

REPORT OF THE 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, 2005.

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 8 to the accounts.

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

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December, 2005 are set out in the consolidated profit and loss account on page 60.

An interim dividend of 0.201 US cents (1.567 HK cents) per share was declared and paid to the shareholders during the year under review. The directors recommend the declaration and payment of a final dividend of 0.112 US cents (0.874 HK cents) per share for the year ended 31 December, 2005. Subject to shareholders' approval at the forthcoming annual general meeting of the Company, the final dividend will be paid in cash on or about 1 June 2006 to the shareholders whose names appear on the register of members of the Company on 16 May 2006.

SHARE CAPITAL

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

本公司董事(「董事」)謹此呈報截至二零零五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8。

該等業務於回顧年度並無重大轉變。

業績及分派

本集團截至二零零五年十二月三十一日止年度的業績載於第60頁的綜合損益賬。

於回顧年度已宣派中期股息每股0.201美仙(1.567港仙)。董事建議宣派發截至二零零五年十二月三十一日止年度末期股息每股0.112美仙(0.874港仙)。倘若在本公司應屆股東週年大會獲得股東批准，則末期股息將約於二零零六年六月一日以現金派發予二零零六年五月十六日名列本公司股東名冊之股東。

股本

本公司股本變動的詳情載於賬目附註14。

DISTRIBUTABLE RESERVES

As at 31 December, 2005, the Company's share premium reserve of approximately US\$194,098,000 (subject to the Cayman Companies Law and the article of association of the Company) and retained earnings of approximately US\$2,945,000 were available for distribution to the Company's shareholders.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December, 2005, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

RESERVES

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

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in Note 6 to the accounts.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for approximately 39% of the Group's consolidated turnover. In addition, the five largest suppliers of the Group accounted for approximately 69% of the Group's consolidated purchases for the year. Sales to the Group's largest customer and purchases from the Group's largest supplier accounted for less than 16% and 22% of the Group's consolidated sales and consolidated purchases respectively.

可供分派儲備

本公司於二零零五年十二月三十一日有股份溢價賬約194,098,000美元(須符合開曼群島公司法及本公司組織章程細則的規定)及保留盈利約2,945,000美元可供分派予本公司股東。

購買、出售或贖回證券

本公司及其附屬公司於截至二零零五年十二月三十一日止年度內概無購買、出售或贖回本公司任何股份。

儲備

本集團及本公司於本年度的儲備變動載於賬目附註15。

物業、廠房及設備

本集團物業、廠房及設備於本年度變動的詳情載於賬目附註6。

主要客戶及供應商

於本年度，本集團五大客戶佔本集團綜合營業額約39%。此外，本年度本集團五大供應商佔本集團綜合採購額約69%。本集團來自最大客戶的銷售及最大供應商的採購分別佔本集團綜合銷售及綜合採購的16%及22%以下。

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
Wang, Joel J.

Non-executive Directors

Huang, Ching-Jung
Lam, Tuan

Independent Non-executive Directors

Chao, Pei-Hong
Chuang, Shu-Fen
Ko, Jim-Chen

According to Article 87(1) of the Company's articles of association, Mr Lam, Tuan, Mr Chao, Pei-Hong and Ms Chuang, Shu-Fen retire by rotation and being eligible, offer themselves for re-election.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the directors and senior managements are set out on pages 30 to 33.

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
王肇樹

非執行董事

黃景榮
林俊

獨立非執行董事

趙培宏
莊淑芬
柯俊禎

根據本公司之組織章程細則第87(1)條，林俊先生、趙培宏先生及莊淑芬女士輪席退任，惟彼等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33頁。

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

As at 31 December, 2005, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

董事於股份、相關股份及債券之權益及淡倉

於二零零五年十二月三十一日，根據證券及期貨條例（「證券及期貨條例」）第352條規定所設立登記冊的記錄，董事及本公司最高行政人員於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有的權益及淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

Name 姓名	Number of shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Interests in shares 於股份中之權益		Total number of shares 股份總數	Percentage of issued shares 佔已發行股份 百分比
		Number of shares in which interested under physically settled equity derivatives 透過實物結算股本 衍生工具擁有 權益之股份數目			
Mr. YANG, Tou-Hsiung 楊頭雄先生	424,325,488 (Note 1) (附註1)	4,500,000 (Note 2) (附註2)		428,825,488	28.16%
Mr. YANG, Chen-Wen 楊辰文先生	–	4,500,000 (Note 2) (附註2)		4,500,000 (Note 2) (附註2)	0.30%
Mr. YANG, Cheng 楊正先生	–	4,500,000 (Note 2) (附註2)		4,500,000	0.30%
Mr. YANG, Kun-Hsiang 楊坤祥先生	–	4,500,000 (Note 2) (附註2)		4,500,000	0.30%

Name 姓名	Interests in shares 於股份中之權益			Total number of shares 股份總數	Percentage of issued shares 佔已發行股份 百分比
	Number of shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Number of shares in which interested under physically settled equity derivatives 透過實物結算股本 衍生工具擁有 權益之股份數目			
Mr. WANG, Joel J. 王肇樹先生	750,000	–		750,000	0.05%
Mr. HUANG, Ching-Jung 黃景榮先生	200,000	–		200,000	0.01%
Mr. LAM, Tuan 林俊先生	–	500,000 (Note 2) (附註2)		500,000	0.03%
Mr. CHAO, Pei-Hong 趙培宏先生	500,000	–		500,000	0.03%
Ms. CHUANG, Shu-Fen 莊淑芬女士	500,000	–		500,000	0.03%

Notes:

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

Capacity 身份		Number of shares 股份數目	Number of shares through physically settled equity derivatives **** 透過實物結算股本衍生 工具持有之股份數目 ****
Beneficial owner 實益擁有人		–	4,500,000 ***
Interest of company controlled by him 於楊頭雄先生控制之 公司中擁有權益		82,897,246*	–
Others 其他		341,428,242**	–

* Mr. YANG, Tou-Hsiung is entitled to exercise or control the exercise of more than one-third of the voting power of King International Limited ("King International") and King International is the holder of such 82,897,246 shares.

** Mr. YANG, Tou-Hsiung is entitled to exercise or control the exercise of more than one-third of the voting power of King International, which is the holder of 40 per cent. of all the issued and outstanding units in the Royal Trust and is taken to be interested in the 341,428,242 shares in which DBS Trustee Limited as trustee of the Royal Trust is interested. These 341,428,242 shares include 62,172,933 shares held by each of Concord Worldwide Holdings Ltd. ("Concord Worldwide") and High Capital Investments Limited ("High Capital") pursuant to section 317 of the SFO and 217,082,376 shares held by DBS Trustee Limited as trustee of the Royal Trust.

*** Mr. YANG, Tou-Hsiung is interested in 4,500,000 shares pursuant to the options granted to him on 13 June, 2003 under the Pre-IPO Share Option Scheme. The exercise price under the options is HK\$0.801 and the exercise period is 13 June, 2004 to 12 June, 2008.

**** These derivatives are unlisted.

附註：

1. 楊頭雄先生以下列身份持有股份權益：

* 楊頭雄先生有權行使或控制行使King International Limited (「King International」) 超過三分之一的投票權，而King International 為持有該批82,897,246 股股份之持有人。

** 楊頭雄先生有權行使或控制行使King International 超過三分之一的投票權，而King International 為持有Royal Trust全部已發行單位共40% 的持有人，楊頭雄先生則被視為擁有Royal Trust 透過其受託人DBS Trustees Limited 持有該批341,428,242 股股份的權益。該等341,428,242 股股份包括Concord Worldwide Holdings Ltd. (「Concord Worldwide」) 及High Capital Investments Limited (「High Capital」) 各自根據證券及期貨條例317條持有之62,172,933 股股份及DBS Trustee Limited 作為Royal Trust 受託人持有的217,082,376 股股份。

*** 楊頭雄先生根據首次公開售股前購股權計劃於二零零三年六月十三日獲授的購股權擁有4,500,000 股股份的權益。該等購股權的行使價為0.801 港元，行使期由二零零四年六月十三日至二零零八年六月十二日止。

**** 該等衍生工具均為非上市。

2. Various interests of the Directors and chief executive of the Company pursuant to physically settled equity derivatives are through share options granted pursuant to the Pre-IPO Share Option Scheme. The exercise price under the options is HK\$0.801 and the exercise period is 13 June 2004 to 12 June 2008.

Save as disclosed above, as at 31 December, 2005, none of the Directors and chief executive of the Company nor their respective associates had 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).

SHARE OPTION SCHEMES

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

Options to subscribe for 29,770,000 shares had been granted to the Directors and employees of the Group on 13 June, 2003 under the Pre-IPO Share Option Scheme. No further options can be, or have been, issued under the Pre-IPO Share Option Scheme from 27 June, 2003, the date of listing of the shares on the Stock Exchange.

2. 本公司董事及最高行政人員根據實物結算股本衍生工具擁有之各項權益乃透過本集團首次公開發售前購股權計劃授出之購股權擁有。該等購股權之行使價為0.801 港元，行使期由二零零四年六月十三日至二零零八年六月十二日止。

除上文所披露者外，於二零零五年十二月三十一日，本公司董事及最高行政人員及彼等各自的聯繫人概無於本公司及其任何相聯法團(定義見證券及期貨條例第XV 部)的股份、相關股份及債券的權益或淡倉。

購股權計劃

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

二零零三年六月十三日，已根據首次公開發售前購股權計劃向董事及本集團僱員授出可認購29,770,000股股份之購股權。自二零零三年六月二十七日(即股份於聯交所上市之日)起，再不可亦再無根據首次公開發售前購股權計劃授出購股權。

Details of the share options outstanding as at 31 December, 2005 which have been granted to the Directors of the Group under the Pre-IPO Share Option Scheme are as follows:

以下是根據首次公開售股前購股權計劃向董事授出，而於二零零五年十二月三十一日尚未行使之購股權詳情：

Directors/ Employees 董事／僱員	Number of options 購股權數目			Held as at 31 December, 2005	Exercise price 行使價	Date of grant 授出日期	Exercise period 行使期
	Held as at 1 January, 2005 於二零零五年 一月一日持有	Granted during the period 期內授出	Exercised during the period 期內行使	於二零零五年 十二月 三十一日持有			
Mr. YANG, Tou-Hsiung 楊頭雄先生	4,500,000	-	-	4,500,000	HK\$0.801 0.801港元	13 June, 2003 二零零三年 六月十三日	13 June, 2004 to 12 June, 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. YANG, Chen-Wen 楊辰文先生	4,500,000	-	-	4,500,000	HK\$0.801 0.801港元	13 June, 2003 二零零三年 六月十三日	13 June, 2004 to 2 June, 2008 二零零四年六月十三日至 二零零八年六月二日
Mr. YANG, Cheng 楊正先生	4,500,000	-	-	4,500,000	HK\$0.801 0.801港元	13 June, 2003 二零零三年 六月十三日	13 June, 2004 to 12 June, 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. YANG, Kun-Hsiang 楊坤祥先生	4,500,000	-	-	4,500,000	HK\$0.801 0.801港元	13 June, 2003 二零零三年 六月十三日	13 June, 2004 to 12 June, 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr. LAM, Tuan 林俊先生	500,000	-	-	500,000	HK\$0.801 0.801港元	13 June, 2003 二零零三年 六月十三日	13 June, 2004 to 12 June, 2008 二零零四年六月十三日至 二零零八年六月十二日

DIRECTORS' SERVICE CONTRACTS

The Company entered into separate service agreements (“Service Agreements”) with each of the directors of the Company for an initial period of one to three year. Such Service Agreements may continue thereafter unless terminated by not less than three months’ notice in writing served by either party following the expiration of the end of the initial term or at any time thereafter.

Apart from the foregoing, 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.

董事服務合約

本公司與本公司各董事已分別訂立服務協議(「服務協議」)，初步為期一至三年。該等服務協議屆滿後繼續有效，直至任何一方在初步有效期屆滿後或其後隨時發出不少於三個月通知而終止。

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

董事所擁有之合約權益

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

CONNECTED TRANSACTIONS

For the year ended 31 December, 2005, the Company and its subsidiaries entered into the following transactions with Taiwan Vedan Enterprise Corporation ("Taiwan Vedan"), its subsidiaries and its related companies, which constituted connected transactions as defined in the Listing Rules and related party transactions under the Hong Kong Statement of Standard Accounting Practice No. 20 "Related Party Disclosures":

關連交易

截至二零零五年十二月三十一日止年度，本公司及其附屬公司與台灣味丹企業股份有限公司（「台灣味丹」）、其附屬公司及其關連公司進行下列交易，而該等交易屬於上市規則所界定之關連交易，亦屬於香港會計實務準則第20號「有關連人士披露」所界定之有關連人士交易：

		Note 附註	US\$'000 千美元
Sale of goods to	向下列公司銷售貨品		
– Taiwan Vedan Enterprise Corporation ("Taiwan Vedan")	– 台灣味丹企業股份有限公司（「台灣味丹」）	(i)	9,801
Trademark license fee paid to Tung Hai Fermentation Industrial Co. Ltd. ("Tung Hai")	向東海醱酵工業股份有限公司（「東海」）支付商標許可費	(ii)	289
Technological support fee paid to Tung Hai and Taiwan Vedan	向東海及台灣味丹支付技術支援費	(ii)	2,604
Technological support fee received from Taiwan Vedan	收取台灣味丹技術支援費用	(ii)	80
Commission income received from Taiwan Vedan in connection with the Agency Agreement	就代理協議收取台灣味丹的佣金收入	(ii)	104
Acquisition of land use rights and properties from Shanghai Vedan Foods	向上海味丹食品收購土地使用權及物業	(iii)	5,377
Assignment of trademarks from Tung Hai and Taiwan Vedan	向東海及台灣味丹轉讓商標	(iv)	12,089

Notes:

- (i) In the opinion of the directors of the Company, sales to related parties were conducted in the normal course of business at prices and terms no less favourable than those charged to and contracted with other third party customers of the Group.

註：

- (i) 本公司董事認為向有關連人士銷售乃在日常業務中進行，且價格及條款不遜於本集團與其他第三者客戶交易所支付及訂立的價格及條款。

(ii) In the opinion of the directors of the Company, the transactions were carried out in the ordinary course of business and the fees are charged in accordance with the terms of underlying agreements.

(iii) On 6 May 2004, the Group entered into two agreements, namely the Business Acquisition Agreement and the Immovable Assets Acquisition Agreement, with Shanghai Vedan Foods in connection with the acquisition of the existing MSG business and land use rights and buildings and ancillary facilities of Shanghai Vedan Foods.

The Business Acquisition Agreement and the acquisition of ancillary facilities under the Immovable Assets Acquisition Agreement were completed during the year 31 December 2004 and the acquisition of land use rights and buildings under the Immovable Assets Acquisition Agreement was completed during the year ended 31 December 2005.

(iv) On 13 June 2003, the Company entered into a trademark assignment agreement (the "Trademark Assignment Agreement") with Taiwan Vedan and Tung Hai, pursuant to which each of Taiwan Vedan and Tung Hai has agreed to assign to the Company absolutely all its entire right, title and interest in and to the trademarks registered in the name of Taiwan Vedan and Tung Hai in Vietnam, the PRC and certain ASEAN countries.

The Company has been granted conditional waivers by The Stock Exchange of Hong Kong Limited from strict compliance with the Listing Rules in respect of the connected transactions above mentioned.

(ii) 本公司董事認為該等交易乃在日常業務中進行，並且根據相關協議的條款收費。

(iii) 於二零零四年五月六日，本集團就收購上海味丹食品的現有味精業務、若干土地及樓宇及配套設施訂立兩項協議，分別為業務收購協議及不動產收購協議。

於截至二零零四年十二月三十一日止年度內，業務收購協議及不動產收購協議項下的配套設施收購已完成，而不動產收購協議項下的土地及樓宇收購則於截至二零零五年十二月三十一日止年度內完成。

(iv) 於二零零三年六月十三日，本公司與台灣味丹及東海訂立一項商標轉讓協議（「商標轉讓協議」）。據此，台灣味丹及東海已各自同意向本公司轉讓彼等各自於以台灣味丹及東海名義於越南、中國及若干東盟國家註冊之商標中之全部權利、所有權及權益。

本公司已獲香港聯合交易所有限公司授出有條件豁免，豁免就上述關連交易嚴格遵守上市規則之規定。

The directors, including the independent non-executive directors, of the Company have reviewed the above mentioned connected transactions and confirmed that:

- (a) the connected transaction were:
 - (i) entered into in the ordinary and usual course of business;
 - (ii) conducted on normal commercial terms; which were no less favourable than those available to or from independent third parties; and
 - (iii) fair and reasonable so far as the shareholders are connected;
- (b) the aggregate amount of sales to Taiwan Vedan did not exceed the cap amount of US\$12 million for the financial year ended 31 December, 2005.
- (c) the aggregate amount for each type of the above mentioned transactions (except for sales to Taiwan Vedan) has not exceeded the higher of HK\$10,000,000 or 3% of the net tangible asset value of the Group as at 31 December, 2003.

PRE-EMPTIVE RIGHTS

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

本公司董事(包括獨立非執行董事)已審閱上述關連交易，並確認：

- (a) 該關連交易：
 - (i) 於一般日常業務中進行；
 - (ii) 按不遜於與獨立第三者交易之一般商業條款進行；及
 - (iii) 就股東而言屬公平合理。
- (b) 銷售予台灣味丹之總額並無超過截至二零零五年十二月三十一日止財政年度上限12,000,000美元。
- (c) 上述各類關連交易之總值(台灣味丹之銷售除外)並無超過10,000,000港元或本集團於二零零三年十二月三十一日之有形資產淨值3%兩者之較高者。

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。

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSABLE UNDER THE SFO

So far as is known to any Directors or chief executive of the Company, as at 31 December, 2005, other than the interests and short positions of the Directors or chief executive of the Company as disclosed above, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name 名稱	Number of shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Percentage of issued shares 佔已發行股份 百分比
Billion Power Limited	460,237,609 (Note 1) (附註1)	30.22%
Taiwan Vedan 台灣味丹	460,237,609 (Note 1) (附註1)	30.22%
DBS Trustee Limited	424,325,488 (Note 2) (附註2)	27.86%
King International	424,325,488 (Note 3) (附註3)	27.86%

股東根據證券及期貨條例須予披露之權益及淡倉

據本公司董事及最高行政人員所知，於二零零五年十二月三十一日，除上文所披露本公司董事或最高行政人員的權益及淡倉外，以下人士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及淡倉，或列入本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉：

Name 名稱	Number of shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Percentage of issued shares 佔已發行股份 百分比
Concord Worldwide	424,325,488 (Note 4) (附註4)	27.86%
High Capital	424,325,488 (Note 5) (附註5)	27.86%
J.P. Morgan Chase & Co.	87,064,000 (Note 6) (附註6)	5.71%
Nordea 1 Sicor FE Value Fund	80,836,000 (Note 7) (附註7)	5.31%

Notes:

1. Taiwan Vedan is entitled to exercise or control the exercise of more than one-third of the voting power of Billion Power and is therefore taken to be interested in these 460,237,609 Shares held by Billion Power.
2. Of these 424,325,488 Shares, 217,082,376 Shares are held by DBS Trustee Limited as trustee of the Royal Trust and the remaining 82,897,246, 62,172,933 and 62,172,933 Shares are held by King International, Concord Worldwide and High Capital, respectively, each of which is party to an agreement under section 317(1)(a) of the SFO with DBS Trustee Limited.
3. King International directly holds 82,897,246 Shares and is the holder of 40 percent. of all the issued and outstanding units in the Royal Trust. Accordingly, King International is taken to be interested in the 341,428,242 Shares in which DBS Trustee Limited as trustee of the Royal Trust is interested. These 341,428,242 Shares include 62,172,933 Shares held by each of Concord Worldwide and High Capital pursuant to section 317 of the SFO and 217,082,376 Shares held by DBS Trustee Limited as trustee of the Royal Trust.

附註：

1. 台灣味丹有權行使或控制行使Billion Power 超過三分之一之投票權，故台灣味丹被視為擁有Billion Power 所持有該460,237,609股股份之權益。
2. 該424,325,488股股份其中217,082,376股由DBS Trustee Limited 以Royal Trust 受託人之身份持有，而其餘82,897,246股、62,172,933股及62,172,933股分別由King International、Concord Worldwide 以及High Capital 持有。根據證券及期貨條例第317(1)(a)條，以上均為與DBS Trustee Limited 訂立協議之各方。
3. King International 直接持有82,897,246股股份，並為持有Royal Trust全部已發行及尚未行使單位40%之持有人。因此，King International 被視為擁有DBS Trustee Limited 作為Royal Trust 受託人所持有該341,428,242股股份之權益。該341,428,242股股份包括Concord Worldwide 及High Capital 根據證券及期貨條例第317條各自持有之62,172,933股股份及DBS Trustee Limited 作為Royal Trust受託人持有之217,082,376股股份。

4. Concord Worldwide directly holds 62,172,933 Shares and is the holder of 30 percent. of all the issued and outstanding units in the Royal Trust. Accordingly, Concord Worldwide is taken to be interested in the 362,152,555 Shares in which DBS Trustee Limited as trustee of the Royal Trust is interested. These 362,152,555 Shares include 62,172,933 Shares held by High Capital, 82,897,246 Shares held by King International pursuant to section 317 of the SFO and 217,082,396 Shares held by DBS Trustee Limited as trustee of the Royal Trust.
5. High Capital directly holds 62,172,933 Shares and is the holder of 30 percent. of all the issued and outstanding units in the Royal Trust. Accordingly, High Capital is taken to be interested in the 362,152,555 Shares in which DBS Trustee Limited as trustee of the Royal Trust is interested. These 362,152,555 Shares include 62,172,933 Shares held by Concord Worldwide, 82,897,246 Shares held by King International pursuant to section 317 of the SFO and 217,082,396 Shares held by DBS Trustee Limited as trustee of the Royal Trust.
6. The capacity of JP Morgan Chase & Co and its associates in holding the 87,064,000 Shares was as to 77,024,000 Shares as investment manager and as to 10,040,000 Shares as approved lending agent.
7. The capacity of Nordea 1 Sicor FE Value Fund in holding the 80,836,000 Shares was as beneficial owner.

Save as disclosed above, so far as is known to the Directors or chief executives of the Company, no other person (not being a Director or chief executive of the Company) who had any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange, under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

4. Concord Worldwide 直接持有62,172,933股股份，並為持有Royal Trust全部已發行及尚未行使單位30%之持有人。因此，Concord Worldwide 亦被視為擁有DBS Trustee Limited作為Royal Trust 受託人所持有該362,152,555股股份之權益。該362,152,555股股份其中62,172,933股由High Capital持有，82,897,246股由King International 根據證券及期貨條例第317條持有，而217,082,396股則由DBS Trustee Limited 作為Royal Trust 之受託人持有。
5. High Capital 直接持有62,172,933股股份，並為持有Royal Trust 全部已發行單位30%之持有人。因此，High Capital 亦被視為擁有DBS Trustee Limited 作為Royal Trust 受託人所持有該362,152,555股股份之權益。該362,152,555股股份其中62,172,933股由Concord Worldwide 持有，82,897,246股由King International 根據證券及期貨條例第317條持有，而217,082,396股則由DBS Trustee Limited 作為Royal Trust 之受託人持有。
6. JP Morgan Chase & Co及其聯繫人所持有之87,064,000股股份，分別以投資經理身份持有77,024,000股股份及以認可借款代理身份持有10,040,000股股份。
7. Nordea 1 Sicor FE Value Fund乃以實益持有人身份持有80,836,000股股份。

除上文所披露者外，據本公司董事或最高行政人員所知，概無任何人士（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擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之權益或淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上權益或持有該等股本之購股權。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

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

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, Yang, Chen-Wan and Wang, Joel J. with an independent management team, the Directors are of the view that the management and the operational functions of the Group are independent of and separate from those of other members of the Taiwan Vedan Group.

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

AUDITORS

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

By Order of the Board

Yang, Kun-Hsiang

Director and Chief Executive Officer

22 March 2006

董事於競爭業務之權益

本公司董事楊頭雄先生、楊正先生、楊坤祥先生及楊辰文先生亦為本集團控股股東台灣味丹之董事。此外，楊頭雄先生、楊正先生、楊坤祥先生、楊辰文先生分別間接持有台灣味丹約19.77%、9.89%、6.18%及8.24%權益，因此，根據上市規則第8.10條，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、楊辰文先生及王肇樹先生以及一個獨立管理團隊管理，董事認為，本集團之管理及營運功能乃獨立於台灣味丹集團之其他成員公司。

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

核數師

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

承董事會命

楊坤祥

董事兼行政總裁

二零零六年三月二十二日