

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 2018.

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 2018 (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」）謹此呈報截至二零一八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

自二零一八年十二月三十一日（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。

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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。

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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 2018 are set out in the consolidated income statement on page 117.

The Board recommended the payment of a final dividend of 0.265 US cents per share, totalling US\$4,042,000 (2017: US\$6,750,000) for the year ended 31 December 2018. Subject to shareholders' approval at the forthcoming annual general meeting of the Company, the final dividend will be paid in cash on 11 June 2019 to the shareholders whose names appear on the register of members of the Company on 29 May 2019.

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

本集團截至二零一八年十二月三十一日止年度的業績載於第117頁的綜合收益表。

董事會建議宣派截至二零一八年十二月三十一日止年度末期股息每股0.265美仙，合共4,042,000美元（二零一七年：6,750,000美元）。待股東於本公司應屆股東周年大會上批准後，末期股息將於二零一九年六月十一日或前後以現金方式支付予於二零一九年五月二十九日名列本公司股東名冊的股東。

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DONATIONS

Donations made by the Group during the year ended 31 December 2018 amounting to US\$197,000.

DISTRIBUTABLE RESERVES

As at 31 December 2018, 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 17 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 2018.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2018, 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 2018, the Group had a total of 3,845 employees, 3,646 of whom were employed by subsidiaries in Vietnam, 184 by subsidiaries in the PRC and 15 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

於截至二零一八年十二月三十一日止年度，本集團已作出捐款197,000美元。

可供分派儲備

本公司於二零一八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17。

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二零一八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

截至二零一八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

截至二零一八年十二月三十一日，本集團僱有員工合共3,845名，包括受僱於味丹越南附屬公司的3,646名雇員、味丹中國各附屬公司的184名雇員及台灣分公司的15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部培訓課程及研討會。

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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 (resignation effected on 23 Jul 2018)
HUANG, Chung-Fong (appointment effected on 22 October 2018)

According to Article 87(1) of the Company's articles of association, Mr. YANG, Tou-Hsiung, Mr. YANG, Kun-Hsiang, Mr. CHOU, Szu-Cheng and Mr. KO, Jim-Chen will retire by rotation at the forthcoming annual general meeting of the Company. According to Article 86(3) of the Company's articles of association, Mr. HUANG, Chung-Fong 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（辭任於二零一八年七月二十三日生效）
黃鐘鋒（委任於二零一八年十月二十二日生效）

根據本公司之組織章程細則第87(1)條，楊頭雄先生、楊坤祥先生、周賜程先生及柯俊禎先生將於本公司應屆股東周年大會上輪席退任。根據本公司之組織章程細則第86(3)條，黃鐘鋒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。

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

(a) As at 31 December 2018, 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:-

Name 姓名	Capacity 身份	Interests in shares 於股份中之權益	
		Number of ordinary shares (Long Position) 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
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 (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 (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	0.01%
Mr. CHAO, Pei-Hong 趙培宏先生	Beneficial owner 實益擁有人	500,000	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.

董事於股份、相關股份及債權證之權益或淡倉

(a) 於二零一八年十二月三十一日，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 (Long Position) 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
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 (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 (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	0.01%
Mr. CHAO, Pei-Hong 趙培宏先生	Beneficial owner 實益擁有人	500,000	0.03%

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。

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Save as disclosed above, as at 31 December 2018, 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 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 2018 are as follows:

Mr. YANG, Cheng no longer serves as the adviser to the Taichung City Government from 15 December 2018, the executive director of Chunghwa Real Property Research Association from 31 December 2018.

Mr. YANG, Kun-Hsiang has been re-designated from Chairman to executive director of Taiwan Amino Acid Manufacturers Association from 7 August 2018.

Mr. CHEN, Joen-Ray was appointed as an Independent Non-executive Director of Kayee International Group Co., Ltd. (a publicly-traded company on the Taiwan Stock Exchange Corporation) from 11 June 2018. Mr. Chen was also appointed a supervisor of Forcecon Tech. Co., Ltd from 13 June 2018.

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 2017 annual report of the Company.

除上文所披露者外，於二零一八年十二月三十一日，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，於截至二零一八年十二月三十一日止年度董事資料之變動及更新如下：

楊正先生自二零一八年十二月十五日起不再擔任台中市政府市政顧問，自二零一八年十二月三十一日起不再擔任中華不動產研究發展協會常務理事。

楊坤祥先生自二零一八年八月七日起從台灣胺基酸工業同業公會主席調任為常務理事。

陳忠瑞先生自二零一八年六月十一日起獲委任為凱羿國際集團股份有限公司（台灣證券交易所上櫃公司）之獨立非執行董事。陳先生自二零一八年六月十三日起獲委任為力致科技股份有限公司（台灣證券交易所上櫃公司）之監察人。

除上文所披露者外，董事並不知悉自本公司二零一七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。

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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. Mr. HSIEH has resigned and effected on 23 July 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 and continuing connected transactions detailed below, 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。謝先生已辭任並於二零一八年七月二十三日生效。

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及下文所詳述之持續關連交易外，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。

Report of Directors

董事會報告

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 2018, 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) 8,687
B.	Technological support fee paid to Taiwan Vedan	B. 向台灣味丹支付技術支援費	(ii) 2,180

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 21 December 2017, 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 2018 to 31 December 2020 (“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\$7,000,000 for each of the three financial years ended 31 December 2020. 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.

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

截至二零一八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：

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。於二零一七年十二月二十一日，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，由二零一八年一月一日至二零二零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。

Report of Directors 董事會報告

On 12 April 2018, the Company and Taiwan Vedan entered into the supplemental agreement on substantially the same terms as the Taiwan Sales Agreement, so as to revise the annual cap for the continuing connected transactions under the Taiwan Sales Agreement for each of the three financial years ending 31 December 2020 from US\$7,000,000 to US\$30,000,000.

US\$8,687,000 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 2018, which has not exceeded the relevant maximum cap of US\$30,000,000 as disclosed in the previous announcement dated 12 April 2018.

- (ii) The Taiwan Vedan Group has been providing certain technological support services to the Group. On 21 December 2017, 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 2018 to 31 December 2020 (“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 2020. The Directors believe that the technology support from Taiwan Vedan Group will benefit the Group’s future business developments.

US\$2,180,000 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 2018, which has not exceeded the relevant maximum cap of US\$2,500,000 as disclosed in the previous announcement dated 21 December 2017.

- (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.

於二零一八年四月十二日，本公司與台灣味丹已按台灣銷售協議大致相同之條款訂立補充協議，以將截至二零二零年十二月三十一日止三個財政年度各年於台灣銷售協議項下之持續關連交易之年度上限由7,000,000美元修訂為30,000,000美元。

於截至二零一八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8,687,000美元，並未超過於日期為二零一八年四月十二日之過往公告所披露之相關最高上限30,000,000美元。

- (ii) 台灣味丹集團素來向本集團提供若干技術支援服務。於二零一七年十二月二十一日，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，由二零一八年一月一日至二零二零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。

於截至二零一八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2,180,000美元，並未超過於日期為二零一七年十二月二十一日之過往公告所披露之相關最高上限2,500,000美元。

- (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。

Report of Directors 董事會報告

Confirmations

The aforesaid continuing connected transactions for the year ended 31 December 2018 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 102 to 103 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 2018 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二零一八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102至103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

本集團於截至二零一八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 218 of the annual report.

SUBSTANTIAL SHAREHOLDERS' INTERESTS OR SHORT POSITIONS IN SHARES

So far as known to the Company, as at 31 December 2018, 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218頁。

主要股東於股份之權益或淡倉

據本公司所知，於二零一八年十二月三十一日，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 shares (Long Position) 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 2018, 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，於二零一八年十二月三十一日，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

26 March 2019

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

二零一九年三月二十六日