

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December 於十二月三十一日	
	Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
ASSETS	資產		
Non-current assets	非流動資產		
Land use rights	土地使用權 6	1,892	2,042
Property, plant and equipment	物業、廠房及設備 7	151,788	145,612
Intangible assets	無形資產 9	8,566	9,070
Long-term other receivables	長期其他應收款項 14	725	1,307
Investment in an associate	於聯營公司之投資 11	6,119	3,555
Total non-current assets	非流動資產總值	169,090	161,586
Current assets	流動資產		
Inventories	存貨 13	91,102	82,868
Trade receivables	應收貿易賬款 14	33,151	31,651
Short-term loan to an associate	給予聯營公司之短期貸款 11, 34(d)	120	120
Prepayments and other receivables	預付款項及其他應收款項 14	13,465	9,351
Amount due from a related party	應收有關連人士款項 34(d)	1,191	242
Current income tax recoverable	當期可退回所得稅	1,241	2,872
Structured bank deposits	結構性銀行存款 15	8,888	3,903
Short-term bank deposits	短期銀行存款 15	15,342	16,063
Cash and cash equivalents	現金及現金等價物 15	34,215	49,679
Total current assets	流動資產總值	198,715	196,749
Non-current assets held for sale	持作出售之非流動資產 8	–	366
Total assets	資產總值	367,805	358,701
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本 16	15,228	15,228
Reserves	儲備 17	271,128	270,182
Non-controlling interest	非控股權益	286,356 326	285,410 (2,827)
Total equity	權益總額	286,682	282,583

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December 於十二月三十一日	
	Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Bank borrowings	銀行借貸 19	15,697	19,491
Deferred income tax liabilities	遞延所得稅負債 20	3,238	3,263
Retirement benefit obligations	退休福利責任 29	1,478	1,447
Long-term environmental provision	長期環境撥備 18	387	233
Total non-current liabilities	非流動負債總額	20,800	24,434
Current liabilities	流動負債		
Trade payables	應付貿易賬款 18	20,875	15,772
Accruals and other payables	應計費用及其他應付款項 18	16,874	17,509
Amounts due to related parties	應付有關連人士款項 34(d)	1,391	1,660
Bank borrowings	銀行借貸 19	20,469	15,906
Current income tax liabilities	即期所得稅負債	714	837
Total current liabilities	流動負債總額	60,323	51,684
Total liabilities	負債總額	81,123	76,118
Total equity and liabilities	權益及負債總額	367,805	358,701

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 115 to 217 were approved by the Board of Directors on 26 March 2019 and were signed on its behalf.

載於第115至217頁之綜合財務報表已於二零一九年三月二十六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	
			2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
		Note 附註		
Revenue	收益	5, 21	356,772	322,805
Cost of sales	銷售成本	23	(289,274)	(254,668)
Gross profit	毛利		67,498	68,137
Other gains – net	其他收益—淨額	22	459	935
Selling and distribution expenses	銷售及分銷開支	23	(23,117)	(21,746)
Administrative expenses	行政開支	23	(22,974)	(24,272)
Operating profit	經營溢利		21,866	23,054
Finance income	財務收入		929	853
Finance costs	財務支出		(832)	(804)
Finance income – net	財務收入—淨額	24	97	49
Share of post-tax profit of an associate	應佔聯營公司 除稅後溢利	11	44	205
Profit before income tax	除所得稅前溢利		22,007	23,308
Income tax expense	所得稅開支	25	(4,613)	(4,570)
Profit for the year	本年度溢利		17,394	18,738
Profit attributable to:	以下各方應佔溢利：			
Owners of the Company	本公司擁有人		14,285	19,061
Non-controlling interest	非控股權益		3,109	(323)
			17,394	18,738
Earnings per share for profit attributable to the owners of the Company during the year (expressed in US cents per share)	本公司擁有人應佔年內溢利之每股盈利（以每股美仙列示）			
Basic earnings per share	每股基本盈利	27	0.94	1.25
Diluted earnings per share	每股攤薄盈利	27	0.94	1.25

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	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Profit for the year	本年度溢利	17,394	18,738
Other comprehensive (loss)/income:	其他全面（虧損）／收入：		
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	(2,013)	2,054
Other comprehensive (loss)/income for the year, net of tax	本年度除稅後其他全面（虧損）／收入	(2,013)	2,054
Total comprehensive income for the year	本年度全面收入總額	15,381	20,792
Total comprehensive income/(loss) for the year attributable to:	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	12,228	21,290
– Non-controlling interest	– 非控股權益	3,153	(498)
Total comprehensive income for the year	本年度全面收入總額	15,381	20,792

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	Exchange reserve 匯兌儲備 US\$'000 千美元	Merger reserve 合併儲備 US\$'000 千美元	Statutory reserve 法定儲備 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 2017	於二零一七年一月一日之結餘	15,228	47,358	10,885	79,994	783	127,287	281,535	(2,329)	279,206
Comprehensive income	全面收入									
Profit for the year	本年度溢利	-	-	-	-	-	19,061	19,061	(323)	18,738
Other comprehensive income/(loss)	其他全面收入/(虧損)									
Currency translation differences	匯兌差額	-	-	2,229	-	-	-	2,229	(175)	2,054
Total comprehensive income/(loss)	全面收入/(虧損)總額	-	-	2,229	-	-	19,061	21,290	(498)	20,792
Total transactions with owners	與擁有人之總交易額									
Dividends (Note 26)	股息(附註26)	-	-	-	-	-	(17,415)	(17,415)	-	(17,415)
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	15,228	47,358	13,114	79,994	783	128,933	285,410	(2,827)	282,583
Balance at 1 January 2018	於二零一八年一月一日之結餘	15,228	47,358	13,114	79,994	783	128,933	285,410	(2,827)	282,583
Comprehensive income	全面收入									
Profit for the year	本年度溢利	-	-	-	-	-	14,285	14,285	3,109	17,394
Other comprehensive (loss)/income	其他全面(虧損)/收入									
Currency translation differences	匯兌差額	-	-	(2,057)	-	-	-	(2,057)	44	(2,013)
Total comprehensive (loss)/income	全面(虧損)/收入總額	-	-	(2,057)	-	-	14,285	12,228	3,153	15,381
Total transactions with owners	與擁有人之總交易額									
Dividends (Note 26)	股息(附註26)	-	-	-	-	-	(11,282)	(11,282)	-	(11,282)
Reallocation of statutory reserve	重新配置法定儲備	-	-	-	-	45	(45)	-	-	-
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	15,228	47,358	11,057	79,994	828	131,891	286,356	326	286,682

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	
			2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Cash flows from operating activities	經營業務之現金流量			
Cash generated from operations	業務產生之現金	31(a)	29,456	21,721
Interest paid	已付利息		(1,106)	(812)
Income taxes paid	已付所得稅		(3,116)	(7,893)
Net cash generated from operating activities	經營業務產生之現金淨額		25,234	13,016
Cash flows from investing activities	投資活動之現金流量			
Purchases of property, plant and equipment	購買物業、廠房及設備		(23,636)	(16,193)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	31(a)	86	149
Proceeds from disposal of assets held-for-sale	出售持作出售之資產之所得款項	8	411	1,360
Purchases of intangible assets	購買無形資產	9	—	(77)
Decrease in short-term bank deposits	短期銀行存款減少		721	17,224
Increase in structured bank deposits	結構性銀行存款增加		(4,985)	(3,903)
Interest received	已收利息		888	790
Investment in an associate	於聯營公司之投資	11	(2,520)	—
Net cash used in investing activities	投資活動所用之現金淨額		(29,035)	(650)
Cash flows from financing activities	融資活動之現金流量			
Dividends paid	已付股息	26	(11,282)	(17,415)
Proceeds from bank borrowings	銀行借貸所得款項		48,045	27,987
Repayment of bank borrowings	償還銀行借貸		(47,269)	(29,400)
Net cash used in financing activities	融資活動所用之現金淨額		(10,506)	(18,828)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(14,307)	(6,462)
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物	15	49,679	55,210
Exchange (losses)/gains on cash and cash equivalents	現金及現金等價物之匯兌(虧損)/收益		(1,157)	931
Cash and cash equivalents at end of year	於年末之現金及現金等價物	15	34,215	49,679

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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\$’000”), 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 statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. 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(「千美元」)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

本集團的綜合財務報表乃根據所有適用的香港財務報告準則(「香港財務報告準則」)而編製。綜合財務報表乃根據歷史成本慣例而編製。

編製符合香港財務報告準則的綜合財務報表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。涉及高度判斷或複雜性之範疇,或假設及估計對綜合財務報表而言屬重大之範疇於附註4內披露。

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)

- (a) *New standards, amendments to standards and interpretation adopted by the Group*

The Group has applied the following new standards, interpretations and amendments to standards are mandatory for the Company for the first time for the financial year beginning on 1 January 2018:

Annual Improvements Project	Annual Improvements 2014 – 2016 Cycle
HKAS 28 (Amendment)	Investments in Associates and Joint Ventures
HKAS 40 (Amendment)	Transfers of Investment Property
HKFRS 1 (Amendment)	First time adoption of HKFRS
HKFRS 2 (Amendment)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendment)	Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK (IFRIC) 22	Foreign Currency Transactions and Advance Consideration

Impact on the adoption of HKFRS 9 and HKFRS 15 are set out in Note 2.2. The adoption of other new and amended standards and interpretation did not have any material impact on the current period or any prior periods.

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

- (a) *本集團採納之新準則、準則之修訂本及詮釋*

本集團於二零一八年一月一日開始之財政年度首次採納以下本公司須強制採納之新準則、詮釋及準則之修訂本：

年度改進項目	二零一四年至二零一六年週期之年度改進
香港會計準則第28號 (修訂本)	於聯營公司及合營企業的投資
香港會計準則第40號 (修訂本)	轉讓投資物業
香港財務報告準則第1號 (修訂本)	首次採納香港財務報告準則
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
香港財務報告準則第4號 (修訂本)	保險合約
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收益
香港 (國際財務報告詮釋委員會) 第22號	外幣交易及預付代價

採納香港財務報告準則第9號及香港財務報告準則第15號之影響載於附註2.2。採納其他新訂及經修訂準則及詮釋並無對本期間或任何先前期間造成任何重大影響。

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) The following new standards, interpretations and amendments to standards have been issued, but are not effective for the financial year beginning on 1 January 2018 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)

- (b) 以下為已頒佈但並非於二零一八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
Annual Improvements Project 2017 二零一七年之年度改進項目	Annual Improvements 2015-2017 Cycle 二零一五年至二零一七年週期之年度改進	1 January 2019 二零一九年一月一日
HKAS 1 and HKAS 8 (Amendments) 香港會計準則第1號及香港會計準則第8號 (修訂本)	Definition of Material 重大的定義	1 January 2020 二零二零年一月一日
HKAS 19 (Amendment) 香港會計準則第19號 (修訂本)	Plan Amendment, Curtailment or Settlement 計劃修訂、縮減或結清	1 January 2019 二零一九年一月一日
HKAS 28 (Amendment) 香港會計準則第28號 (修訂本)	Long-term Interests in Associates and Joint Ventures 在聯營公司及合營企業的長期權益	1 January 2019 二零一九年一月一日
HKFRS 9 (Amendment) 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 3 (Amendments) 香港財務報告準則第3號 (修訂本)	Definition of Business 業務的定義	1 January 2020 二零二零年一月一日
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 Contract 保險合約	1 January 2022 二零二二年一月一日
HK (IFRIC) 23 香港 (國際財務報告詮釋委員會) 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 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
Conceptual Framework for Financial Reporting 2018 二零一八年財務報告概念框架	Revised Conceptual Framework for Financial Reporting 修訂財務報告概念框架	1 January 2020 二零二零年一月一日

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

2.1 Basis of preparation (continued)

- (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 2018 and have not been early adopted. (continued)

The directors of the Company has assessed the financial impact on the Group of the adoption of the above new standards, amendments and interpretations. Except for HKFRS 16, there are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the futures reporting periods and on foreseeable future transactions. The Group intends to adopt the above new standards, amendments and interpretation to existing standards when they become effective.

HKFRS 16, "Leases"

Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated balance sheet, 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.

HKFRS 16 will primarily affect the accounting for the Group's operating leases. As at 31 December 2018, the Group had non-cancellable operating lease commitments of US\$2,871,000, see 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.

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) 以下為已頒佈但並非於二零一八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。
(續)

本公司董事已評估採納上述新準則、修訂本及詮釋對本集團之財務影響。除香港財務報告準則第16號外，概無其他尚未生效及預期將於未來報告期間對本集團以及可見未來交易造成重大影響之準則。本集團擬於上述新準則以及現有準則之修訂本及詮釋生效時予以採納。

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綜合資產負債表確認，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。

香港財務報告準則第16號將主要影響本集團經營租賃的會計處理。於二零一八年十二月三十一日，本集團的不可撤銷經營租賃承擔為2,871,000美元（見附註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。

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

2.1 Basis of preparation (continued)

- (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 2018 and have not been early adopted. (continued)

HKFRS 16, "Leases" (continued)

Nature of change (continued)

The Group has not yet assessed what other adjustments, if any, are necessary, for example, the change in the definition of the lease term, the different treatment of variable lease payments and the extension or 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.

The directors of the Company expect that the impact on the Group's financial positions regarding the adoption of HKFRS 16 as compared with the current accounting policy would not be material. However, some additional disclosures will be required from next year.

Date of adoption by the Group

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) 以下為已頒佈但並非於二零一八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。(續)

香港財務報告準則第16號，「租賃」(續)

變動性質 (續)

本集團尚未評估須作出何種其他調整(如有)，例如，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。

本公司董事預期與當期會計政策相比，採納香港財務報告準則第16號對本集團之財務狀況將不會造成重大影響。然而，自下年起將須作出若干額外披露。

本集團之採納日期

本集團將自準則之強制採納日期(二零一九年一月一日)採納該準則。本集團擬應用簡化過渡法，且將不會重列首次採納前一年之比較金額。物業租賃之使用權資產將於過渡時計量，猶如新規則一直獲應用。所有其他使用權資產將按於採納時之租賃負債金額計量(按任何預付或應計租賃開支調整)。

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)

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 9 and HKFRS 15 on the consolidated financial statements.

(a) *Impact on the financial statements*

The following explains the impact of the adoption of HKFRS 9 and HKFRS 15 on the Group's financial statements.

The Group elected to adopt HKFRS 9 and HKFRS 15 without restating comparatives. The reclassifications and the adjustments are therefore not reflected in the consolidated balance sheet as at 31 December 2017, but are recognised in the opening balance sheet on 1 January 2018.

There is no impact on the consolidated financial statements as at 1 January 2018, except for the reclassifications of receipt in advance to contract liabilities in Note 18.

(b) *HKFRS 9 "Financial Instruments"*

HKFRS 9 replaces the provisions of HKAS 39 "Financial Instruments: Recognition and Measurement" that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies. In accordance with the transitional provisions in HKFRS 9(7.2.15) and (7.2.26), comparative figures have not been restated.

There is no impact on the Group's retained earnings as at 1 January 2018.

2 編製基準及主要會計政策概要 (續)

2.2 會計政策變動

本附註闡釋採納香港財務報告準則第9號及香港財務報告準則第15號對綜合財務報表之影響。

(a) *對財務報表之影響*

下文闡釋採納香港財務報告準則第9號及香港財務報告準則第15號對本集團財務報表之影響。

本集團選擇採納香港財務報告準則第9號及香港財務報告準則第15號而不重述比較數字。因此，重新分類及調整並無於二零一七年十二月三十一日之綜合資產負債表內反映，惟於二零一八年一月一日之期初資產負債表中確認。

除於附註18之預收款項重新分類至合約負債外，對二零一八年一月一日之綜合財務報表概無影響。

(b) *香港財務報告準則第9號「金融工具」*

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」有關確認、分類及計量金融資產及金融負債、終止確認金融工具、金融資產減值及對沖會計之條文。

自二零一八年一月一日起採納香港財務報告準則第9號導致會計政策變動。根據香港財務報告準則第9號之過渡條文(7.2.15)及(7.2.26)，比較數字並沒有被重列。

對本集團於二零一八年一月一日之保留盈利概無影響。

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

2.2 Changes in accounting policies (continued)

(b) HKFRS 9 "Financial Instruments" (continued)

- (i) Classification and measurement
On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. On the date of initial application, 1 January 2018, the financial instruments of the Group were measured at amortised cost, with no reclassification noted.
- (ii) Impairment of financial assets
The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. There is no impact of the change in impairment methodology on the Group's retained earnings and equity. For details, please refer to Note 3.1(b)(ii).

2 編製基準及主要會計政策概要 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第9號「金融工具」(續)

- (i) 分類及計量
於二零一八年一月一日（香港財務報告準則第9號之首次應用日期），本集團之管理層已評估適用於本集團所持金融資產之業務模式及已將其金融工具分類至香港財務報告準則第9號之適當類別。於首次應用日期（二零一八年一月一日），本集團之金融工具按攤銷成本計量，並無重新分類。
- (ii) 金融資產減值
本集團須根據香港財務報告準則第9號修訂該等各類資產之減值方法。減值方法變動對本集團之保留盈利及權益概無影響。有關詳情，請參閱附註3.1(b)(ii)。

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)

2.2 Changes in accounting policies (continued)

(c) HKFRS 15 "Revenue from Contracts with Customer"

The Group has adopted HKFRS 15 "Revenue from Contracts with Customers" from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in HKFRS 15, the Group has adopted the simplified transition method and did not restate the comparatives. In summary, there is no adjustment or reclassification to the amounts recognised in the balance sheet at the date of initial application (1 January 2018), except for a reclassification for the following:

2 編製基準及主要會計政策概要 (續)

2.2 會計政策變動 (續)

(c) 香港財務報告準則第15號「來自客戶合約之收益」

本集團已自二零一八年一月一日起採納香港財務報告準則第15號「來自客戶合約之收益」，其導致會計政策變動。根據香港財務報告準則第15號之過渡條文，本集團已採納簡化過渡法，且不會重述比較數字。總括而言，除下列各項之重新分類外，於首次應用日期（二零一八年一月一日）之資產負債表確認之金額概無進行調整或重新分類：

		HKAS 18 carrying amount 31 December 2017	Reclassification	HKFRS 15 carrying amount 1 January 2018
	香港會計準則 第18號 賬面值 二零一七年 十二月三十一日 US\$'000 千美元		重新分類 US\$'000 千美元	香港財務 報告準則 第15號 賬面值 二零一八年 一月一日 US\$'000 千美元 (Restated) (經重列)
Trade payables, accruals and other payables (extract)	應付貿易賬款、應計費用及其他應付款項 (節選)			
Receipts in advance (Note 18)	預收款項 (附註18)	1,296	(1,296)	—
Contract liabilities (Note 18)	合約負債 (附註18)	—	1,296	1,296

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)

2.2 Changes in accounting policies (continued)

(c) HKFRS 15 "Revenue from Contracts with Customer" (continued)

Presentation of assets and liabilities related to contracts with customers

The Group has voluntarily changed the presentation of certain amounts in the note to the financial statements to reflect the terminology of HKFRS 15 and HKFRS 9:

- Contract liabilities in relation to receipts in advance from customers for sales of goods not yet delivered to customers, were previously presented as receipts in advance in trade and other payables (US\$1,296,000 as at 1 January 2018).

2.3 Subsidiaries

2.3.1 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)

2.2 會計政策變動 (續)

(c) 香港財務報告準則第15號「來自客戶合約之收益」(續)

呈列有關客戶合約之資產及負債

本集團已自願將財務報表附註內之若干金額的呈列作出更改，以反映香港財務報告準則第15號及香港財務報告準則第9號之專門術語：

- 有關貨品尚未交付予客戶之銷售的預收客戶款項之合約負債先前呈列於應付貿易賬款及其他應付款項中的預收款項（於二零一八年一月一日為1,296,000美元）。

2.3 附屬公司

2.3.1 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、被收購方前擁有者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)

2.3 Subsidiaries (continued)

2.3.1 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)

2.3 附屬公司 (續)

2.3.1 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)

2.3 Subsidiaries (continued)

2.3.1 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)

2.3 附屬公司 (續)

2.3.1 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權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)

2.3 Subsidiaries (continued)

2.3.1 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 2.4), or financial asset (Note 2.11). 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.

2.3.2 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)

2.3 附屬公司 (續)

2.3.1 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2.4）或財務資產（附註2.11）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至損益。

2.3.2 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)

2.4 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.

2 編製基準及主要會計政策概要 (續)

2.4 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。

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

2.4 Associates (continued)

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.

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.

2.5 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 of the Group.

2.6 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.

2 編製基準及主要會計政策概要 (續)

2.4 聯營公司 (續)

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。

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。

2.5 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識別為本集團執行董事。

2.6 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。

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

2.6 Foreign currency translation (continued)

(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.

All foreign exchange gains and losses are presented in the consolidated income statement within “other gains – net”.

(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.

2 編製基準及主要會計政策概要 (續)

2.6 外幣換算 (續)

(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外匯收益或虧損，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。

所有外匯盈虧在綜合收益表內的「其他收益－淨額」中呈列。

(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換算為呈報貨幣：

- 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，除非此平均匯率未能合理地反映各交易日之現行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
- 所產生之所有匯兌差異均在其他全面收入中確認。

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

2.6 Foreign currency translation (continued)

(c) Group companies (continued)

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.

2.7 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.

2 編製基準及主要會計政策概要 (續)

2.6 外幣換算 (續)

(c) 集團公司 (續)

因收購海外實體而產生之商譽及公平值調整，均視作為該海外實體之資產及負債處理，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。

2.7 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。

只有在與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，方會將其後之成本計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）。

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

2.7 Property, plant and equipment, land use rights (continued)

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 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains – 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.

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.

2.8 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.

2 編製基準及主要會計政策概要 (續)

2.7 物業、廠房及設備、土地使用權 (續)

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2.9）。

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－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。

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。

2.8 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。

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

2.8 Intangible assets (continued)

(a) Goodwill (continued)

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.

(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.

2.9 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 編製基準及主要會計政策概要 (續)

2.8 無形資產 (續)

(a) 商譽 (續)

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（即使用價值與公平值減銷售成本之較高者）作比較。任何減值即時確認為開支，且其後不會撥回。

(b) 商標及牌照

具有限定可使用年期之獨立收購之商標及牌照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期內進行分配。

(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。

2.9 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與使用價值（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 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 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.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets as debt instruments to be measured at amortised cost.

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 financial assets at amortised cost comprise trade and other receivables (Note 2.14), cash and cash equivalents (Note 2.15), amount due from a related party, short-term loan to an associate, short-term bank deposits, structured bank deposits and cash and cash equivalents in the consolidated balance sheet.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 編製基準及主要會計政策概要 (續)

2.10 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。

2.11 財務資產

2.11.1 分類

本集團將其財務資產分類為將按攤銷成本計量之債務工具。

彼等均列入流動資產，惟將於或預期將於報告期結束後超過十二個月清償之款項除外。彼等均歸類為非流動資產。本集團按攤銷成本計量之財務資產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2.14）、現金及現金等價物（附註2.15）、應收有關連人士款項、給予聯營公司之短期貸款、短期銀行存款、結構性銀行存款以及現金及現金等價物。

分類視乎實體管理財務資產之業務模式及現金流量之合約條款而定。

本集團僅於其管理該等資產之業務模式出現變動時重新分類債務投資。

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

2.11 Financial assets (continued)

2.11.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

2.11.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Financial assets at amortised cost are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statements of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

2 編製基準及主要會計政策概要 (續)

2.11 財務資產 (續)

2.11.2 確認及終止確認

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。財務資產於收取財務資產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。

2.11.3 計量

於初步確認時，本集團按財務資產之公平值（倘財務資產並非按公平值計入損益）另加收購財務資產直接產生之交易成本計量財務資產。

債務工具

債務工具之後續計量視乎本集團管理資產之業務模式及資產之現金流量特徵而定。

按攤銷成本計量之財務資產為持有以收取合約現金流量（該等現金流量僅為支付本金額及利息）之資產，並按攤銷成本計量。後續按攤銷成本計量及並非對沖關係一部分之債務投資之收益或虧損於該資產終止確認或減值時於綜合全面收益表內確認。該等財務資產之利息收入使用實際利率法計入財務收入。

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

2.11 Financial assets (continued)

2.11.4 Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instrument carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, short-term loan to an associate and amount due from a related party, the impairment provision is determined based on the 12-month expected credit losses.

When measuring expected credit loss, the Group considers both historical default rate and forward-looking information.

2 編製基準及主要會計政策概要 (續)

2.11 財務資產 (續)

2.11.4 減值

本集團按預期基準評估與其按攤銷成本列賬之債務工具相關之預期信貸虧損。所採用之減值方法視乎信貸風險是否有大幅增加而定。附註3.1(b)詳述本集團釐定信貸風險是否有大幅增加之方法。

就應收貿易賬款而言，本集團採用香港財務報告準則第9號允許之簡化方法，其規定於初步確認應收款項時確認預期全期虧損。

就其他應收款項、給予聯營公司之短期貸款及應收有關連人士之款項而言，減值撥備乃根據12個月預期信貸虧損釐定。

於計量預期信貸虧損時，本集團考慮歷史違約率及前瞻性資料。

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

2.11 Financial assets (continued)

*2.11.5 Accounting policies applied until 31 December
2017*

(i) 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 2.14), cash and cash equivalents (Note 2.15), amount due from a related party, short-term loan to an associate, short-term bank deposits, structured bank deposits and cash and cash equivalents in the consolidated balance sheet.

2 編製基準及主要會計政策概要 (續)

2.11 財務資產 (續)

*2.11.5 直至二零一七年十二月三十一
日採用之會計政策*

(i) 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後十二個月超過清償之款項除外。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2.14）、現金及現金等價物（附註2.15）、應收有關連人士之款項、給予聯營公司之短期貸款、短期銀行存款、結構性銀行存款以及現金及現金等價物。

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

2.11 Financial assets (continued)

2.11.5 Accounting policies applied until 31 December 2017 (continued)

- (ii) 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.

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 – 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 編製基準及主要會計政策概要 (續)

2.11 財務資產 (續)

2.11.5 直至二零一七年十二月三十一日採用之會計政策 (續)

- (ii) 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。

「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－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取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 BASIS OF PREPARATION AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

2.11 Financial assets (continued)

*2.11.5 Accounting policies applied until 31 December
2017 (continued)*

(iii) 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.

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.

2 編製基準及主要會計政策概要 (續)

2.11 財務資產 (續)

*2.11.5 直至二零一七年十二月
三十一日採用之會計政策
(續)*

(iii) 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(「虧損事件」)導致,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。

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)。

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

2.11 Financial assets (continued)

2.11.5 Accounting policies applied until 31 December 2017 (continued)

(iii) Impairment (continued)

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)

2.11 財務資產 (續)

2.11.5 直至二零一七年十二月三十一日採用之會計政策 (續)

(iii) 減值 (續)

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)

2.12 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.

The Group has no offsetting financial instruments in the consolidated balance sheets as of 31 December 2017 and 2018.

2.13 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 編製基準及主要會計政策概要 (續)

2.12 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。

本集團於截至二零一七年及二零一八年十二月三十一日之綜合資產負債表內並無抵銷金融工具。

2.13 存貨

存貨以成本與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 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 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.

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.

2.15 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.

2.16 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 編製基準及主要會計政策概要 (續)

2.14 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。

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撇銷。其後收回已撇銷的款項會用作扣除綜合收益表內的行政開支。

2.15 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。

2.16 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 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 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.

2.18 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.

2.19 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)

2.17 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。

2.18 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。

2.19 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於損益確認。

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

2.20 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 associate operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(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.

2 編製基準及主要會計政策概要 (續)

2.20 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。

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

2.20 Current and deferred income tax (continued)

(b) Deferred income tax (continued)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 編製基準及主要會計政策概要 (續)

2.20 當期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

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。

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

2.21 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.

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.

2 編製基準及主要會計政策概要 (續)

2.21 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。

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。

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

2.21 Employee benefits (continued)

(a) Pension obligations (continued)

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 resulting from employee service in the current year, benefit changes, curtailments and settlements.

Past-service costs are recognised immediately in profit or loss.

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.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2 編製基準及主要會計政策概要 (續)

2.21 僱員福利 (續)

(a) 退休金責任 (續)

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。

(b) 終止福利

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，終止福利即須支付。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，確認終止福利。倘提出一項要約以鼓勵自願遣散，則終止福利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。

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

2.21 Employee benefits (continued)

(c) Bonus plans

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(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.

2.22 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.

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 編製基準及主要會計政策概要 (續)

2.21 僱員福利 (續)

(c) 花紅計劃

本集團根據一條公式 (考慮本公司股東應佔溢利並經若干調整後), 就花紅確認負債及開支。本集團於合約規定或過往慣例產生推定責任時確認撥備。

(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。

2.22 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。

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

2.23 Revenue and other income recognition

(a) Sales of goods

Sales are recognised when control of the product has transferred, being when the product is on board for delivery, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. The risks of obsolescence and loss have been transferred to the customer upon delivery or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from the sale of goods is based on the price specified in the sales contracts. No element of financing is deemed present as the sales are made with a credit term from cash on delivery to 60 days, which is consistent with market practice.

No contract liability and right to the returned goods are recognised as insignificant amount of returns are expected based on previous experience.

Receivable is recognised when the product is delivered as this is the point in time when the consideration is unconditional, which only the passage of time is required before the payment is due.

2 編製基準及主要會計政策概要 (續)

2.23 確認收益及其他收入

(a) 銷售貨物

銷售於產品之控制權轉移時 (即裝載產品以供交付時) 及概無可影響客戶接納產品之未履行責任時確認。陳舊及損失風險已於交付或本集團有客觀證據證明所有接納標準已獲達成時轉移至客戶。

來自銷售貨品之收益乃基於銷售合約指定之價格。由於銷售乃按貨到付款至60日之信貸期限作出 (其與市場慣例一致), 故融資元素被視為不存在。

由於根據過往經驗預期僅有少量退貨, 故並無確認合約負債及退貨權利。

應收款項於交付貨品時確認, 原因為此乃代價為無條件之時間點, 僅須待時間過去便可收取付款。

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

2.23 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.

2.24 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.

2.25 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.

2.26 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)

2.23 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

在確立收取款項之權利時，股息收入予以確認。

2.24 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。

2.25 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。

2.26 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)

2.27 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 and Renminbi 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)

2.27 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）按董事會批准的政策進行。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的投資。

(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，主要為越南盾及人民幣兌美元之風險。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 2018, 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\$663,000 (2017: US\$1,246,000) lower/higher (2017: 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 2018, 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\$6,000 (2017: US\$18,000) lower/higher (2017: lower/higher), mainly as a result of foreign exchange losses/gains on translation of non-Renminbi-denominated trade and other receivables, cash and cash equivalents and trade and other payables in subsidiaries which use RMB as functional currency.

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)

於二零一八年十二月三十一日，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（二零一七年：減少／增加）663,000美元（二零一七年：1,246,000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。

於二零一八年十二月三十一日，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（二零一七年：減少／增加）6,000美元（二零一七年：18,000美元），主要來自換算使用人民幣為功能貨幣之附屬公司並非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。

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(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.

As at 31 December 2018, the Group exposure to interest rate risk related primarily to variable rate bank borrowings of US\$21,349,000 (2017: US\$17,427,000) and fixed rate bank borrowings of US\$14,817,000 (2017: US\$17,970,000).

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. As the tenure of the fixed-rate bank borrowings range from one to two years, the directors consider the exposures of present value interest rate return 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.

At 31 December 2018, 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\$91,000 (2017: US\$74,000) lower/higher (2017: lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

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

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。

於二零一八年十二月三十一日，本集團承擔之利率風險主要與浮動利率銀行借款21,349,000美元（二零一七年：17,427,000美元）及固定利率銀行借款14,817,000美元（二零一七年：17,970,000）有關。

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。由於固定利率銀行借款之期限介乎一至兩年，故董事認為現值利率回報之風險並不重大。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。

於二零一八年十二月三十一日，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（二零一七年：減少／增加）91,000美元（二零一七年：74,000美元），主要是由於浮息借貸之利率開支增加／減少。

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

Credit risk arises from bank deposits and bank balances, trade receivables, short-term loan to an associate, other receivables and amount due from related parties.

(i) Risk management

The carrying amount of cash and cash equivalents, bank deposits, trade receivables, short-term loan to an associate, amount due from a related party and other receivables included in the consolidated balance sheet represents the Group's maximum exposure to credit risk in relation to these financial assets.

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.

For bank deposits and bank balances, the Group only uses banks and financial institutions with good reputation. As at 31 December 2018 and 2017, 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)

(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、其他應收款項及應收有關連人士款項。

(i) 風險管理

綜合資產負債表包括之現金及現金等價物、銀行存款、應收貿易賬款、給予聯營公司短期貸款、應收有關連人士款項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。

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。

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。於二零一八年及二零一七年十二月三十一日，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)

- (ii) Impairment of financial assets
While structured bank deposits, short-term bank deposits and cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected losses for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The adoption of the simplified expected loss approach under HKFRS 9 has not resulted in any additional impairment loss for trade receivables as at 1 January 2018.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2018 or 1 January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the countries in which it sells its goods to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

- (ii) 財務資產之減值
儘管結構性銀行存款、短期銀行存款以及現金及現金等價物亦須遵守香港財務報告準則第9號之減值規定，惟所識別的減值虧損並不重大。

應收貿易賬款

本集團採用香港財務報告準則第9號規定之簡化方法就預期信貸虧損作出撥備，其允許就所有應收貿易賬款使用全期預期虧損。

為計量預期信貸虧損，應收貿易賬款按共同信貸風險特徵及逾期日數進行分組。根據香港財務報告準則第9號採納簡化預期虧損方法並不會導致於二零一八年一月一日之應收貿易賬款出現任何額外減值虧損。

預期虧損率乃分別基於二零一八年十二月三十一日或二零一八年一月一日前36個月期間之銷售付款組合及於本期間經歷之相應歷史信貸虧損。歷史虧損率獲調整以反映有關影響客戶結付應收款項能力之宏觀經濟因素之當前及前瞻性資料。本集團已識別出其銷售貨品之國家之國內生產總值為最相關因素，並根據該因素之預期變動相應調整歷史虧損率。

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Trade receivables (continued)

In respect of trade receivables, the Group has policies in place to ensure that the sales of goods are made to customers with appropriate credit history and the Group performs credit evaluations of these counterparties and customers. The credit periods of the majority of these trade receivables are within 60 days and largely comprise amounts receivable from business customers. Given the track record of regular repayment of receivables from customers, the directors are of the opinion that the risk of default by customers is not significant. Therefore, expected credit loss rate of trade receivables is assessed to be close to zero.

As at 31 December 2018, 1 January 2018 (on adoption of HKFRS 9) and 31 December 2017, the loss allowances for trade receivables were US\$498,000 and US\$511,000, respectively. Management are of opinion that that adequate provision for uncollectible receivable has been made.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 財務資產之減值 (續)

應收貿易賬款 (續)

就應收貿易賬款而言，本集團已制訂政策確保售貨予具備合適信貸記錄的客戶及本集團對該等對手方及客戶進行信貸評估。大部分該等應收貿易賬款之信貸期為60日以內，主要包括應收業務客戶之款項。鑑於客戶定期償還應收款項之往績記錄，董事認為客戶拖欠之風險並不重大。因此，應收貿易賬款之預期信貸虧損率評估為接近零。

於二零一八年十二月三十一日、二零一八年一月一日（採納香港財務報告準則第9號時）及二零一七年十二月三十一日，應收貿易賬款之虧損撥備分別為498,000美元及511,000美元。管理層認為已就無法收回之應收款項作出足夠撥備。

應收貿易賬款之減值虧損於經營溢利中以減值虧損淨值呈列。其後收回過往撇銷之款項計入相同項目。

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Trade receivables (continued)

Previous accounting policy for impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

Other receivables, loan to an associate and amount due from a related party

The management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses which is zero.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 財務資產之減值 (續)

應收貿易賬款 (續)

應收貿易賬款減值之過往會計政策

去年，貿易應收款項減值已根據已產生虧損模式進行評估。已知不可收回之個別應收款項通過直接削減賬面值之方式撇銷。就該等應收款項而言，估計減值虧損於減值之單獨撥備中確認。本集團認為如存在任何以下指標，表明有減值證據：

- 債務人陷入重大財務困境
- 債務人可能進入破產或財務重組程序，及
- 違約或逾期付款（逾期超過30日）。

當預期不可收回額外現金時，已確認減值撥備的應收款項就其撥備進行撇銷。

其他應收款項、給予聯營公司之貸款及應收有關連人士款項

根據交易對手的過往違約率及現時財務狀況，管理層認為自初步確認以來的信貸風險並無大幅增加。減值撥備乃根據數值為零之12個月預期信貸虧損釐定。

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

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.

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 2018	於二零一八年 十二月三十一日					
Bank borrowings (Note)	銀行借貸 (附註)	21,007	8,280	8,340	–	37,627
Trade payables	應付貿易賬款	20,875	–	–	–	20,875
Other payables and accruals	其他應付款項及應計費用	7,056	–	–	–	7,056
Amount due to a related party	應付有關連人士款項	1,391	–	–	–	1,391
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	1,660	–	–	–	1,660

Note:

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

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(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。

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。

附註：

有關結餘包括截至各到期日就銀行借貸應付之利息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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 2018, the Group's strategy, which was unchanged from 2017, was to maintain a reasonable gearing ratio. The gearing ratios at 31 December 2018 and 2017 were as follows:

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。

於二零一八年，本集團之策略與二零一七年所採納者貫徹一致，乃維持資產負債比率於合理水平。於二零一八年及二零一七年十二月三十一日之資產負債比率如下：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Total bank borrowings (Note 19)	總銀行借貸 (附註19)	36,166	35,397
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)	286,682	282,583
Gearing ratio	資產負債比率	13%	13%

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 carrying value of the long-term other receivables approximates its fair value as it was 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 2.9. 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值撥備後與公平值相若。長期其他應收款項之賬面值與其公平值相若，此乃由於其乃透過按本集團就類似金融工具可得之現行市場利率貼現未來合約現金流量估計。

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2.9所述的會計政策的規定，測試商譽是否出現任何減值。賺取現金單位的可收回金額已按照使用價值計算。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, Taiwan and Cambodia. 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、台灣及柬埔寨的所得稅。於確定全球所得稅稅項撥備的金額時，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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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 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 expenditures, segment assets, segment non-current assets, other than financial instruments, 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\$43,301,000 (2017: US\$45,843,000) 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 (2017: same).

(a) Segment revenue

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
By geographical location:	按地理位置劃分：		
Vietnam	越南	177,753	162,986
Japan	日本	63,015	64,199
The PRC	中國	39,004	29,056
America	美國	20,327	16,761
Taiwan	台灣	17,335	10,630
ASEAN member countries (other than Vietnam)	東盟成員國 (不包括越南)	31,593	31,792
Other regions	其他地區	7,745	7,381
		356,772	322,805

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43,301,000美元（二零一七年：45,843,000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（二零一七年：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)

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
By product nature:	按產品性質劃分：		
MSG/GA	味精／谷氨酸	231,502	220,491
Modified starch/Native starch	變性澱粉／天然澱粉	43,955	34,005
Specialty chemicals	特化產品	32,552	29,012
Fertiliser and feed products	肥飼料產品	21,165	18,425
Others	其他	27,598	20,872
		356,772	322,805

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Timing of revenue recognition	收益確認時間		
At a point in time	於某一時間點	356,772	322,805

Revenue recognised in relation to contract liabilities

The Group receives payments from certain customers in advance of the performance under the contracts. The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

就合約負債確認之收益

本集團於履行合約前收取若干客戶之預付款。下表顯示於本報告期間確認之收益與結轉合約負債之相關程度。

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合約負債結餘之已確認收入	1,296

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

(b) Capital expenditures

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam	越南	25,396	20,404
The PRC	中國	121	135
Cambodia	柬埔寨	3	—
		25,520	20,539

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。

(c) Assets

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam	越南	308,623	288,357
The PRC	中國	45,544	48,424
Hong Kong	香港	12,358	21,188
Taiwan	台灣	704	688
Singapore	新加坡	487	44
Cambodia	柬埔寨	89	—
Total assets per consolidated balance sheet	綜合資產負債表所示 資產總值	367,805	358,701

Total assets are attributed to segments based on where the assets are located.

資產總值乃根據資產所在地而分配至各分部。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

(c) Assets (continued)

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 of an associate for each operating segment.

5 分部資料 (續)

(c) 資產 (續)

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的概要。

		Amortisation and depreciation	Income tax expense	Share of profit of an associate
		攤銷及折舊 US\$'000 千美元	所得稅開支 US\$'000 千美元	應佔聯營公司 溢利 US\$'000 千美元
2018	二零一八年			
Vietnam	越南	17,648	4,361	44
The PRC	中國	965	242	—
Others	其他	—	10	—
		18,613	4,613	44
2017	二零一七年			
Vietnam	越南	17,182	4,125	205
The PRC	中國	1,183	433	—
Others	其他	—	12	—
		18,365	4,570	205

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam	越南	151,333	141,501
The PRC	中國	17,029	18,778
Cambodia	柬埔寨	3	—
Total	總計	168,365	160,279

(e) Liabilities

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) 負債

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam	越南	72,860	65,768
The PRC	中國	3,751	4,604
Hong Kong	香港	3,338	3,316
Taiwan	台灣	1,108	2,382
Singapore	新加坡	46	48
Cambodia	柬埔寨	20	—
Total liabilities per consolidated balance sheet	綜合資產負債表所示 負債總額	81,123	76,118

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January	於一月一日	2,042	2,321
Amortisation of land use rights (Note 23)	土地使用權攤銷 (附註23)	(52)	(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	(98)	142
At 31 December	於十二月三十一日	1,892	2,042

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
At 1 January 2017	於二零一七年一月一日						
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
Year ended 31 December 2017	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)	轉撥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
At 31 December 2017	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
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	11,356	33,475	96,861	2,374	1,546	145,612
Additions	添置	22,628	152	1,875	410	455	25,520
Transfer	轉讓	(15,332)	1,868	13,272	—	192	—
Disposals (Note 31)	出售 (附註31)	—	(30)	(436)	(5)	(41)	(512)
Depreciation (Note 23)	折舊 (附註23)	—	(3,386)	(14,114)	(583)	(346)	(18,429)
Exchange differences	匯兌差額	(1)	(305)	(79)	(15)	(3)	(403)
Closing net book amount	年末賬面淨值	18,651	31,774	97,379	2,181	1,803	151,788
At 31 December 2018	於二零一八年十二月三十一日						
Cost	成本	18,651	108,862	460,387	9,322	19,749	616,971
Accumulated depreciation	累計折舊	—	(75,988)	(359,923)	(7,141)	(17,924)	(460,976)
Accumulated impairment	累計減值	—	(1,100)	(3,085)	—	(22)	(4,207)
Net book amount	賬面淨值	18,651	31,774	97,379	2,181	1,803	151,788

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation expense of US\$17,220,000 (2017: US\$16,878,000) has been charged in cost of sales, US\$267,000 (2017: US\$240,000) in selling and distribution expenses and US\$942,000 (2017: US\$1,052,000) in administrative expenses.

During the year, the Group has capitalised borrowing costs amounting to US\$274,000 (2017: US\$143,000) on qualifying assets.

8 NON-CURRENT ASSETS HELD FOR SALE

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). 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. The transaction was completed during 2018.

7 物業、廠房及設備(續)

折舊開支17,220,000美元(二零一七年: 16,878,000美元)、267,000美元(二零一七年: 240,000美元)及942,000美元(二零一七年: 1,052,000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的借貸成本274,000美元(二零一七年: 143,000美元)撥充資本。

8 持作出售非流動資產

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,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。該交易已於二零一八年完成。

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
At 1 January 2017	於二零一七年一月一日				
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
Year ended 31 December 2017	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
At 31 December 2017	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
Year ended 31 December 2018	截至二零一八年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	8,492	496	82	9,070
Amortisation charge (Note 23)	攤銷開支(附註23)	–	(122)	(10)	(132)
Exchange differences	匯兌差額	(372)	–	–	(372)
Closing net book amount	年末賬面淨值	8,120	374	72	8,566
At 31 December 2018	於二零一八年 十二月三十一日				
Cost	成本	8,120	2,008	12,189	22,317
Accumulated amortisation	累計攤銷	–	(1,634)	(12,117)	(13,751)
Net book amount	賬面淨值	8,120	374	72	8,566

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 2018	於二零一八年十二月三十一日	7,390	730	8,120
At 31 December 2017	於二零一七年十二月三十一日	7,762	730	8,492

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.

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期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。

The key assumptions used for the value-in-use calculation of the goodwill in the PRC MSG related CGU are as follows.

用以計算中國味精相關賺取現金單位商譽之使用價值之主要假設如下。

		The PRC 中國	
		2018 二零一八年	2017 二零一七年
Growth rate in sales volume	銷售量增長率	-11% – 6.3%	0% – 10%
Growth rate in sales price	銷售價增長率	0% – 7.4%	0% – 1%
Gross margin	毛利率	12.9% – 27.5%	18.7% – 29.9%
Other operating costs per annum (US\$'000)	每年其他經營成本 (千美元)	2,005 – 2,297	2,152 – 2,467
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\$1.6 million. A decrease in annual sales volume growth rate of 3.6%, a decrease in annual sales price growth rate of 3.7%, a decrease in gross margin of 1.5%, an increase in annual operating costs of 9%, a fall in long term growth rate of 1.8% or an increase in discount rate of 1.2%, 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1.6百萬美元。年銷售量增長率降低3.6%、年銷售價增長率下跌3.7%、毛利率下降1.5%、年營運成本增長9%、長期增長率下跌1.8%或折現率增長1.2%，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 2018:

10 附屬公司

下列為於二零一八年十二月三十一日之主要附屬公司清單：

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	167,871,967 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、梳打及鹽酸並出口	167,871,967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	Inactive 暫無營業	US\$17,200,000 Registered capital 17,200,000美元 註冊資本	70%	30%
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, starch and seasoning products in the PRC 在中國包裝及銷售味精、澱粉及風味調味 料	US\$9,800,000 Registered capital 9,800,000美元 註冊資本	100%	—
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, starch and seasoning products in the PRC 在中國包裝及銷售味精、澱粉及風味調味 料	US\$20,270,000 Registered capital 20,270,000美元 註冊資本	100%	—
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 在中國買賣木薯澱粉工業產品	US\$254,000 Registered capital 254,000美元 註冊資本	100%	—
Vedan International (Cambodia) Co., Ltd	Cambodia	Sale of fermentation-based food additives and biochemical products and cassava starch-based industrial products in Cambodia and for export	Registered capital of Riels 2,640,000,000	100%	—
Vedan International (Cambodia) Co., Ltd	柬埔寨	於柬埔寨從事發酵食品添加劑、生化產品 及木薯澱粉工業產品銷售及出口	註冊資本2,640,000,000 瑞爾		

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
As at 1 January	於一月一日	3,555	3,350
Capital contribution to an associate (note)	向聯營公司注資(附註)	2,520	—
Share of post-tax profit of an associate	應佔聯營公司除稅後溢利	44	205
As at 31 December	於十二月三十一日	6,119	3,555

Note:

There was a capital contribution of US\$2,520,000 to an associate. The capital contribution was made in proportion to the shareholding portion of the associate, so there is no change in the percentage of shareholding in the associate after capital contribution for the year.

Nature of the investment in an associate as at 31 December 2018 and 2017:

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	The Cayman Islands	21,027,559 shares of US\$1 each	30	Equity
達欣國際控股有限公司	開曼群島	21,027,559股每股面值1美元之股份	30	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\$112,000 (2017: 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：

附註：

曾向一間聯營公司注資2,520,000美元。注資乃按於聯營公司之股權比例作出，因此於年內注資後，於聯營公司之股權百分比概無變動。

於二零一八年及二零一七年十二月三十一日，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112,000美元(二零一七年：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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Net assets as at 1 January	於一月一日之資產淨值	11,850	11,166
Increase in share capital	股本增加	8,400	—
Profit for the year	年內溢利	146	684
Net assets as at 31 December	於十二月三十一日之資產淨值	20,396	11,850
Interest in an associate (30%)	於聯營公司之權益 (30%)	6,119	3,555

(b) Short-term loan to an associate

As at 31 December 2018, there is a short-term loan to an associate of US\$120,000 (2017: 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

(b) 給予聯營公司之短期貸款

於二零一八年十二月三十一日，給予聯營公司之短期貸款為120,000美元（二零一七年：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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Financial assets at amortised cost	按攤銷成本計量之 財務資產		
– Long-term other receivables (Note 14)	– 長期其他應收款項 (附註14)	725	1,307
– Trade receivables (Note 14)	– 應收貿易賬款 (附註14)	33,151	31,651
– 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 – 即期部分	2,599	2,474
– Amount due from a related party (Note 34(d))	– 應收有關連人士款項 (附註34(d))	1,191	242
– Structured bank deposits (Note 15)	– 結構性銀行存款 (附註15)	8,888	3,903
– Short-term bank deposits (Note 15)	– 短期銀行存款 (附註15)	15,342	16,063
– Cash and cash equivalents (Note 15)	– 現金及現金等價物 (附註15)	34,215	49,679
Assets as per consolidated balance sheet	綜合資產負債表所示之 資產	96,231	105,439
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)	20,875	15,772
– Other payables and accruals	– 其他應付款項及 應計費用	7,056	8,860
– Amounts due to related parties (Note 34(d))	– 應付有關連人士款項 (附註34(d))	1,391	1,660
– Bank borrowings (Note 19)	– 銀行借貸 (附註19)	36,166	35,397
Liabilities as per consolidated balance sheet	綜合資產負債表所示之 負債	65,488	61,689

Notes to the Consolidated Financial Statements

綜合財務報表附註

13 INVENTORIES

13 存貨

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Consumables	消耗品	7,184	6,308
Raw materials	原材料	48,078	45,820
Work in progress	在製品	5,692	4,914
Finished goods	製成品	30,468	26,546
		91,422	83,588
Less: Provision for impairment losses on inventories	減：存貨減值虧損撥備	(320)	(720)
		91,102	82,868

The cost of inventories of US\$238,143,000 (2017: US\$202,763,000) has been charged in cost of sales.

存貨成本238,143,000美元（二零一七年：202,763,000美元）已計入銷售成本。

The write-off and reversal of impairment of inventories included in cost of sales are amounted to US\$30,000 (2017: Nil) and US\$400,000 (2017: Nil), respectively.

包含於銷售成本之存貨減值撇銷及撥回分別為30,000美元（二零一七年：無）及400,000美元（二零一七年：無）。

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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	33,649	32,162
Less: loss allowance	減：虧損撥備	(498)	(511)
Trade receivables – net	應收貿易賬款－淨額	33,151	31,651
Prepayments	預付款項	9,672	5,614
VAT recoverable	可收回增值稅	1,194	1,263
Other receivables	其他應收款項	3,324	3,781
		47,341	42,309
Less: non-current portion of other receivables	減：其他應收款項之非即期部分	(725)	(1,307)
Current portion	即期部分	46,616	41,002

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 2018 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。於二零一八年十二月三十一日，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）。

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:

應收貿易賬款之信貸期介乎貨到付現至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：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
0 – 30 days	0至30天	21,372	18,627
31 – 90 days	31至90天	10,870	12,161
91 – 180 days	91至180天	789	667
181 – 365 days	181至365天	251	189
Over 365 days	365天以上	367	518
		33,649	32,162

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 TRADE AND OTHER RECEIVABLES (continued)

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair values.

The maximum exposure to credit risk at 31 December 2017 and 2018 are the carrying amounts of trade receivables mentioned above. The Group does not hold any collateral as security.

The carrying amounts of the trade and other receivables are denominated in the following currencies:

14 應收貿易賬款及其他應收款項 (續)

鑑於流動應收款項之短期性質，其賬面值被視為與其公平值相若。

於二零一七年及二零一八年十二月三十一日面臨之最大信貸風險為上述貿易應收款項之賬面值。本集團並無持有任何抵押品作抵押。

應收貿易賬款及其他應收款項之賬面值按下列貨幣計值：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam Dong	越南盾	19,680	20,299
US\$	美元	18,333	17,152
New Taiwan dollar	新台幣	16	112
Renminbi	人民幣	5,407	3,507
Others	其他	3,905	1,239
		47,341	42,309

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 TRADE AND OTHER RECEIVABLES (continued)

Loss allowance of trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The closing loss allowance for trade receivables as at 31 December 2018 reconciles to the opening loss allowance as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Opening loss allowance as at 1 January 2017, 31 December 2017 under HKAS 39 and 1 January 2018 under HKFRS 9	於二零一七年一月一日、二零一七年十二月三十一日根據香港會計準則第39號及於二零一八年一月一日根據香港財務報告準則第9號之年初虧損撥備	511	386
(Decrease)/increase in loss allowance recognised in consolidated income statement during the year	於年內綜合收益表中確認之虧損撥備(減少)/增加	(13)	125
Closing loss allowance as at 31 December	於十二月三十一日之年末虧損撥備	498	511

The creation of provision for impaired receivables have been included in administrative expenses in the consolidated income statement. 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)

應收貿易賬款之虧損撥備

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，為所有應收貿易賬款採用全期預期虧損撥備。

於二零一八年十二月三十一日之貿易應收款項之年末虧損撥備與年初虧損撥備之對賬如下：

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。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

15 現金及現金等價物、結構性銀行存款及短期銀行存款

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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	15,342	16,063
Structured bank deposits	結構性銀行存款	8,888	3,903
Cash at bank and on hand	銀行及手頭現金	34,215	49,679
		58,445	69,645

As at 31 December 2018, cash at bank of US\$34,003,000 (2017: US\$49,447,000) and bank deposits of US\$24,230,000 (2017: US\$19,966,000) were exposed to credit risk.

於二零一八年十二月三十一日，銀行現金34,003,000美元（二零一七年：49,447,000美元）及銀行存款24,230,000美元（二零一七年：19,966,000美元）面臨信貸風險。

The remittance of the funds out of the PRC bank accounts of US\$14,950,000 (2017: US\$14,106,000) and Vietnam bank accounts of US\$38,864,000 (2017: US\$38,257,000) is subject to exchange restrictions imposed by the PRC and Vietnamese governments.

匯出中國銀行賬戶之資金14,950,000美元（二零一七年：14,106,000美元）及匯出越南銀行賬戶之資金38,864,000美元（二零一七年：38,257,000美元）須遵守中國及越南政府的外匯管制措施。

The Group's cash and cash equivalents, short-term bank deposits and structured bank deposits are denominated in the following currencies:

本集團之現金及現金等價物、短期銀行存款及結構性銀行存款按以下貨幣計值：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam Dong	越南盾	18,733	24,485
US\$	美元	24,526	29,119
Renminbi	人民幣	14,845	15,738
Hong Kong dollar	港元	91	154
New Taiwan dollar	新台幣	247	146
Others	其他	3	3
		58,445	69,645

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:

		2018 二零一八年	2017 二零一七年
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	5.8%	4.3%
Structured bank deposits	結構性銀行存款	3.7%	4.2%

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 SHARE CAPITAL

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 2017, 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月三十一日、 二零一八年一月一日及 二零一八年十二月三十一日	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 2017, 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月三十一日、 二零一八年一月一日及 二零一八年十二月三十一日	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	Statutory Reserve	Retained earnings	Total
		股份溢價	匯兌儲備	合併儲備 (Note (a)) (附註(a))	法定儲備 (Note (b)) (附註(b))	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	US\$'000 千美元
At 1 January 2017	於二零一七年 一月一日	47,358	10,885	79,994	783	127,287	266,307
Comprehensive income	全面收入						
Profit for the year	本年度溢利	—	—	—	—	19,061	19,061
Other comprehensive income	其他全面收入						
Currency translation differences	匯兌差額	—	2,229	—	—	—	2,229
Total comprehensive income	全面收入總額	—	2,229	—	—	19,061	21,290
Total transactions with owners	與擁有人之總交易額						
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	13,114	79,994	783	128,933	270,182
At 1 January 2018	於二零一八年 一月一日	47,358	13,114	79,994	783	128,933	270,182
Comprehensive income	全面收入						
Profit for the year	本年度溢利	—	—	—	—	14,285	14,285
Other comprehensive income	其他全面收入						
Currency translation differences	匯兌差額	—	(2,057)	—	—	—	(2,057)
Total comprehensive income	全面收入總額	—	(2,057)	—	—	14,285	12,228
Total transactions with owners	與擁有人之總交易額						
Dividends paid (Note 26)	已付股息(附註26)	—	—	—	—	(11,282)	(11,282)
Reallocation of statutory reserve	重新配置法定儲備	—	—	—	45	(45)	—
At 31 December 2018	於二零一八年 十二月三十一日	47,358	11,057	79,994	828	131,891	271,128

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 RESERVES (continued)

Notes:

(a) Merger reserve

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.

(b) Statutory reserve

The PRC companies are required to allocate 10% of the companies' net profits to the statutory reserves fund until such fund reaches 50% of the companies' registered capitals. The statutory reserves fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the companies, provided that such fund is maintained at a minimum of 25% of the companies' registered capitals.

17 儲備 (續)

附註：

(a) 合併儲備

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。

(b) 法定儲備

中國公司須提取公司淨利之10%至法定公積金，直至公積金達致公司註冊資本之50%。經相關機關批准，法定公積金可獲動用以抵銷累計虧損或增加公司資本，前提為有關公積金須維持於公司註冊資本最少25%。

18 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

18 應付貿易賬款、應計費用及其他應付款項

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Non-current	非即期		
Long-term environmental provision	長期環境撥備	387	233
Current	即期		
Trade payables	應付貿易賬款	20,875	15,772
Accruals	應計費用	8,567	8,089
Payable of purchase of property, plant and equipment and construction costs	應付購置物業、廠房及設備以及建築成本款項	2,517	4,127
Receipts in advance	預收款項	—	1,296
Contract liabilities (Note (a))	合約負債 (附註(a))	1,993	—
Other payables	其他應付款項	3,797	3,997
		37,749	33,281
Total trade payables, accruals and other payables	應付貿易賬款、應計費用及其他應付款項總額	38,136	33,514

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES (continued)

At 31 December 2018, the ageing of trade payables based on invoice date is as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
0 – 30 days	0至30天	19,232	13,912
31 – 90 days	31至90天	1,634	1,567
91 – 180 days	91至180天	–	111
181 – 365 days	181至365天	–	142
Over 365 days	365天以上	9	40
		20,875	15,772

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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Vietnam Dong	越南盾	19,569	15,473
US\$	美元	14,561	11,935
New Taiwan Dollar	新台幣	1,091	1,040
Renminbi	人民幣	2,709	3,515
Euro	歐元	22	1,129
Others	其他	184	422
		38,136	33,514

(a) Contract liabilities

The contract liabilities primarily relate to the deposits or payments received in advance for sales of goods not yet delivered to customers. Revenue is recognised when goods are delivered to customers.

18 應付貿易賬款、應計費用及其他應付款項 (續)

於二零一八年十二月三十一日，應付貿易賬款按發票日期之賬齡如下：

本集團之應付貿易賬款、應計費用及其他應付款項之賬面值按下列貨幣計值：

(a) 合約負債

合約負債主要與未交付予客戶之貨品銷售之預收按金或付款有關。收益於貨品交付予客戶時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 BANK BORROWINGS

19 銀行借貸

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Non-current	非即期		
– Long-term bank borrowings	— 長期銀行借款		
– secured	— 有抵押	19,189	23,160
– Long-term bank borrowings	— 長期銀行借款		
– unsecured	— 無抵押	7,804	4,654
Less: current portion of long-term bank borrowings	減：長期銀行借款之即期部分	(11,296)	(8,323)
		15,697	19,491
Current	即期		
– Short-term bank borrowings	— 短期銀行借款		
– secured	— 有抵押	6,352	6,313
– Short-term bank borrowings	— 短期銀行借款		
– unsecured	— 無抵押	2,821	1,270
– Current portion of long-term bank borrowings – secured	— 長期銀行借款之即期部分—有抵押	8,950	7,212
– Current portion of long-term bank borrowings – unsecured	— 長期銀行借款之即期部分—無抵押	2,346	1,111
		20,469	15,906
Total bank borrowings	銀行借貸總額	36,166	35,397

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 BANK BORROWINGS (continued)

At 31 December 2018, the Group's bank borrowings were repayable as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Within 1 year	一年內	20,469	15,906
Between 1 and 2 years	一年至兩年	7,966	8,867
Between 2 and 5 years	兩年至五年	7,731	9,562
Over 5 years	五年以上	—	1,062
		36,166	35,397

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Within 6 months	6個月內	14,183	17,700
Between 7 and 12 months	7至12個月	5,104	2,934
Between 1 and 5 years	1至5年	16,879	13,701
Over 5 years	5年以上	—	1,062
		36,166	35,397

The carrying values of the Group's borrowings approximate their fair values.

19 銀行借貸 (續)

於二零一八年十二月三十一日，本集團之銀行借貸須於以下期間償還：

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 BANK BORROWINGS (continued)

The effective interest rates per annum of the Group's borrowings at the end of the reporting period were as follows:

		2018 二零一八年	2017 二零一七年
US\$	美元	2.6%	2.2%
New Taiwan dollar	新台幣	–	2.0%

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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
US\$	美元	36,166	34,727
New Taiwan dollar	新台幣	–	670
		36,166	35,397

The Group has the following undrawn borrowing facilities:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Floating rate:	浮息：		
– Expiring within one year	– 於一年內到期	75,584	27,849
– Expiring beyond one year	– 於一年後到期	32,419	25,449
Fixed rate:	定息：		
– Expiring within one year	– 於一年內到期	–	47,330
		108,003	100,628

As at 31 December 2018, the Group has aggregate bank facilities of approximately US\$144,169,000 (2017: US\$154,396,000) for bank borrowings, trade finance and other general banking facilities. Unutilised amount as at 31 December 2018 amounted to US\$108,003,000 (2017: US\$100,628,000).

The Group's bank borrowings of US\$25,541,000 as at 31 December 2018 (2017: US\$29,473,000) were secured by corporate guarantees issued by the Company.

19 銀行借貸 (續)

於報告期末，本集團借貸之實際年利率如下：

		2018 二零一八年	2017 二零一七年
US\$	美元	2.6%	2.2%
New Taiwan dollar	新台幣	–	2.0%

本集團借貸之賬面值按以下貨幣計值：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
US\$	美元	36,166	34,727
New Taiwan dollar	新台幣	–	670
		36,166	35,397

本集團有以下未提用借貸融資：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Floating rate:	浮息：		
– Expiring within one year	– 於一年內到期	75,584	27,849
– Expiring beyond one year	– 於一年後到期	32,419	25,449
Fixed rate:	定息：		
– Expiring within one year	– 於一年內到期	–	47,330
		108,003	100,628

於二零一八年十二月三十一日，本集團合共擁有為數約144,169,000美元之銀行融資（二零一七年：154,396,000美元）作為銀行借貸、貿易融資及其他一般銀行融資。於二零一八年十二月三十一日，未動用金額為108,003,000美元（二零一七年：100,628,000美元）。

本集團於二零一八年十二月三十一日為數25,541,000美元（二零一七年：29,473,000美元）之銀行借貸乃由本公司發出之公司擔保作為抵押。

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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	3,238	3,263

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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January	於一月一日	3,263	3,416
Credited to consolidated income statement (Note 25)	計入綜合收益表 (附註25)	(25)	(153)
At 31 December	於十二月三十一日	3,238	3,263

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

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：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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	3,238	3,263

遞延所得稅賬變動淨額如下：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January	於一月一日	3,263	3,416
Credited to consolidated income statement (Note 25)	計入綜合收益表 (附註25)	(25)	(153)
At 31 December	於十二月三十一日	3,238	3,263

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	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January	於一月一日	4,526	4,196
Charged to consolidated income statement	於綜合收益表內扣除	129	330
At 31 December	於十二月三十一日	4,655	4,526

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	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January	於一月一日	(1,263)	(780)
Credited to consolidated income statement	計入綜合收益表	(154)	(483)
At 31 December	於十二月三十一日	(1,417)	(1,263)

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\$924,000 (2017: US\$910,000) 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\$490,000 (2017: US\$2,611,000) in respect of the unrecognised tax loss of US\$1,959,000 (2017: US\$10,442,000). These tax losses for PRC corporate income tax purposes will expire within five years. Tax losses of US\$nil (2017: US\$2,323,000), US\$19,000 (2017: US\$5,110,000), US\$1,940,000 (2017: US\$3,009,000) will expire within one year, within two years and within three to five years respectively.

20 遞延所得稅 (續)

遞延所得稅資產

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924,000美元（二零一七年：910,000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1,959,000美元（二零一七年：10,442,000美元）之未確認遞延所得稅資產為490,000美元（二零一七年：2,611,000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。稅務虧損零美元（二零一七年：2,323,000美元）、19,000美元（二零一七年：5,110,000美元）、1,940,000美元（二零一七年：3,009,000美元）分別將於一年內、兩年內以及三至五年內到期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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 2018 and 2017 were US\$356,772,000 and US\$322,805,000 respectively.

22 OTHER GAINS – NET

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。截至二零一八年及二零一七年十二月三十一日止年度確認之收益分別為356,772,000美元及322,805,000美元。

22 其他收益－淨額

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Net exchange (losses)/gains	匯兌（虧損）／收益淨額	(289)	647
Gain on disposal of non-current assets held for sales (Note 8)	出售持作出售之非流動資產之收益（附註8）	307	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(426)	(340)
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	(68)	(847)
Sales of scrap materials	廢料銷售	454	596
Government grant	政府補助	219	392
Others	其他	262	487
		459	935

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

計入銷售成本、銷售及分銷開支及行政開支之開支分析如下：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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)	238,143	202,763
Amortisation of intangible assets (Note 9)	無形資產攤銷 (附註9)	132	134
Amortisation of land use rights (Note 6)	土地使用權攤銷 (附註6)	52	61
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	345	345
– Non-audit services	– 非核數服務	4	115
Depreciation on property, plant and equipment (Note 7)	物業、廠房及設備折舊 (附註7)	18,429	18,170
Write-off of impairment of inventories (Note 13)	撇銷存貨減值 (附註13)	30	–
Reversal of impairment of inventories (Note 13)	撥回存貨減值 (附註13)	(400)	–
Operating leases expenses in respect of leasehold land, warehouses and offices	有關租賃土地、倉庫及辦公室經營租約之開支	316	294
Employee benefit expenses (Note 28)	僱員福利開支 (附註28)	35,717	35,097
(Reversal of)/provision for loss allowance of trade receivables (Note 14)	應收貿易賬款虧損撥備 (撥回)/計提 (附註14)	(13)	125
Technical support fee (Note 34(b))	技術支援費 (附註34(b))	2,180	2,181
Travelling expenses	差旅開支	1,629	1,484
Transportation expenses	交通開支	8,262	9,400
Advertising expenses	廣告開支	3,898	2,962
Other expenses	其他開支	26,641	27,555
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	335,365	300,686

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 FINANCE INCOME – NET

24 財務收入－淨額

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Bank interest income	銀行利息收入	842	853
Unwinding of discount of other receivable (Note)	解除其他應收款項之折現 (附註)	87	—
Finance income	財務收入	929	853
Interest expense on bank borrowings	銀行借貸利息開支	(1,106)	(812)
Less: amounts capitalised on qualifying assets (Note 7)	減：合資格資產資本化款項 (附註7)	274	143
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	(832)	(804)
Finance income – net	財務收入－淨額	97	49

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 in 2017.

According to the payment schedule in the agreement, the outstanding balance as at 31 December 2018 of US\$2,040,000 (2017: 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 repayment of US\$680,000 for 2018 was settled in January 2019. The balance is non-interest bearing.

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。該交易於二零一七年完成。

根據該協議之付款時間表，於二零一八年十二月三十一日之尚未償還結餘2,040,000美元（二零一七年：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。二零一八年之還款680,000美元於二零一九年一月償付。結餘為不計息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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.

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

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。

於綜合收益表內扣除之所得稅金額指：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Enterprise income tax ("EIT")	企業所得稅	4,638	4,592
Under-provision of income tax in previous years	過往年度所得稅撥備不足	-	131
Total current tax	即期稅項總額	4,638	4,723
Deferred income tax (Note 20)	遞延所得稅(附註20)	(25)	(153)
		4,613	4,570

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 INCOME TAX EXPENSE (continued)

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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Profit before tax	除稅前溢利	22,007	23,308
Tax calculated at tax rate of 15% (2017: 15%)	按15%之稅率計算之稅項 (二零一七年: 15%)	3,301	3,496
Tax effects of different tax rates	不同稅率之稅務影響	2,953	1,132
Expenses not deductible for tax purposes	不可扣稅之開支	480	204
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	(2,572)	(672)
Under-provision in prior years	過往年度撥備不足	—	131
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	451	290
Tax charge	稅項支出	4,613	4,570

EIT is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purposes.

(i) Vietnam

The applicable EIT 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/Cambodia

No Singapore/Hong Kong/Cambodia profits tax has been provided as the Group had no estimated assessable profit arising in or derived from Singapore, Hong Kong and Cambodia during the year.

(iv) Taiwan

The applicable EIT rate for the Group's operations in Taiwan is 17%.

25 所得稅開支 (續)

本集團除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。

(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／柬埔寨

由於本集團於本年度並無在新加坡、香港及柬埔寨賺取或獲得估計應課稅溢利，因此並無作出新加坡／香港／柬埔寨利得稅撥備。

(iv) 台灣

本集團在台灣業務的適用企業所得稅率為17%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 DIVIDENDS

A final dividend of US\$6,750,000 that relates to the year ended 31 December 2017 was declared on 23 May 2018 and was paid in 2018 (2017: US\$12,740,000).

The interim dividends paid in 2018 was US\$4,532,000 (0.298 US cents per share) (2017: US\$4,675,000, 0.307 US cents per share). A final dividend in respect of the year ended 31 December 2018 of 0.265 US cents per share, amounting to a total dividend of US\$4,042,000, is to be proposed for approval at the forthcoming annual general meeting. These consolidated financial statements do not reflect this dividend payable.

26 股息

有關截至二零一七年十二月三十一日止年度之末期股息6,750,000美元已於二零一八年五月二十三日宣派及於二零一八年派付（二零一七年：12,740,000美元）。

於二零一八年派付的中期股息為4,532,000美元（每股0.298美仙）（二零一七年：4,675,000美元，每股0.307美仙）。將於應屆股東周年大會上提呈以供批准的截至二零一八年十二月三十一日止年度的末期股息為每股0.265美仙，股息總額達4,042,000美元。該等綜合財務報表並無反映該應付股息。

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Interim dividend paid of 0.298 US cents (2017: 0.307 US cents) per ordinary share	已派付的中期股息 每股普通股0.298美仙 (二零一七年： 0.307美仙)	4,532	4,675
Proposed final dividend of 0.265 US cents (2017: 0.443 US cents) per ordinary share	擬派末期股息每股 普通股0.265美仙 (二零一七年： 0.443美仙)	4,042	6,750
		8,574	11,425

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.

		2018 二零一八年	2017 二零一七年
Profit attributable to owners of the Company (US\$'000)	本公司擁有人應佔溢利 (千美元)	14,285	19,061
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)	0.94	1.25

(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 2018 and 2017.

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

截至二零一八年及二零一七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)

		2018 二零一八年	2017 二零一七年
Wages, basic salaries and allowances	工資、底薪及津貼	29,002	28,128
Directors' bonus (Note 30)	董事花紅 (附註30)	1,445	1,921
Pension costs – defined contribution plans	退休金成本 一定額供款計劃	2,783	2,649
Other employee benefits	其他僱員福利	2,487	2,399
		35,717	35,097

28 僱員福利開支 (包括董事薪酬)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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.

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
As at 1 January	於一月一日	1,447	1,386
Current service cost	即期服務開支	110	176
Payments	付款	(79)	(115)
As at 31 December	於十二月三十一日	1,478	1,447

The principal actuarial assumptions used were as follows:

所使用的主要精算假設如下：

		2018 二零一八年	2017 二零一七年
Discount rate	折現率	9%	9%
Salary growth rate	工資增長率	3.0% – 7.9%	3.0% – 8.0%
Expected years of service remaining	預期剩餘服務年限	14-17 years年	14-18 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.

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 2018:

Name of Director	董事姓名	Fees 袍金 US\$'000 千美元	Salary (Note a) 薪金 (附註a) US\$'000 千美元	Discretionary bonuses 酌情花紅 US\$'000 千美元	Allowances and benefits in kind (Note b) 津貼及實物福利 (附註b) US\$'000 千美元	Employer's contribution to a retirement benefit scheme 僱主向 退休福利計劃 所作供款 US\$'000 千美元	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 就董事擔任 管理本公司或 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	Total 合計 US\$'000 千美元
Executive Director	執行董事							
Mr. Yang, Tou-Hsiung	楊頭雄先生	1	343	429	17	-	-	790
Mr. Yang, Cheng	楊正先生	-	-	-	16	-	-	16
Mr. Yang, Kun-Hsiang (Note c)	楊坤祥先生(附註c)	1	380	416	17	-	-	814
Mr. Yang, Chen-Wen	楊辰文先生	-	181	300	17	-	-	498
Mr. Yang, Kun-Chou	楊坤洲先生	-	181	300	17	-	-	498
Non-executive Director	非執行董事							
Mr. Chou, Szu-Cheng	周賜程先生	-	-	-	16	-	-	16
Mr. Huang, Ching-Jung	黃景榮先生	2	-	-	16	-	-	18
Independent non-executive Director	獨立非執行董事							
Mr. Chao, Pei-Hong	趙培宏先生	2	-	-	16	-	-	18
Mr. Chen, Joen-Ray	陳志瑋先生	2	-	-	16	-	-	18
Mr. Hsieh, Lung-Fa (Note (i))	謝龍發先生(附註(i))	1	-	-	8	-	-	9
Mr. Ko, Jim-Chen	柯俊祺先生	3	-	-	16	-	-	19
Mr. Huang Chung-Fong (Note (ii))	黃鍾鋒先生(附註(ii))	-	-	-	4	-	-	4
Total	總額	12	1,085	1,445	176	-	-	2,718

Note:

- (i) Mr. Hsieh, Lung-Fa resigned as independent non-executive director of the Company with effect from 23 July 2018.
- (ii) Mr. Huang, Chung-Fong was appointed as independent non-executive director of the Company with effect from 22 October 2018.

附註：

- (i) 謝龍發先生已辭任本公司獨立非執行董事，自二零一八年七月二十三日起生效。
- (ii) 黃鍾鋒先生已獲委任為本公司獨立非執行董事，自二零一八年十月二十二日起生效。

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 2017:

Name of Director	董事姓名	Fees US\$'000 千美元	Salary (Note a) US\$'000 千美元	Discretionary bonuses US\$'000 千美元	Allowances and benefits in kind (Note b) US\$'000 千美元	Employer's contribution to a retirement benefit scheme US\$'000 千美元	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 就董事擔任 管理本公司或 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	Total US\$'000 千美元
Executive Director	執行董事							
Mr. Yang, Tou-Hsiung	楊國雄先生	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
Non-executive Director	非執行董事							
Mr. Chou, Szu-Cheng	周陽程先生	—	—	—	14	—	—	14
Mr. Huang, Ching-Jung	黃景榮先生	1	—	—	14	—	—	15
Independent non-executive Director	獨立非執行董事							
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	謝耀發先生	1	—	—	14	—	—	15
Mr. Ko, Jim-Chen	何俊祺先生	2	—	—	14	—	—	16
Total	總額	10	1,085	1,921	158	—	—	3,174

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之披露) (續)

(A) 董事及高級行政人員之酬金 (續)

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)

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
2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
2,718	3,174	—	—	2,718	3,174

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 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 2018, 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 (2017: same).

(C) Directors' termination benefits

During the year ended 31 December 2018, no termination benefits were paid to directors (2017: same).

(D) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2018, no consideration was provided to third parties for making available directors' services (2017: 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 2018, no loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with directors (2017: same).

(F) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 34, 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 (2017: 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之披露) (續)

(B) 董事退休福利

於截至二零一八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 (二零一七年：相同)。

(C) 董事之終止福利

於截至二零一八年十二月三十一日止年度，並無向董事支付終止福利 (二零一七年：相同)。

(D) 就提供董事服務而向第三方提供的代價

於截至二零一八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 (二零一七年：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

於截至二零一八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 (二零一七年：相同)。

(F) 董事於交易、安排或合約中的重大權益

除附註34所披露者外，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 (二零一七年：相同)。

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)

(G) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included four (2017: four) executive directors; their emoluments are reflected in the analysis presented above.

The emoluments of the remaining individual fell within the following band:

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
US\$130,001 – US\$155,000	130,001美元 – 155,000美元	1	1

(H) Senior management remuneration by band

The emoluments fell within the following bands:

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
US\$55,000 – US\$105,000	55,000美元 – 105,000美元	2	4
US\$105,001 – US\$130,000	105,000美元 – 130,000美元	3	3
US\$130,001 – US\$155,000	130,001美元 – 155,000美元	3	1

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)

(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四名 (二零一七年: 四名) 執行董事, 彼等的酬金已於上文之分析中反映。

餘下人士之酬金處於以下範圍:

(H) 按範圍劃分之高級管理人員薪酬 酬金處於以下範圍:

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

31 綜合現金流量表附註

(a) 業務產生之現金

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Profit before income tax	除所得稅前溢利	22,007	23,308
Adjustments for:	就以下項目調整：		
– Finance income (Note 24)	– 財務收入（附註24）	(929)	(853)
– Finance costs (Note 24)	– 財務支出（附註24）	832	804
– Share of post tax profit of an associate (Note 11)	– 應佔聯營公司 除稅後溢利 （附註11）	(44)	(205)
– Write-off of impairment of inventories (Note 13)	– 撇銷存貨減值 （附註13）	30	–
– Reversal of impairment of inventories (Note 13)	– 撥回存貨減值 （附註13）	(400)	–
– Depreciation of property, plant and equipment (Note 7)	– 物業、廠房及設備折舊 （附註7）	18,429	18,170
– (Reversal of)/provision for impairment of trade receivables (Note 14)	– 應收貿易賬款減值 （撥回）／撥備 （附註14）	(13)	125
– Amortisation of intangible assets (Note 9)	– 無形資產攤銷 （附註9）	132	134
– Amortisation of land use rights (Note 6)	– 土地使用權攤銷 （附註6）	52	61
– 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）	68	847
– 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）	426	340
– Gain on disposal of assets held for sale (Note 22)	– 出售持作出售之資產之 收益（附註22）	(307)	–
		40,283	42,731
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	(7,864)	(17,586)
– Trade receivables, prepayments and other receivables	– 應收貿易賬款、 預付款項及 其他應收款項	(5,043)	591
– Trade payables, accruals and other payables	– 應付貿易賬款、 應計費用及 其他應付款項	3,298	(4,597)
– Net changes in balances with related companies	– 與有關連公司結餘之 變動淨額	(1,218)	582
Cash generated from operations	業務產生之現金	29,456	(9,122)

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(a) Cash generated from operations (continued)

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

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Net book amount (Note 7)	賬面淨值 (附註7)	512	489
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)	(426)	(340)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	86	149

(b) Net (debt)/cash reconciliation

This section sets out an analysis of net (debt)/cash and the movements in net (debt)/cash for each of the periods presented.

Net (debt)/cash

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Cash and cash equivalents	現金及現金等價物	34,215	49,679
Bank borrowings – repayable within one year	銀行借款—於一年內償還	36,166	35,397
Bank borrowings – repayable after one year	銀行借款—於一年後償還	36,166	35,397
Net (debt)/cash	(債務)／現金淨額	(1,951)	14,282
Cash and cash equivalents	現金及現金等價物	34,215	49,679
Gross debt – fixed interest rates	債務總額—固定利率	36,166	35,397
Gross debt – variable interest rates	債務總額—浮動利率	36,166	35,397
Net (debt)/cash	(債務)／現金淨額	(1,951)	14,282

31 綜合現金流量表附註 (續)

(a) 業務產生之現金 (續)

在綜合現金流量表內，銷售物業、廠房及設備之所得款項包括：

(b) (債務)／現金淨額之對賬

本節載列於各呈列期間之(債務)／現金淨額分析及(債務)／現金淨額變動。

(債務)／現金淨額

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Net (debt)/cash reconciliation (continued)

		Assets 資產	Liabilities from financing activities 來自融資活動之負債	
			Bank borrowings due within 1 year 現金及 現金等價物 US\$'000 千美元	Bank borrowings due after 1 year 於一年後到期 之銀行借款 US\$'000 千美元
Net cash as at 1 January 2017	於二零一七年一月一日之 現金淨額	55,210	(12,620)	(24,190)
Cash flows	現金流量	(6,462)	5,036	(3,623)
Foreign exchange adjustments	外匯調整	931	—	—
Other non-cash movement	其他非現金變動	—	(8,322)	8,322
Net cash as at 31 December 2017	於二零一七年 十二月三十一日之 現金淨額	49,679	(15,906)	(19,491)
Cash flows	現金流量	(14,307)	6,733	(7,502)
Foreign exchange adjustments	外匯調整	(1,157)	—	—
Other non-cash movement	其他非現金變動	—	(11,296)	11,296
Net debt as at 31 December 2018	於二零一八年 十二月三十一日之 債務淨額	34,215	(20,469)	(15,697)

31 綜合現金流量表附註 (續)

(b) (債務)/現金淨額之對賬 (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:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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	2,493	1,864
Investment in an associate (Note 11)	於聯營公司之投資 (附註11)	112	2,632
		2,605	4,496

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
No later than one year	不遲於一年	308	139
Later than one year and no later than five years	遲於一年但不遲於五年	637	422
Later than five years	遲於五年	1,926	2,032
		2,871	2,593

33 CONTINGENT LIABILITIES

At 31 December 2018, the Company has given guarantees for bank facilities of subsidiaries amounting to US\$128,600,000 (2017: US\$120,426,000), of which US\$79,067,000 (2017: US\$74,249,000) 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：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 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	2,493	1,864
Investment in an associate (Note 11)	於聯營公司之投資 (附註11)	112	2,632
		2,605	4,496

(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：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
No later than one year	不遲於一年	308	139
Later than one year and no later than five years	遲於一年但不遲於五年	637	422
Later than five years	遲於五年	1,926	2,032
		2,871	2,593

33 或然負債

於二零一八年十二月三十一日，本公司為附屬公司為數128,600,000美元（二零一七年：120,426,000美元）之銀行融資提供擔保，其中79,067,000美元（二零一七年：74,249,000美元）尚未動用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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 2018:

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) 下表概述於二零一八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：

	Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Sale of goods to Taiwan Vedan	(i)	8,687	5,901
Technical support fee paid to Taiwan Vedan	(ii)	2,180	2,181
Agency commission income received from Taiwan Vedan	(ii)	2	4

Notes:

- (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.

附註：

- (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.

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	3,469	3,903

(d) Year-end balances with the related parties

As at 31 December 2018, the Group had the following significant balances with the related parties:

		Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Current:	即期：			
Amount due from Taiwan Vedan	應收台灣味丹之款項	(i)	1,191	242
Amount due to Taiwan Vedan	應付台灣味丹之款項	(i)	(1,391)	(1,647)
Short term loan to an associate	給予聯營公司之短期貸款	(ii)	120	120
Amount due to Capron Group Limited	應付Capron Group Limited之款項	(iii)	—	(13)

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 was 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。

(d) 與有關連人士之年末結餘

於二零一八年十二月三十一日，本集團與有關連人士之主要結餘如下：

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	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Note 附註			
ASSETS	資產		
Non-current assets	非流動資產		
	Investments in subsidiaries	166,030	166,030
	Investment in an associate	6,308	3,788
	Loan to a subsidiary	—	2,200
Total non-current assets	非流動資產總值	172,338	172,018
Current assets	流動資產		
	Amounts due from subsidiaries	39,245	49,111
	Short-term loan to an associate	120	120
	Short-term loan to a subsidiary	1,200	—
	Prepayments and other receivables	679	678
	Short-term bank deposits	2,839	1,928
	Cash and cash equivalents	3,022	14,555
Total current assets	流動資產總值	47,105	66,392
Total assets	資產總值	219,443	238,410
EQUITY	權益		
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))	218,874
Total equity	權益總額	215,031	234,102

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)

35 本公司資產負債表及儲備變動(續)

本公司資產負債表(續)

		As at 31 December 於十二月三十一日	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Note 附註			
LIABILITIES	負債		
Current liabilities	流動負債		
	Accruals and other payables	3,017	3,291
	Bank borrowings	—	670
	Current income tax liabilities	4	—
	Amount due to a related party	1,391	347
Total current liabilities	流動負債總額	4,412	4,308
Total equity and liabilities		219,443	238,410

The balance sheet of the Company was approved by the Board of Directors on 26 March 2019 and were signed on its behalf.

本公司資產負債表已獲董事會於二零一九年三月二十六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 and other reserve 股份溢價及 其他儲備 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 2017	於二零一七年一月一日	194,098	(131)	49,549	243,516
Comprehensive loss	全面虧損				
Loss for the year	本年度虧損	—	—	(7,332)	(7,332)
Other comprehensive income	其他全面收入				
Currency translation difference	匯兌差額	—	105	—	105
Total comprehensive income/(loss)	全面收入／(虧損)總額	—	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
At 1 January 2018	於二零一八年一月一日	194,098	(26)	24,802	218,874
Comprehensive loss	全面虧損				
Loss for the year	本年度虧損	—	—	(7,704)	(7,704)
Other comprehensive income	其他全面收入				
Currency translation difference	匯兌差額	—	(85)	—	(85)
Total comprehensive loss	全面虧損總額	—	(85)	(7,704)	(7,789)
Dividends paid	已付股息	—	—	(11,282)	(11,282)
At 31 December 2018	於二零一八年十二月三十一日	194,098	(111)	5,816	199,803