

Management Discussion and Analysis

管理層討論與分析

BUSINESS OVERVIEW

The Group's total turnover broke the US\$300 million mark in 2007, increased by 9.2%, or US\$26,736,000, to US\$317,431,000. Net profit attributable to equity holders of the company for the year grew an impressive 54.4%, or US\$5,941,000, to US\$16,856,000. Revenue generated from the Vietnam and China subsidiaries were US\$268,635,000 and US\$48,796,000, up 10.7% and 7.7% respectively. On the product front, with the international price of lysine picking up, the Group resumed production of lysine, reclaiming capacity previously shifted to producing GA. As lysine full scale production returned in full force in the second half year, the turnover from GA dropped. Other than that, all of the Group's products saw steady growth. The main revenue growth contributors for the year were the increased MSG export of our Vietnam operation, growing modified starch sales in the China market and the rising of lysine price. By market, ASEAN countries (other than Vietnam) have the best performance in terms of sales, recorded an increase of 38.3% at approximately US\$9,636,000. The proportion of contribution from the market to the Group's overall turnover had increased from 8.7% in 2006 to 11% in 2007, mirroring the success of the Group in nurturing this important market. Sales from China and Vietnam markets also grew 16.3% and 5.2% respectively during the year.

Although the prices of oil, agricultural products and other commodities in general stood rather high in 2007, the Group managed to make commendable profit thanks to the lower molasses price relative to 2006 and lower net finance cost, down by US\$1,467,000, resulting from decreased borrowings. Hence, gross profit and net profit attributable to equity holders of the company increased by US\$7,113,000 and US\$5,941,000, or 13.3% and 54.4%, to US\$60,586,000 and US\$16,856,000 respectively. Gross profit margin and net profit margin surged from 18.4% and 3.8% in 2006 to 19.1% and 5.3% respectively this year.

業務總覽

集團二零零七年總營收突破3億美元，達317,431,000美元，比二零零六年成長9.2%金額26,736,000美元，增長9.2%。本公司股權持有人應佔淨利有亮麗的增長54.4%，金額5,941,000美元，達16,856,000美元。越南區附屬公司帶來之收益為268,635,000美元，中國區附屬公司帶來之收益為48,796,000美元，於期內分別成長10.7%及7.7%。集團主要產品中，除谷氨酸因賴氨酸國際價格已略有回升，自二零零七年下半年開始恢復全面生產，不再轉移生產谷氨酸，故營業額減少外，其餘產品均有穩定的成長。營業額的成長主要來自越南味精外銷業務的成長，變性澱粉在中國市場逐漸茁壯及賴氨酸售價逐漸提升。就銷售地區而言，東盟成員國(越南除外)成長金額最大，約9,636,000美元增長率38.3%，佔總營收從二零零六年的8.7%躍升到二零零七年的11%，顯示集團耕耘東盟市場已有成果，中國及越南市場銷售額亦有16.3%及5.2%的成長。

二零零七年是油價、農產品及其他產品物價飆漲的一年，但集團獲利依然能有不錯的獲利成長，主要是期內糖蜜價格比二零零六年低，利息費用因借款降低減少1,467,000美元，故毛利、淨利分別增加7,113,000美元及5,941,000美元，成長率為13.3%及54.4%，本公司股權持有人應佔毛利與淨利金額為60,586,000美元及16,856,000美元；毛利率及淨利率分別為19.1%及5.3%，高於二零零六年之18.4%及3.8%。

Management Discussion and Analysis (continued) 管理層討論與分析(續)

BUSINESS ANALYSIS**Sales Analysis by market****經營分析****市場銷售分析****TABLE 1: COMPARISON OF SALES OF VARIOUS PRODUCTS**

表一：各項產品銷售的比較

Unit: US\$'000 單位：千美元

Regions	地區	2007		2006		Change 增／減	
		Amount	%	Amount	%	Amount	%
Vietnam	越南	159,290	50.1%	151,419	52.1%	7,871	5.2%
The PRC	中國	52,047	16.4%	44,751	15.4%	7,296	16.3%
Japan	日本	47,492	15.0%	53,191	18.3%	(5,699)	-10.7%
ASEAN countries	東盟	34,794	11.0%	25,158	8.7%	9,636	38.3%
Other regions	其他	23,808	7.5%	16,176	5.5%	7,632	47.2%
Total	總計	317,431	100.0%	290,695	100.0%	26,736	9.2%

I. Vietnam

The Vietnam market reported a 5.2% growth, or US\$7,871,000 increase, in turnover for the year to US\$159,290,000, accounting for 50.2% of the Group's total turnover this year against last year's 52.1%. The moderate 5.2% growth showed that the market growth had slowed down slightly when compared with other countries, as a result of MSG sales softened after years of rapid growth. However, other products such as caustic soda and hydrochloric acid continued to grow steadily.

(一) 越南市場

越南市場於二零零七年成長5.2%，金額成長7,871,000美元，達159,290,000美元，佔總營收50.2%比二零零六年52.1%略低，顯示成長相對其他國家較為減緩。主要原因在於味精銷售增長因多年來市場快速成長已有放慢趨勢，故期內僅成長5.2%。但賴氨酸及特化產品如鹽酸、蘇打，均有穩定的增長。



Management Discussion and Analysis (continued) 管理層討論與分析(續)

II. China

During the year, turnover from the China market reached US\$52,047,000, 16.4% or US\$7,296,000 higher than in 2006, attributable mainly to higher contribution from the modified starch and MSG businesses. Boasting consistent and steady growth in recent years, the China market has replaced Japan as the second largest market of the Group.

III. Japan

In the first half of 2007, because of the weak international selling price of lysine, the Group reduced lysine production in Vietnam and shifted the capacity to produce GA. Since Japan is the main lysine market of the Group, performance of the market was inevitably affected. The Group resumed lysine production in the second half year, however, with domestic demand increasing, the Group made the strategic move of focusing on domestic sales in Vietnam. As a result, sales in the Japan market maintained flat during the year. MSG sales, however, maintained stable growth. The total turnover from the market for this year was US\$47,492,000, representing a decrease of US\$5,699,000, or approximately 10.7%, when compared with 2006.

IV. ASEAN countries (other than Vietnam)

This market grew most remarkably, delivering an increase of US\$9,636,000 in turnover for the year as a result of substantial growth in MSG and GA sales. Although the market only grew by 14% in the first half year, it performed brilliantly in the second half year and therefore reported a remarkable 38.3% growth for the entire year. The market is expected to sustain the growth momentum in 2008.

(二) 中國市場

年度內中國市場營收達52,047,000美元，比二零零六年增長16.4%，金額為7,296,000美元。主要的成長來自變性澱粉和味精兩項業務的成長，由於近年來穩定持續的成長，二零零七年中國市場已取代日本成為集團第二大市場。

(三) 日本市場

二零零七年上半年由於國際賴氨酸價格疲軟，集團越南廠將賴氨酸減產，轉生產谷氨酸。由於賴氨酸主要以出口日本為主，日本市場當然受到影響，下半年雖然賴氨酸已恢復全面生產，但由於越南境內需求增加，乃改變策略以內銷為主，因而日本市場的銷售額維持平穩。味精業務則維持穩定成長，全年日本地區營收為47,492,000美元，比二零零六年減少5,699,000美元約10.7%。

(四) 東盟成員國(越南除外)

以成長金額而言東協市場於二零零七年增加9,636,000美元為最大，增加來自味精及谷氨酸的大幅成長。雖然上半年僅成長14%，但下半年則有大幅成長，全年增成率達38.3%，預計東協市場於二零零八年將能繼續維持成長之趨勢。

Management Discussion and Analysis (continued) 管理層討論與分析 (續)

Sales Analysis by Product

產品銷售分析

TABLE 2: COMPARISON OF SALES IN VARIOUS REGIONS

表二：各地區銷售的比較

Unit: US\$'000 單位：千美元

Regions	地區	2007		2006		Change 增／減	
		Amount	%	Amount	%	Amount	%
MSG	味精	204,682	64.4%	189,493	65.2%	15,189	8.0%
GA	谷氨酸	36,925	11.6%	41,275	14.2%	(4,350)	-10.5%
Lysine	賴氨酸	20,798	6.6%	15,320	5.3%	5,478	35.8%
Modified Starch	變性澱粉	25,916	8.2%	17,088	5.9%	8,828	51.7%
Specialty Chemicals	特用化學品	14,844	4.7%	12,608	4.3%	2,236	17.7%
Others	其他	14,266	4.5%	14,911	5.1%	(645)	-4.3%
Total	總計	317,431	100.0%	290,695	100.0%	26,736	9.2%

I. MSG and GA

In 2007, sales of MSG, the Group's core product, amounted to US\$204,682,000, an increase of 8% or US\$15,189,000, a marked improvement from 1.5% or US\$2,882,000 in 2006. The strong growth was the result of strengthened export sales of the Vietnam plant in the second half year, especially ASEAN countries and Europe. As the price of lysine started to pick up and the Group partially shifted production capacity for GA in Vietnam back to producing lysine, the turnover of GA decreased by US\$4,350,000 to US\$36,925,000, a drop of 10.5% when compared with 2006, but still notably higher than US\$15,104,000 in 2005.

(一) 味精及谷氨酸

2007年集團最主要的產品味精增長15,189,000美元，達204,682,000美元，成長率8%，比2006年之成長率1.5%、金額2,882,000美元有顯著進步。主要的增長來自越南廠的外銷競爭力自下半年逐漸增強，特別是在東盟和歐洲市場均有顯著的成長。谷氨酸則因賴氨酸價格已逐漸上揚，越南廠已將部分轉移作谷氨酸生產線恢復生產賴氨酸，因此，年度內谷氨酸不僅沒成長，反而減少4,350,000美元，營業額為36,925,000美元，比2006年減少10.5%，但仍比2005年谷氨酸營業額15,104,000美元高出許多。

Management Discussion and Analysis (continued) 管理層討論與分析(續)

II. Lysine

With the price of lysine persistently low in recent years, the Group strategically reduced lysine production and used the freed capacity to produce GA in 2006. However, as the price of lysine started to pick up in the second half of 2007, the Group decided to resume full production of lysine. As such, the turnover of lysine for the year amounted to US\$20,798,000, an increase of US\$5,478,000 or 35.8% when compared with 2006. The product reported the strongest growth in sales in Vietnam for the year. The Group expects its lysine business to maintain steady growth in 2008.

III. Starch

Turnover of modified starches for the year amounted to US\$25,916,000, an increase of 51.7% or US\$8,828,000 when compared with last year's. After three years of hard work, that turnover of modified starch grew from US\$9,830,000 in 2004 to US\$25,916,000 a record high. The proportion of turnover contribution from modified starch to the Group's total turnover increased markedly from 4.4%, three years ago to 8.2% this year, indicating that the product has become another core product of the Group.

IV. Specialty chemicals

Demand for hydrochloric acid and caustic soda in Vietnam has grown as the country's industries gradually develop. During the year under review, their sales increased by US\$2,236,000 to US\$14,844,000, representing an increase of 17.7%.

MAJOR RAW MATERIALS

The prices of most fuel and agricultural products all grew notably in 2007 and pushed up the procurement cost of major raw materials used by the Group including cassava, liquid ammonia, industrial-grade salt etc. The price of molasses slightly dropped thanks to increased supply brought by strong harvest of major procurement sources and thus increasing supply. As a result, it helped lower cost for the Group's core products such as MSG, GA and lysine.

(二) 賴氨酸

最近幾年賴氨酸售價一直處於低檔，集團於2006年採減產策略轉生產谷氨酸，但自2007年下半年，鑒於賴氨酸價格上揚，已全線生產。故賴氨酸比2006年增加5,478,000美元，營業額達20,798,000美元，增長率為35.8%，增長較大地區為越南，展望2008年賴氨酸應可維持穩定成長。

(三) 澱粉事業

變性澱粉於期內營業額達25,916,000美元，成長51.7%金額8,828,000美元。經三年來的努力，變性澱粉由2004年營業額9,830,000美元增加到25,916,000美元。變性澱粉營業額佔總營收亦由4.4%大幅成長到8.2%，顯示變性澱粉已將逐漸形成另一項核心產品。

(四) 特用化學品

因越南的工業逐漸地成長，鹽酸及蘇打的需求也隨著提高。期內，銷售額增加2,236,000美元達14,844,000美元，成長率為17.7%。

主要原料概況

2007年絕大多數的能源、農產品的價格均大幅上揚，集團生產所需各種原物料均受到波及，如木薯、液氨、工業鹽…等採購價格均上漲。但糖蜜因主要採購地區蔗糖豐收，供應增加，價格於年度內不昇反而略有下降，有助於集團核心產品如味精、谷氨酸、賴氨酸成本之下跌。

Management Discussion and Analysis (continued) 管理層討論與分析 (續)

I. Molasses

During the year, the price of molasses dropped slightly, but those of cassava and cassava starch products increased. The Group thus adopted a raw material mix for production, an opposite of that in 2006, meaning it increased the usage of molasses and reduced that of cassava starch to lower production cost. The strategy effectively enhanced the gross profit of MSG, GA and lysine. However, in 2008, the price of molasses is expected to follow that of petroleum and other major raw materials on the up trend, which will have bearing on the production costs of amino acid products such as MSG, GA and lysine. The Group will continue adopting flexible adjustments in raw material usage and production techniques.

II. Cassava and Cassava Starch

The price of cassava increased in the 2007/2008 harvest season because of the increase in export of cassava chip from Vietnam to China and Korea and increasing demand in the Vietnam domestic market. These factors kept the price of cassava on high level, even though supply had actually surged.

To stabilize supply of cassava starch, the Group plans to increase the daily production capacity of the starch production lines in Ve-Yu Starch Factory in Vietnam from 100 tonnes to 150 tonnes. The Group's new plant in Ha Tinh province in northern central Vietnam is currently under and is expected to commence operation by the end of 2008, allowing the Group to secure additional cassava starch supply.

III. Liquid Ammonia

The price of liquid ammonia was much higher in the first half of 2007 than in the second half, making the full year price slightly higher than that in 2006. The Group expects the price of liquid ammonia to continue to climb following surging energy price which will put pressure on the Group's production costs.

(一) 糖蜜

由於期內糖蜜價格略為下滑，但木薯及木薯澱粉價格上揚，集團依已掌握的生產技術採取不同的生產原料組合策略進行生產，即增加糖蜜使用比率，減少木薯澱粉使用比率，進而降低生產成本，有助於味精、谷氨酸和賴氨酸毛利之提升，但2008年糖蜜價格預估隨著大宗原料、石油價格之飆漲將有上漲之趨勢，對於味精、谷氨酸、賴氨酸等氨基酸類產品的生產，集團仍需在原料與技術層面，再進行更多的彈性調整。

(二) 木薯和木薯澱粉

2007/2008產季，木薯價格上漲，主要因越南外銷中國及韓國地區木薯干大幅增加，再加上越南境內需求亦增加，雖然產量增加，但是因需求殷切，價格高居不下。

為穩定木薯澱粉供應，集團於2008年內計劃再增設味友澱粉廠澱粉生產線，由100噸/天擴充到150噸/天。位於越南中北部之河靜澱粉廠，目前正在積極建廠中，預估年底前能投入生產，對未來木薯澱粉來源的掌握，將大有助益。

(三) 液氨

2007年液氨，上半年價格遠高於下半年，故全年價格比2006年略高，預估2008年液氨價格隨著能源價格高漲，將是走高的趨勢，對集團生產成本將有影響。

FINANCIAL REVIEW

I. Cash flow and financial resources

During the year under review, the Group saw an increase in net cash flow from operating activities and decreased bank borrowings and overdraft by approximately US\$27,840,000. As at 31 December 2007, the Group had bank deposits and cash amounting to US\$17,706,000, US\$424,000 more than at the end of 2006. Total bank loans and overdraft for the year decreased substantially by 38% from US\$73,318,000 at the end of 2006 to US\$45,478,000. Current ratio improved to 2.28 from 1.63 in 2006, with short term bank loans and overdraft down by about US\$22,125,000. Net gearing ratio decreased from 23% to 10.8%, indicating that the Group had a sound financial structure. 78.3% of the bank loans and overdraft were denominated in US dollars, and the rest were in the Taiwan dollar and Renminbi, accounting for 13.3% and 8.4% respectively of the total bank loans and overdraft. During the year, the average loans interest rate was 6.4% and net finance cost was US\$4,364,000. The amount of net finance cost was equivalent to 1.4% of the Group's total turnover, down from 2.0% last year. Of all bank loans and overdraft taken out, 34% were middle to long term bank loans and 66% were short term bank loans and overdraft. Gearing ratio (bank loans/shareholders interest) was 18%.

II. Capital expenditure

In 2007, the Group's total capital expenditure was US\$12,680,000. Investment in the new Ha Tinh starch plant in Vietnam, construction of the third and fourth phases of the solid fertilizer plant and bio-gas equipment in Ve-Yu Starch Factory and Phuoc Long Starch Factory took up in all US\$9,456,000. The Group plans to spend a total of US\$24,500,000 in capital expenditure in 2008, of which US\$10,500,000 will be used for funding projects continuing on from 2007 and the balance US\$14,000,000 will be injected into the cassava residue recycling project in Phuoc Long Starch Factory and raw materials development projects in Cambodia.

III. Exchange Rate

The Group's two main production bases are in Vietnam and China and local transactions are settled in their respective local currencies while export sales are settled in US dollars. Operations in China cater mainly to local demand with exports making up a very small portion of total sales. In 2007, against the weak US dollars and rising inflation in Vietnam, the Vietnam Dong appreciated slightly by about 0.2%, a turn from the general downward trend it had

財務回顧

(一) 流動資金和財政資源

期內由於淨營運現金流量增加，故銀行借款及透支減少約27,840,000美元，截至二零零七年十二月三十一日止，集團銀行存款和現金為17,706,000美元，比二零零六年底略增加424,000美元；銀行借款及透支則大幅降低，由二零零六年底73,318,000美元減少為45,478,000美元約38%。流動比率因短期借款減少約22,125,000美元，由二零零六年1.63提昇到2.28，同時淨借款／資本比率由23%下滑為10.8%，財務結構更趨穩健。銀行借款及透支主要以美金為主佔78.3%，其餘為新台幣及人民幣，分別為13.3%及8.4%。年度內總借款平均成本為6.4%，融資成本淨額為4,364,000美元，融資成本淨額佔總營比由2.0%下跌為1.4%，中長期和短期銀行借款及透支比例為34%比66%，資本負債比（銀行借款／股東權益）為18%。

(二) 資本支出

二零零七年總資本支出為12,680,000美元，主要投資於越南新設立河靜澱粉廠、固體肥料第三及第四期工程及味友和福隆兩澱粉廠之Bio-gas設備，共計9,456,000美元。集團預估於二零零八年動用約24.5百萬美元作資本支出，其中10,500,000美元為延續二零零七年上列所提到未完工之資本支出，其餘新增約14,000,000美元，主要用於福隆澱粉廠之薯渣回收再利用工程和柬埔寨發展原料專案。

(三) 匯率

集團兩大主要營運基地於越南和中國，交易幣別內銷以越盾和人民幣為主，外銷則為美元。中國區營運幾乎全以內銷為主，外銷比例極少，二零零七年越盾因國際美元疲弱，國內通貨膨脹上揚，改變多年來微幅走貶趨勢，反而略有升值，全年升值約0.2%。人民幣則是持續升值趨勢，由於

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been on in recent years. As for the Renminbi, it continued to appreciate. Since the Group's China operation mainly served domestic needs and took out loans in US dollars, appreciation of the Renminbi had not posed any adverse impact on the Group's finance. However, with the Central Bank of Vietnam having relaxed the range of movement of the value of the Vietnamese Dong on a trading day from 0.25% in early 2007 to 1% in early 2008 and the Renminbi facing pressure to appreciate still further, the Group will continue to monitor changes in relation to the two currencies.

IV. Dividend

Basic earnings per share for 2007 were 1.1 US cents. The Board intends to adopt a dividend payout ratio of 50%, same as that in first half of 2007. Earnings per share were estimated at 0.5530 US cent. Since, for the first half of 2007, the Board paid an interim dividend of 0.26202 US cent per share, it intends to pay a final dividend of 0.29105 US cent per share, bringing the total final dividend distribution amount for the year to US\$4,432,000.

PROSPECTS

In 2007, the Vietnamese economy grew 8.4%. Foreign investment, inward remittance and stock market are dynamically growing. Along with the fast economic growth, prices of consumer goods and real estates in the country also surged. The phenomena plus rising international oil price and increasing price of agricultural products and raw materials, Vietnam's inflation rate in 2007 was as high as 12.6%, the highest in the last decade. To combat inflation and stabilize consumer price, the country's Central Bank has adopted a tighter monetary policy since the beginning of 2008, raised deposit provision rate and issued government bonds, pushing up the interest rate of Vietnamese Dong to increase the cost of borrowing of enterprises. It also relaxed the exchange rate movement range between the US dollar and the Dong, becoming challenges for all enterprises, domestic and foreign. Vietnam is the Group's primary production base as well as its biggest market. With raw materials, manufacturing, sales, management and transportation costs in the market all on the rise, the Group sees challenges for its business in the year to come. It is prepared to tackle them with vigilance. Expecting raw materials and fuel cost to stand on high in 2008, the Group will devote its utmost effort into lowering procurement cost while improving production efficiency with the ultimate aim of maintaining a reasonable profit. It will also seek to raise the selling prices of various products gradually in 2008 to reflect the increased costs, under the principle of not causing compromise to the Group's market share.

中國以內銷為主，借款則是美元，故人民幣升值對集團財務並無不利影響，然鑒於越南中央銀行已放寬越盾每交易日升貶之區間，由二零零七年初之0.25%擴到二零零八年初之1%，同時人民幣亦有升值壓力，集團將繼續密切注意越盾及人民幣之變化。

(四) 股利

二零零七年度每股基本盈利為1.1美仙，董事會擬定派息率與二零零七年上半年相同約為50%，預計每股股息為每股0.5530美仙。二零零七年中期已派股息每股0.26202美仙，故擬支付期末股利每股0.29105美仙，派發金額為4,432,000美元。

展望

二零零七年越南經濟成長率增至8.4%，外人投資巨幅成長，比二零零六年增加40億美元，達160億美元。由於快速的經濟成長，越南境內物價、地產亦水漲船高，再加上國際油價、各種農產品、原料價格高漲，越南二零零七年通膨高達12.6%，為近十年來之最高。越南央行行為打擊通貨膨脹、穩定物價，自二零零八年初採取貨幣緊縮政策，提高存款準備率，發行公債，使越盾利率上升，同時放寬越盾對美元買賣區間增加匯率之波動，使在越南經營的企業，不管是外資或本地企業均面臨挑戰。越南是集團最主要的生產基地，也是最大的市場所在，面對各項原料、製造、銷售、管理、運輸費用…等各項費用之增加，集團以戰戰兢兢之心情做好準備，克服來自各方面之困難。由於主要原、物料、能源成本於二零零八年度內將是居高不下，為維持一定穩定合理的利潤，除竭力降低採購成本，持續提高生產效益外，將計劃於二零零八年內，在不嚴重侵蝕市場佔有率之下，逐步加快各類產品售價之提升，以反映各項成本之上揚。

Management Discussion and Analysis (continued) 管理層討論與分析(續)

The Group has been actively exploring and boosting access to more carbohydrate sources in the past few years, and expects to see the past efforts paid off gradually in the future. i) Construction of the first phase of Ha Tinh starch factory with a daily production capacity of 100 tonnes will be completed in the third quarter of 2008. Its production capacity will be expanded to 200 tonnes per day in the first quarter of 2009. ii) Expansion of the Ve-Yu Starch Factory from 100 tonnes a day capacity to 150 tonnes is in progress and will be completed in the fourth quarter of 2008. iii) The Group had located suitable plantation area and found right partners for the raw materials cultivation in Cambodia and signed a memorandum of understanding in relation to the project in early 2008. If the project proceeds smoothly, a joint venture will be set up in the first half of 2008 to implement this investment project. On the aspect of diversifying carbohydrate sources, the Group has made good progress in tropical sugar beet cultivation. Another important carbohydrate source, sweet sorghum, is also under test planting. We expect to see good result in the near future.

As for MSG business, domestic sales in Vietnam is expected to grow moderately, whereas a more substantial growth is expected for export sales as a result of market expansion. As for the China market, with its competitiveness in export weakening, the Group will thus strengthen the domestic sales in the market, which remains intensely competitive in the immediate future. In the long run, order will return to the market with the stronger players prevailing and maintaining reasonable profit.

In the future, when the construction of new Ha Tinh starch factory and expansion of the Ve-Yu Starch Factory are completed, and Cambodia's raw materials cultivation project launches, the Group will be able to enjoy more steady supply of higher quality raw materials at more competitive cost. This will help to greatly enhance the development and profitability of the Group's amino acids and starch businesses. At the same time, the Group will actively explore opportunities of other businesses in different market sections. Taking advantages of its long established foundations and geographical proximity, the Group is confident to enjoy a synergistic business effects and increase the Group's operational profits.

In conclusion, the Group expects to continue to face pressure from persistently high raw material and fuel costs in the coming year. However, it also sees 2008 as a critical year during which it will begin to reap fruits of the efforts it made in the past few years. The Group is confident of its ability to face the challenges ahead.

過去幾年來，集團致力於醴源的拓展和掌握，將於未來逐步顯現。i)河靜澱粉廠第一期工程產能100公噸／天，將於二零零八年第三季完成，2009年第一季將擴大到200公噸／天之生產規模。ii)味友澱粉廠產能擴充由100公噸／天增加到150公噸／天已展開擴廠作業，預估二零零八年第四季完工。iii)柬埔寨發展原料專案，已覓好地點及合作夥伴，且已於二零零八年初簽訂備忘錄，若一切順利將於二零零八年上半年成立聯營公司，來推展此投資方案。另外在醴源多元化方面，熱帶甜菜亦有不錯之進展。另外一種醴源，甜高粱的試種，也在積極進行中。預期會很快有好結果。

二零零八年味精業務，預估越南境內之銷售將是小幅成長，而外銷方面，隨著市場開拓成果陸續展現，預期將有較大幅增加。中國區則因受制於出口競爭力減弱，將再強化內銷市場，短期內尚是競爭激烈之市場，長期而言將是汰弱留強，將恢復一定之秩序，以維持合理之利潤。

未來，集團將因河靜新廠完工、味友澱粉廠擴廠完成、柬埔寨發展原材料專案的展開，將會擁有更具競爭力、高品質及更穩定原料來源，對不管是氨基酸或澱粉事業的業務拓展和獲利提升將是大有助益。另外，隨著越南經濟體的蓬勃發展，集團也將尋求不同領域產業的投入，相信在結合地緣利基的基礎上，可以發揮加乘的效果，並可提升經營利益。

總之，展望未來一年，集團依然面臨各項原物料、能源成本高居不下之壓力。但幾年來，集團進行之專案在二零零八年將是關鍵的時刻，亦將是開始有收穫的時刻，集團將有信心迎接挑戰。

EMPLOYEE COMPENSATION AND TRAINING

As at 31 December 2007, the Group had a total of 3,977 employees of whom 3,045 were employed by Subsidiaries in Vietnam 923 by subsidiaries in the PRC and 9 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 accommodation, meals, insurance, medical coverage and provident fund are provided to employees to ensure staff loyalty and the Group's competitiveness. To enhance human resources quality and the professional skills and management abilities of employees and build localized workforces, the Group provides job rotation, internal and external training courses on professional skills, languages, etc. to employees to help boost their expertise and knowledge.

僱員薪酬及培訓資料

截至2007年12月31日，本集團僱有員工3977名，包括受僱於味丹越南廠子公司3,045，味丹中國子公司923名以及台灣分公司9名。

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