集團業務表現的主要財務表現指標詳情，請參閱本年報第5頁「財務摘要」。

#### 公司環境政策及表現

環境保護一直是本集團關注及努力的重要目標，集團已遵守生產基地適用的相關環保法規訂定環境政策，將環境保護納入常規管理，讓集團每位員工都有自主環保的認知，時時提高愛護環境的觀念，防止環境污染，並珍惜地球天然資源，確實做到節能減碳，共同建構永續之綠色企業。

In line with the national policy for production base, the Group regularly holds all kinds of environmental safety drills and review meetings to enhance the disaster response capability of employees, creates a safe industrial environment for all the employees, and actively strives to become a model enterprise in labour safety and health.

The Group will continuously promote its environmental protection policy to meet the following requirements:

1. Comply with or surpass provisions of the related laws and internal standards.
2. Carry out corporate activities in light of the principles of paying attention to personal safety, environmental protection and resources conservation.
3. Minimize the emission of waste gas, waste water and waste material as far as technically feasible.
4. Advocate recycling of resources to achieve the objective of reducing material consumption and waste.
5. Include the concept of environmental protection, safety and health in employee training and carry out all kinds of environmental safety and health activities.
6. Check the progress and implementation effect of each plan on an annual basis and improve deficiencies to achieve the purpose of continuous improvement.

#### Compliance with laws and regulations

The Group constantly updates related laws and regulations applicable to the production base (in Vietnam and China) and ensures compliance with them. The Group's assets are located in Vietnam and China respectively, while its income mainly comes from operations of the Vietnam plant. During the year under review, the Group observed the applicable laws and regulations of the country where the production base is in all the aspects of significant influences.

本集團遵守生產基地之國家政策，定期舉辦各類環安演習及檢討會，提升集團員工之災害應變能力，營造全員工業安全環境，積極爭取成為勞動安全衛生的企業典範。

本集團將會持續推動之環境保護政策：

1. 符合或超越相關法令及內部標準之要求。
2. 企業活動以注意人員安全，保護環境及保育資源之原則進行。
3. 在技術可行之範圍內，儘可能減少廢氣，廢水，及廢棄物等污染之排放。
4. 提倡資源之回收再利用，以達成減少物質消耗減廢之目的。
5. 將環保、安全及衛生之觀念融入員工之訓練，並推展各項環安衛活動。
6. 每年定期稽核各項計劃進度及執行成效，並就缺失進行改善，以達持續改善之目的。

#### 遵守法律及法規

本集團不斷更新生產基地（越南及中國）適用的相關法規，確保已經遵從。本集團資產分別位於越南及中國，而本集團收益主要來自於越南廠區營運。回顧年度，本集團在所有重大影響方面均已遵守生產基地國家適用的相關法規。

#### Major relationships with employees, customers and suppliers

The Group energetically cultivates local talents of the production base to become major officers, and provides outside training or internal training specific to expertise of employees so as to enhance professional functions of all employees. The Group promotes park-like construction of plants, offers an elegant working environment and employee dormitories, sets up books, recreation, balls and other facilities, and organizes comprehensive and attractive welfare and recreational activities for employees. The Group has been implementing its corporate citizenship concept and recruiting outstanding talents to support its sustainable operations. Neither strike nor major occupational hazard cases ever occurred during the year under review.

The Group has established sound interactive relationships with suppliers to realize efficient cooperation and jointly meet the business requirements of all the customers. The purchase department of the Group regularly reviews the supply quality with suppliers, and examines all the production processes of the supply plant on site to ensure stable and high purchase quality of the Group. Prior to each purchase project, the Group has clarified the Group's regulations and standards to the supplier; all purchase processes comply with the principles of openness, fairness and justice, and agreements are signed to ensure rights and interests of both parties.

The Group highly values the opinions and views of all customers, learns the consumption demand trends of customers by using different methods and pipelines, analyzes customer feedback regularly, and adjusts the production and marketing plan flexibly to meet requirements of all the customers and enhance the Group's performance gradually. The Group carries out strict control and inspection of product quality in accordance with international food regulations so as to provide customers with products and services of the best quality. The Group signs sales agreements with all the major customers and distributors and maintains good cooperation relationships with them by observing the standard sales procedures of the Group.

#### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated income statement on page 115.

The Board recommended the payment of a final dividend of 0.443 US cents per share, totalling US\$6,750,000 (2016: US\$12,740,000) for the year ended 31 December 2017. Subject to shareholders' approval at the forthcoming annual general meeting of the Company, the final dividend will be paid in cash on or around 8 June 2018 to the shareholders whose names appear on the register of members of the Company on 31 May 2018.

#### 與僱員、客戶及供應商的主要關係

本集團積極培養生產基地之本土人才成為主要幹部，針對僱員之個別專長提供派外受訓或內部培訓，提升所有僱員之專業職能。本集團推行廠區公園化，提供優雅的工作環境及員工宿舍，並設置圖書、育樂、球類等設施，為僱員提供全面優厚的福利與育樂活動，本集團長期實踐企業公民理念，以延攬優秀人才為集團永續經營共同努力。於回顧年內，概無出現罷工或重大職災個案。

本集團與供應商建立良好的互動關係，有效地合作共同達成所有客戶的業務需求。本集團採購部門與供應商定期檢討供貨品質，並實地勘察供貨廠區各生產環節，確保集團採購品質穩定良好。本集團於採購各項目展開前均已向供應商清楚說明本集團的規定及標準，所有採購過程一律遵從公開、公平及公正之原則，並簽訂協議確保雙方權益。

本集團對所有客戶的意見及觀點均高度重視，並通過不同方法及管道瞭解客戶消費需求趨勢，定期分析客戶反饋，靈活調整生產與營銷計劃，以滿足所有客戶需要為目標，也創造集團業績逐步上升。本集團遵守國際食品法規，對產品品質嚴格管控及檢驗，以確保向客戶提供最優質的產品及服務。本集團與主要客戶及經銷商均訂定銷售協議，遵守本集團的標準銷售程序，保持雙方良好的合作關係。

#### 業績及分派

本集團截至二零一七年十二月三十一日止年度的業績載於第115頁的綜合收益表。

董事會建議宣派截至二零一七年十二月三十一日止年度末期股息每股0.443美仙，合共6,750,000美元（二零一六年：12,740,000美元）。待股東於本公司應屆股東周年大會上批准後，末期股息將於二零一八年六月八日或前後以現金方式支付予於二零一八年五月三十一日名列本公司股東名冊的股東。

### DONATIONS

Donations made by the Group during the year ended 31 December 2017 amounting to US\$208,000.

### DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's share premium reserve (subject to the Cayman Companies Law and the articles of association of the Company) and retained earnings available for distribution to the Company's shareholders are set out in Note 35 to the accounts.

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's shares during the year ended 31 December 2017.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2017, the Group purchased less than 35% of its goods and services from its 5 largest suppliers and sold less than 30% of its goods and services to its 5 largest customers. None of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in these major suppliers or customers.

### EMPLOYEE COMPENSATION AND TRAINING

As at 31 December 2017, the Group had a total of 3,781 employees, 3,570 of whom were employed by subsidiaries in Vietnam, 197 by subsidiaries in the PRC and 14 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 as well as internal and external training courses and seminars on professional skills, languages, etc.

### 捐款

於截至二零一七年十二月三十一日止年度，本集團已作出捐款208,000美元。

### 可供分派儲備

本公司於二零一七年十二月三十一日可供分派予本公司股東的股份溢價儲備（根據開曼群島公司法及本公司組織章程細則計算）及保留盈利載於賬目附註35。

### 購買、出售或贖回證券

本公司或其任何附屬公司概無於截至二零一七年十二月三十一日止年度內購買、贖回或出售本公司的股份。

### 主要客戶及供應商

截至二零一七年十二月三十一日止年度，本集團從其五大供應商購入之貨品及服務少於35%，且向其五大客戶出售之貨品及服務少於30%。概無董事、董事之聯繫人士或據董事所知擁有本公司5%以上股本之股東，於該等主要供應商或客戶中擁有權益。

### 雇員薪酬及培訓資料

截至二零一七年十二月三十一日，本集團僱有員工合共3,781名，包括受僱於味丹越南附屬公司的3,570名雇員、味丹中國各附屬公司的197名雇員及台灣分公司的14名雇員。本集團根據一般行業慣例，以本集團財務表現及個別員工表現釐定雇員薪酬。雇員獲提供其他員工福利，包括住宿、膳食、保險、醫療及退休金等，以確保員工之忠誠度及本集團的競爭力。為增進員工專業素質、強化專業技能及管理能力的，落實本地化政策，本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培訓課程及研討會。



# Report of Directors

## 董事會報告

### 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  
YANG, Kun-Chou

#### Non-executive Directors

HUANG, Ching-Jung  
CHOU, Szu-Cheng

#### Independent Non-executive Directors

CHAO, Pei-Hong  
KO, Jim-Chen  
CHEN, Joen-Ray  
HSIEH, Lung-Fa

According to Article 87(1) of the Company's articles of association, Mr. YANG, Chen-Wen, Mr. YANG, Kun-Chou, Mr. CHAO, Pei-Hong and Mr. HUANG, Ching-Jung 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 30 to 35.

### 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  
楊坤洲

#### 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  
謝龍發

根據本公司之組織章程細則第87(1)條，楊辰文先生、楊坤洲先生、趙培宏先生及黃景榮先生將於本公司應屆股東周年大會上輪席退任。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30至35頁。

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

(a) As at 31 December 2017, the interests of Directors 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"), were as follows:—

**董事於股份、相關股份及債權證之權益或淡倉**

(a) 於二零一七年十二月三十一日，本公司董事於本公司或其任何相聯法團（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之權益如下：—

Name 姓名	Capacity 身份	Interests in shares 於股份中之權益	
		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	Interest of company controlled by him 於其控制之企業之權益	169,730,196 Long Positions 好倉 (Notes 1 and 3) (附註1及3)	11.15%
Mr. YANG, Cheng 楊正先生	Interest of company controlled by him 於其控制之企業之權益	169,730,196 Long Positions 好倉 (Notes 2 and 3) (附註2及3)	11.15%
Mr. HUANG, Ching-Jung 黃景榮先生	Beneficial owner 實益擁有人	200,000 Long Positions 好倉	0.01%
Mr. CHAO, Pei-Hong 趙培宏先生	Beneficial owner 實益擁有人	500,000 Long Positions 好倉	0.03%

Notes:

- 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"). Mr. YANG, Tou-Hsiung was therefore deemed to have interest in the 169,730,196 shares of the Company as held by King International.
- Mr. YANG, Cheng was entitled to exercise or control the exercise of more than one-third of the voting power of King International. Mr. YANG, Cheng was therefore deemed to have interest in the 169,730,196 shares of the Company as held by King International.
- The interests that Mr. YANG, Tou-Hsiung and Mr. YANG, Cheng had in the 169,730,196 shares were of the same block of shares.

附註：

- 楊頭雄先生有權行使或控制行使 King International Limited (「King International」) 超過三分之一的表決權。楊頭雄先生因而被視為於 King International 持有之 169,730,196 股本公司股份中擁有權益。
- 楊正先生有權行使或控制行使 King International 超過三分之一的表決權。楊正先生因而被視為於 King International 持有之 169,730,196 股本公司股份中擁有權益。
- 楊頭雄先生及楊正先生所擁有之 169,730,196 股股份權益乃關於同一批股份。

## Report of Directors 董事會報告

Save as disclosed above, as at 31 December 2017, 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 Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV 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 in Appendix 10 of the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange; nor had they been granted such rights.

### DISCLOSURE OF CHANGE OF DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes and updates in Directors' information during the year ended 31 December 2017 are as follows:

**Mr. KO, Jim-Chen**, an Independent Non-executive Director of the Company, no longer served as independent non-executive director of Force-MOS Technology Co., Ltd. (an emerging-stock company on the Taiwan Stock Exchange Corporation) since 4 January 2018. Mr. Ko has also ceased to serve as independent non-executive director of Jourdeness Group Limited since 12 May 2017.

Saved as disclosed above, the Directors are not aware of any other change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2016 annual report of the Company.

除上文所披露者外，於二零一七年十二月三十一日，概無本公司董事或最高行政人員於本公司或其任何相聯法團（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香港聯交所之任何權益或淡倉；或(b)根據證券及期貨條例第352條須列入該條所述之登記冊內之任何權益或淡倉；或(c)根據上市規則附錄10所載之標準守則須知會本公司及香港聯交所之任何權益或淡倉；彼等亦無獲授予上述權利。

### 董事資料變動披露

根據上市規則第13.51B(1)條，於截至二零一七年十二月三十一日止年度董事資料之變動及更新如下：

**柯俊禎先生**，本公司之獨立非執行董事，自二零一八年一月四日起不再擔任力士科技股份有限公司（台灣證券交易所興櫃公司）之獨立非執行董事。柯先生自二零一七年五月十二日起亦不再擔任佐登妮絲集團股份有限公司之獨立非執行董事。

除上文所披露者外，董事並不知悉自本公司二零一六年年報刊發日期以來董事資料之任何其他變動須根據上市規則第13.51B(1)條予以披露。

#### 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 commencing on 27 June 2003. Such service agreements may continue thereafter from year to year until terminated by not less than three months' notice in writing served by either party to the other following the expiration of the end of the initial term or at any time thereafter.

Mr. YANG, Kun-Chou has entered into a service agreement with the Company for a fixed period of three years commencing on 8 March 2018.

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 commencing on 27 June 2003. Such service agreements may continue thereafter from year to year until terminated by one month's notice in writing served by either party to the other 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 year commencing on 1 April 2018. Mr. Chou and the Company 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. If the Company and Mr. Chou do not agree to extend, the service contract shall lapse upon the expiration of the original term or any renewed term (as the case may be) of the service agreement. During the renewed term, Mr. Chou's appointment may be terminated by the giving of one month's notice in writing by either party to the other.

#### 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於二零零三年六月二十七日生效，初步為期三年之服務協議，該等服務協議可於其後繼續逐年生效，除非其中一方於初步年期屆滿後或於其後任何時間向另一方發出不少於三個月書面通知終止服務協議。

楊坤洲先生已與本公司訂立服務協議，由二零一八年三月八日起固定年期為三年。

黃景榮先生及趙培宏先生已分別與本公司訂立於二零零三年六月二十七日生效，初步為期一年之服務協議，該等服務協議可於其後繼續逐年生效，直至其中一方於初步年期屆滿後或於其後任何時間向另一方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，由二零一八年四月一日起生效，為期三年。周先生與本公司可於原有任期或其任何獲延長任期（視情況而定）屆滿時或以前以書面協定，將服務協議之年期延長一年。倘本公司及周先生並不同意延長任期，則服務協議將於服務協議之原有任期或任何獲延長任期（視情況而定）屆滿後終止。於獲延長任期內，周先生之委任可藉由其中一方向對方發出一個月書面通知予以終止。

## Report of Directors 董事會報告

Mr. KO, Jim-Chen has entered into a service agreement with the Company for a term of three year commencing on 1 April 2018. Mr. Ko and the Company 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. If the Company and Mr. Ko do not agree to extend, the service contract shall lapse upon the expiration of the original term or any renewed term (as the case may be) of the service agreement. During the renewed term, Mr. Ko's appointment may be terminated by the giving of one month's notice in writing by either party to the other.

Mr. CHEN, Joen-Ray has entered into a service agreement with the Company for a term of three year commencing on 1 April 2018. Mr. Chen and the Company 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. If the Company and Mr. Chen do not agree to extend, the service contract shall lapse upon the expiration of the original term or any renewed term (as the case may be) of the service agreement. During the renewed term, Mr. Chen's appointment may be terminated by the giving of one month's notice in writing by either party to the other.

Mr. HSIEH, Lung-Fa has entered into a service contract with the Company for a fixed term of three year commencing on 1 April 2018.

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.

柯俊禎先生已與本公司訂立服務協議，由二零一八年四月一日起生效，為期三年。柯先生與本公司可於原有任期或其任何獲延長任期（視情況而定）屆滿時或以前以書面協定，將服務協議之年期延長一年。倘本公司及柯先生並不同意延長任期，則服務協議將於服務協議之原有任期或任何獲延長任期（視情況而定）屆滿後終止。於獲延長任期內，柯先生之委任可藉由其中一方向對方發出一個月書面通知予以終止。

陳忠瑞先生已與本公司訂立服務協議，由二零一八年四月一日起生效，為期三年。陳先生與本公司可於原有任期或其任何獲延長任期（視情況而定）屆滿時或之前以書面協定，將服務協議之年期延長一年。倘本公司及陳先生並不同意延長任期，則服務協議將於服務協議之原有任期或任何獲延長任期（視情況而定）屆滿後終止。於獲延長任期內，陳先生之委任可藉由其中一方向對方發出一個月書面通知予以終止。

謝龍發先生已與本公司訂立於二零一八年四月一日起生效、固定為期三年之服務合約。

在應屆股東周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）則不可撤銷之服務合約。

### 董事所擁有之合約權益

除上文所詳述之服務合約外，並無董事在本公司或其任何附屬公司於年內所訂立而對本集團業務屬重大之合約中擁有重大權益。



### PERMITTED INDEMNITY

The Articles of Association provides that the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

### MANAGEMENT CONTRACTS

Other than the service contracts of the Directors, the Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company during the year.

### CONTINUING CONNECTED TRANSACTIONS

#### Transactions with Vedan Enterprise Corporation (“Taiwan Vedan”)

For the year ended 31 December 2017, 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 and were subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules:

		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) 5,901
B.	Technological support fee paid to Taiwan Vedan	B. 向台灣味丹支付技術支援費	(ii) 2,181

### 許可彌償保證

組織章程細則規定董事均可從本公司的資產及利潤獲得彌償，該等人士就各自的職務執行其職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害；惟本彌償保證不延伸至任何與董事欺詐或不誠實有關的事宜。

### 管理合約

除與董事訂立的服務合約外，本公司於年內並無與任何個別人士、公司或法人團體訂立任何合約管理或管轄本公司任何業務的整體部分或任何重要部分。

### 持續關連交易

與味丹企業股份有限公司（「台灣味丹」）之交易

截至二零一七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，本公司亦已按上市規則第14A章的要求作出有關披露：

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 7 November 2014, 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 2015 to 31 December 2017 (“Taiwan Sales Agreement”). At the relevant 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\$50,000,000 for each of the three financial years ended 31 December 2017.

US\$5,901,000 represents the annual total aggregate amount of sales of the products by the Group to the Taiwan Vedan Group for the financial year ended 31 December 2017, which has not exceeded the relevant maximum cap of US\$50,000,000 as disclosed in the previous announcement dated 7 November 2014.

On 21 December 2017, the Company and Taiwan Vedan agreed to extend the Taiwan Sales Agreement for a term of three years from 1 January 2018 to 31 December 2020. At the relevant 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\$7,000,000 for each of the three financial years ending 31 December 2017. 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 7 November 2014, 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 three years from 1 January 2015 to 31 December 2017 (“Technology Support Agreement”). At the relevant time, the Company estimated that the annual total aggregate amount of service fee payable pursuant to the Technology Support Agreement will not exceed the maximum cap of US\$2,500,000 for each of the three financial years ending 31 December 2017.

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、味精及木薯澱粉工業產品，以供其於台灣使用。於二零一四年十一月七日，本公司與台灣味丹就本集團向台灣味丹集團銷售該等產品訂立協議，由二零一五年一月一日至二零一七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二零一七年十二月三十一日止三個財政年度各年之最高上限50,000,000美元。

於截至二零一七年十二月三十一日止財政年度，本集團向台灣味丹集團銷售產品之年度總額為5,901,000美元，並未超過於日期為二零一四年十一月七日之過往公告所披露之相關最高上限50,000,000美元。

於二零一七年十二月二十一日，本公司與台灣味丹商定延續台灣銷售協議，由二零一八年一月一日至二零二零年十二月三十一日止，為期三年。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二零二零年十二月三十一日止三個財政年度各年之最高上限7,000,000美元。董事相信根據台灣銷售協議向台灣味丹集團銷售產品，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。於二零一四年十一月七日，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訂立協議，由二零一五年一月一日至二零一七年十二月三十一日止，為期三年（「技術支援協議」）。於相關時間，本公司估計根據技術支援協議應付之服務費總額將不會超過截至二零一七年十二月三十一日止三個財政年度各年之最高上限2,500,000美元。

US\$2,181,000 represents the annual total aggregate amount of service fee payable by the Group to the Taiwan Vedan Group for the financial year ended 31 December 2017, which has not exceeded the relevant maximum cap of US\$2,500,000 as disclosed in the previous announcement dated 7 November 2014.

On 21 December 2017, the Company and Taiwan Vedan agreed to extend the Technology Support Agreement for a term of three years from 1 January 2018 to 31 December 2020. At the relevant time, the Company estimated that the annual total aggregate amount of service fee payable pursuant to the Technology Support Agreement will not exceed the maximum cap of US\$2,500,000 for each of the three financial years ending 31 December 2020. The Directors believe that the technology support from Taiwan Vedan Group will benefit the Group's future business developments.

- (iii) The prices of goods and services provided to connected persons of the Company are determined within the normal commercial price range and the price quotation of the product is determined after taking into account the production cost and the local market price of the product with an aim to maintain the overall gross profit margin within a reasonable range. The management of the Company has reviewed the prices of transactions with connected persons and those with other independent customers on a quarterly basis to ensure that the pricing and terms with connected persons are fair and reasonable, and has reported the relevant information at least once every six months to the Board for review.

於截至二零一七年十二月三十一日止財政年度，本集團應付台灣味丹集團之服務費總額為2,181,000美元，並未超過於日期為二零一四年十一月七日之過往公告所披露之相關最高上限2,500,000美元。

於二零一七年十二月二十一日，本公司與台灣味丹商定延續技術支援協議，由二零一八年一月一日至二零二零年十二月三十一日止，為期三年。於相關時間，本公司估計根據技術支援協議應付之服務費總額將不會超過截至二零二零年十二月三十一日止三個財政年度各年之最高上限2,500,000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) 本公司對關連人士之貨品與服務價格均以一般商業正常價格範圍擬訂，且價格報價均考量該產品之生產成本及當地市場價格後決定產品售價，同時以將整體毛利率維持在合理的獲利範圍為目標。本公司管理層按季就關連人士之交易價格及其他獨立客戶之交易價格進行檢討，以確定關連人士之定價及條款公平合理，且最少每六個月提報相關資訊供董事會審閱。

### Confirmations

The aforesaid continuing connected transactions for the year ended 31 December 2017 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) on normal commercial terms or better; and (c) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company's shareholders 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 106 to 112 of the annual report in accordance with paragraph 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to Hong Kong Stock Exchange.

### RELATED PARTY TRANSACTIONS

Details of the related party transactions entered into by the Group during the year ended 31 December 2017 are set out in Note 34 to the accounts. Save for the continuing connected transactions disclosed above, none of these related party transactions constitutes a connected transaction as defined under the Listing Rules which requires to be disclosed.

Save for the continuing connected transactions disclosed above and certain other continuing connected transactions/connected transactions which is exempted from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, during the reporting year, there were no other transactions which constituted connected transaction or continuing connected transactions that were subject to the reporting requirements under the Listing Rules.

The Company has complied with the requirements for connected transactions in Chapter 14A of the Listing Rules.

### 確認

本公司獨立非執行董事已審閱上述截至二零一七年十二月三十一日止年度的持續關連交易。獨立非執行董事確認上述關連交易乃(a)在本集團的日常業務中訂立；(b)按照一般商務條款或更佳條款進行；及(c)根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

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。核數師已根據上市規則第14A.56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106至112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交所。

### 有關連人士交易

本集團於截至二零一七年十二月三十一日止年度的有關連人士交易詳情載於賬目附註34。除上文所披露之持續關連交易外，此等有關連人士交易均不構成上市規則所界定須予披露的關連交易。

除上文所披露之持續關連交易及獲豁免遵守《上市規則》第14A章項下之報告、年度審閱、公佈及獨立股東批准規定之若干其他關連交易及持續關連交易外，於報告年度內，概無須遵守《上市規則》項下報告規定的構成關連交易或持續關連交易的其他交易。

本公司已遵守《上市規則》第14A章關於關連交易之要求。

# Report of Directors

## 董事會報告

### PRE-EMPTIVE RIGHTS

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

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the group for the last five financial years is set out on page 202 of the annual report.

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

So far as known to the Company, as at 31 December 2017, other than the interests of the Directors or chief executives of the Company as disclosed above, the following persons had interests in the 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。

### 五年財務概要

本集團於過往五個財政年度的業績及資產和負債的概要載於本年報第202頁。

### 主要股東於股份之權益或淡倉

據本公司所知，於二零一七年十二月三十一日，除上文所披露本公司董事或最高行政人員的權益外，以下人士於本公司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，或列入本公司根據證券及期貨條例第336條所存置之登記冊的權益：

Name 名稱	Capacity 身份	Number of ordinary (Long Position) shares 普通股數目 (好倉)	Percentage of issued shares of the Company 佔本公司已 發行股份百分比
Billion Power Limited ("Billion Power")	Beneficial owner 實益擁有人	512,082,512 (Note 1) (附註1)	33.62%
Vedan Enterprise Corporation ("Taiwan Vedan") 味丹企業股份有限公司(「台灣味丹」)	Interest held by its controlled corporation 於其控制之企業之權益	512,082,512 (Note 1) (附註1)	33.62%
King International	Beneficial owner 實益擁有人	169,730,196	11.15%
Concord Worldwide Holdings Limited	Beneficial owner 實益擁有人	127,297,646	8.36%
High Capital Investments Limited	Beneficial owner 實益擁有人	127,297,646	8.36%
丹澤企業股份有限公司	Beneficial owner 實益擁有人	83,348,000	5.47%

Notes:

1. Billion Power was a wholly-owned subsidiary of Taiwan Vedan. Taiwan Vedan was therefore deemed to be interested in these 512,082,512 shares held by Billion Power.

附註：

1. Billion Power為台灣味丹的全資附屬公司，故台灣味丹被視為擁有該等由Billion Power所持有之512,082,512股股份之權益。



## Report of Directors 董事會報告

Save as disclosed above, so far as is known to the Company, as at 31 December 2017, 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 Hong Kong 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.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this Annual Report, the Company has maintained a sufficient public float.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Five Directors of the Company, namely, Messrs. YANG, Tou-Hsiung, YANG, Cheng, YANG, Kun-Hsiang, YANG, Chen-Wen and YANG, Kun-Chou were also directors of the Group's controlling shareholder, Taiwan Vedan. In addition, Messrs. YANG, Tou-Hsiung, YANG, Cheng, YANG, Kun-Hsiang, YANG, Chen-Wen and YANG, Kun-Chou indirectly held approximately 19.77 percent., 9.89 percent., 6.18 percent., 8.24 percent, and 6.18 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").

Since Messrs. YANG, Tou-Hsiung 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-Wen together with an independent management team. In Taiwan Vedan, Mr. YANG, Kun-Chou is mainly responsible for the sales of the products of the Company and products of other companies which the Company acts as an agent within Taiwan. In the Group, he provides guidance and assistance for selling the Group's products in Vietnam and the PRC markets. Taiwan Vedan and the Group are operated by separate sales teams which are independent of each other, while market segmentation shall comply with the details of the territorial delineation agreement signed by the Group and Taiwan Vedan. 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.

除上文所披露者外，據本公司所知，於二零一七年十二月三十一日，概無其他人士（並非本公司董事或最高行政人員）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香港聯交所披露之任何權益或淡倉，或須列入本公司根據證券及期貨條例第336條所存置之登記冊之任何權益或淡倉。

### 充足的公眾持股量

根據本公司公開可得資料及於本年報日期就董事所知，本公司一直維持充足的公眾持股量。

### 董事於競爭業務之權益

本公司五名董事楊頭雄先生、楊正先生、楊坤祥先生、楊辰文先生及楊坤洲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、楊辰文先生及楊坤洲先生分別間接持有台灣味丹約19.77%、9.89%、6.18%、8.24%及6.18%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。

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。楊坤洲先生於台灣味丹主要負責該公司產品及代理其他公司產品於台灣市場之銷售工作，於本集團則為輔導協助本集團產品於越南以及中國市場之銷售工作，兩邊分別由獨立銷售團隊各自運作，互不統屬，市場區隔則遵守本集團與台灣味丹簽訂之區域劃分協議內容來進行。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。

## Report of Directors 董事會報告

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*

27 March 2018

為保障本集團利益，本公司獨立非執行董事及審計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獨立於台灣味丹公平營運，並將繼續如此。

### 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*

二零一八年三月二十七日



羅兵咸永道

TO THE SHAREHOLDERS OF  
VEDAN INTERNATIONAL (HOLDINGS) LIMITED  
*(incorporated in the Cayman Islands with limited liability)*

致味丹國際(控股)有限公司股東  
*(於開曼群島註冊成立的有限公司)*

**Opinion**

*What we have audited*

The consolidated financial statements of Vedan International (Holdings) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 113 to 201, which comprise:

- the consolidated balance sheet as at 31 December 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

**意見**

*我們已審計之內容*

列載於第113至201頁的味丹國際(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表,當中包括:

- 於二零一七年十二月三十一日的綜合資產負債表;
- 截至該日止年度的綜合收益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,當中包括主要會計政策概要。

# Independent Auditor's Report

## 獨立核數師報告

### *Our opinion*

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

### *Independence*

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### *我們的意見*

我們認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實而中肯地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》之披露規定妥為擬備。

### **意見基礎**

我們已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。我們在該等準則下的責任於我們的報告中的核數師就審計綜合財務報表須承擔的責任章節內詳述。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

### *獨立性*

根據香港會計師公會的《職業會計師道德守則》（「守則」），我們獨立於 貴集團，並已根據守則履行其他職業道德責任。

### **關鍵審計事項**

關鍵審計事項是根據我們的專業判斷，認為對本期間綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及達致意見時進行處理。我們不會對這些事項提供單獨的意見。

# Independent Auditor's Report

## 獨立核數師報告

Key audit matter identified in our audit is summarised as follows:

我們在審計中識別的關鍵審計事項概述如下：

- Impairment of goodwill

- 商譽減值

### Key Audit Matter

#### 關鍵審計事項

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

#### Impairment of goodwill

##### 商譽減值

Refer to note 9 to the consolidated financial statements  
請參閱綜合財務報表附註9

As at 31 December 2017, the carrying amount of the Group's goodwill amounted to US\$7.8 million related to the PRC MSG related business. As described in the Accounting Policies in note 2.7, goodwill impairment assessments are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs to sell.

於二零一七年十二月三十一日，貴集團與中國味精相關業務有關的商譽的賬面值為7.8百萬美元。誠如附註2.7之會計政策所述，商譽每年進行減值評估，亦會於有事件出現或情況改變顯示可能出現減值時，作出更頻密評估。商譽賬面值與可收回金額（即使用價值與公平值減銷售成本之較高者）作比較。

Management tests annually whether goodwill suffered any impairment. The carrying value of goodwill is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets prepared by management covering a five-year period. Cash flows of the related CGU beyond the five-year period are extrapolated using the estimated growth rates.

不論商譽是否出現任何減值，管理層均會每年進行測試。商譽的賬面值按照使用價值計算方法而釐定。使用價值計算乃以管理層編製之五年期財務預算為基準採用除稅前現金流量預測。超出五年期的相關賺取現金單位的現金流使用估計增長率推算。

We focus on this area because these calculations and valuations require the use of significant judgements and estimates. These estimations are also subjected to uncertainty.

由於該等計算方法及估值需要作出重大的判斷及估計，我們因此專注在此範圍。該等估計亦受不明朗因素影響。

We evaluated the appropriateness and consistency of assumptions and estimates applied in financial budget prepared by management covering a five-year period such as sales growth rate, gross margin and discount rate by comparing with current year and historical trends.

我們已透過比較銷售增長率、毛利率及折現率等的本年度及歷史趨勢，評估應用於管理層編製之五年期財務預算中的假設及估計的適合性及一致性。

We involved our internal valuation specialist to assess the valuation methodology, discount rate adopted and the numerical accuracy of the calculations prepared by management.

我們的內部估值專家已參與評估管理層進行計算的估值方法、採用的折現率及數目的準確性。

We evaluated management's sensitivity analysis which considers the effect of reasonably possible changes of major assumptions including sales growth rate, gross margin and discount rate to the recoverable amount of goodwill.

我們已評價管理層的敏感度分析，當中慮及主要假設可能出現的合理變化的影響，包括銷售增長率、毛利率及商譽可收回金額的折現率。

Based on the procedures described, we considered the methodology used and key assumptions applied in the impairment assessment of goodwill is supportable.

根據所述程序，我們認為於商譽減值評估中所使用的方法及所應用的主要假設為有根據。



## Independent Auditor's Report

### 獨立核數師報告

#### Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA 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.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內的所有資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

就我們對綜合財務報表的審計而言，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

#### 董事及治理層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之披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督 貴集團的財務報告過程。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

### 核數師就審計綜合財務報表承擔的責任

我們的目的是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之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上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計於一項重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或合計可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和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，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計於有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

## Independent Auditor's Report

### 獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們的結論為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於截至核數師報告日期所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

我們與治理層討論（其中包括）審計範圍、時間安排、重大審計發現等，當中包括我們在審計中識別出的內部控制的任何重大缺陷。

## Independent Auditor's Report

### 獨立核數師報告

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Kam Chiu Raymond.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 27 March 2018

我們亦向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與其討論有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層討論的事項中，我們確定對本期綜合財務報表的審計最為重要的事項，從而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中討論某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中討論該事項。

出具本獨立核數師報告的審計項目合夥人為陳錦釗。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零一八年三月二十七日

# Consolidated Balance Sheet

## 綜合資產負債表

		As at 31 December 於十二月三十一日	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
ASSETS	資產	Note 附註	
<b>Non-current assets</b>	<b>非流動資產</b>		
Land use rights	土地使用權	6	2,321
Property, plant and equipment	物業、廠房及設備	7	143,263
Intangible assets	無形資產	9	8,677
Long-term trade receivables	長期應收貿易賬款	14	168
Long-term other receivables	長期其他應收款項	14	90
Investment in an associate	於聯營公司之投資	11	3,350
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>157,869</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	13	65,282
Trade receivables	應收貿易賬款	14	27,825
Amount due from the non-controlling interest of a subsidiary	應收附屬公司非控股權益之款項		823
Short-term loan to an associate	給予聯營公司之短期貸款	11, 34(d)	120
Prepayments and other receivables	預付款項及其他應收款項	14	13,283
Current income tax recoverable	當期可退回所得稅		-
Structured bank deposits	結構性銀行存款	15	-
Short-term bank deposits	短期銀行存款	15	33,287
Cash and cash equivalents	現金及現金等價物	15	55,210
<b>Total current assets</b>	<b>流動資產總值</b>		<b>195,830</b>
Non-current assets held for sale	持作出售之非流動資產	8	3,091
<b>Total assets</b>	<b>資產總值</b>		<b>356,790</b>
<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	16	15,228
Reserves	儲備	17	266,307
			<b>281,535</b>
Non-controlling interest	非控股權益		(2,329)
<b>Total equity</b>	<b>權益總額</b>		<b>279,206</b>



## Consolidated Balance Sheet

### 綜合資產負債表

		As at 31 December 於十二月三十一日	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
	Note 附註		
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Bank borrowings	19	19,491	24,190
Deferred income tax liabilities	20	3,263	3,416
Retirement benefit obligations	29	1,447	1,386
Long-term environmental provision	18	233	113
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>24,434</b>	29,105
<b>Current liabilities</b>	<b>流動負債</b>		
Trade payables	18	15,772	18,296
Accruals and other payables	18	17,509	15,637
Amounts due to related parties	34(d)	1,418	836
Bank borrowings	19	15,906	12,620
Current income tax liabilities		837	1,090
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>51,442</b>	48,479
<b>Total liabilities</b>	<b>負債總額</b>	<b>75,876</b>	77,584
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>358,459</b>	356,790

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述綜合資產負債表應連同相關附註一併閱讀。

The consolidated financial statements on pages 113 to 201 were approved by the Board of Directors on 27 March 2018 and were signed on its behalf.

載於第113至201頁之綜合財務報表已於二零一八年三月二十七日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

## Consolidated Income Statement

### 綜合收益表

			Year ended 31 December 截至十二月三十一日止年度	
			2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
		Note 附註		
Revenue	收益	5, 21	<b>322,805</b>	327,640
Cost of sales	銷售成本	23	<b>(254,668)</b>	(248,610)
<b>Gross profit</b>	<b>毛利</b>		<b>68,137</b>	79,030
Other gains/(losses) – net	其他收益／(虧損) – 淨額	22	<b>935</b>	(4,090)
Selling and distribution expenses	銷售及分銷開支	23	<b>(21,746)</b>	(21,517)
Administrative expenses	行政開支	23	<b>(24,272)</b>	(24,743)
<b>Operating profit</b>	<b>經營溢利</b>		<b>23,054</b>	28,680
Finance income	財務收入		<b>853</b>	686
Finance costs	財務支出		<b>(804)</b>	(875)
Finance income/(costs) – net	財務收入／(支出) – 淨額	24	<b>49</b>	(189)
Share of post-tax profit/(loss) of an associate	應佔聯營公司除稅後 溢利／(虧損)	11	<b>205</b>	(15)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>23,308</b>	28,476
Income tax expense	所得稅開支	25	<b>(4,570)</b>	(6,243)
<b>Profit for the year</b>	<b>本年度溢利</b>		<b>18,738</b>	22,233
<b>Profit attributable to:</b>	<b>以下各方應佔溢利：</b>			
Owners of the Company	本公司擁有人		<b>19,061</b>	22,501
Non-controlling interest	非控股權益		<b>(323)</b>	(268)
			<b>18,738</b>	22,233
<b>Earnings per share for profit attributable to the owners of the Company during the year (expressed in US cents per share)</b>	<b>本公司擁有人應佔年內溢利之每股盈利 (以每股美仙列示)</b>			
<b>Basic earnings per share</b>	<b>每股基本盈利</b>	27	<b>1.25</b>	1.48
<b>Diluted earnings per share</b>	<b>每股攤薄盈利</b>	27	<b>1.25</b>	1.48

The above consolidated income statement should be read in conjunction with the accompanying notes.

上述綜合收益表應連同相關附註一併閱讀。

## Consolidated Statement of Comprehensive Income

### 綜合全面收益表

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Profit for the year</b>	本年度溢利	<b>18,738</b>	22,233
<b>Other comprehensive income/(loss):</b>	其他全面收入／(虧損)：		
Item that may be reclassified to profit or loss	可重新分類至損益之項目		
Currency translation differences	匯兌差額	<b>2,054</b>	(2,073)
Other comprehensive income/(loss) for the year, net of tax	本年度除稅後其他全面收入／(虧損)	<b>2,054</b>	(2,073)
<b>Total comprehensive income for the year</b>	本年度全面收入總額	<b>20,792</b>	20,160
<b>Total comprehensive income/(loss) for the year attributable to:</b>	以下各方應佔本年度全面收入／(虧損)總額：		
– Owners of the Company	– 本公司擁有人	<b>21,290</b>	20,261
– Non-controlling interest	– 非控股權益	<b>(498)</b>	(101)
Total comprehensive income for the year	本年度全面收入總額	<b>20,792</b>	20,160

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應連同相關附註一併閱讀。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔						Non- controlling interest	Total equity
		Share capital 股本 US\$'000 千美元	Share premium 股份溢價 US\$'000 千美元	Other reserve 其他儲備 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	Total 總計 US\$'000 千美元	非控股權益 US\$'000 千美元	權益總額 US\$'000 千美元
Balance at 1 January 2016	於二零一六年一月一日之結餘	15,228	47,358	13,908	79,994	119,130	275,618	(2,168)	273,450
<b>Comprehensive income</b>	全面收入								
Profit for the year	本年度溢利	-	-	-	-	22,501	22,501	(268)	22,233
<b>Other comprehensive income/(loss)</b>	其他全面收入/(虧損)								
Currency translation differences	匯兌差額	-	-	(2,240)	-	-	(2,240)	167	(2,073)
<b>Total comprehensive income/(loss)</b>	全面收入/(虧損)總額	-	-	(2,240)	-	22,501	20,261	(101)	20,160
<b>Total transactions with owners</b>	與擁有人之總交易額								
Dividends (Note 26)	股息(附註26)	-	-	-	-	(14,344)	(14,344)	(60)	(14,404)
<b>Balance at 31 December 2016</b>	於二零一六年十二月三十一日之結餘	15,228	47,358	11,668	79,994	127,287	281,535	(2,329)	279,206
Balance at 1 January 2017	於二零一七年一月一日之結餘	15,228	47,358	11,668	79,994	127,287	281,535	(2,329)	279,206
<b>Comprehensive income</b>	全面收入								
Profit for the year	本年度溢利	-	-	-	-	19,061	19,061	(323)	18,738
<b>Other comprehensive income/(loss)</b>	其他全面收入/(虧損)								
Currency translation differences	匯兌差額	-	-	2,229	-	-	2,229	(175)	2,054
<b>Total comprehensive income/(loss)</b>	全面收入/(虧損)總額	-	-	2,229	-	19,061	21,290	(498)	20,792
<b>Total transactions with owners</b>	與擁有人之總交易額								
Dividends (Note 26)	股息(附註26)	-	-	-	-	(17,415)	(17,415)	-	(17,415)
<b>Balance at 31 December 2017</b>	於二零一七年十二月三十一日之結餘	15,228	47,358	13,897	79,994	128,933	285,410	(2,827)	282,583

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述綜合權益變動表應連同相關附註一併閱讀。

## Consolidated Statement of Cash Flows

### 綜合現金流量表

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
	Note 附註		
<b>Cash flows from operating activities</b>	<b>經營業務之現金流量</b>		
Cash generated from operations	業務產生之現金	21,721	73,829
Interest paid	已付利息	(812)	(900)
Income taxes paid	已付所得稅	(7,893)	(6,701)
Net cash generated from operating activities	經營業務產生之現金淨額	<b>13,016</b>	66,228
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Purchases of property, plant and equipment	購買物業、廠房及設備	(16,193)	(11,798)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	149	62
Proceeds from disposal of assets held-for-sale	出售持作出售之資產之所得款項	1,360	-
Purchases of intangible assets	購買無形資產	(77)	(132)
Decrease/(increase) in short-term bank deposits	短期銀行存款減少／(增加)	17,224	(13,957)
Increase in structured bank deposits	結構性銀行存款增加	(3,903)	-
Interest received	已收利息	790	686
Net cash used in investing activities	投資活動所用之現金淨額	<b>(650)</b>	(25,139)
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
Dividends paid	已付股息	(17,415)	(14,344)
Proceeds from bank borrowings	銀行借貸所得款項	27,987	16,735
Repayment of bank borrowings	償還銀行借貸	(29,400)	(31,651)
Net cash used in financing activities	融資活動所用之現金淨額	<b>(18,828)</b>	(29,260)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)／增加淨額</b>	<b>(6,462)</b>	11,829
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物	55,210	44,190
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物之匯兌收益／(虧損)	931	(809)
<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>49,679</b>	55,210

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應連同相關附註一併閱讀。



## 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 and glutamic acid (“GA”). 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 P.O. Box 10008, Willow House, Cricket Square, Grand Cayman KY1-1001, Cayman Islands.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These financial statements are presented in United States dollars (“US\$”), unless otherwise stated.

## 2 BASIS OF PREPARATION AND 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 information of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial information have been prepared under the historical cost convention.

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

## 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,包括變性澱粉、葡萄糖漿、味精(「味精」)、蘇打及谷氨酸(「谷氨酸」)。產品乃銷售往越南、其他東盟成員國家、中華人民共和國(「中國」)、日本、台灣及多個歐洲國家的食品分銷商、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:P.O. Box 10008, Willow House, Cricket Square, Grand Cayman KY1-1001, Cayman Islands。

本公司於香港聯合交易所有限公司上市。

除另有列明外,此等財務報表以美元(「美元」)列值。

## 2 編製基準及主要會計政策概要

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

本集團的綜合財務資料乃根據所有適用香港財務報告準則(「香港財務報告準則」)而編製。綜合財務資料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綜合財務資料需要運用若干重要的會計估計,而管理層在應用本集團之會計政策過程中亦需要作出判斷。涉及作出高度判斷或高度複雜性之範疇或假設及估計對綜合財務報表屬重大之範疇,均於附註4中予以披露。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Basis of preparation (continued)**

- (a) The following new standards, interpretations and amendments to standards are mandatory for the Company for the first time for the financial year beginning on or after 1 January 2017, but have not had any significant impact on the preparation of the consolidated financial information.

HKAS 7 (Amendments)	Statement of cash flows
HKAS 12 (Amendments)	Income taxes
HKFRS 12 (Amendments)	Disclosure of interests in other entities

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. Most of the amendments will also not affect the current or future periods.

The amendments to HKAS 7 require disclosure of changes in liabilities arising from financing activities, see note 31.

- (b) The following new standards, interpretations and amendments to standards have been issued, but are not effective for the financial year beginning on 1 January 2017 and have not been early adopted.

**2 編製基準及主要會計政策概要 (續)**

**2.1 編製基準 (續)**

- (a) 本公司被強制於二零一七年一月一日或之後開始之財政年度首次應用下列新準則、詮釋及準則之修訂，但並無對綜合財務資料之編製產生任何重大影響。

香港會計準則第7號 (修訂本)	現金流量表
香港會計準則第12號 (修訂本)	所得稅
香港財務報告準則 第12號 (修訂本)	披露於其他實體之權益

採納該等修訂本對於先前期間確認之金額並無任何影響。大部分修訂本亦將不會對當前或未來期間產生影響。

香港會計準則第7號之修訂規定披露融資活動產生之負債變動 (見附註31)。

- (b) 以下為已頒佈但並非於二零一七年一月一日開始之財政年度生效，且亦無提前採納之新準則、詮釋及準則之修訂。

**Effective for annual periods beginning on or after 於下列日期或之後開始之年度期間生效**

HKFRS 1 and HKAS 28 (Amendments)	Annual Improvements 2014-2016 Cycle	1 January 2018
香港財務報告準則第1號及 香港會計準則第28號 (修訂本)	二零一四年至二零一六年週期之年度改進	二零一八年一月一日
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions	1 January 2018
香港財務報告準則第2號 (修訂本)	以股份為基礎付款的交易之分類及計量	二零一八年一月一日
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	1 January 2018
香港財務報告準則第4號 (修訂本)	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具	二零一八年一月一日

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

(b) (continued)

### 2 編製基準及主要會計政策概要(續)

#### 2.1 編製基準(續)

(b) (續)

		<b>Effective for annual periods beginning on or after 於下列日期或之後開始 之年度期間生效</b>
HKFRS 9 香港財務報告準則第9號	Financial Instruments 金融工具	1 January 2018 二零一八年一月一日
HKFRS 15 香港財務報告準則第15號	Revenue from Contracts with Customers 來自客戶合約之收益	1 January 2018 二零一八年一月一日
HKFRS 15 (Amendments) 香港財務報告準則第15號 (修訂本)	Clarifications to HKFRS 15 香港財務報告準則第15號的澄清	1 January 2018 二零一八年一月一日
HKAS 40 (Amendments) 香港會計準則第40號 (修訂本)	Transfers of Investment Property 轉讓投資物業	1 January 2018 二零一八年一月一日
HK (IFRIC) – Int 22 香港(國際財務報告詮釋 委員會) – 詮釋第22號	Foreign Currency Transactions and Advance Consideration 外幣交易及預付代價	1 January 2018 二零一八年一月一日
HK (IFRIC) – Int 23 香港(國際財務報告詮釋 委員會) – 詮釋第23號	Uncertainty over Income Tax Treatments 所得稅處理之不確定性	1 January 2019 二零一九年一月一日
HKFRS 9 (Amendments) 香港財務報告準則第9號 (修訂本)	Prepayment Features with Negative Compensation 具有負補償的提早還款特性	1 January 2019 二零一九年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合約	1 January 2021 二零二一年一月一日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及 香港會計準則第28號 (修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的 資產出售或注資	To be determined 待釐定

The Group's assessment of the impact of these new standards, interpretations and amendments to standards is set out below.

本集團對該等新準則、詮釋及準則修訂本之影響之評估載於下文。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

(i) HKFRS 9, "Financial instruments"

#### Nature of change

HKFRS 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

#### Impact

The Group has reviewed its financial assets and liabilities. The Group does not expect the new guidance to affect the classification and measurement of the financial assets.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost and loan commitments. Based on the assessments undertaken to date, the Group does not expect significant increase or decrease in the loss allowance for trade debtors.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

#### Date of adoption by the Group

HKFRS 9 must be applied for financial years commencing on or after 1 January 2018. The Group will apply the new rules retrospectively from 1 January 2018, with the practical expedients permitted under the standard. Comparatives for 2017 will not be restated.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

(i) 香港財務報告準則第9號「金融工具」

#### 變動性質

香港財務報告準則第9號金融工具處理金融資產及金融負債之分類、計量及終止確認，並引入對沖會計處理之新規則及金融資產之新減值模型。

#### 影響

本集團已審閱其金融資產及負債。本集團預期新指引並不會影響金融資產之分類及計量。

因新規定僅影響指定按公平價值計入損益之金融負債，且本集團並無任何有關負債，故有關變更將不影響本集團對金融負債的會計處理。

新減值模式要求按預期信貸虧損（「預期信貸虧損」），而非香港會計準則第39號項下僅以已產生的信貸虧損確認減值撥備。其適用於按攤銷成本分類之金融資產及貸款承擔。根據迄今所得之評估結果，本集團預期其對貿易應收賬款的虧損撥備出現重大增加或減少。

新訂準則亦引入延伸的披露規定及呈列方式變動。該等規定及呈列方式預期將改變本集團有關其金融工具披露的性質及程度，尤其是採納新訂準則的年度。

#### 本集團採納之日期

香港財務報告準則第9號必須於二零一八年一月一日或之後開始的財政年度應用。本集團將自二零一八年一月一日起追溯應用新規則，並採納該準則允許的可行權宜方法。二零一七年的比較數字將不會重新呈列。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Basis of preparation (continued)**

- (ii) HKFRS 15, "Revenue from contracts with customers"

Nature of change

The HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Impact

The Group has assessed the effects of applying the new standard on the Group's financial statements and does not expect a significant impact on the recognition of revenue.

Date of adoption by the Group

The adoption of this new standard is mandatory for financial years commencing on or after 1 January 2018. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption, if any, will be recognised in retained earnings as at 1 January 2018 and that comparatives will not be restated.

**2 編製基準及主要會計政策概要(續)**

**2.1 編製基準(續)**

- (ii) 香港財務報告準則第15號，「來自客戶合約之收益」

變動性質

香港會計師公會已發頒佈確認收入的新準則。該準則將取代香港會計準則第18號(涵蓋貨品及服務合約)及香港會計準則第11號(涵蓋建造合約及相關文獻)。

新訂準則乃基於貨品或服務控制權轉移至客戶時確認收入的原則。

該準則允許在採納時採用全面追溯法或修改追溯法。

影響

本集團已評估應用新訂準則對本集團財務報表的影響，且預期不會對收入確認產生重大影響。

本集團採納之日期

該新訂準則的採納於二零一八年一月一日或之後開始的財政年度強制生效。本集團擬於採納該準則時採用修改追溯法，即表示採納的累積影響(如有)將於二零一八年一月一日在保留盈利確認且該比較將不重列比較數字。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

(iii) HKFRS 16, "Leases"

#### Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

#### Impact

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of US\$2,593,000 (Note 32). The Group estimates those related to payments for short-term and low value lease which will be recognised on straight-line basis as an expense in profit or loss are insignificant.

The Group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

(iii) 香港財務報告準則第16號，「租賃」

#### 變動性質

香港財務報告準則第16號於二零一六年一月頒佈。其將致使絕大部分租賃於財務狀況表確認，此乃由於經營租賃與融資租賃之間的區別被移除。根據新訂準則，資產（使用租賃項目的權利）及支付租金的金融負債須予確認。唯一的例外情況為短期及低價值租賃。

出租人之會計處理將無重大變動。

#### 影響

該準則將主要影響本集團經營租賃的會計處理。於報告日期，本集團的不可撤銷經營租賃承擔為2,593,000美元（附註32）。本集團估計，與將以直線法於損益確認為開支的短期及低價值租賃付款有關的該等金額並不重大。

本集團尚未評估須作出何種其他調整（如有），例如，由於租賃期的釋義變動以及可變租賃付款與續租及終止選擇權的不同處理。因此，尚未能估計於採納新訂準則時必須確認的使用權資產及租賃負債金額以及其將可能如何影響本集團的損益與未來現金流量分類。



## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

(iii) HKFRS 16, "Leases" (continued)

Date of adoption by the Group  
The adoption of this standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

#### (a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree 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. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

(iii) 香港財務報告準則第16號，「租賃」(續)

本集團採納之日期  
本準則須於二零一九年一月一日或之後開始之財政年度強制採用。現階段本集團無意於生效日期前採用該準則。本集團擬應用簡化過渡方法，而不會重列首次採用前之年度的比較數字。

概無其他尚未生效且預期於本報告期間或未來報告期間對實體及可見將來之交易存在重大影響之準則。

### 2.2 附屬公司

#### 2.2.1 綜合

附屬公司為本集團對其存有控制權的實體(包括結構性實體)。倘本集團須承擔或享有參與實體之可變回報風險及權力，以及可運用其對該實體之權力以影響有關回報時，則對實體存有控制權。附屬公司自其控制權轉讓予本集團當日起綜合入賬，並於控制權終止當日停止綜合入賬。

#### (a) 業務合併

本集團採用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、被收購方前擁有人所產生負債及本集團所發行股本權益的公平值。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。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。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Subsidiaries (continued)**

*2.2.1 Consolidation (continued)*

(a) Business combinations (continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

**2 編製基準及主要會計政策概要 (續)**

**2.2 附屬公司 (續)**

*2.2.1 綜合 (續)*

(a) 業務合併 (續)

本集團按逐項收購基準確認於被收購方之任何非控股權益。於被收購方之非控股權益如為現時擁有權，且賦予持有人權力可於清盤時獲按比例分派資產淨值，乃以公平值或現時擁有權於被收購方可識別資產淨值已確認金額按比例分佔之部份計算。除非香港財務報告準則規定使用其他計量基準，否則所有其他非控股權益部分均以彼等於收購日期之公平值計量。

收購相關成本在產生時支銷。

倘業務合併乃分階段進行，則收購方過往所持之被收購方權益於收購日之賬面值，會重新計量至其於收購日期之公平值；任何由有關重新計量產生之收益或虧損於損益確認。

本集團所轉讓之任何或然代價按其於收購當日之公平值確認。被視為一項資產或負債之或然代價於其後出現之公平值變動，將按照香港會計準則第39號之規定，於損益中確認或確認為其他全面收益之變動。分類為權益之或然代價毋須重新計量，而其後結算會於權益入賬。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Subsidiaries (continued)**

*2.2.1 Consolidation (continued)*

(a) Business combinations (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 the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of 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.

**2 編製基準及主要會計政策概要 (續)**

**2.2 附屬公司 (續)**

*2.2.1 綜合 (續)*

(a) 業務合併 (續)

轉讓代價、被收購方任何非控股權益金額及過往所持被收購方權益於收購日期之公平值超出所購入可識別淨資產公平值之部分作為商譽入賬。倘轉讓代價、已確認之非控股權益及已計量之過往所持權益之總和低於議價收購中所收購附屬公司資產淨值之公平值，有關差額直接在綜合收益表中確認。

集團內公司間交易、結餘及集團內公司間交易之未變現收益均予對銷。除非有關交易提供已轉讓資產出現減值之證據，否則未變現虧損亦會對銷。如有需要，附屬公司呈報之金額已作出調整，以與本集團之會計政策一致。

(b) 並無導致控制權變動之附屬公司擁有人權益變動與非控股權益進行而不會導致失去控制權之交易入賬列作權益交易，即擁有人以擁有人身份進行之交易。任何已付代價之公平值與於附屬公司資產淨值賬面值所取得之相關份額之差額於權益入賬。向非控股權益出售之盈虧亦列於權益入賬。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Subsidiaries (continued)**

*2.2.1 Consolidation (continued)*

- (c) Disposal of subsidiaries  
When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, 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 (Note 2.3), or financial asset (Note 2.10). 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.

*2.2.2 Separate financial statements of the Company*

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration 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 and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary 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 編製基準及主要會計政策概要 (續)**

**2.2 附屬公司 (續)**

*2.2.1 綜合 (續)*

- (c) 出售附屬公司  
倘本集團不再擁有控制權，其於該實體之任何保留權益將於失去控制權當日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（附註2.3）或財務資產（附註2.10）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。

*2.2.2 本公司之獨立財務報表*

於附屬公司之投資按成本減減值列賬。成本會作出調整，以反映因或然代價修訂而產生之代價變動。成本亦包括直接應佔之投資成本。附屬公司之業績由本公司按股息及應收款項基準入賬。

倘股息超過附屬公司在宣派股息期間之全面收入總額，或倘獨立財務報表內投資之賬面值超過被投資方之淨資產（包括商譽）於綜合財務報表之賬面值，則須於自於附屬公司之投資收取股息時對有關投資進行減值測試。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 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. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

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 is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to 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 legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of post-tax loss of an associate' in the consolidated income statement.

**2 編製基準及主要會計政策概要(續)**

**2.3 聯營公司**

聯營公司指所有本集團對其有重大影響力但無控制權之實體，所持股權通常有20%至50%之投票權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初步按成本確認，並透過增加或減少賬面值確認投資方於收購日期後所分佔之被投資方損益。本集團於聯營公司之投資包括於收購時識別之商譽。

倘於聯營公司之所有權權益減少，而亦具有重大影響力，則只將先前於其他全面收入內確認之金額之應佔比例部分重新分類至損益（如適用）。

本集團應佔收購後損益於綜合收益表內確認，而其應佔收購後其他全面收入之變動則於其他全面收入內確認，並對投資賬面值作出相應調整。如本集團應佔聯營公司之虧損等於或超過其於該聯營公司之權益，包括任何其他無抵押應收款項，本集團不會確認進一步虧損，除非其已代聯營公司承擔法律或推定責任或作出付款。

本集團於各報告日期釐定於聯營公司之投資是否有任何客觀減值證據。倘存在減值證據，本集團會按聯營公司可收回金額與其賬面值之差額計算減值金額，並於綜合收益表「應佔聯營公司除稅後虧損」確認有關金額。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Associates (continued)**

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial information of associate has been changed where necessary to ensure consistency with the policies adopted by the Group.

**2.4 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 Executive Directors.

**2.5 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.

**2 編製基準及主要會計政策概要 (續)**

**2.3 聯營公司 (續)**

本集團及其聯營公司間之上游及下游交易所產生之損益於本集團之財務報表內確認，惟僅以非關連投資者於聯營公司之權益為限。除非有關交易提供已轉讓資產出現減值之證據，否則未變現虧損予以對銷。聯營公司之財務資料已於必要時變更，以確保符合本集團所採納之政策。

**2.4 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執行董事。

**2.5 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。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。



**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.5 Foreign currency translation (continued)**

*(b) Transactions and balances (continued)*

All foreign exchange gains and losses including those relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'other gains/(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.

*(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 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.

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. Exchange differences arising are recognised in other comprehensive income.

**2 編製基準及主要會計政策概要 (續)**

**2.5 外幣換算 (續)**

*(b) 交易及結餘 (續)*

所有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「其他收益／(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。

*(c) 集團公司*

本集團所有實體(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)如持有與呈報貨幣不一致之功能貨幣，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；
- 每項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。

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。所產生之匯兌差異在其他全面收入中確認。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.6 Property, plant and equipment, land use rights**

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	15-50 years
– Plant and machinery	10-20 years
– Motor vehicles	5-8 years
– Office equipment	5-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 2.8).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(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 編製基準及主要會計政策概要 (續)**

**2.6 物業、廠房及設備、土地使用權**

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，則替換部分的賬面值取消確認。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	15-50年
– 廠房及機器	10-20年
– 汽車	5-8年
– 辦公室設備	5-8年

資產之餘值及可使用年期均於各報告期末予以審閱及調整(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2.8)。

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「其他收益/(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 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.6 Property, plant and equipment, land use rights (continued)**

Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Cost represents consideration paid for the rights to use the land on which various plants and buildings are situated for 50 years. Amortisation of land use rights is calculated on a straight-line basis over the period of leases.

**2.7 Intangible assets**

(a) *Goodwill*

Goodwill arises on the acquisition of subsidiaries represents 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 identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

**2 編製基準及主要會計政策概要 (續)**

**2.6 物業、廠房及設備、土地使用權 (續)**

土地使用權乃按成本減累計攤銷及累計減值虧損列賬(如有)。成本指各個廠房及樓宇於50年期間就所在地之土地使用權所支付之代價。土地使用權攤銷乃按直線法基準就租期而計算得出。

**2.7 無形資產**

(a) *商譽*

商譽於收購附屬公司時產生，並指所轉讓代價、於被收購方之任何非控股權益以及先前於被收購方之股本權益於收購日期之公平值超出所收購的已識別資產淨值公平值之數額。

為進行減值測試，於業務合併中收購之商譽乃分配至預期受惠於合併協同效益之各賺取現金單位(「賺取現金單位」)或一組賺取現金單位。各獲分配商譽之單位或一組單位為實體就內部管理監察商譽之最低層面。商譽於經營分部層面進行監察。

商譽每年進行減值檢討，亦會於有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額相若，即為使用價值與公平值減銷售成本之較高者。任何減值即時確認為開支，且其後不會撥回。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.7 Intangible assets (continued)

#### (b) Trademarks and licence

Separately acquired trademarks and the licence, which have finite useful lives, are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licence over their estimated useful lives of 6 to 10 years.

#### (c) Computer software

Acquired computer software licenses 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.

### 2.8 Impairment of 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 that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its 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.

### 2.9 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 rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

## 2 編製基準及主要會計政策概要 (續)

### 2.7 無形資產 (續)

#### (b) 商標及牌照

獨立收購之商標及牌照具有有限可使用年期，並按成本減累計攤銷及減值虧損入賬。攤銷乃利用直線法計算，以將商標及牌照成本於彼等六年至十年估計可使用年內進行分配。

#### (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。

### 2.8 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，本公司將會對須攤銷之資產作出減值評估。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。

### 2.9 持有待售之非流動資產

非流動資產乃在其賬面值將主要通過出售交易而非通過持續使用予以收回，且認為極有可能出售時，分類為持作出售資產，並按賬面值與公平值減銷售成本兩者之較低者列賬。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.10 Financial assets**

*2.10.1 Classification*

The Group classifies its financial assets as loans and receivables, based on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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 amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables (Note 2.12), cash and cash equivalents (Note 2.13), amount due from the non-controlling interest of a subsidiary, long-term other receivables, short-term bank deposits, structured bank deposits and short-term loan to an associate in the consolidated balance sheet.

*2.10.2 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. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. 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. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

**2 編製基準及主要會計政策概要 (續)**

**2.10 財務資產**

*2.10.1 分類*

本集團根據購入有關財務資產之目的將其財務資產分類為貸款及應收款項。管理層於初步確認時決定其財務資產之類別。

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，惟將於或預期將於報告期結束起計十二個月後清償之款項除外。彼等均歸類為非流動資產。本集團之貸款及應收款項包括綜合資產負債表內之應收貿易賬款及其他應收款項（附註2.12）、現金及現金等價物（附註2.13）、應收附屬公司非控股權益之款項、長期其他應收款項、短期銀行存款、結構性銀行存款及給予聯營公司之短期貸款。

*2.10.2 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資產日期。就並無按公平值計入損益之所有財務資產而言，投資初步按公平值加上交易成本確認。按公平值計入損益之財務資產初步按公平值確認，而交易成本則於綜合收益表中列作開支。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讓擁有權的大部分風險及回報時終止確認。可供出售財務資產及按公平值計入損益之財務資產其後按公平值列賬。貸款及應收款項隨後利用實際利息法按攤銷成本列賬。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.10 Financial assets (continued)

#### 2.10.2 Recognition and measurement (continued)

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated income statement within 'Other gains/(losses) – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

#### 2.10.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

#### 2.10.4 Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

## 2 編製基準及主要會計政策概要 (續)

### 2.10 財務資產 (續)

#### 2.10.2 確認及計量 (續)

「按公平值計入損益之財務資產」分類之公平值變動產生之損益於產生期間於綜合收益表內的「其他收益／(虧損) – 淨額」中呈列。按公平值計入損益之財務資產所產生之股息於本集團收入款項之權利確立時於綜合收益表中作為部分其他收入確認。

分類為可供出售貨幣及非貨幣證券之公平值之變動於其他全面收入中確認。

#### 2.10.3 抵銷金融工具

財務資產及負債在有合法行使之權益抵銷已確認金額及於擬按淨值基準結算或同時變現資產及結算負債時予以抵銷；有關淨額則於綜合資產負債表內列賬。可依法強制執行之權利必須不可取決於未來事件，且必須可於本公司或對手方的日常業務過程中，以及於彼等出現違約事件、無力償債或破產之情況下強制執行。

#### 2.10.4 減值

本集團於每個報告期結算日評估是否有客觀證據證明某項財務資產或某組財務資產已減值。只有存在客觀證據證明減值乃由於首次確認資產後發生之一宗或多宗事件導致（「虧損事件」），而該宗（或該等）虧損事件對該項或該組財務資產之估計未來現金流量構成之影響可以合理估計，有關財務資產或該組財務資產方會作出減值及產生減值虧損。



**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.10 Financial assets (continued)**

*2.10.4 Impairment (continued)*

Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

**2 編製基準及主要會計政策概要 (續)**

**2.10 財務資產 (續)**

*2.10.4 減值 (續)*

減值證據可包括債務人或一組債務人正出現重大財務困難、無法或拖欠支付利息或本金、彼等可能會破產或進行其他財務重組，而可觀察數據顯示估計未來現金流量有可計量之減少（例如違責有關之應計費用或經濟狀況）。

就貸款及應收款項而言，虧損金額乃根據資產賬面值與按財務資產原實際利率折現之估計未來現金流量（不包括仍未產生之未來信用損失）現值者之差異計量。資產之賬面值予以削減，而虧損金額則在綜合收益表確認。如貸款有浮動利率，計量任何減值虧損之折現率為按合同釐定之當前實際利率。作為可行之方法，本集團可根據採用可觀察市價得出之工具公平值計算減值。

如在其後期間減值虧損金額有所減少，而減少可客觀地聯繫至確認減值後發生之事件（例如債務人之信用評級有所改善），則之前已確認之減值虧損可於綜合收益表內撥回。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.11 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.

Consumables are included within inventories and stated at cost, using the weighted average method.

### 2.12 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. If collection of trade and other receivables is expected in one year or less, they are classified as current assets. 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.

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 administrative expenses. 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 administrative expenses in the consolidated income statement.

### 2.13 Cash and cash equivalents

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

## 2 編製基準及主要會計政策概要 (續)

### 2.11 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)，但不包括借貸成本。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。

消耗品計入存貨中，並按加權平均法計算以成本列賬。

### 2.12 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項初步按公平值確認，其後以實際利息法按攤銷成本扣除減值撥備計算。倘應收貿易賬款及其他應收款項預期可於一年或以內收回，則分類為流動資產。應收貿易賬款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項之原有條款收回所有金額時確定。

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行政開支。當應收貿易賬款無法收回時，該款項會於應收貿易賬款減值撥備賬中對銷。其後收回已對銷的款項會用作扣除綜合收益表內的行政開支。

### 2.13 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、原到期日為三個月或以內的其他短期高度流動性投資。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.14 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.

**2.15 Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less.

**2.16 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 end of the reporting period.

**2.17 Borrowing costs**

General and specific borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2 編製基準及主要會計政策概要 (續)**

**2.14 股本**

普通股份分類為權益。

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。

**2.15 應付貿易賬款及其他應付款項**

應付貿易賬款及其他應付款項初步按公平值確認，而其後則採用實際利率法按攤銷成本計量。倘應付貿易賬款及其他應付款項於一年或以內到期，則分類為流動負債。

**2.16 借貸**

借貸初步按公平值扣除所產生之交易成本後確認。借貸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貸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報告期結束後將負債之結算遞延至少十二個月，否則借貸被分類為流動負債。

**2.17 借貸成本**

收購、建造或生產合資格資產（需要頗長時間方可作擬定用途或出售的資產）直接產生的一般及特定借貸成本會計入該等資產的成本，直至資產大致上可作擬定用途或出售為止。

所有其他借貸成本均在其產生期間確認為損益。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.18 Current and deferred income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) *Current income tax*

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, the Company's subsidiaries and associates 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.

(b) *Deferred income tax*

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

**2 編製基準及主要會計政策概要 (續)**

**2.18 當期及遞延所得稅**

期內所得稅開支或抵免指根據各司法權區的適用所得稅率按即期應課稅收入應付的稅項，而有關所得稅率經暫時差異及未使用稅務虧損所致的遞延稅項資產及負債變動調整。

(a) *當期所得稅*

當期所得稅開支乃根據本公司、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。

(b) *遞延所得稅*

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作出全面撥備。然而，倘遞延稅項負債乃源自商譽初步確認，則不會確認該遞延稅項負債。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步確認（為業務合併以外之交易），則亦不會計入遞延所得稅。遞延所得稅以於報告期末前實施或大體上已實施之稅率（及稅法）釐定，並預期於相關遞延所得稅資產變現或遞延所得稅負債清償時應用。

遞延稅項資產僅於未來應課稅金額將可用於利用該等暫時差異及虧損時予以確認。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.18 Current and deferred income tax (continued)**

*(b) Deferred income tax (continued)*

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.19 Employee benefits**

*(a) Pension obligations*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

**2 編製基準及主要會計政策概要 (續)**

**2.18 當期及遞延所得稅 (續)**

*(b) 遞延所得稅 (續)*

倘本公司可以控制暫時差異的撥回時間，及該等差異可能不會在可預見將來撥回，則不會就於外國業務之賬面值及稅基之間之暫時差異確認遞延稅項負債及資產。

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負債互相抵銷，且該等遞延稅項結餘均與同一稅務機關有關的情況下，方可互相抵銷。即期稅項資產及負債在實體有合法行使之權利進行抵銷而又有按淨額基準結付或同時變現該資產及結付該負債的情況下，方可互相抵銷。

除非其乃有關於其他全面收益或直接於權益內確認的項目，否則即期及遞延稅項於綜合收益表內確認。在此情況下，稅項亦分別於其他全面收益或直接於權益內確認。

**2.19 僱員福利**

*(a) 退休金責任*

界定供款計劃為本集團向獨立實體支付定額供款之退休金計劃。倘該基金所持資產不足以向所有僱員支付當前及過往期間與僱員服務相關之福利，本集團並無作進一步供款之法定或推定責任。界定福利計劃為一項不屬於界定供款計劃之退休金計劃。

一般而言，界定福利計劃會釐定僱員退休時將收取之退休福利金額，有關金額一般取決於一個或多個因素，如年齡、服務年資及酬金。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.19 Employee benefits (continued)**

(a) *Pension obligations (continued)*

The liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of a defined benefit plan, recognised in the consolidated income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation results from employee service in the current year, benefit changes, curtailments and settlements.

Past-service costs are recognised immediately in profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

**2 編製基準及主要會計政策概要 (續)**

**2.19 僱員福利 (續)**

(a) *退休金責任 (續)*

於綜合資產負債表內就界定福利退休金計劃確認之負債為界定福利責任於報告期末時之現值。界定福利責任之現值按優質公司債券(以未付利益所用貨幣計值,且年期與相關退休金責任年期相若)之利率折現估計未來現金流出得出。在該等債券並無成熟市場之國家,則使用政府債券之市場利率。

於綜合收益表內之僱員福利開支確認之界定福利計劃即期服務成本(計入資產成本者除外)反映本年度僱員服務所產生之界定福利責任增加、福利變動、削減及結算。

過往服務成本即時在損益確認。

就過往經驗作出調整及精算假設變動所產生之精算收益及虧損而言,乃於產生之期間內在其它全面收益之權益中扣除或計入。

就界定供款計劃而言,本集團向由公營或私人機構管理之退休保險計劃作出強制、合約或自願性供款。於支付供款後,本集團再無其他付款責任。供款於到期支付時確認為僱員福利開支。



**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.19 Employee benefits (continued)**

*(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.

*(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.

*(d) Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

**2.20 Provisions**

Provisions for environmental restoration, restructuring costs, and legal claims 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. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

**2 編製基準及主要會計政策概要 (續)**

**2.19 僱員福利 (續)**

*(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折現為現值。

*(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。

*(d) 僱員應享假期*

僱員有關年假之權利於僱員享有時確認。僱員之病假及分娩假於僱員休假時方會確認。

**2.20 撥備**

環境恢復、重組成本以及法律索賠之撥備於以下情況確認：本集團因過往事件而現時須負有法定或推定責任；履行該責任可能會導致資源流出；及金額已獲可靠估計。重組撥備包括租賃終止罰款及終止僱用付款。不會就未來營運虧損確認撥備。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.20 Provisions (continued)**

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**2.21 Revenue and other income recognition**

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when 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 Group bases its estimates of return 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 編製基準及主要會計政策概要 (續)**

**2.20 撥備 (續)**

倘有多項類似責任，其需要在償付中流出之可能性，根據責任之類別整體考慮。即使在同一責任類別所包含之任何一個項目相關流出之可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期需償付有關責任之開支之現值計量，該利率反映當時市場對貨幣時間值和有關責任特定風險之評估。隨時間過去而增加之撥備確認為利息開支。

**2.21 確認收益及其他收入**

收益按已收或應收代價之公平值計量，並為提供貨品之應收賬款項，於扣除折扣、退貨及增值稅後列值。當收益金額能可靠地衡量、未來經濟利益可能流入有關實體，以及符合下文所述本集團各業務之特定條件時，本集團會確認收益。本集團根據其過往業績估計其回報，並會考慮客戶類別、交易類別及各項安排之具體情況。

*(a) 銷售貨物*

銷售貨物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 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

(b) *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.

(c) *Dividend income*

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

**2.22 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.

**2.23 Dividend distribution**

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, where appropriate.

Dividends proposed or declared after the reporting period but before the consolidated financial statements are authorised for issue, are disclosed as a non-adjusting event and are not recognised as a liability at the end of the reporting period.

**2.24 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.

**2 編製基準及主要會計政策概要 (續)**

**2.21 確認收益及其他收入 (續)**

(b) *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。

(c) *股息收入*

在確立收取股息款項時，股息收入予以確認。

**2.22 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。

**2.23 分派股息**

分派予本公司股東之股息在本公司股東或董事 (視何者適用) 批准股息之期間內，於本集團及本公司之財務報表中確認為負債。

於報告期後但於綜合財務報表獲授權刊發前建議或宣派之股息將作為非調整事件披露，且不會於報告期末確認為負債。

**2.24 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。

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.25 Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

**3 FINANCIAL RISK MANAGEMENT**

**3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risks), 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 principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(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, which the Group does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

**2 編製基準及主要會計政策概要 (續)**

**2.25 政府補助金**

當能合理確定將收到政府的補助金，而本集團將遵守所有附帶條件時，補助金按其公平值確認。

**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（包括外匯風險、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不利影響降至最低。

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原則，以及涵蓋特定範圍的政策，例如外匯風險、利率風險、信貸風險及盈餘流動資金之投資。

(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，本集團並無有關此方面的外幣對沖政策。然而，本集團管理層監控外匯風險，並將於需要時考慮對沖重大外幣風險。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

At 31 December 2017, if the Vietnam Dong had weakened/strengthened by 5% against the US\$ with all other variables held constant, post-tax profit for the year would have been US\$1,246,000 (2016: US\$1,508,000) lower/higher (2016: lower/higher), mainly as a result of foreign exchange losses/gains on translation of Vietnam Dong-denominated trade and other receivables, cash and cash equivalents and trade and other payables.

At 31 December 2017, if the Renminbi had weakened/strengthened by 5% against the US\$ with all other variables held constant, post-tax profit for the year would have been US\$590,000 (2016: US\$391,000) lower/higher (2016: lower/higher), mainly as a result of foreign exchange losses/gains on translation of Renminbi-denominated trade and other receivables, cash and cash equivalents and trade and other payables.

(ii) Cash flow and fair value interest rate risks

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, and borrowings issued at fixed rates expose the Group to fair value interest rate risk, which the directors consider the exposures to be insignificant. The Group does not have an interest rate hedging policy. However, management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於二零一七年十二月三十一日，倘越南盾兌美元貶值/升值5%而所有其他變數維持不變，本年度除稅後溢利將減少/增加(二零一六年：減少/增加)1,246,000美元(二零一六年：1,508,000美元)，主要來自換算以越南盾計算之應收貿易賬款及其他應收款項、現金及現金等價物及應付貿易賬款及其他應付款項而產生之外匯虧損/收益。

於二零一七年十二月三十一日，倘人民幣兌美元貶值/升值5%而所有其他變數維持不變，本年度除稅後溢利將減少/增加(二零一六年：減少/增加)590,000美元(二零一六年：391,000美元)，主要來自換算以人民幣計算之應收貿易賬款及其他應收款項、現金及現金等價物及應付貿易賬款及其他應付款項而產生之外匯虧損/收益。

(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大致上獨立不受市場利率變動影響。

本集團之利率風險來自借貸。按浮動利率授出之借貸令本集團面對現金流量利率風險，而按固定利率授出之借貸令本集團面對公平值利率風險，董事認為該等風險並不重大。本集團並無利率對沖政策。然而，本集團管理層監控利率風險，並將於需要時考慮對沖重大利率風險。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risks (continued)

At 31 December 2017, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been US\$74,000 (2016: US\$43,000) lower/higher (2016: 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, short-term loan to an associate 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 limits is regularly monitored.

The carrying amount of cash and cash equivalents, trade receivables, short-term loan to an associate and other receivables included in the consolidated balance sheet 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 2017 and 2016, all the bank balances as detailed in Note 15 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)

於二零一七年十二月三十一日，倘借貸之利率上升／下降50基點而所有其他變動維持不變，本年度除稅後溢利將減少／增加（二零一六年：減少／增加）74,000美元（二零一六年：43,000美元），主要是由於浮息借貸之利率開支增加／減少。

(b) 信貸風險

信貸風險來自銀行存款及銀行結餘、應收貿易賬款、給予聯營公司短期貸款及其他應收款項。

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，透過考慮客戶之財務狀況過往經驗以及其他因素，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、給予聯營公司短期貸款以及其他應收款項之賬面值即本集團就該等財務資產承受的最高信貸風險。

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。於二零一七年及二零一六年十二月三十一日，載列於附註15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)*

No impairment has been provided for other receivables as at 31 December 2017 and 2016. Other receivables do not contain impaired assets. Management are of opinion that these balances are of low credit risk.

As at 31 December 2017, trade receivables of US\$511,000 (2016: US\$386,000) were considered impaired and US\$511,000 (2016: US\$386,000) provision was made (Note 14). Management are of opinion that that adequate provision for uncollectible receivable has been made.

*(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 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)*

於二零一七年及二零一六年十二月三十一日，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。

於二零一七年十二月三十一日，應收貿易賬款511,000美元（二零一六年：386,000美元）被視為已減值，且已作出511,000美元（二零一六年：386,000美元）之撥備（附註14）。管理層認為，已就可收回應收賬款作出足夠撥備。

*(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，有關儲備由未提取的借貸融資和現金及現金等價物組成。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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk (continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date 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
At 31 December 2017	於二零一七年 十二月三十一日					
Bank borrowings (Note)	銀行借貸(附註)	16,256	9,161	10,195	1,200	36,812
Trade payables	應付貿易賬款	15,772	-	-	-	15,772
Other payables and accruals	其他應付款項及 應計費用	8,860	-	-	-	8,860
Amounts due to related parties	應付有關連人士 款項	1,418	-	-	-	1,418
At 31 December 2016	於二零一六年 十二月三十一日					
Bank borrowings (Note)	銀行借貸(附註)	13,387	8,264	16,479	-	38,130
Trade payables	應付貿易賬款	18,296	-	-	-	18,296
Other payables and accruals	其他應付款項及 應計費用	5,469	-	-	-	5,469
Amounts due to related parties	應付有關連人士 款項	836	-	-	-	836

Note:

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

附註:

有關結餘包括截至各到期日就銀行借貸應付之利息。

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險(續)

下列表格按結算日至合約到期日餘下期間將本集團之財務負債分為相關到期組別進行分析。於表格中披露之金額為合約未折現現金流量。

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital 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 owners' equity as shown in the consolidated balance sheet. Total borrowings include non-current borrowings and current borrowings.

During 2017, the Group's strategy, which was unchanged from 2016, was to maintain a reasonable gearing ratio. The gearing ratios at 31 December 2017 and 2016 were as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Total bank borrowings (Note 19)	總銀行借貸 (附註19)	35,397	36,810
Owners' equity (including non-controlling interest in equity)	擁有人權益 (包括列入權益之非控股權益)	282,583	279,206
Gearing ratio	資產負債比率	13%	13%

### 3 財務風險管理 (續)

#### 3.2 資本管理

本集團管理資金之目標為保障本集團能繼續以持續基準經營之能力，以為股東帶來回報及為其他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。

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，本集團以資產負債比率為基準監察資本。該比率按綜合資產負債表所示之總銀行借貸除以擁有人權益計算。總借貸包括非流動借貸及流動借貸。

於二零一七年，本集團之策略與二零一六年所採納者貫徹一致，乃維持資產負債比率於合理水平。於二零一七年及二零一六年十二月三十一日之資產負債比率如下：

### 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 maturities. The fair values of financial assets and liabilities for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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 2.8. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and judgements (Note 9).

### 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款項以及應付貿易賬款及其他應付款項屬短期性質，本集團假定其賬面值減減值撥備後與公平值相若。就披露而言之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。

### 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。下文討論有極大風險對下一財政年度內資產及負債之賬面值作出重大調整之估計及假設。

#### (a) 商譽的估計減值

本集團每年均按照附註2.8所述的會計政策的規定，測試商譽是否出現減值，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計及判斷（附註9）。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) 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.

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.

(c) Functional currency

The functional currency of each of the Group's entities has been determined based on the primary economic environment in which the entity operates, that is normally the one in which each of the Group's entities primarily generates and expends cash. The determination requires the use of judgement.

4 重要會計估計及判斷 (續)

(b) 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。於確定全球所得稅項撥備的金額時，本集團須作出重大判斷。許多交易及計算均難以明確釐定最終的稅務結果。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。

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。

(c) 功能貨幣

本集團各實體之功能貨幣已經根據該實體經營所在之主要經濟環境釐定，普遍為本集團各實體主要產生及耗用現金之環境。釐定時需要採取判斷。

## 5 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Executive Directors collectively. The Executive Directors review the Group's policies and information for the purposes of assessing performance and allocating resources. The Group presents its operating segment results (below), based on the information reviewed by the chief operating decision-maker, and used to make strategic decisions. This information includes segment revenue, segment capital expenditure, segment assets, segment non-current assets, other than financial instruments and deferred income tax assets and segment liabilities.

The chief operating decision-maker considers the business mainly from a geographical aspect. In presenting information on the basis of operating segments, segment revenue is based on the geographical presence of customers. Segment capital expenditure, segment assets, segment non-current assets, other than financial instruments and deferred income tax assets and segment liabilities are based on the geographical location of the assets or liabilities.

The chief operating decision-maker mainly assesses the performance based on revenue derived by each geographical segment and product nature. Accordingly, the segment performance is restricted to revenue information.

Revenue of approximately US\$45,843,000 (2016: US\$34,126,000) is derived from a single external customer located in Japan. This revenue is attributable to the MSG/GA segment. No other customers individually contribute 10% or more of the Group's revenue (2016: same).

### (a) Segment revenue

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
By geographical location:			
	按地理位置劃分：		
Vietnam	越南	<b>162,986</b>	160,615
Japan	日本	<b>64,199</b>	66,793
The PRC	中國	<b>29,056</b>	31,853
America	美國	<b>16,761</b>	19,042
Taiwan	台灣	<b>10,630</b>	10,649
ASEAN member countries (other than Vietnam)	東盟成員國 (不包括越南)	<b>31,792</b>	32,422
Other regions	其他地區	<b>7,381</b>	6,266
		<b>322,805</b>	327,640

## 5 分部資料

主要營運決策者已確定為全體執行董事。執行董事審閱本集團之政策及資料以評核表現及分配資源。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資料呈列營運分部業績（見下文）。此等資料包括分部收益、分部資本支出、分部資產、分部非流動資產（金融工具及遞延所得稅資產除外）及分部負債。

主要營運決策者主要從地理層面分析其業務。以營運分部為基準呈報資料時，分部收益以客戶所在地區劃分。分部資本支出、分部資產、分部非流動資產（金融工具及遞延所得稅資產除外）及分部負債則以資產或負債所在地劃分。

主要營運決策者主要根據各地區分部所產生之收益及產品性質評估表現。因此，分部表現僅限於收益資料。

收益中約有45,843,000美元（二零一六年：34,126,000美元）為源自日本之單一外部客戶。是項收益來自味精／谷氨酸分部。概無其他客戶獨自貢獻本集團收益10%或以上（二零一六年：相同）。

### (a) 分部收益



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 5 SEGMENT INFORMATION (continued)

#### (a) Segment revenue (continued)

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
By product nature:	按產品性質劃分：		
MSG/GA	味精／谷氨酸	220,491	228,893
Modified starch/Native starch	變性澱粉／天然澱粉	34,005	40,393
Specialty chemicals	特化產品	29,012	22,518
Fertiliser and feed products	肥飼料產品	18,425	15,613
Others	其他	20,872	20,223
		<b>322,805</b>	327,640

#### (b) Capital expenditures

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam	越南	20,404	11,903
The PRC	中國	135	250
		<b>20,539</b>	12,153

Capital expenditures are attributed to segments based on where the assets are located.

Capital expenditures comprise additions of property, plant and equipment, land use rights and intangible assets.

資本支出乃根據資產所在地而分配至各分部。

資本支出包括添置物業、廠房及設備、土地使用權及無形資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 5 SEGMENT INFORMATION (continued)

#### (c) Assets

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam	越南	288,357	285,341
The PRC	中國	48,424	42,710
Hong Kong	香港	20,946	28,211
Taiwan	台灣	688	384
Singapore	新加坡	44	144
Total assets per consolidated balance sheet	綜合資產負債表所示 資產總值	<b>358,459</b>	356,790

Total assets are attributed to segments based on where the assets are located.

Property, plant and equipment are monitored by the management at the operating segment level. The following is a summary of amortisation, depreciation, impairment of non-current assets, income tax expense and share of profit/(loss) of an associate for each operating segment.

### 5 分部資料(續)

#### (c) 資產

資產總值乃根據資產所在地而分配至各分部。

物業、廠房及設備由管理層於營運分部層面監察。以下為各營運分部的非流動資產攤銷、折舊、減值、所得稅開支和應佔聯營公司溢利/(虧損)的概要。

		Amortisation and depreciation  攤銷及折舊 US\$'000 千美元	Impairment  減值 US\$'000 千美元	Income tax expense  所得稅開支 US\$'000 千美元	Share of profit/(loss) of an associate  應佔聯營公司 溢利/(虧損) US\$'000 千美元
<b>2017</b>	<b>二零一七年</b>				
Vietnam	越南	17,182	-	4,125	205
The PRC	中國	1,183	-	433	-
Others	其他	-	-	12	-
		<b>18,365</b>	<b>-</b>	<b>4,570</b>	<b>205</b>
<b>2016</b>	<b>二零一六年</b>				
Vietnam	越南	17,438	2,882	6,117	(15)
The PRC	中國	1,231	-	82	-
Others	其他	-	-	44	-
		18,669	2,882	6,243	(15)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5 SEGMENT INFORMATION (continued)

(d) Non-current assets, other than financial instruments, by location:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam	越南	137,946	135,101
The PRC	中國	18,778	19,160
Total	總計	156,724	154,261

#### 5 分部資料(續)

(d) 按位置劃分之非流動資產(金融工具除外):

(e) Liabilities

(e) 負債

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam	越南	65,768	67,856
The PRC	中國	4,604	4,617
Hong Kong	香港	3,074	3,726
Taiwan	台灣	2,382	1,339
Singapore	新加坡	48	46
Total liabilities per consolidated balance sheet	綜合資產負債表所示 負債總額	75,876	77,584

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 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:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	2,321	2,544
Amortisation of land use rights (Note 23)	土地使用權攤銷 (附註23)	(61)	(61)
Transfer to non-current assets held for sale (Note 8)	轉撥至持作出售之 非流動資產(附註8)	(360)	-
Exchange differences	匯兌差額	142	(162)
At 31 December	於十二月三十一日	2,042	2,321

In respect of the Group's land use rights, Xiamen Vedan Foods Co. Ltd ("Xiamen Vedan") and Shanghai Vedan Enterprise Co. Ltd ("Shanghai Vedan"), subsidiaries established and operating in the PRC, have each been granted rights to use the land by the relevant authority for 50 years, which will expire in 2042 and 2060, respectively.

Amortisation of land use rights has been charged in administrative expenses.

#### 6 土地使用權

本集團於土地使用權之權益指經營租約之預付款項，其賬面淨值分析如下：

就本集團之土地使用權而言，於中國成立及經營之附屬公司廈門味丹食品有限公司（「廈門味丹」）及上海味丹企業有限公司（「上海味丹」）已各自獲有關當局授予為期五十年的土地使用權，分別將於二零四二年及二零六零年屆滿。

土地使用權攤銷已於行政開支中扣除。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 7 PROPERTY, PLANT AND EQUIPMENT

### 7 物業、廠房及設備

		Construction- in-progress 在建工程 US\$'000 千美元	Properties 物業 US\$'000 千美元	Plant and machinery 廠房及機器 US\$'000 千美元	Motor vehicles 汽車 US\$'000 千美元	Office equipment 辦公室設備 US\$'000 千美元	Total 合計 US\$'000 千美元
<b>At 1 January 2016</b>	於二零一六年一月一日						
Cost	成本	4,074	117,874	439,366	9,119	19,439	589,872
Accumulated depreciation	累計折舊	-	(72,766)	(330,113)	(6,466)	(17,927)	(427,272)
Accumulated impairment	累計減值	-	(1,100)	(4,875)	-	(22)	(5,997)
Net book amount	賬面淨值	4,074	44,008	104,378	2,653	1,490	156,603
<b>Year ended 31 December 2016</b>	截至二零一六年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	4,074	44,008	104,378	2,653	1,490	156,603
Additions	添置	9,054	202	1,862	605	298	12,021
Transfer	轉讓	(5,883)	258	5,625	-	-	-
Disposals (Note 31)	出售(附註31)	-	(64)	(150)	(16)	(8)	(238)
Depreciation (Note 23)	折舊(附註23)	-	(4,202)	(13,284)	(582)	(407)	(18,475)
Impairment (Note 22)	減值(附註22)	-	(1,990)	(772)	(43)	(77)	(2,882)
Transfer to non-current assets held for sale (Note 8)	轉讓至持作出售非流動資產 (附註8)	-	(3,091)	-	-	-	(3,091)
Exchange differences	匯兌差額	(2)	(463)	(173)	(24)	(13)	(675)
Closing net book amount	年末賬面淨值	7,243	34,658	97,486	2,593	1,283	143,263
<b>At 31 December 2016</b>	於二零一六年 十二月三十一日						
Cost	成本	7,243	109,735	439,123	9,046	18,945	584,092
Accumulated depreciation	累計折舊	-	(73,977)	(338,552)	(6,453)	(17,640)	(436,622)
Accumulated impairment	累計減值	-	(1,100)	(3,085)	-	(22)	(4,207)
Net book amount	賬面淨值	7,243	34,658	97,486	2,593	1,283	143,263
<b>Year ended 31 December 2017</b>	截至二零一七年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	7,243	34,658	97,486	2,593	1,283	143,263
Additions	添置	15,535	68	3,864	447	548	20,462
Transfer	轉讓	(11,425)	1,473	9,876	-	76	-
Disposals (Note 31)	出售(附註31)	-	(107)	(341)	(30)	(11)	(489)
Depreciation (Note 23)	折舊(附註23)	-	(3,012)	(14,149)	(652)	(357)	(18,170)
Transfer to non-current assets held for sale (Note 8)	轉讓至持作出售 非流動資產(附註8)	-	-	-	(5)	(1)	(6)
Exchange differences	匯兌差額	3	395	125	21	8	552
Closing net book amount	年末賬面淨值	11,356	33,475	96,861	2,374	1,546	145,612
<b>At 31 December 2017</b>	於二零一七年 十二月三十一日						
Cost	成本	11,356	107,730	447,891	9,199	19,393	595,569
Accumulated depreciation	累計折舊	-	(73,155)	(347,945)	(6,825)	(17,825)	(445,750)
Accumulated impairment	累計減值	-	(1,100)	(3,085)	-	(22)	(4,207)
Net book amount	賬面淨值	11,356	33,475	96,861	2,374	1,546	145,612

**7 PROPERTY, PLANT AND EQUIPMENT (continued)**

Depreciation expense of US\$16,878,000 (2016: US\$17,143,000) has been charged in cost of sales, US\$240,000 (2016: US\$286,000) in selling and distribution expenses and US\$1,052,000 (2016: US\$1,046,000) in administrative expenses, respectively.

During the year, the Group has capitalised borrowing costs amounting to US\$143,000 (2016: US\$25,000) on qualifying assets.

In 2016, impairment of property, plant and equipment of US\$2,882,000 related to the Group's Ha Tinh plant which is located in central-northern part of Vietnam, has been charged in other gains/(losses) – net (Note 22). The impairment was due to the underutilisation of the production capacity as a result of the lack of supply of raw materials for production.

**8 NON-CURRENT ASSETS HELD FOR SALE**

During 2016, the disposal of the property, plant and equipment of Ha Tinh plant had been approved by the directors. On 22 February 2017, Vedan (Vietnam) Enterprise Corporation Limited entered into an agreement with an independent third party, to dispose of its property, plant and equipment of Ha Tinh plant for a consideration of US\$3,400,000. The relevant property, plant and equipment were presented as non-current assets held for sale as at 31 December 2016. The transaction was completed during 2017.

On 5 September 2017, Shandong Vedan Snowflake Enterprise Co., Ltd. entered into an agreement with an independent third party, to dispose of its land use right and property, plant and equipment for a total consideration of US\$645,000 (RMB4,352,000). As at 31 December 2017, the transaction has not been completed. The relevant land use rights and property, plant and equipment amounted US\$360,000 and US\$6,000 respectively were presented as non-current assets held for sale as at 31 December 2017.

**7 物業、廠房及設備 (續)**

折舊開支16,878,000美元(二零一六年: 17,143,000美元)、240,000美元(二零一六年: 286,000美元)及1,052,000美元(二零一六年: 1,046,000美元)已分別於銷售成本、銷售及分銷開支以及行政開支中扣除。

年內,本集團已就合資格資產143,000美元(二零一六年: 25,000美元)的借貸成本撥充資本。

於二零一六年,有關本集團位於越南中北部之河靜廠之物業、廠房及設備減值2,882,000美元已於其他收益/(虧損) – 淨額中列支(附註22)。有關減值乃由於生產所用原材料供應短缺,導致產能不足所致。

**8. 持作出售非流動資產**

於二零一六年,董事已批准出售河靜廠的物業、廠房及設備。於二零一七年二月二十二日,味丹(越南)股份有限公司與一名獨立第三方訂立一項協議,以代價3,400,000美元出售河靜廠的物業、廠房及設備。於二零一六年十二月三十一日,相關物業、廠房及設備已呈列為持作出售非流動資產。該交易已於二零一七年內完成。

於二零一七年九月五日,山東味丹雪花實業有限公司與一名獨立第三方訂立一項協議,以總代價645,000美元(人民幣4,352,000元)出售其土地使用權以及物業、廠房及設備。於二零一七年十二月三十一日,該交易尚未完成。於二零一七年十二月三十一日,金額分別為360,000美元及6,000美元之相關土地使用權以及物業、廠房及設備已呈列為持作出售非流動資產。



# Notes to the consolidated financial statements

## 綜合財務報表附註

### 9 INTANGIBLE ASSETS

### 9 無形資產

		Goodwill 商譽 US\$'000 千美元	Software and licence 軟件及牌照 US\$'000 千美元	Trademarks 商標 US\$'000 千美元	Total 合計 US\$'000 千美元
<b>At 1 January 2016</b>	於二零一六年一月一日				
Cost	成本	8,541	1,899	12,089	22,529
Accumulated amortisation	累計攤銷	-	(1,263)	(12,089)	(13,352)
Net book amount	賬面淨值	8,541	636	-	9,177
<b>Year ended 31 December 2016</b>	截至二零一六年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	8,541	636	-	9,177
Additions	添置	-	32	100	132
Amortisation charge (Note 23)	攤銷開支(附註23)	-	(125)	(8)	(133)
Exchange differences	匯兌差額	(499)	-	-	(499)
Closing net book amount	年末賬面淨值	8,042	543	92	8,677
<b>At 31 December 2016</b>	於二零一六年 十二月三十一日				
Cost	成本	8,042	1,931	12,189	22,162
Accumulated amortisation	累計攤銷	-	(1,388)	(12,097)	(13,485)
Net book amount	賬面淨值	8,042	543	92	8,677
<b>Year ended 31 December 2017</b>	截至二零一七年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	8,042	543	92	8,677
Additions	添置	-	77	-	77
Amortisation charge (Note 23)	攤銷開支(附註23)	-	(124)	(10)	(134)
Exchange differences	匯兌差額	450	-	-	450
Closing net book amount	年末賬面淨值	8,492	496	82	9,070
<b>At 31 December 2017</b>	於二零一七年 十二月三十一日				
Cost	成本	8,492	2,008	12,189	22,689
Accumulated amortisation	累計攤銷	-	(1,512)	(12,107)	(13,619)
Net book amount	賬面淨值	8,492	496	82	9,070

Amortisation charge is included in administrative expenses.

攤銷開支列入行政開支。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 9 INTANGIBLE ASSETS (continued)

Impairment tests for goodwill:

Goodwill is attributed to the Group's CGUs according to operating segment.

### 9 無形資產(續)

商譽減值測試：

商譽乃根據本集團營運分部分配至賺取現金單位。

		The PRC MSG related business 中國味精 相關業務 US\$'000 千美元	Vietnam MSG related business 越南味精 相關業務 US\$'000 千美元	Total 合計 US\$'000 千美元
At 31 December 2017	於二零一七年十二月三十一日	7,762	730	8,492
At 31 December 2016	於二零一六年十二月三十一日	7,312	730	8,042

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 years period. Cash flows beyond the five years period are extrapolated using the estimated growth rates stated below if applicable. The growth rates do not exceed the long-term average growth rates for the MSG related business in which the CGU operates.

The key assumptions used for the value-in-use calculation of the goodwill in the PRC MSG related operating segment are as follows.

賺取現金單位之可收回金額乃以計算使用價值之方式釐定。該等計算使用基於管理層批准之五年財政預算得出之除稅前現金流量預測進行。超出五年期之現金流量使用以下所呈列之估計增長率推算(如適用)。增長率不會高於賺取現金單位所營運之味精相關業務的長期平均增長率。

用以計算中國味精相關營運分部商譽之使用價值之主要假設如下。

		The PRC 中國	
		2017 二零一七年	2016 二零一六年
Growth rate in sales volume	銷售量增長率	0% – 10%	0% – 20%
Growth rate in sales price	銷售價增長率	0% – 1%	0%
Gross margin	毛利率	18.7% – 29.9%	26.1% – 32.5%
Other operating costs per annum (US\$'000)	每年其他經營成本 (千美元)	2,152 – 2,467	2,344 – 2,919
Long term growth rate	長期增長率	3%	3%
Discount rate	折現率	12.5%	12.5%

**9 INTANGIBLE ASSETS (continued)**

Growth rate of sales volume is the average annual growth rate over the five years forecast period. It is based on past performance and management's expectations of market development. Growth rate of sales price is the average annual growth rate over the five years forecast period. It is based on current industry trends and includes long term inflation forecasts.

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

Other operating costs are the fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases and these do not reflect any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.

For the goodwill of the PRC MSG related business, the recoverable amount calculated based on value-in-use calculations exceeds carrying value by US\$2.7 million. A decrease in annual sales volume growth rate of 8%, a decrease in annual sales price growth rate of 8%, a decrease in gross margin of 3%, an increase in annual operating costs of 17%, a fall in long term growth rate of 2.7% or an increase in discount rate of 2%, all changes taken in isolation, would remove the remaining headroom.

**9 無形資產 (續)**

銷售量的增長率為五年預測期平均年增長率，是根據過往表現及管理層對市場發展的預期得出。銷售價的增長率為五年預測期的平均年增長率，是基於現時行業趨勢得出，並已計及長期通脹預測。

管理層乃根據過往業績及其對市場發展之預期釐定預算毛利率。所用折現率乃除稅前並反映相關經營分部之特定風險。

其他經營成本乃賺取現金單位的固定成本，並不隨銷售量或銷售價大幅變動。管理層基於現時業務架構預測該等成本，並就通脹上升作出調整，但當中並無反映任何未來重組或節省成本措施。上述披露的金額乃五年預測期的平均經營成本。

就中國味精相關業務之商譽而言，基於計算使用價值所得可回收金額超出賬面值2.7百萬美元。年銷售量增長率降低8%、年銷售價增長率下跌8%、毛利率下降3%、年營運成本增長17%、長期增長率下跌2.7%或折現率增長2%，所有獨立發生之變更均將剔除剩餘限額。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 10 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2017:

### 10 附屬公司

下列為於二零一七年十二月三十一日之主要附屬公司：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 以及法定實體類別	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	Proportion of ordinary shares held by the Group 本集團持有之 普通股比例	Proportion of ordinary shares held by non-controlling interest 非控股權益持有之 普通股比例
<i>Directly held:</i> 直接持有：					
Winball Investment Limited	British Virgin Islands ("BVI")	Investment holding in Hong Kong	100 Ordinary shares of US\$1 each	100%	-
Winball Investment Limited	英屬處女群島 (「英屬處女群島」)	在香港投資控股	100股每股面值1美元的 普通股		
Talent Top Investment Ltd.	BVI	Investment holding in Hong Kong	100 Ordinary shares of US\$1 each	100%	-
Talent Top Investment Ltd.	英屬處女群島	在香港投資控股	100股每股面值1美元的 普通股		
<i>Indirectly held:</i> 間接持有：					
Burghley Enterprise Pte., Ltd.	Singapore	Investment holding in Singapore	US\$61,109,000 Ordinary shares	100%	-
Burghley Enterprise Pte., Ltd.	新加坡	在新加坡投資控股	61,109,000美元普通股		
Ordino Investments Pte., Ltd.	Singapore	Investment holding in Singapore	US\$20,177,000 Ordinary shares	100%	-
Ordino Investments Pte., Ltd.	新加坡	在新加坡投資控股	20,177,000美元普通股		
Vedan (Vietnam) Enterprise Corporation Limited	Vietnam	Manufacturing 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	131,970,000 Ordinary shares of US\$1 each	99.9%	0.1%
味丹(越南)股份有限公司	越南	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、變性澱粉、 葡萄糖漿、梳打及鹽酸並銷售出口	131,970,000股每股面值 1美元的普通股		
Shandong Vedan Snowflake Enterprise Co., Ltd. 山東味丹雪花實業有限公司	PRC, limited liability company 中國·有限責任公司	Manufacture and sale of MSG in the PRC	US\$17,200,000 Registered capital	70%	30%
		在中國生產及銷售味精	17,200,000美元註冊資本		
Shanghai Vedan Enterprise Co. Ltd. 上海味丹企業有限公司	PRC, limited liability company 中國·有限責任公司	Packaging and sale of MSG in the PRC	US\$9,800,000 Registered capital	100%	-
		在中國包裝及銷售味精	9,800,000美元註冊資本		
Xiamen Vedan Foods Co. Ltd. 廈門味丹食品有限公司	PRC, limited liability company 中國·有限責任公司	Packaging and sale of MSG in the PRC	US\$20,270,000 Registered capital	100%	-
		在中國包裝及銷售味精	20,270,000美元註冊資本		
Xiamen Darong Import & Export Trade Co., Ltd. 廈門大容進出口貿易有限公司	PRC, limited liability company 中國·有限責任公司	Trading of cassava starch-based industrial products in the PRC	US\$254,000 Registered capital	100%	-
		在中國買賣木薯澱粉工業產品	254,000美元註冊資本		

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 11 INVESTMENT IN AN ASSOCIATE, SHORT-TERM LOAN TO AN ASSOCIATE

#### (a) Investment in an associate

Movement of the investment in an associate is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
As at 1 January	於一月一日	3,350	3,365
Share of post-tax profit/(loss) of an associate	應佔聯營公司 除稅後溢利／(虧損)	205	(15)
As at 31 December	於十二月三十一日	3,555	3,350

Nature of the investment in an associate as at 31 December 2017 and 2016:

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%	Measurement method 計量方法
Dacin International Holdings Limited 達欣國際控股有限公司	The Cayman Islands 開曼群島	4,100,000 shares of US\$1 each 4,100,000股每股面值 1美元之股份	30	Equity 權益法

The associate is principally engaged in real estate development in Vietnam.

Dacin International Holdings Limited is a private company and there is no quoted market price available for its shares.

There is capital commitment amounting to US\$2,632,000 (2016: US\$2,632,000) in relation to the Group's investment in the associate.

### 11 於聯營公司之投資、給予聯營公司之短期貸款

#### (a) 於聯營公司之投資

於聯營公司之投資之變動如下：

於二零一七年及二零一六年十二月三十一日，於聯營公司之投資性質如下：

該聯營公司主要於越南從事房地產發展。

達欣國際控股有限公司為私人公司，且其股份並無市場報價。

本集團就該聯營公司之投資有2,632,000美元（二零一六年：2,632,000美元）之資本承擔。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 11 INVESTMENT IN AN ASSOCIATE, SHORT-TERM LOAN TO AN ASSOCIATE (continued)

#### (a) Investment in an associate (continued) Reconciliation of summarised financial information

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Net assets as at 1 January</b>	於一月一日之資產淨值	<b>11,166</b>	11,217
Profit/(loss) for the year	年內溢利／(虧損)	<b>684</b>	(51)
<b>Net assets as at 31 December</b>	於十二月三十一日之 資產淨值	<b>11,850</b>	11,166
Interest in an associate (30%)	於聯營公司之權益 (30%)	<b>3,555</b>	3,350

#### (b) Short-term loan to an associate

As at 31 December 2017, there is a short-term loan to an associate of US\$120,000 (2016: US\$120,000) which is unsecured, bears interest at 4% per annum, denominated in US\$ and is repayable on demand.

### 11 於聯營公司之投資、給予聯營公司之短期貸款 (續)

#### (a) 於聯營公司之投資 (續) 財務資料概要對賬

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Net assets as at 1 January</b>	於一月一日之資產淨值	<b>11,166</b>	11,217
Profit/(loss) for the year	年內溢利／(虧損)	<b>684</b>	(51)
<b>Net assets as at 31 December</b>	於十二月三十一日之 資產淨值	<b>11,850</b>	11,166
Interest in an associate (30%)	於聯營公司之權益 (30%)	<b>3,555</b>	3,350

#### (b) 給予聯營公司之短期貸款

於二零一七年十二月三十一日，給予聯營公司之短期貸款為120,000美元（二零一六年：120,000美元），該款項為無抵押，按年利率4厘計息，以美元計值，並須按要求償還。



# Notes to the consolidated financial statements

## 綜合財務報表附註

### 12 FINANCIAL INSTRUMENTS BY CATEGORY

### 12 按類別劃分之金融工具

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Loans and receivables</b>	<b>貸款及應收款項</b>		
– Long-term other receivables (Note 14)	– 長期其他應收款項 (附註14)	1,307	90
– Trade receivables (Note 14)	– 應收貿易賬款 (附註14)	31,651	27,993
– Amount due from non-controlling interest of a subsidiary	– 應收附屬公司 非控股權益之款項	–	823
– Loan to an associate (Note 11(b))	– 給予聯營公司之貸款 (附註11(b))	120	120
– Other receivables – current portion	– 其他應收款項 – 即期部份	2,474	1,352
– Structured bank deposits (Note 15)	– 結構性銀行存款 (附註15)	3,903	–
– Short-term bank deposits (Note 15)	– 短期銀行存款 (附註15)	16,063	33,287
– Cash and cash equivalents (Note 15)	– 現金及現金等價物 (附註15)	49,679	55,210
Assets as per consolidated balance sheet	綜合資產負債表所示之 資產	<b>105,197</b>	118,875
Financial liabilities at amortised cost	按攤銷成本計值之 財務負債		
– Trade payables (Note 18)	– 應付貿易賬款 (附註18)	15,772	18,296
– Other payables and accruals	– 其他應付款項及 應計費用	8,860	5,469
– Amounts due to related parties (Note 34(d))	– 應付有關連人士款項 (附註34(d))	1,418	836
– Bank borrowings (Note 19)	– 銀行借貸(附註19)	35,397	36,810
Liabilities as per consolidated balance sheet	綜合資產負債表所示之 負債	<b>61,447</b>	61,411

### 13 INVENTORIES

### 13 存貨

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Consumables	消耗品	6,308	5,186
Raw materials	原材料	45,820	28,306
Work in progress	在製品	4,914	5,005
Finished goods	製成品	25,826	26,785
		<b>82,868</b>	65,282

The cost of inventories of US\$202,763,000 (2016: US\$196,996,000) has been charged in cost of sales.

存貨成本為202,763,000美元(二零一六年: 196,996,000美元)已計入銷售成本。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 14 TRADE AND OTHER RECEIVABLES

### 14 應收貿易賬款及其他應收款項

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Non-current trade receivables	非流動應收貿易賬款	–	168
Current trade receivables	流動應收貿易賬款	<b>31,651</b>	27,825
<b>Total trade receivables</b>	<b>應收貿易賬款總額</b>	<b>31,651</b>	27,993
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	<b>32,162</b>	28,379
Less: provision for impairment of trade receivables	減：應收貿易賬款減值撥備	<b>(511)</b>	(386)
<b>Trade receivables – net</b>	<b>應收貿易賬款－淨額</b>	<b>31,651</b>	27,993
Prepayments	預付款項	<b>6,877</b>	11,931
Other receivables	其他應收款項	<b>3,781</b>	1,442
		<b>42,309</b>	41,366
Less: non-current portion of other receivables	減：其他應收款項之非即期部份	<b>(1,307)</b>	(90)
Less: non-current trade receivables	減：非流動貿易應收賬款	–	(168)
<b>Current portion</b>	<b>即期部分</b>	<b>41,002</b>	41,108

The carrying values of the Group's trade and other receivables approximate their fair values

本集團應收貿易賬款及其他應收款項之賬面值與其公平值相若。

Prepayments mainly represent advance payment for the purchase of raw materials. Other receivables as at 31 December 2017 include the outstanding balance in relation to the disposal of Ha Tinh plant (Note 24).

預付款項主要指就採購原材料預付的款項。於二零一七年十二月三十一日，其他應收款項包括有關出售河靜廠之未收取款項結餘（附註24）。

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 14 TRADE AND OTHER RECEIVABLES (continued)

The credit terms of trade receivables range from cash on delivery to 60 days. The Group may grant a longer credit period to certain customers and it is subject to the satisfactory results of credit assessment. The ageing of the trade receivables based on invoice date is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
0 – 30 days	0至30天	18,627	26,388
31 – 90 days	31至90天	12,161	770
91 – 180 days	91至180天	667	271
181 – 365 days	181至365天	189	584
Over 365 days	365天以上	518	366
		<b>32,162</b>	28,379

As at 31 December 2017, trade receivables of US\$25,259,000 (2016: US\$26,187,000) were fully performing.

As at 31 December 2017, trade receivables of US\$6,392,000 (2016: US\$1,806,000) were past due but not considered impaired. These relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, it is considered that the overdue amounts can be recovered. The ageing of those past due but not impaired receivables is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Overdue by	逾期		
0 – 90 days	0至90天	6,201	1,330
91 – 180 days	91至180天	144	117
Over 180 days	180天以上	47	359
		<b>6,392</b>	1,806

#### 14 應收貿易賬款及其他應收款項(續)

應收貿易賬款之信貸期由貨到付現至60天。本集團可向若干客戶授出較長信貸期，而其受限於信貸評估之滿意結果。應收貿易賬款按發票日期之賬齡分析如下：

於二零一七年十二月三十一日，25,259,000美元（二零一六年：26,187,000美元）之應收貿易賬款全數屬良好。

於二零一七年十二月三十一日，6,392,000美元（二零一六年：1,806,000美元）之應收貿易賬款已到期但認為尚未減值。有關款項與若干並無重大財政困難之獨立客戶有關，且根據過往經驗，逾期款項被視為可回收。該等已到期但並未減值之應收款項之賬齡分析如下：

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 14 TRADE AND OTHER RECEIVABLES (continued)

As at 31 December 2017, trade receivables of US\$511,000 (2016: US\$386,000) were considered impaired. The amount of the provision made was US\$511,000 as at 31 December 2017 (2016: US\$386,000). The ageing of these receivables is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Overdue by	逾期		
0 – 90 days	0至90天	–	–
91 – 180 days	91至180天	–	–
181 – 365 days	181至365天	20	20
Over 365 days	365天以上	491	366
		<b>511</b>	386

The carrying amounts of the trade and other receivables are denominated in the following currencies:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam Dong	越南盾	20,299	20,043
US\$	美元	17,152	15,936
New Taiwan dollar	新台幣	112	181
Renminbi	人民幣	3,507	4,437
Others	其他	1,239	769
		<b>42,309</b>	41,366

#### 14 應收貿易賬款及其他應收款項(續)

於二零一七年十二月三十一日，511,000美元(二零一六年：386,000美元)之應收貿易賬款被視為已減值。於二零一七年十二月三十一日作出的撥備金額為511,000美元(二零一六年：386,000美元)。該等應收款項的賬齡分析如下：

應收貿易賬款及其他應收款項之賬面值按下列貨幣計值：

## Notes to the consolidated financial statements 綜合財務報表附註

### 14 TRADE AND OTHER RECEIVABLES (continued)

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	386	353
Provision for receivables impairment (Note 23)	應收款項減值撥備 (附註23)	125	33
At 31 December	於十二月三十一日	511	386

The creation of provision for impaired receivables have been included in administrative expenses in the consolidated income statement (Note 23). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

### 14 應收貿易賬款及其他應收款項(續)

本集團之應收貿易賬款減值撥備變動載列如下：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	386	353
Provision for receivables impairment (Note 23)	應收款項減值撥備 (附註23)	125	33
At 31 December	於十二月三十一日	511	386

就已減值應收款項作出的減值撥備已計入綜合收益表的行政開支中(附註23)。於撥備賬扣除的金額一般於預期無法收回更多現金時撇銷。

應收貿易賬款及其他應收款項內之其他類別並不包括已減值資產。

於結算日，最高信貸風險即上述各類別應收賬款之賬面值。本集團並未就此持有任何抵押品作抵押。

## Notes to the consolidated financial statements 綜合財務報表附註

### 15 CASH AND CASH EQUIVALENTS, STRUCTURED BANK DEPOSITS AND SHORT-TERM BANK DEPOSITS

The remittance of the funds out of the PRC of US\$14,106,000 (2016: US\$7,933,000) and Vietnam of US\$38,257,000 (2016: US\$58,720,000) is subject to exchange restrictions imposed by the PRC and Vietnamese governments.

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Short-term bank deposits with original maturity over three months	原到期日為超過三個月之短期銀行存款	16,063	33,287
Structured bank deposits	結構性銀行存款	3,903	-
Cash at bank and on hand	銀行及手頭現金	49,679	55,210
		<b>69,645</b>	88,497

As at 31 December 2017, cash at bank of US\$49,447,000 (2016: US\$55,012,000) and bank deposits of US\$19,966,000 (2016: US\$33,287,000) were exposed to credit risk.

The Group's cash and cash equivalents and short-term bank deposits are denominated in the following currencies:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam Dong	越南盾	24,485	28,254
US\$	美元	29,119	50,287
Renminbi	人民幣	15,738	9,681
Hong Kong dollar	港元	154	207
New Taiwan dollar	新台幣	146	65
Others	其他	3	3
		<b>69,645</b>	88,497

### 15 現金及現金等價物、結構性銀行存款及短期銀行存款

匯出中國之資金14,106,000美元(二零一六年: 7,933,000美元)及匯出越南之資金38,257,000美元(二零一六年: 58,720,000美元)須遵守中國及越南政府的外匯管制措施。

於二零一七年十二月三十一日，銀行現金49,447,000美元(二零一六年: 55,012,000美元)及銀行存款19,966,000美元(二零一六年: 33,287,000美元)面臨信貸風險。

本集團之現金及現金等價物以及短期銀行存款按以下貨幣計值：



## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 15 CASH AND CASH EQUIVALENTS, STRUCTURED BANK DEPOSITS AND SHORT-TERM BANK DEPOSITS (continued)

The effective interest rates per annum of the Group at the end of the reporting period were as follows:

		2017 二零一七年	2016 二零一六年
Short-term bank deposits with original maturity over three months	原到期日為超過三個月之短期銀行存款	4.3%	3.1%
Structured bank deposits	結構性銀行存款	4.2%	-

#### 16 SHARE CAPITAL

#### 15 現金及現金等價物、結構性銀行存款及短期銀行存款(續)

於報告期末，本集團之實際年利率載列如下：

#### 16 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 1 January 2016,	於二零一六年一月一日、			
31 December 2016 and	二零一六年十二月三十一日及			
31 December 2017	二零一七年十二月三十一日	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 1 January 2016,	於二零一六年一月一日、			
31 December 2016 and	二零一六年十二月三十一日及			
31 December 2017	二零一七年十二月三十一日	0.01	1,522,742,000	15,228

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 17 RESERVES

### 17 儲備

		Share Premium	Exchange Reserve	Merger reserve (Note)	Retained earnings	Total
		股份溢價	匯兌儲備	合併儲備 (附註)	保留盈利	總額
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
At 1 January 2016	於二零一六年一月一日	47,358	13,908	79,994	119,130	260,390
<b>Comprehensive income</b>	<b>全面收入</b>					
Profit for the year	本年度溢利	-	-	-	22,501	22,501
<b>Other comprehensive income</b>	<b>其他全面收入</b>					
Currency translation differences	匯兌差額	-	(2,240)	-	-	(2,240)
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	(2,240)	-	22,501	20,261
<b>Total transaction with owners</b>	<b>與擁有人之總交易額</b>					
Dividends paid (Note 26)	已付股息(附註26)	-	-	-	(14,344)	(14,344)
At 31 December 2016	於二零一六年十二月三十一日	47,358	11,668	79,994	127,287	266,307
At 1 January 2017	於二零一七年一月一日	47,358	11,668	79,994	127,287	266,307
<b>Comprehensive income</b>	<b>全面收入</b>					
Profit for the year	本年度溢利	-	-	-	19,061	19,061
<b>Other comprehensive income</b>	<b>其他全面收入</b>					
Currency translation differences	匯兌差額	-	2,229	-	-	2,229
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	2,229	-	19,061	21,290
<b>Total transactions with owners</b>	<b>與擁有人之總交易額</b>					
Dividends paid (Note 26)	已付股息(附註26)	-	-	-	(17,415)	(17,415)
At 31 December 2017	於二零一七年十二月三十一日	47,358	13,897	79,994	128,933	270,182

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 therefor.

附註：

本集團的合併儲備指根據於二零零二年十二月二十六日完成的集團重組所收購附屬公司的股本面值及股份溢價與本公司就進行交換而發行之股本面值的差額。

Notes to the consolidated financial statements  
綜合財務報表附註

18 TRADE AND OTHER PAYABLES

18 應付貿易賬款及其他應付款項

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Non-current</b>	<b>非即期</b>		
Long-term environmental provision	長期環境撥備	233	113
<b>Current</b>	<b>即期</b>		
Trade payables	應付貿易賬款	15,772	18,296
Accruals	應計費用	8,089	8,125
Payable of purchase of property, plant equipment and construction costs	應付購置物業、廠房及 設備以及建築成本款項	4,127	222
Receipts in advance	預收款項	1,296	2,581
Other payables	其他應付款項	3,997	4,709
		<b>33,281</b>	<b>33,933</b>
Total trade and other payables	應付貿易賬款及 其他應付款項總額	<b>33,514</b>	<b>34,046</b>

At 31 December 2017, the ageing of trade payables based on invoice date is as follows:

於二零一七年十二月三十一日，應付貿易賬款按發票日期之賬齡分析如下：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
0 – 30 days	0至30天	13,912	17,232
31 – 90 days	31至90天	1,567	1,026
91 – 180 days	91至180天	111	4
181 – 365 days	181至365天	142	7
Over 365 days	365天以上	40	27
		<b>15,772</b>	<b>18,296</b>

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

本集團之應付貿易賬款及其他應付款項之賬面值按下列貨幣計值：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Vietnam Dong	越南盾	15,473	12,813
US\$	美元	11,935	16,209
New Taiwan Dollar	新台幣	1,040	1,212
Renminbi	人民幣	3,515	3,694
Euro	歐元	1,129	-
Others	其他	422	118
		<b>33,514</b>	<b>34,046</b>

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 19 BANK BORROWINGS

### 19 銀行借貸

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
<b>Non-current</b>	<b>非即期</b>		
- Long-term bank borrowings	- 銀行長期借款	27,814	31,950
Less: current portion of long-term bank borrowings	減：銀行長期借款之即期部分	(8,323)	(7,760)
		19,491	24,190
<b>Current</b>	<b>即期</b>		
- Short-term bank borrowings	- 銀行短期借款	7,583	4,860
- Current portion of long-term bank borrowings	- 銀行長期借款之即期部分	8,323	7,760
		15,906	12,620
<b>Total bank borrowings</b>	<b>銀行借貸總額</b>	<b>35,397</b>	<b>36,810</b>

At 31 December 2017, the Group's bank borrowings were repayable as follows:

於二零一七年十二月三十一日，本集團之銀行借貸須於以下期間償還：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Within 1 year	一年內	15,906	12,620
Between 1 and 2 years	一年至兩年	8,867	7,760
Between 2 and 5 years	兩年至五年	9,562	16,430
Over 5 years	五年以上	1,062	-
		35,397	36,810

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 19 BANK BORROWINGS (continued)

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Within 6 months	6個月內	17,700	17,340
Between 7 and 12 months	7至12個月	2,934	2,371
Between 1 and 5 years	1至5年	13,701	17,099
Over 5 years	5年以上	1,062	-
		<b>35,397</b>	36,810

The carrying values of the Group's borrowings approximate their fair values.

The effective interest rates per annum of the Group's borrowings at the end of the reporting period were as follows:

		2017 二零一七年	2016 二零一六年
US\$	美元	2.2%	2.1%
New Taiwan dollar	新台幣	2.0%	2.0%
Renminbi	人民幣	-	4.8%

#### 19 銀行借貸(續)

於報告期末，本集團借貸所面對的利率變動及合約重新訂價日期如下：

本集團借貸之賬面值與其公平值相若。

於報告期末，本集團借貸之實際年利率如下：

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 19 BANK BORROWINGS (continued)

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
US\$	美元	34,727	36,296
New Taiwan dollar	新台幣	670	465
Renminbi	人民幣	-	49
		<b>35,397</b>	36,810

The Group has the following undrawn borrowing facilities:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Floating rate:	浮息：		
- Expiring within one year	- 於一年內到期	27,849	20,044
- Expiring beyond one year	- 於一年後到期	25,449	18,000
Fixed rate:	定息：		
- Expiring within one year	- 於一年內到期	47,330	76,460
- Expiring beyond one year	- 於一年後到期	-	3,963
		<b>100,628</b>	118,467

As at 31 December 2017, the Group has aggregate bank facilities of approximately US\$154,396,000 (2016: US\$171,219,000) for bank borrowings, trade finance and other general banking facilities. Unutilised amount as at 31 December 2017 amounted to US\$100,628,000 (2016: US\$118,467,000).

The Group's bank borrowings of US\$29,473,000 as at 31 December 2017 (2016: US\$30,646,000) were secured by corporate guarantees.

#### 19 銀行借貸(續)

本集團借貸之賬面值按以下貨幣計值：

本集團有以下未提用借貸融資：

本集團於二零一七年十二月三十一日，本集團合共擁有為數約154,396,000美元之銀行融資(二零一六年：171,219,000美元)作為銀行借貸、貿易融資及其他一般銀行融資。於二零一七年十二月三十一日，未動用金額為100,628,000美元(二零一六年：118,467,000美元)。

本集團於二零一七年十二月三十一日為數29,473,000美元(二零一六年：30,646,000美元)之銀行借貸乃由公司擔保作為抵押。



## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 20 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 analysis of deferred income tax liabilities is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
- Deferred income tax liabilities to be recovered after more than 12 months	- 將於超過12個月後收回之遞延所得稅負債	3,263	3,416

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	3,416	4,178
Income statement credit (Note 25)	計入收益表(附註25)	(153)	(762)
At 31 December	於十二月三十一日	3,263	3,416

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 加速稅項折舊	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	4,196	4,899
Charged/(credited) to consolidated income statement	於綜合收益表內扣除/(計入)	330	(703)
At 31 December	於十二月三十一日	4,526	4,196

#### 20 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。

遞延所得稅負債之分析如下：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
- 遞延所得稅負債	- 將於超過12個月後收回之遞延所得稅負債	3,263	3,416

遞延所得稅賬變動總額如下：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
於一月一日		3,416	4,178
計入收益表(附註25)		(153)	(762)
於十二月三十一日		3,263	3,416

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

		Accelerated tax depreciation 加速稅項折舊	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
於一月一日		4,196	4,899
於綜合收益表內扣除/(計入)		330	(703)
於十二月三十一日		4,526	4,196

## Notes to the consolidated financial statements 綜合財務報表附註

### 20 DEFERRED INCOME TAX (continued)

#### Deferred income tax assets

		Other temporary differences 其他暫時差額	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	(780)	(721)
Credited to consolidated income statement	計入綜合收益表	(483)	(59)
At 31 December	於十二月三十一日	(1,263)	(780)

According to the PRC Enterprise Income Tax Law, the profits of PRC subsidiaries of the Group derived since 1 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 liabilities of US\$910,000 (2016: US\$799,000) have not been recognised in respect of temporary differences attributable to accumulated profits of the Group's PRC subsidiaries as the Group controls the dividend policy of these PRC subsidiaries and it is probable that these temporary differences will not reverse in the foreseeable future.

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 deferred income tax assets of US\$1,846,000 (2016: US\$2,085,000) in respect of the unrecognised tax loss of US\$7,382,000 (2016: US\$8,338,000). These tax losses for PRC corporate income tax purposes will expire within five years. Tax losses of US\$2,399,000 (2016: US\$2,512,000), US\$2,774,000 (2016: US\$3,732,000), US\$2,209,000 (2016: US\$2,094,000) will expire within one year, within two years and within three to five years respectively.

### 21 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 and acid. Revenues recognised for the years ended 31 December 2017 and 2016 were US\$322,805,000 and US\$327,640,000 respectively.

### 20 遞延所得稅 (續)

#### 遞延所得稅資產

		Other temporary differences 其他暫時差額	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
At 1 January	於一月一日	(780)	(721)
Credited to consolidated income statement	計入綜合收益表	(483)	(59)
At 31 December	於十二月三十一日	(1,263)	(780)

根據中國企業所得稅法，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溢利按10%的稅率繳納預扣稅。由於本集團控制該等中國附屬公司之股息政策，且本集團之中國附屬公司累計溢利應佔之暫時差額不大可能於可見將來撥回，故並無就該等暫時差額確認遞延所得稅負債910,000美元（二零一六年：799,000美元）。

遞延所得稅資產乃於相關稅務利益可透過未來應課稅溢利變現時就所結轉的稅務虧損作出確認。本集團有關未確認稅務虧損7,382,000美元（二零一六年：8,338,000美元）之未確認遞延所得稅資產為1,846,000美元（二零一六年：2,085,000美元）。就中國企業所得稅而言之該等稅務虧損將於五年內到期。稅務虧損2,399,000美元（二零一六年：2,512,000美元）、2,774,000美元（二零一六年：3,732,000美元）、2,209,000美元（二零一六年：2,094,000美元）分別將於一年內、兩年內以及三至五年內到期。

### 21 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，包括變性澱粉、葡萄糖漿、味精、蘇打及鹽酸。截至二零一七年及二零一六年十二月三十一日止年度確認之收益分別為322,805,000美元及327,640,000美元。

Notes to the consolidated financial statements  
綜合財務報表附註

22 OTHER GAINS/(LOSSES) – NET

22 其他收益／（虧損）－淨額

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Net exchange gains/(losses)	匯兌收益／（虧損）淨額	647	(1,102)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損	(340)	(176)
Impairment of property, plant and equipment (Note 7)	物業、廠房及設備的減值 （附註7）	–	(2,882)
Impairment of amount due from the non-controlling interest of a subsidiary	應收附屬公司非控股 權益之款項減值	(847)	–
Sales of scrap materials	廢料銷售	596	501
Government grant	政府補助	392	–
Others	其他	487	(431)
		<b>935</b>	<b>(4,090)</b>

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 23 EXPENSES BY NATURE

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

#### 23 按性質分類之開支

銷售成本、銷售及分銷開支及行政開支所包括之開支分析如下：

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Changes in inventories and consumables used (Note 13)	存貨及已用消耗品變動 (附註13)	202,763	196,996
Amortisation of intangible assets (Note 9)	無形資產攤銷 (附註9)	134	133
Amortisation of land use rights (Note 6)	土地使用權攤銷 (附註6)	61	61
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	345	320
– Non-audit services	– 非核數服務	115	5
Depreciation on property, plant and equipment (Note 7)	物業、廠房及設備折舊 (附註7)	18,170	18,475
Operating leases expenses in respect of leasehold land	有關租賃土地經營租約之開支	294	305
Employee benefit expenses (Note 28)	僱員福利開支 (附註28)	35,097	36,973
Provision for impairment of trade receivables (Note 14)	應收貿易賬款減值撥備 (附註14)	125	33
Technical support fee (Note 34(b))	技術支援費 (附註34(b))	2,181	2,156
Travelling expenses	差旅開支	1,484	1,486
Transportation expenses	交通開支	9,400	8,893
Advertising expenses	廣告開支	2,962	3,147
Other expenses	其他開支	27,555	25,887
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>300,686</b>	294,870

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 24 FINANCE INCOME/(COSTS) – NET

#### 24 財務收入／（支出）－淨額

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Finance income	財務收入	853	686
Interest expense on bank borrowings	銀行借貸利息開支	(812)	(900)
Less: amounts capitalised on qualifying assets (Note 7)	減：合資格資產資本化款項（附註7）	143	25
Discounting effect on non-current other receivable (Note)	非流動其他應收款項之折現影響（附註）	(135)	-
Finance costs	財務支出	(804)	(875)
Finance income/(costs) – net	財務收入／（支出）－淨額	49	(189)

Note:

On 22 February 2017, Vedan (Vietnam) Enterprise Corporation Limited entered into an agreement with an independent third party, to dispose of its property, plant and equipment of Ha Tinh plant at a consideration of US\$3,400,000. The transaction was completed during this year.

According to the payment schedule in the agreement, the outstanding balance as at 31 December 2017 of US\$2,040,000 is repayable in the amount of US\$680,000, US\$680,000 and US\$680,000 in 2018, 2019 and 2020, respectively. The balance is non-interest bearing.

#### 25 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.

附註：

於二零一七年二月二十二日，味丹（越南）股份有限公司與一名獨立第三方訂立一項協議，以3,400,000美元之代價出售河靜廠房的物業、廠房及設備。該交易於本年度完成。

根據該協議之付款時間表，於二零一七年十二月三十一日之尚未償還結餘2,040,000美元須於二零一八年、二零一九年及二零二零年分別償還680,000美元、680,000美元及680,000美元。結餘為免息。

#### 25 所得稅開支

溢利之稅項就年內估計應課稅溢利按本集團營運所在國家之現行稅率計算。

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 25 INCOME TAX EXPENSE (continued)

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Enterprise income tax ("EIT")	企業所得稅	4,592	6,993
Under-provision of income tax in previous years	過往年度所得稅撥備不足	131	12
Total current tax	即期稅項總額	4,723	7,005
Deferred income tax (Note 20)	遞延所得稅(附註20)	(153)	(762)
		<b>4,570</b>	6,243

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 Vietnam Vedan, which is a major subsidiary of the Group, as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Profit before tax	除稅前溢利	23,308	28,476
Tax calculated at tax rate of 15% (2016: 15%)	按15%之稅率計算之稅項 (二零一六年: 15%)	3,496	4,271
Tax effects of different tax rates	不同稅率之稅務影響	1,132	1,249
Expenses not deductible for tax purposes	不可扣稅之開支	204	683
Income not subject to tax	毋須課稅收入	(11)	-
Utilisation of previously unrecognised tax losses	動用之前未確認稅務虧損	(672)	(220)
Under-provision in prior years	於過往年度不足撥備	131	12
Tax losses for which no deferred income tax asset was recognised	並無確認遞延所得稅資產之稅務虧損	290	248
Tax charge	稅項支出	<b>4,570</b>	6,243

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.

#### 25 所得稅開支(續)

於綜合收益表內扣除之所得稅金額指：

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越南味丹的適用稅率而計算的理論稅款不同，載列如下：

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稅的收支項目作出調整。



## 25 INCOME TAX EXPENSE (continued)

### (i) Vietnam

The applicable EIT rate for the Group's operations in Vietnam is 15%, which is an incentive tax rate offered by the Vietnam Government and is stipulated in the subsidiary's investment license.

### (ii) The PRC

The applicable EIT rate for the Group's operation in the PRC is 25%.

### (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 17%.

## 26 DIVIDENDS

A final dividend of US\$12,740,000 that relates to the year ended 31 December 2016 declared in 23 May 2017 and was paid in 2017 (2016: US\$4,583,000).

The interim dividends paid in 2017 was US\$4,675,000 (0.307 US cents per share) (2016: US\$9,761,000, 0.641 US cents per share). A final dividend in respect of the year ended 31 December 2017 of 0.443 US cents per share, amounting to a total dividend of US\$6,750,000, is to be proposed for approval at the annual general meeting on 23 May 2018. These consolidated financial information do not reflect this dividend payable.

## 25 所得稅開支(續)

### (i) 越南

按附屬公司的投資許可證所訂明，本集團在越南的業務的適用企業所得稅率為15%，有關稅率為越南政府所給予的優惠稅率。

### (ii) 中國

本集團在中國的業務的適用企業所得稅率為25%。

### (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

本集團在台灣業務的適用企業所得稅率為17%。

## 26 股息

有關截至二零一六年十二月三十一日止年度之末期股息12,740,000美元已於二零一七年五月二十三日宣派及於二零一七年予以支付(二零一六年: 4,583,000美元)。

於二零一七年支付的中期股息為4,675,000美元(每股0.307美仙)(二零一六年: 9,761,000美元(每股0.641美仙))。將於二零一八年五月二十三日舉行的股東周年大會上提呈以供批准的截至二零一七年十二月三十一日止年度的末期股息為每股0.443美仙，股息總額達6,750,000美元。該等綜合財務資料並無反映該應付股息。

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Interim dividend paid of 0.307 US cents (2016: 0.641 US cents) per ordinary share	支付的中期股息每股普通股0.307美仙(二零一六年: 0.641美仙)	4,675	9,761
Proposed final dividend of 0.443 US cents (2016: 0.837 US cents) per ordinary share	擬派末期股息每股普通股0.443美仙(二零一六年: 0.837美仙)	6,750	12,740
		<b>11,425</b>	22,501

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 27 EARNINGS PER SHARE

##### (a) Basic

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

		2017 二零一七年	2016 二零一六年
Profit attributable to owners of the Company (US\$'000)	本公司擁有人應佔溢利(千美元)	19,061	22,501
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(千股)	1,522,742	1,522,742
Basic earnings per share (US cents per share)	每股基本盈利(每股美仙)	1.25	1.48

##### (b) Diluted

Diluted earnings per share is same as basic earnings per share as there are no dilutive instruments for the years ended 31 December 2017 and 2016.

#### 27 每股盈利

##### (a) 基本

每股基本盈利按本公司擁有人應佔溢利除以年內已發行普通股的加權平均數計算。

##### (b) 攤薄

截至二零一七年及二零一六年十二月三十一日止年度，由於並無攤薄工具，故每股攤薄盈利與每股基本盈利相同。

#### 28 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Wages, basic salaries and allowances	工資、底薪及津貼	28,128	29,462
Directors' bonus (Note 30)	董事花紅(附註30)	1,921	2,515
Pension costs – defined contribution plans	退休金成本 一定額供款計劃	2,649	2,681
Other employee benefits	其他僱員福利	2,399	2,315
		35,097	36,973

#### 28 僱員福利開支(包括董事薪酬)

## 29 RETIREMENT BENEFIT OBLIGATIONS

As stipulated by the labour laws in Vietnam, the Group operates defined benefit pension plans for its employees in Vietnam employed on or before 31 December 2008. The provision is determined based on the employees' years of services as at 31 December 2008 and their average monthly salary for the six-month period prior to the last service day.

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
As at 1 January	於一月一日	1,386	1,230
Current service cost	即期服務開支	176	253
Payments	付款	(115)	(97)
As at 31 December	於十二月三十一日	1,447	1,386

The principal actuarial assumptions used were as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Discount rate	折現率	9%	9%
Salary growth rate	工資增長率	3.0% – 8.0%	3.0% – 7.9%
Expected years of service remaining	預期剩餘服務年限	14-18 years年	14 –19 years年

Pursuant to the Law on Social Insurance in Vietnam effective from 1 January 2009, the Group is required to contribute to a state-sponsored employees' social insurance scheme for its employees in Vietnam. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

## 29 退休福利責任

根據越南勞動法律規定，本集團為其於二零零八年十二月三十一日或以前僱用的越南僱員提供定額福利退休金計劃。該等撥備以僱員於二零零八年十二月三十一日之服務年期及最後服務日期前六個月期間的平均月薪作出。

所使用的主要精算假設如下：

根據由二零零九年一月一日起生效之越南社會保險法，本集團須為其越南僱員向國家管理之僱員社會保險計劃作出供款。於作出該等供款後，本集團概無其他付款責任。該等供款於到期支付時確認為僱員福利開支。

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 30 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

#### (A) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2017:

Name of Director	董事姓名	Fees	Salary (Note a)	Discretionary bonuses	Allowances and benefits in kind (Note b)	Employer's contribution to a retirement benefit scheme	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertakings	Total
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
<b>Executive Director</b>	<b>執行董事</b>							
Mr. Yang, Tou-Hsiung	楊頭雄先生	1	343	572	15	-	-	931
Mr. Yang, Cheng	楊正先生	-	-	-	14	-	-	14
Mr. Yang, Kun-Hsiang (Note c)	楊坤祥先生(附註c)	-	380	549	15	-	-	944
Mr. Yang, Chen-Wen	楊辰文先生	-	181	400	15	-	-	596
Mr. Yang, Kun-Chou	楊坤洲先生	-	181	400	15	-	-	596
<b>Non-executive Director</b>	<b>非執行董事</b>							
Mr. Chou, Szu-Cheng	周賜程先生	-	-	-	14	-	-	14
Mr. Huang, Ching-Jung	黃景榮先生	1	-	-	14	-	-	15
<b>Independent non-executive Director</b>	<b>獨立非執行董事</b>							
Mr. Chao, Pei-Hong	趙培宏先生	3	-	-	14	-	-	17
Mr. Chen, Joen-Ray	陳忠瑞先生	2	-	-	14	-	-	16
Mr. Hsieh, Lung-Fa	謝龍發先生	1	-	-	14	-	-	15
Mr. Ko, Jim-Chen	柯俊楨先生	2	-	-	14	-	-	16
<b>Total</b>	<b>總額</b>	<b>10</b>	<b>1,085</b>	<b>1,921</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>3,174</b>

### 30 董事福利及權益(香港公司條例(第622章)第383條,公司(披露董事利益資料)規例(第622G章)及香港上市規則規定披露)

#### (A) 董事及高級行政人員之酬金

各董事及高級行政人員之薪酬載列如下:

截至二零一七年十二月三十一日止年度:

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 30 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

#### (A) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2016:

Name of Director	Fees	Salary (Note a)	Discretionary bonuses	Allowances and benefits in kind (Note b)	Employer's contribution to a retirement benefit scheme	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertakings	Total
董事姓名	袍金 US\$'000 千美元	薪金 (附註a) US\$'000 千美元	酌情花紅 US\$'000 千美元	津貼及實物福利 (附註b) US\$'000 千美元	退休福利計劃所作供款 US\$'000 千美元	僱主向其附屬公司事務的其他職務已付或應收之其他酬金 US\$'000 千美元	合計 US\$'000 千美元
<b>Executive Director</b>	<b>執行董事</b>						
Mr. Yang, Tou-Hsiung	1	338	750	15	-	-	1,104
Mr. Yang, Cheng	-	16	-	14	-	-	30
Mr. Yang, Kun-Hsiang (Note c)	-	374	715	15	-	-	1,104
Mr. Yang, Chen-Wen	-	179	525	15	-	-	719
Mr. Yang, Kun-Chou	-	179	525	15	-	-	719
<b>Non-executive Director</b>	<b>非執行董事</b>						
Mr. Chou, Szu-Cheng	-	-	-	14	-	-	14
Mr. Huang, Ching-Jung	1	-	-	14	-	-	15
<b>Independent non-executive Director</b>	<b>獨立非執行董事</b>						
Mr. Chao, Pei-Hong	2	-	-	14	-	-	16
Mr. Chen, Joen-Ray	2	-	-	14	-	-	16
Mr. Hsieh, Lung-Fa	1	-	-	14	-	-	15
Mr. Ko, Jim-Chen	3	-	-	14	-	-	17
<b>Total</b>	<b>總額</b>	<b>10</b>	<b>1,086</b>	<b>2,515</b>	<b>158</b>	<b>-</b>	<b>3,769</b>

### 30 董事福利及權益 (香港公司條例 (第622章)第383條, 公司 (披露董事利益資料) 規例 (第622G章) 及香港上市規則規定披露) (續)

#### (A) 董事及高級行政人員之酬金 (續)

截至二零一六年十二月三十一日止年度:

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 30 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

#### (A) Directors' and chief executive's emoluments (continued)

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertakings		Aggregate other emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertakings		Total	Total
董事就作為董事之服務 (不論為本公司或其附屬公司之董事) 已獲支付或應收之總酬金		董事就管理本公司或其附屬公司事務有關的 其他服務已獲支付或應收之其他酬金總額		合計	合計
2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
3,174	3,769	-	-	3,174	3,769

Note:

- (a) Salary paid to a director is generally an emolument paid or receivable in respect of that person's other services in connection with the management of the affairs of the Company or its subsidiary undertakings.
- (b) Allowances and benefits in kind include travelling allowance.
- (c) The director is also the CEO of the Company, no separate disclosure in respect of the remuneration of the CEO has been made.

附註：

- (a) 支付予一名董事的薪金通常為就該人士提供與管理本公司或其附屬公司事務有關的其他服務而獲支付或應收的酬金。
- (b) 津貼及實物福利包括差旅津貼。
- (c) 該董事兼任本公司行政總裁，並無就行政總裁的薪酬進行分開披露。

### 30 董事福利及權益 (香港公司條例 (第622章) 第383條, 公司 (披露董事利益資料) 規例 (第622G章) 及香港上市規則規定披露) (續)

#### (A) 董事及高級行政人員之酬金 (續)



**30 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)**

**(B) Directors' retirement benefits**

During the year ended 31 December 2017, no other retirement benefits were paid to directors in respect of their services in connection with the management of the affairs of the Company or its subsidiaries undertaking (2016: same).

**(C) Directors' termination benefits**

During the year ended 31 December 2017, no termination benefits were paid to directors (2016: same).

**(D) Consideration provided to third parties for making available directors' services**

During the year ended 31 December 2017, no consideration was provided to third parties for making available directors' services (2016: same)

**(E) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors**

During the year ended 31 December 2017, no loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with directors (2016: same).

**30 董事福利及權益 (香港公司條例 (第622章)第383條, 公司 (披露董事利益資料) 規例 (第622G章) 及香港上市規則規定披露) (續)**

**(B) 董事退休福利**

於截至二零一七年十二月三十一日止年度, 並無向董事就彼等管理本公司或其附屬公司的事務所擔任的職務支付其他退休福利 (二零一六年: 相同)。

**(C) 終止董事服務權益**

於截至二零一七年十二月三十一日止年度, 並無向董事支付終止服務權益 (二零一六年: 相同)。

**(D) 就提供董事服務而向第三方提供的代價**

於截至二零一七年十二月三十一日止年度, 並無就提供董事服務而向第三方提供代價 (二零一六年: 相同)。

**(E) 有關以董事、受該等董事控制的法人團體及該等董事的有關連實體為受益人的貸款、準貸款及其他交易的資料**

於截至二零一七年十二月三十一日止年度, 並無以董事、受該等董事控制的法人團體及該等董事的有關連實體為受益人作出的貸款、準貸款及其他交易 (二零一六年: 相同)。

**30 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)**

**(F) Directors' material interests in transactions, arrangements or contracts**

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2016: same).

**(G) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year included five (2016: five) executive directors; their emoluments are reflected in the analysis presented above.

**(H) Senior management remuneration by band**

The emoluments fell within the following bands:

**30 董事福利及權益 (香港公司條例 (第622章)第383條, 公司 (披露董事利益資料) 規例 (第622G章) 及香港上市規則規定披露) (續)**

**(F) 董事於交易、安排或合約中的重大權益**

於本年底或本年度內任何時間, 本公司並無訂立與本集團業務有關而本公司董事直接或間接擁有重大權益的任何重大交易、安排或合約 (二零一六年: 相同)。

**(G) 五名最高酬金人士**

本集團本年度內五名最高酬金人士包括五名 (二零一六年: 五名) 執行董事, 彼等的酬金已於上文之分析中反映。

**(H) 按範圍劃分之高級管理人員酬金**  
酬金處於以下範圍:

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
Emolument bands (in US\$)	酬金範圍 (美元)		
US\$80,001 – US\$105,000	80,001美元 – 105,000美元	2	2
US\$105,001 – US\$130,000	105,001美元 – 130,000美元	4	4

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 31 CASH FLOW INFORMATION

#### (a) Cash generated from operations

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Profit before income tax	除所得稅前溢利	23,308	28,476
Adjustments for:	就以下項目調整：		
– Finance (income)/costs – net (Note 24)	– 財務(收入)／支出 – 淨額(附註24)	(49)	189
– Share of post tax (profit)/ loss of an associate (Note 11)	– 應佔聯營公司 除稅後(溢利)／ 虧損(附註11)	(205)	15
– Depreciation of property, plant and equipment (Note 7)	– 物業、廠房及 設備折舊(附註7)	18,170	18,475
– Provision for impairment of trade receivables (Note 14)	– 應收貿易賬款減值 撥備(附註14)	125	33
– Amortisation of intangible assets (Note 9)	– 無形資產攤銷 (附註9)	134	133
– Amortisation of land use rights (Note 6)	– 土地使用權攤銷 (附註6)	61	61
– Impairment of property, plant and equipment (Note 22)	– 物業、廠房及 設備減值(附註22)	–	2,882
– Impairment of amount due from the non-controlling interest of a subsidiary (Note 22)	– 應收一間附屬公司之 非控股權益款項之 減值(附註22)	847	–
– Loss on disposal of property, plant and equipment (see below)	– 出售物業、廠房及 設備之虧損 (見下文)	340	176
		<b>42,731</b>	50,440
Change in working capital (excluding the effects of exchange differences on consolidation)	營運資金變動 (未計綜合賬目產生之 匯兌差額影響)		
– Inventories	– 存貨	(17,586)	14,755
– Trade receivables, prepayments and other receivables	– 應收貿易賬款、 預付款項及 其他應收款項	591	(1,015)
– Trade payables, accruals and other payables	– 應付貿易賬款、 應計費用及 其他應付款項	(4,597)	9,770
– Net changes in balances with related companies	– 與有關連公司賬項之 變動淨值	582	(121)
Cash generated from operations	業務產生之現金	<b>21,721</b>	73,829

### 31 現金流量資料

#### (a) 業務產生之現金

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 31 CASH FLOW INFORMATION (continued)

##### (a) Cash generated from operations (continued)

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Net book amount (Note 7)	賬面淨值 (附註7)	489	238
Loss on disposal of property, plant and equipment (Note 22)	出售物業、廠房及設備之虧損 (附註22)	(340)	(176)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	149	62

##### (b) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

##### Net debt

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Cash and cash equivalents	現金及現金等價物	49,679	55,210
Bank borrowings – repayable within one year	銀行借款 – 於一年內償還	(15,906)	(12,620)
Bank borrowings – repayable after one year	銀行借款 – 於一年後償還	(19,491)	(24,190)
Net debt	債務淨額	14,282	18,400
Cash and cash equivalents	現金及現金等價物	49,679	55,210
Gross debt – fixed interest rates	債務總額 – 固定利率	(17,970)	(26,599)
Gross debt – variable interest rates	債務總額 – 浮動利率	(17,427)	(10,211)
Net debt	債務淨額	14,282	18,400

#### 31 現金流量資料 (續)

##### (a) 業務產生之現金 (續)

在綜合現金流量表內，出售物業、廠房及設備之所得款項如下：

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Net book amount (Note 7)	489	238
Loss on disposal of property, plant and equipment (Note 22)	(340)	(176)
Proceeds from disposal of property, plant and equipment	149	62

##### (b) 債務淨額之對賬

本節載列於各呈列期間之債務淨額分析及債務淨額變動。

##### 債務淨額

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Cash and cash equivalents	49,679	55,210
Bank borrowings – repayable within one year	(15,906)	(12,620)
Bank borrowings – repayable after one year	(19,491)	(24,190)
Net debt	14,282	18,400
Cash and cash equivalents	49,679	55,210
Gross debt – fixed interest rates	(17,970)	(26,599)
Gross debt – variable interest rates	(17,427)	(10,211)
Net debt	14,282	18,400

Notes to the consolidated financial statements  
綜合財務報表附註

31 CASH FLOW INFORMATION (continued)

(b) Net debt reconciliation (continued)

		Assets 資產	Liabilities from financing activities 來自融資活動之負債		Total 合計 US\$'000 千美元
			Cash and cash equivalents 現金及 現金等價物 US\$'000 千美元	Bank borrowings due within 1 year 於一年內到期 之銀行借款 US\$'000 千美元	
<b>Net debt as at 1 January 2016</b>	於二零一六年一月一 日之債務淨額	44,190	(23,113)	(28,613)	(7,536)
Cash flows	現金流量	11,829	14,916	-	26,745
Foreign exchange adjustments	外匯調整	(809)	-	-	(809)
Other non-cash movement	其他非現金變動	-	(4,423)	4,423	-
<b>Net debt as at 31 December 2016</b>	於二零一六年 十二月三十一日 之債務淨額	55,210	(12,620)	(24,190)	18,400
Cash flows	現金流量	(6,462)	5,036	(3,623)	(5,049)
Foreign exchange adjustments	外匯調整	931	-	-	931
Other non-cash movement	其他非現金變動	-	(8,322)	8,322	-
<b>Net debt as at 31 December 2017</b>	於二零一七年 十二月三十一日 之債務淨額	49,679	(15,906)	(19,491)	14,282

31 現金流量資料(續)

(b) 債務淨額之對賬(續)

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 32 COMMITMENTS

##### (a) Capital commitments

The Group's capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 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	1,864	1,043
Investment in an associate	於聯營公司之投資	2,632	2,632
		<b>4,496</b>	3,675

##### (b) Operating lease commitments

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
No later than one year	一年內	139	305
Later than one year and no later than five years	一年後但五年內	422	809
Later than five years	五年後	2,032	2,138
		<b>2,593</b>	3,252

#### 33 CONTINGENT LIABILITIES

At 31 December 2017, the Company has given guarantees for bank facilities of subsidiaries amounting to US\$120,426,000 (2016: US\$128,462,000), of which US\$74,249,000 (2016: US\$83,946,000) has not been utilised.

#### 32 承擔

##### (a) 資本承擔

本集團於報告期末已訂約但未產生之資本支出如下：

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Contracted but not provided for Property, plant and equipment	1,864	1,043
Investment in an associate	2,632	2,632
	<b>4,496</b>	3,675

##### (b) 經營租約承擔

本集團根據不可撤銷經營租約須於未來支付的最低租賃款項總額如下：

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
No later than one year	139	305
Later than one year and no later than five years	422	809
Later than five years	2,032	2,138
	<b>2,593</b>	3,252

#### 33 或然負債

於二零一七年十二月三十一日，本公司為附屬公司為數120,426,000美元（二零一六年：128,462,000美元）之銀行融資提供擔保，其中74,249,000美元（二零一六年：83,946,000美元）尚未動用。



### 34 RELATED PARTY TRANSACTIONS

The ultimate controlling party of the Group is the Yang Family, whose members are Messrs. Yang, Tou-Hsiung, Yang, Cheng, Yang, Yung-Huang, Yang, Kun-Hsiang, Yang, Kun-Chou, Yang, Yung-Jen, Yang, Chen-Wen, Yang, Wen-Hu, Yang, Tung, Ms. Yang, Wen-Yin, Ms. Yang, Shu-Hui and Ms. Yang, Shu-Mei.

- (a) The table below summarises the related parties and nature of their relationship with the Group as at 31 December 2017:

Related party 有關連人士	Relationship with the Group 與本集團的關係
Vedan Enterprise CORP (“Taiwan Vedan”) 味丹企業股份有限公司(「台灣味丹」)	A substantial shareholder of the Company 本公司的主要股東
Dacin International Holdings Ltd. 達欣國際控股有限公司	An associate of the Group 本集團的聯營公司
Capron Group Limited Capron Group Limited	A company commonly controlled by the Yang Family 一間由楊氏家族共同控制之公司

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

### 34 有關連人士交易

本集團最終控股方為楊氏家族，其成員包括楊頭雄先生、楊正先生、楊永煌先生、楊坤祥先生、楊坤洲先生、楊永任先生、楊辰文先生、楊文湖先生、楊統先生、楊文吟女士、楊淑惠女士及楊淑媚女士。

- (a) 下表概述於二零一七年十二月三十一日之有關連人士及其與本集團的關係性質：

- (b) 在本集團日常業務過程中進行的重大有關連人士交易如下：

			2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Sale of goods to Taiwan Vedan	向台灣味丹銷售貨品	(i)	5,901	6,164
Technical support fee paid to Taiwan Vedan	向台灣味丹支付技術支援費	(ii)	2,181	2,156
Agency commission income received from Taiwan Vedan	向台灣味丹收取的代理佣金收入	(ii)	4	6

Notes:

附註：

- (i) In the opinion of the directors of the Company, sales to the related party were conducted in the normal course of business.
- (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.
- (i) 本公司董事認為，向有關連人士作出之銷售為在日常業務過程中進行。
- (ii) 本公司董事認為，該等交易在日常業務過程中進行，並且根據相關協議的條款收費。

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 34 RELATED PARTY TRANSACTIONS (continued)

##### (c) Key management compensation

The compensation paid or payable to key management, including all executive directors and senior management, for employee services is shown below.

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Salaries and other short-term employee benefits	3,903	4,464

##### (d) Year-end balances with the related parties

As at 31 December 2017, the Group had the following significant balances with the related parties:

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Current:		
Amount due to Taiwan Vedan	(1,405)	(806)
Short term loan to an associate	120	120
Amount due to Capron Group Limited	(13)	(30)

Notes:

- (i) All balances with Taiwan Vedan are unsecured, interest-free and have no fixed terms of payment.
- (ii) The short-term loan to an associate is unsecured, bears interest at 4% per annum, denominated in US\$ and is repayable on demand.
- (iii) The balance with Capron Group Limited is unsecured, interest-free, denominated in US\$ and repayable within one year.

#### 34 有關連人士交易(續)

##### (c) 主要管理人員酬金

就僱員服務已付或應付主要管理人員(包括所有執行董事及高級管理層)之薪酬載列如下。

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Salaries and other short-term employee benefits	3,903	4,464

##### (d) 與有關連人士之年末結餘

於二零一七年十二月三十一日，本集團與有關連人士之主要結餘如下：

	2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
Current:		
Amount due to Taiwan Vedan	(1,405)	(806)
Short term loan to an associate	120	120
Amount due to Capron Group Limited	(13)	(30)

附註：

- (i) 台灣味丹的所有結餘均為無抵押、免息及無固定還款期。
- (ii) 給予聯營公司之短期貸款為無抵押、按年利率4厘計息、以美元計值，並須按要求償還。
- (iii) Capron Group Limited之結餘為無抵押、免息、以美元計值，並須於一年內償還。

## Notes to the consolidated financial statements

### 綜合財務報表附註

#### 35 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

##### Balance sheet of the Company

#### 35 本公司資產負債表及儲備變動

##### 本公司資產負債表

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		US\$'000	US\$'000
		千美元	千美元
	Note		
	附註		
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	166,030	166,030
Investment in an associate	於聯營公司之投資	3,788	3,788
Loan to a subsidiary	給予附屬公司之貸款	2,200	2,200
<b>Total non-current assets</b>	<b>非流動資產總值</b>	<b>172,018</b>	172,018
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司款項	49,111	68,421
Short-term loan to an associate	給予聯營公司之短期貸款	120	120
Prepayments and other receivables	預付款項及其他應收款項	678	733
Short-term bank deposits	短期銀行存款	1,928	19,816
Cash and cash equivalents	現金及現金等價物	14,555	1,928
<b>Total current assets</b>	<b>流動資產總值</b>	<b>66,392</b>	91,018
<b>Total assets</b>	<b>資產總值</b>	<b>238,410</b>	263,036
<b>EQUITY</b>	<b>權益</b>		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	15,228	15,228
Reserves	儲備	(Note (a)) (附註(a))	243,516
<b>Total equity</b>	<b>權益總額</b>	<b>234,102</b>	258,744

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 35 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

#### Balance sheet of the Company (continued)

		As at 31 December 於十二月三十一日	
		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元
	Note 附註		
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Accruals and other payables	應計費用及其他應付款項	3,291	3,714
Bank borrowings	銀行借貸	670	465
Amount due to a related party	應付有關連人士款項	347	113
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>4,308</b>	4,292
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>238,410</b>	263,036

The balance sheet of the Company was approved by the Board of Directors on 27 March 2018 and were signed on its behalf.

#### 本公司資產負債表(續)

本公司資產負債表已獲董事會於二零一八年三月二十七日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

# Notes to the consolidated financial statements

## 綜合財務報表附註

### 35 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

#### Balance sheet of the Company (continued)

Note (a) Reserve movement of the Company

### 35 本公司資產負債表及儲備變動(續)

#### 本公司資產負債表(續)

附註(a) 本公司儲備變動

		Share premium 股份溢價 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	Retained earnings 保留盈利 US\$'000 千美元	Total 總額 US\$'000 千美元
At 1 January 2016	於二零一六年一月一日	194,098	(151)	12,174	206,121
<b>Comprehensive income</b>	<b>全面收入</b>				
Profit for the year	本年度溢利	-	-	51,719	51,719
<b>Other comprehensive income</b>	<b>其他全面收入</b>				
Currency translation difference	匯兌差額	-	20	-	20
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	20	51,719	51,739
Dividends paid	已付股息	-	-	(14,344)	(14,344)
At 31 December 2016	於二零一六年 十二月三十一日	194,098	(131)	49,549	243,516
At 1 January 2017	於二零一七年一月一日	194,098	(131)	49,549	243,516
<b>Comprehensive loss</b>	<b>全面虧損</b>				
Loss for the year	本年度虧損	-	-	(7,332)	(7,332)
<b>Other comprehensive income</b>	<b>其他全面收入</b>				
Currency translation difference	匯兌差額	-	105	-	105
<b>Total comprehensive income/ (loss)</b>	<b>全面收入/(虧損)總額</b>	-	105	(7,332)	(7,227)
Dividends paid	已付股息	-	-	(17,415)	(17,415)
At 31 December 2017	於二零一七年 十二月三十一日	194,098	(26)	24,802	218,874

## 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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元	2015 二零一五年 US\$'000 千美元	2014 二零一四年 US\$'000 千美元	2013 二零一三年 US\$'000 千美元
Revenue	收益	<b>322,805</b>	327,640	327,821	325,627	342,453
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	<b>23,308</b>	28,476	15,878	(1,496)	2,522
Income tax expense	所得稅開支	<b>(4,570)</b>	(6,243)	(4,048)	(1,432)	(1,794)
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利／(虧損)	<b>19,061</b>	22,501	12,095	(2,434)	1,488

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

		2017 二零一七年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元	2015 二零一五年 US\$'000 千美元	2014 二零一四年 US\$'000 千美元	2013 二零一三年 US\$'000 千美元
Assets and liabilities	資產及負債					
Total assets	資產總值	<b>358,459</b>	356,790	356,629	378,440	352,670
Total liabilities	負債總額	<b>(75,876)</b>	(77,584)	(83,179)	(111,341)	(82,513)
Total equity	權益總額	<b>282,583</b>	279,206	273,450	267,099	270,157



## Reference for Shareholders 股東參考資料

Place of Listing	: Main Board of Hong Kong Stock Exchange ("HKEx")	上市地	: 香港聯交所主板
Stock Code		股份代號	
HKEx	: 02317	聯交所	: 02317
Access to Bloomberg	: 2317 HK Equity	彭博版面	: 2317 HK Equity
Access to Reuters	: 2317.HK	路透社版面	: 2317.HK
Board Lot	: 4,000	買賣單位	: 4,000
Par Value	: US\$0.01	面值	: 0.01美元
Trading Currency	: HKD	交易貨幣	: 港元

### FINANCIAL CALENDAR

Financial year ended	31 December 2017
Full year results announced	27 March 2018
Annual general meeting	23 May 2018
Interim results to be announced	In the last week of August 2018*

\* subject to change

### SHAREHOLDER SERVICES

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

Tricor Tengis Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
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	二零一七年十二月三十一日
全年業績公佈	二零一八年三月二十七日
股東周年大會	二零一八年五月二十三日
中期業績公佈	二零一八年八月 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：

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心22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，請盡快通知香港股份過戶登記分處。

## Investor Relations 投資者關係

Over the years, the Group has been committed to maintaining close contact and good communication with investors in a professional and open manner to collect more information and valuable opinions, as well as providing timely disclosure of its business strategies and directions of the Group, so as to enhance corporate governance while strengthening investor confidence.

During the year under review, the management team had regular meetings and conference calls with investors in Hong Kong and was proactive in dispatching the latest information of its business to investors. Information about an environmental issue related to its Vietnam operation was relayed to investors. This is in line with the Group's commitment to keep up open and transparent communication as well as ensuring that investors fully understand its operations in order for them to make sound investment decisions.

Vedan International places strong emphasis of maintaining good investor relations. During the year under review, the Group hosted a total of 29 one-on-one meetings and teleconferences with major international institutional investors including J.P. Morgan, Deutsche Bank, Guotai Junan Securities, CIMB Securities and Value Partners, among others, employing all the different important channels to nurture good investor relations.

In addition, the Group constantly interacts with investors via its corporate website. During the year, the Group has posted its announcements, annual and interim reports, and all relevant disclosures and circulars 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)

一直以來，集團致力以專業及坦誠的態度與投資者維持緊密及良好的溝通，收集更多訊息及寶貴意見，並及時披露有關集團的業務策略及發展方向，以鞏固企業管治和投資者信心。

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，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對投資者講解說明，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。

味丹國際相當重視投資者關係。於回顧年度內，集團管理層定期與國際知名的投資機構如摩根大通、德意志銀行、國泰君安證券、聯昌証券及惠理基金等舉行29次個別投資者會議及電話會議，充分利用重要媒介以達致良好的投資者關係。

另一方面，集團通過網站與投資者保持溝通。期內集團及時更新公告、年報及中期業績報告及通告均上載至集團網站，讓投資者充分掌握集團的最新資訊，切合投資者的需要。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)。





**Vedan International (Holdings) Limited**  
味丹國際(控股)有限公司

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