

The Secret of Umami Taste

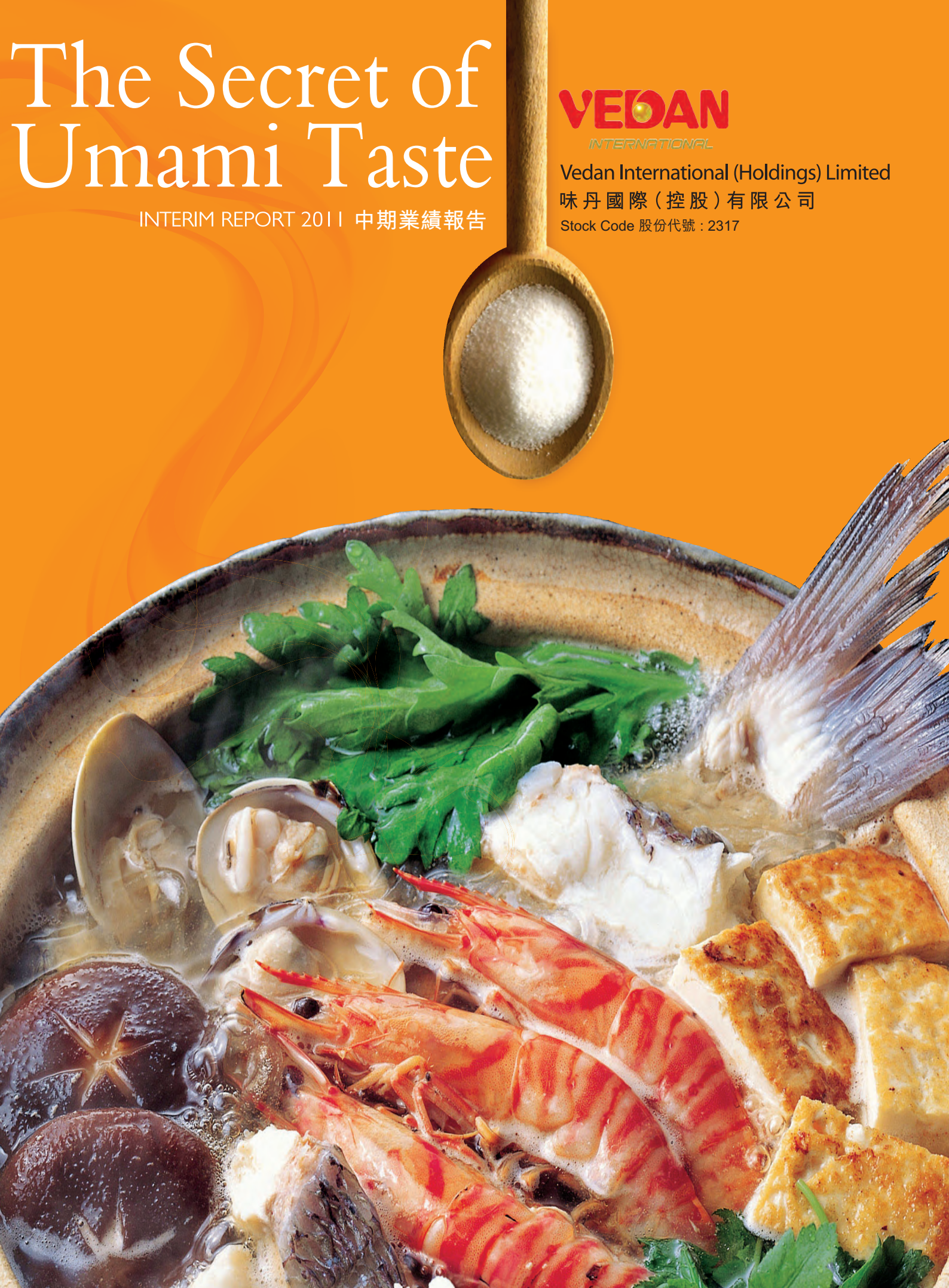
INTERIM REPORT 2011 中期業績報告

VEDAN
INTERNATIONAL

Vedan International (Holdings) Limited

味丹國際(控股)有限公司

Stock Code 股份代號: 2317



Mission 使命

To be Asia's leading manufacturer
of fermentation – based amino acids,
food additive products and
cassava starch based products

發酵氨基酸、食品添加劑、木薯澱粉產品，
味丹獨專，亞洲首選

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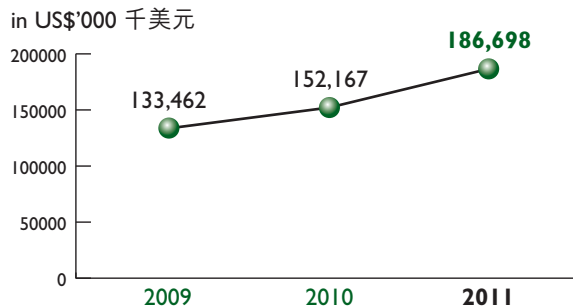
Financial Highlights

財務摘要

		Unaudited 未經審核 Six months ended 30 June 2011 截至二零一一年 六月三十日止 六個月 US\$'000 千美元	Unaudited 未經審核 Six months ended 30 June 2010 截至二零一零年 六月三十日止 六個月 US\$'000 千美元	Difference 差異
Revenue	收益	186,698	152,167	22.7%
Profit/(loss) before income tax	除所得稅前溢利/ (虧損)	2,703	(5,085)	N/A 不適用
Profit/(loss) attributable to owners	擁有人應佔溢利/ (虧損)	1,612	(6,707)	N/A 不適用
Basic earnings/(losses) per share (US cents)	每股基本盈利/(虧損) (美仙)	0.11	(0.44)	N/A 不適用
Diluted earnings/(losses) per share (US cents)	每股攤薄盈利/(虧損) (美仙)	0.11	(0.44)	N/A 不適用
Interim dividend declared per share (US cents) (HK cents)	已宣派每股中期股息 (美仙) (港仙)	N/A 不適用 N/A 不適用	N/A 不適用 N/A 不適用	

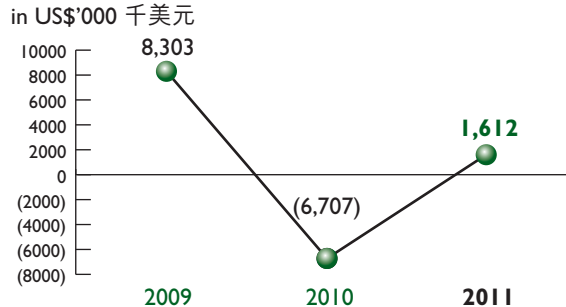
Revenue 收益

6 months ended 30 June 2011
截至二零一一年六月三十日止六個月



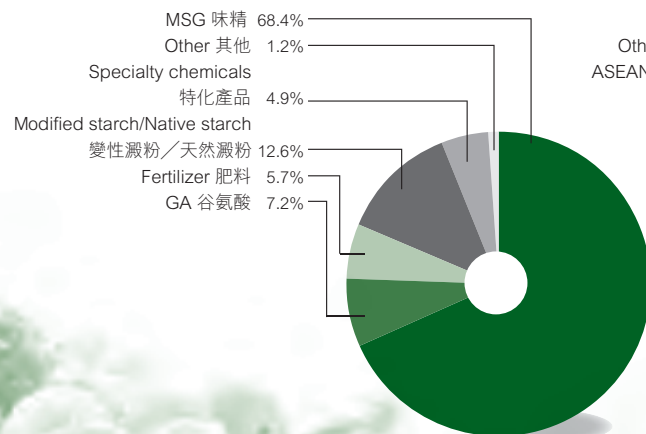
Net Results 純利

6 months ended 30 June 2011
截至二零一一年六月三十日止六個月



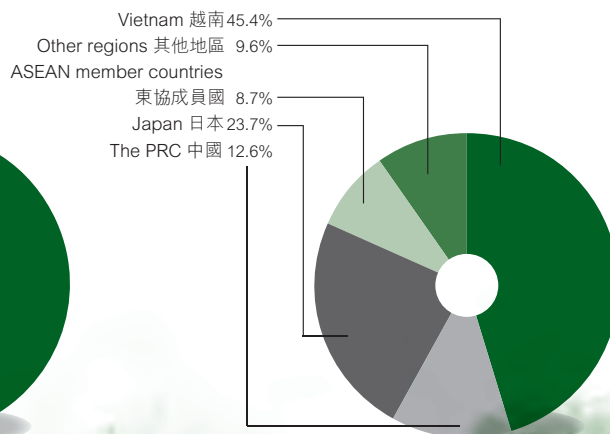
Turnover by Products 按產品分類之營業額

6 months ended 30 June 2011
截至二零一一年六月三十日止六個月



Turnover by Geographic Location 按地區分類之營業額

6 months ended 30 June 2011
截至二零一一年六月三十日止六個月



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Yang, Tou-Hsiung (Chairman)
Yang, Cheng
Yang, Kun-Hsiang (CEO)
Yang, Chen-Wen

Non-executive Directors

Huang, Ching-Jung
Chou, Szu-cheng

Independent Non-executive Directors

Chao, Pei-Hong*
Ko, Jim-Chen*
Chen, Joen-Ray*

* member of Audit Committee

AUTHORISED REPRESENTATIVES

Yang, Tou-Hsiung
Yang, Kun-Hsiang

COMPANY SECRETARY

Lo, Chi-Man

AUDITORS

PricewaterhouseCoopers
22nd Floor, Prince's Building, Central, Hong Kong

LEGAL ADVISORS

Deacons
5th Floor, Alexandra House,
18 Chater Road, Central, Hong Kong

REGISTERED OFFICE

Century Yard, Cricket Square, Hutchins Drive,
P.O. Box 2681 GT
George Town, Grand Cayman, British West Indies

SHARE REGISTRARS

Tricor Tengis Limited
26/F., Tesbury Centre, 28 Queen's Road East,
Wanchai, Hong Kong

董事會

執行董事

楊頭雄 (主席)
楊正
楊坤祥 (行政總裁)
楊辰文

非執行董事

黃景榮
周賜程

獨立非執行董事

趙培宏*
柯俊禎*
陳忠瑞*

* 審核委員會成員

法定代表

楊頭雄
楊坤祥

公司秘書

羅志文

核數師

羅兵咸永道會計師事務所
香港中環太子大廈22樓

法律顧問

的近律師行
香港中環遮打道18號
歷山大廈5樓

註冊辦事處

Century Yard, Cricket Square, Hutchins Drive,
P.O. Box 2681 GT
George Town, Grand Cayman, British West Indies

股票過戶及登記處

卓佳登捷時有限公司
香港灣仔
皇后大道東28號金鐘匯中心26樓



Corporate Information 公司資料

STOCK CODE

The Stock Exchange of Hong Kong: 2317
Bloomberg: 2317 HK
Reuters: 2317.HK

INTERNET ADDRESS

Website: www.vedaninternational.com
Email address: vdi@vedaninternational.com

PRINCIPAL PLACE OF BUSINESS

Vietnam Office: National Road 51, Hamlet 1A,
Phuoc Thai,
Long Thanh District,
Dong Nai Province, Vietnam
Tel: (84) 61-3825 111
Fax: (84) 61-3543 160

Shanghai Office: 158 Chexin Road, Songjiang Park,
Shanghai, PRC
Tel: (86) 21-5760 2525
Fax: (86) 21-5760 2030

Xiamen Office: 568 North Tong Ji Road,
Tong-An District, Xiamen,
Fujian Province, P.R.C.
Tel: (86) 592-712 8111
Fax: (86) 592-702 9274

Shandong Office: Xue-hua Industry Park,
Jining High & New Tech. Industries
Development Zone,
Shandong Province, PRC
Tel: (86) 537-3866566
Fax: (86) 537-3768566

Hong Kong Office: Suite 3706, 37/F, Shun Tak Centre,
West Tower,
200 Connaught Road Central,
Hong Kong
Tel: (852) 2854-2812
Fax: (852) 2544-6452

Taiwan Office: 18, Jinhua Street, Shalu, Taichung,
Taiwan, R.O.C.
Tel: (886) 4-2665-2178
Fax: (886) 4-2665-6463

公司股份編號

香港聯交所: 2317
彭博: 2317 HK
路透社: 2317.HK

互聯網網址

網址: www.vedaninternational.com
電郵地址: vdi@vedaninternational.com

主要營業地點

越南辦事處: 越南同奈省
隆城縣
福泰社
51國道旁第1A邑
電話: (84) 61-3825 111
傳真: (84) 61-3543 160

上海辦事處: 中國上海市
松江區車新公路158號
電話: (86) 21-5760 2525
傳真: (86) 21-5760 2030

廈門辦事處: 中國福建省
廈門市同安區
同集北路568號
電話: (86) 592-712 8111
傳真: (86) 592-702 9274

山東辦事處: 中國山東省
濟寧高新技術開發區
雪花工業園
電話: (86) 537-3866566
傳真: (86) 537-3768566

香港辦事處: 香港
干諾道中200號
信德中心西座37樓3706室
電話: (852) 2854-2812
傳真: (852) 2544-6452

台灣辦事處: 中華民國台灣
台中縣沙鹿鎮錦華街18號
電話: (886) 4-2665-2178
傳真: (886) 4-2665-6463



Chairman's Statement

主席報告書

CHAIRMAN'S STATEMENT

During the first half of 2011, despite the Group's focus on enhancing sales which resulted in business growth, overall profit was below expectations. This was affected by carbohydrate material prices and changes in Vietnam's economy. The extreme weather conditions around the world led to growing demand for agricultural products from different regions. The price of carbohydrate materials rose in tandem with this trend, which led to substantially greater production costs. Persistently high natural gas and energy prices in Vietnam this year raised production cost as well. Moreover, overall economic changes in Vietnam, including worsening inflation, depreciation of the Vietnam Dong, higher interest rate and economic fluctuation, created a more challenging business environment in the country. As well, profit from the Group's MSG business operation in the PRC declined because of limitation on production scale which resulted in higher costs. During 2011, to mitigate the impact of business environmental factor, increasing raw materials and energy prices on costs, the Group has focused on enhancing the flexibility of procurement, improving production efficiency and stepping up sales efforts.

The Group's operations recorded turnover of approximately US\$186,698,000, an increase of around 22.7% when compared with the same period in 2010. In terms of product and regions, the Group has been expanding its business and increasing the selling price of its products in order to achieve its business goals. However, overall consumption sentiment in Vietnam has become more conservative amidst changing economic conditions in the country, and this has also impacted on domestic sales. In view of such developments, the Group has sought to enhance export sales. Although the increasing export sales can help balance turnover and a weak exchange rate, the lower prices demanded by some export regions combined with rising price of carbohydrate materials and energy led to a 6.3% year-on-year reduction in the Group's gross profit. In addition, a significant 9.3% depreciation of the Vietnam Dong in February of this year compounded by high material prices, fees and wages resulting from higher inflation has to some extent offset the Group's profit attributable to shareholders, which amounted to US\$1,612,000.

In terms of geographical distribution and segmental performance, Vietnam, Japan and the PRC, the Group's major markets, recorded growth of 15.5%, 29.6% and 10.2% respectively, when compared with the same period last year, and the Group also managed to maintain the selling price of its products. ASEAN and European countries have shown stable growth as well. Due to steady demand, sales of major products including MSG, modified starch and specialty chemicals such as hydrochloric acid and caustic soda also maintained even growth in the first half year, realizing year-on-year growth of 17.3%, 68.1% and 9.8% respectively. With the Group's marketing efforts gradually bearing fruit, sales of fertilizer products surged by 76% when compared with the same period last year. With regards to the PRC operation, the Group recorded 10.2% growth in the first half year. However, due to increase in production costs caused by high raw material prices, an inability to realize economies of scale in MSG production, and unstable market prices, profit targets were not reached, thus also dragging down the Group's overall profit.

主席報告書

集團在二零一一年上半年，雖然努力於業務銷售的提升，使業績錄得增長，不料卻受到醃質原料價格與越南經濟變化的影響，造成整體獲利反而不如預期。全球極端氣候，使各地區對農產品的需求大增，連帶造成集團主要醃質原料價格也隨之飆高，嚴重墊高生產成本。另外，今年越南天然氣及能源價格持續大幅調漲，更加重生產成本的負擔；同時，越南自今年以來，總體經濟的變化加劇，如通貨膨脹上升、越南盾大幅貶值、利率上揚、經濟成長趨緩等等，這些嚴峻的經營環境對越南的營運產生相當程度的挑戰。而集團在中國區的味精產品營運，因公司生產規模的限制，導致成本相對較高，侵蝕盈利水準。集團二零一一年的主要營運重點仍致力於強化採購彈性、提升生產效率，改善生產製程，加強銷售力度，以減緩因原料、能源與經濟環境所帶來對成本之影響。

綜觀集團於二零一一年上半年之營運與盈利，營業額達1億8千6百萬美元，相較二零一零年同期年增加約22.7%。無論在產品或區域，集團一直致力業務的拓展，提升售價，以期達到營業的目標；然而，面對越南國內經濟條件的轉變，越南整體消費意願趨於保守，這也使越南內銷業務受到相當程度的影響。故集團轉加強外銷市場之銷售，雖然外銷可維持營業額與匯率的平衡，但部份外銷區域的價格相對較低，再加上主要醃質原料與能源價格不斷調漲，致使毛利較去年同期降低約6.3%。此外，越南盾在今年二月份的銀行匯價有約9.3%的巨幅貶值，此匯率評價的影響，與隨通貨膨脹所調高的各項物料、費用及工資等都加深反蝕越南廠之利潤，俾使集團本期應分配股東之淨利僅餘161萬美元。

以各地區市場與業務經營分析，集團在各主要市場，越南、日本與中國市場的經營，業績較去年同期成長分別為15.5%、29.6%與10.2%，且努力維持一定的售價水準，其餘東盟與歐盟市場的業績也有穩健的提升。因市場需求穩定，集團主要產品味精、變性澱粉與特用化學品（鹽酸與蘇打）等銷售業績在今年上半年仍維持穩定成長，分別較去年同期成長17.3%、68.1%及9.8%。另外，由於推廣成效的逐漸顯現，肥料產品的銷售亦較去年同期有顯著的76%的增長。而中國區在今年上半年的營運，雖然業績仍有10.2%成長，但因原料價格仍處高檔，且在味精生產在無法發揮規模經濟情況之下，相對生產成本提高，加上市場價格不穩定，造成業績及獲利均不如預期，影響集團之盈利水準。

Chairman's Statement 主席報告書

Over the past six months, profit contracted as a result of dramatic changes in the economic environment. However, the Group has reviewed and enhanced the efficiency and mechanisms employed for responding to changing market conditions. Looking at the second half year, it will be paramount for the Group to adapt to raw material price movements and seek to rationalize production costs. Toward such objectives, the Group has set up a special team to expand and diversify procurement sources, and to secure long-term stable supply of materials at reasonable prices. In Vietnam, uncertainties over the economy in the first half year will extend to the remaining year. To stabilize market conditions, the management intends to maintain a prudent approach in the following six months. While leveraging the Group's core strengths, it will seek to improve production procedures, enhance efficiency and save energy costs and expenses, with the main objective of rationalizing production costs.

At such a critical time, apart from rationalizing production costs, the Group will continue to consolidate its presence in major markets and increase product prices to preserve profit margins. With regard to operations in Vietnam and the PRC, the Group will aggressively strengthen its marketing strategies and business structure, as well as further expand distribution and sales channels in order to realize the full potential of the Group's sales network. At the same time, to further raise brand awareness, the Group will launch new products relating with current product lines, as well as enhance its sales presence. On the other hand, the Group plans to identify potential collaborative projects to bolster its geographical coverage, enhance international exposure, and ultimately improve efficiency while broadening revenue and profit streams. As the Group's operations in the PRC have performed under expectations in recent years, the management has made larger adjustment on the business scope and network structure of the local operation while pursuing geographical consolidation and sales network expansion to realize greater efficiencies.

Amid challenges existing in the current operating environment, it is unlikely that significant breakthroughs will be achieved in terms of mitigating pressures arising from raw material prices, energy costs and weak economy in the near future. The management, however, remains optimistic about the fundamentals of the Group's core businesses, production technologies and distribution network. By observing the operating strategies in place, optimizing strengths in production and sales, embarking on market expansion and enhancing brand value, impact of the macro economic environment on the Group will be minimized. Combined the above strategies with the efforts and experience of all staff members, the management remains cautious yet optimistic about the performance of the Group in the future.

By Order of the Board
Yang, Tou-Hsiung
Chairman

Hong Kong, 23 August 2011

上半年的總體環境雖然變化劇烈造成盈利下滑，對此，集團也檢討加強對環境變化的應變的速度與機制。展望下半年在經營上，集團最重要的仍是要掌握原料價格的趨勢，冀使集團的生產成本得以穩定；對此，集團已成立專責單位，針對原料來源的取得，積極採取更多元化與廣泛的收購，以期將成本波動降至最低。越南經濟環境，預計下半年仍將延續上半年之情勢，尚存在不確定因素。故基於穩定市場經營，集團於下半年仍將採取較穩健的經營策略，發揮核心優勢，改善生產製程提升效率並設定節約能源方案，以穩定生產成本為主要的重點。

集團在此嚴苛的時間點，除穩定生產成本外，業務策略仍集中於鞏固主要銷售市場，穩定銷售價格來維持獲利空間。在越南與中國區的本地業務，將更加緊整合集團的行銷策略與強化通路架構，深耕銷售網絡，以發揮通路價值。同時，集團也將藉由已成熟的通路基礎，規劃導入相關新的產品與銷售之運作，延伸品牌的加乘效果。另一方面，集團也將掌握機會，積極檢討尋找各項合作項目，結合地緣利基與國際經驗，以期擴張經營綜效及增加盈利之來源。而中國區獲利狀況連年不甚理想，經營層已針對業務區隔與網絡架構做較大幅度的調整，同時進行區域整併與通路精耕，使集團得以集中更多資源以發揮實際之綜效。

雖然眼下的經營環境還存在諸多的挑戰與困難，也許原料、能源與經濟逆勢等壓力可能並非在短期會有很樂觀的突破，但管理層對集團在產業基本面、生產技術與行銷網絡仍深具信心。我們相信以穩健的經營方針，發揮產銷優勢，落實市場的深耕與延伸品牌的價值等策略，使大環境因素對集團的衝擊降至最低。同時，這些策略再配合集團所有同仁的努力與經驗，管理層相信接下來的經營績效仍是審慎樂觀的。

承董事會命
主席
楊頭雄

香港，二零一一年八月二十三日

Management Discussion and Analysis

管理層討論及分析

I. BUSINESS OVERVIEW

In the first half of 2011, the sovereign debt crisis in Europe and the US has hindered the recovery of the global economy. The surging raw material and energy prices have increased the risk of global economy. The overall economy in those regions was still unstable with persistent high unemployment rate and slumping demand from consumers. In addition, the extreme weather and natural disasters, such as the fire in Russia, drought in Argentina, earthquake in Japan and floods in Australia, also affected the supply of major crops and caused the price of grains and food to rise.

In light of aforementioned factors, the costs of the Group's major raw materials such as molasses and cassava inevitably increased during the period under review. Although the higher selling price has led to higher revenue, the increased costs exerted pressure on the Group's gross profit. This squeeze explains why revenue for the period under review amounted to US\$186,698,000, up by US\$34,531,000 (a 22.7% year-on-year increase), but gross profit dropped by US\$1,764,000 to US\$26,094,000, and gross profit margin also dropped from 18.3% to 14.0%.

The economy in Vietnam faced big challenges in the first half of the year, including high Consumer Price Index (CPI), an unstable money market, a higher lending rate of the Vietnam Dong, an imbalance in foreign exchange markets and tightening supply in foreign exchange and 9.3% depreciation of the Vietnam Dong. These challenges have posed a material impact on economic development as well as the operating activities of enterprises in that country. In the first half of 2011, GDP in Vietnam grew at 5.6%, lower than 6.2% in the same period last year but the CPI increased by approximately 20% on year-on-year basis. Prices of raw materials, oil, electricity and gas showed double-digit growth. During the period, the Group's major raw materials such as molasses, cassava and liquid ammonia also showed double-digit growth in price. In addition, Vietnam made an upward adjustment in the prices of oil and electricity in the first half of the year, which also increased the production cost at the Group's plants in Vietnam. Hit by high inflation, high interest rate and depreciation of the Vietnam Dong, consumers have become more conservative in spending and overall purchase power has also weakened. The higher selling price could not fully cover the rising costs, hence the reduction of profits in Vietnam was noticeable. Although Vietnam was in economic downturn in the first half of 2011, revenue of the Group has growth slightly on the back of branding and sales channel advantages.

一、業務總覽

二零一一年上半年，歐美主權債務問題對全球經濟復甦形成拖累，原料與能源價格飆升加大全球經濟風險，總體經濟仍處於未穩定狀態，失業率居高不下，消費者需求下降。另一方面，極端天氣和災害如俄羅斯的大火，阿根廷的乾燥，日本的地震、澳大利亞的水災影響了主要農作物的供應已成為糧食、食品價格上揚之原因。

集團最主要的原料如糖蜜、木薯同上一列所言，無可避免的在期內高漲，雖銷售單價上漲營收增加但成本墊高毛利下降，故期內營收186,698,000美元，成長金額34,531,000美元（年增幅約22.7%），但毛利金額為26,094,000美元，減少1,764,000美元，毛利率由18.3%下降到14.0%。

今年上半年越南經濟面臨巨大挑戰：高位物價指數；貨幣市場不穩，越盾貸款利率過高；外匯市場失衡，外匯供求緊張，越盾匯率巨幅貶值9.3%。這些挑戰嚴重影響經濟發展以及企業經營活動。二零一一年上半年越南GDP增長5.6%低於二零一零年同期的6.2%；消費價格指數年增率上漲約20%，原材料、汽油、電費、天然氣都超過兩位數的漲幅，期內集團主要生產使用原料如糖蜜、木薯、液氨等均有雙位數的漲幅。另外，越南境內在上半年分別調升油價及電價，更是增加集團越南廠生產成本的上揚。同時越南境內因在高通膨、高利率及匯率貶值衝擊下，民間消費趨向保守，整體購買力下降。銷售價格亦有提升但仍然無法充分反映成本，導致越南市場獲利衰退。雖然上半年越南景氣低迷，但集團擁有的品牌、通路優勢，業績依然有小幅成長。



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Japan is the second largest market of the Group next to Vietnam. Affected by the earthquake and the leakage of radioactive substances in the first half of 2011, the Japanese economy is expected to record negative growth this year. However, with the resumption of supply chain operation and manufacturing, demand in Japan is set to increase. The Group has enjoyed a long term cooperative relationship with its customers in Japan. Hence, the revenue from the Japanese market increased despite the earthquake and the emissions of radioactive substances, and its proportion to overall revenue has increased compared with the corresponding period last year.

In the first half 2011, GDP of the PRC was as high as 9.5% with the inflation pressure getting more tense. Business operation at the PRC has strived and met certain achievement on brand name strengthening and sales channel enhancement. Supported by the strong demand of modified starch in the PRC, sales revenue of MSG and modified starch both increased. Due to the limited production scale and high production cost, the profitability was affected. Sales growth in modified starch and MSG contributed to overall revenue growth of 10.2% in the PRC.

The selling prices of all products increased during the period along with the rise in food costs. In terms of sale volume, as a result of the Group's efforts to expand sales channels, the sales volume of all products except GA and hydrochloric acid rose when compared with the corresponding period last year and contributed to the increased revenue of the Group in the period under review. However, as the price of raw materials for production also spiraled rapidly, the hike in selling price of the Group's products was not a completely accurate reflection of the rise in costs. The increment in costs exceeding that of selling prices was the reason for the reduction in the gross profit margins of our products.

Overall, the Group recorded an increase of 22.7% in revenue and a reduction of 6.3% in gross profit during the period under review. As the Group needed to pay compensation to farmers and fishermen, a loss attributable to owners of US\$6,707,000 was recorded in the same period last year. As no related compensation was made within the period under review, the Group achieved turnaround and reported a profit attributable to owners of US\$1,612,000.

除越南外，日本為集團第二大市場，二零一一年上半年日本經濟遭受地震及核洩漏事故重創，預計今年日本經濟會有負成長。不過隨著供應鏈和生產活動的恢復，國內的需求將增加，集團在日本之客戶均為長期客戶，長期配合良好，期內日本市場營收不受地震及核洩漏的壞影響反而增加，營收佔總營收比也比去年同期增加。

中國上半年GDP 成長高達9.5%但通貨膨脹壓力亦逐漸加大。中國區營運在品牌強化、通路深耕上的努力，已獲得一些成果。同時變性澱粉的需求增加，故中國區味精及變性澱粉營收均有成長，但由於受限於生產規模，成本偏高，影響到獲利。中國地區營收因變性澱粉及味精銷售成長整體營收增加10.2%。

以產品方面，隨著食品物價上揚，期內各產品銷售價均有所成長；在銷售量方面，因集團積極擴大銷售通路，銷售數量除了谷氨酸及鹽酸以外，都比去年同期增加使集團期內營收額增加。不過，生產原物料價格也都上漲，集團產品單價上揚不能完全反映成本之增加，成本增加幅度大於售價增加幅度，產品毛利率減少。

整體而言，期內集團營收增加22.7%，毛利減少6.3%。由於去年同期集團須支付農漁民補償費而錄得擁有人應佔虧損6,707,000美元而回顧期內無須再支付有關賠償，故已扭虧為盈錄得擁有人應佔淨利為1,612,000美元。



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II. BUSINESS ANALYSIS

(1) Sales Analysis by Product

Unit: US\$'000

Product	產品名稱	For the six months ended 30 June				Difference	
		二零一一年上半年 2011		二零一零上半年 2010		差異	
		Amount 金額	% %	Amount 金額	% %	Amount 金額	% %
MSG	味精	127,698	68.4	108,904	71.6	18,794	17.3
GA	谷氨酸	13,501	7.2	14,238	9.4	(737)	(5.2)
Modified starch/ Native starch	變性澱粉/ 天然澱粉	23,544	12.6	12,582	8.3	10,962	87.1
Specialty chemicals	特化產品	9,198	4.9	8,376	5.5	822	9.8
Fertilizer	肥料	10,596	5.7	6,019	3.9	4,577	76.0
Others	其他	2,161	1.2	2,048	1.3	113	5.5
Total	總共	186,698	100.0	152,167	100.0	34,531	22.7

二、營業分析

(一) 產品銷售分析

單位：千美元

1. MSG and GA

During the period under review, driven by the increased sales and higher price of MSG, revenue derived from MSG grew by 17.3% to approximately US\$18,794,000 mainly due to the significant growth in exports sales from the Vietnam plant. The sales growth in the domestic Vietnam market has slowed down as a result of decreased spending power caused by high inflation rate. As revenues derived from modified starch/native starch and fertilizers were boosted significantly, the share of revenue from MSG within the Group's total revenue decreased from 71.6% in the same period of last year to 68.4%.

Revenue from GA amounted to US\$13,501,000 during the period, a decrease of 5.2% when compared to the same period last year largely due to the drop of sales volume by 10.4%. Revenue from GA accounted for 7.2% of total revenue, down from 9.4% in the same period last year. Geographically, the GA revenue in Taiwan surged by approximately 416.4% but decreased by 21.9% and 19.1% in Vietnam and the PRC respectively.

(一) 味精和谷氨酸

期內味精銷售量和價格均增長，營收額成長17.3%金額約18,794,000美元，主要來自越南廠味精外銷業務的成長較為顯著，越南境內內銷業務因受高通膨購買力下跌影響，成長趨緩。因變性澱粉／天然澱粉及肥料營收增加較多，味精營收佔總營收比重由去年同期71.6%下降為68.4%。

谷氨酸本期營收額為13,501,000美元，比去年同期減少5.2%，主要是因為銷售量減少10.4%。本期谷氨酸營收佔總營收由去年同期9.4%下降為7.2%。在地區方面，谷氨酸營收在台灣市場大幅增加約416.4%，在越南、中國營收分別減少21.9%及19.1%。



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2. Modified starch/Native starch

Owing to strong market demand for modified starch and raw starch, together with increased supply of cassava, the output of modified starch/native starch rose substantially during the period under review. Sales volume climbed by 44.0% and the selling price increased by 40.9%. Revenue amounted to US\$23,544,000, up 87.1% from US\$12,582,000 in the same period last year. Revenue from this segment accounted for 12.6% of the total revenue, a marked increase from 8.3% in the same period last year. However, due to the notable increase in the price of cassava during the period, the gross profit margin of this segment declined despite the improvement of both revenue and profit from modified starch/natural starch. Demand for modified starch and natural starch is expected to remain strong in the second half of 2011.

3. Specialty chemicals/Fertilizers

Specialty chemicals, hydrochloric acid and soda are sold within Vietnam. Facing the uncertain market in the country and rising interest rate, many producers adopted a conservative business strategy, which affected the consumption of hydrochloric acid and soda. As a result, while revenue from specialty chemicals was US\$9,198,000 during the period under review, up by approximately 9.8%, or US\$822,000, in the same period last year, its share in the total revenue of the Group dropped from 5.5% to 4.9%.

Driven by rising demand, sales volume and the selling price of fertilizers surged significantly. During the period under review, revenue from fertilizers surged 76.0%, or US\$4,577,000, to US\$10,596,000, while the share of fertilizers within total revenue increased from 3.9% in the same period last year to 5.7%.

(二) 變性澱粉／天然澱粉

由於市場對變性澱粉及原澱粉需求殷切且木薯供應增加，因此，變性澱粉／天然澱粉期內產量大增，期內銷售量增加44.0%，價格增加40.9%，營收為23,544,000美元，比去年同期增加87.1%，營收額佔總營收比重也大量增加，由去年同期8.3%增加到12.6%。但期內木薯價格大漲，雖營收提升但毛利率下降，展望二零一一下半年變性澱粉及天然澱粉需求依然旺盛。

(三) 特化產品／肥料

特化產品，包括鹽酸，蘇打全部於越南境內銷售。由於境內景氣前景不確定，利率高漲，許多生產業者營運採保守策略，影響到鹽酸及蘇打使用量，故期內特化產品本期營收額為9,198,000美元，比去年同期僅增加822,000美元約9.8%，佔營收比重由5.5%下降為4.9%。

肥料產品因需求增加，銷售數量及價格均有大幅上漲，營收額為10,596,000美元增加76.0%，金額4,577,000美元，期內肥料產品由去年同期佔總營收比重3.9%增加到5.7%。



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(2) Sales Analysis by Market

Unit: US\$'000

(二) 市場銷售分析

單位：千美元

Area	地區	For the six months ended 30 June				Difference	
		二零一一年上半年 2011		二零一零上半年 2010		差異	
		Amount	%	Amount	%	Amount	%
		金額	%	金額	%	金額	%
Vietnam	越南	84,754	45.4	73,391	48.2	11,363	15.5
Japan	日本	44,176	23.7	34,077	22.4	10,099	29.6
The PRC	中國	23,626	12.6	21,441	14.1	2,185	10.2
ASEAN member countries	東協成員國	16,245	8.7	15,298	10.1	947	6.2
Other regions	其他地區	17,897	9.6	7,960	5.2	9,937	124.8
TOTAL	總共	186,698	100.0	152,167	100.0	34,531	22.7

1. Vietnam

In Vietnam, the Government's tightening monetary policy, high inflation rate and the Vietnam Dong significantly depreciated during the period under review adversely affected the spending power of consumers. Nevertheless, the Group's revenue from Vietnam was up by 15.5% or US\$11,363,000 to US\$84,754,000. This was mainly attributable to improved performances in the MSG, starch and fertilizers segments. The growth rate in this market, however, was still lower than that of Japan and other regions. Hence, revenue from Vietnam accounted for 45.4% of the total revenue, down from 48.2% in the same period last year.

2. Japan

The Japanese economy has been hit hard by the serious earthquake and tsunami in Japan in March. Fortunately, the Group's customers and products were not adversely affected and business actually steadily increased. It recorded revenue of approximately US\$44,176,000 in Japan, representing a 29.6% growth during the period and 23.7% of the Group's total revenue, up from 22.4% in the same period last year. This rise was mainly attributable to growth in MSG and modified starch, accounting for 26.3% and 47.0% respectively.

(一) 越南市場

雖然越南期內因政府採貨幣緊縮政策，高通貨膨脹率，再加上越盾大幅貶值，影響到一般消費者購買力，但集團越南地區營收依然成長15.5%達84,754,000美元，成長金額11,363,000美元。主要增長來自味精、澱粉及肥料，但成長率仍低於日本及其他地區，故期內越南市場營收佔總營收比重減少，由去年同期48.2%降至45.4%。

(二) 日本市場

日本於三月發生嚴重地震及海嘯重創日本經濟，所幸集團客戶及產品並未遭受大衝擊且尚能穩定增長。日本地區期內營收約44,176,000美元，成長29.6%，佔總營收比重由去年同期22.4%增加到23.7%。成長主要來自味精及變性澱粉，分別成長26.3%及47.0%。



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3. The PRC

During the period under review, revenue from the PRC rose 10.2%, or US\$2,185,000, to US\$23,626,000, up from US\$21,441,000 in the same period last year, accounting for 12.6% of the Group's total revenue, down from 14.1%. The rise in revenue from the PRC was mainly because of the increased revenue from MSG and modified starch due to the Group's efforts in expanding the sales of these products.

4. ASEAN member countries

Revenue from the ASEAN market was very stable, growing by 6.2% when compared to the same period last year. As the revenue from other markets increased, the share of revenue from ASEAN region decreased from 10.1% in the same period last year to 8.7%. The decline in revenue from the region was mainly caused by reducing sales of modified starch and fertilizers.

5. Other regions

During the period under review, revenue from Europe and Taiwan grew by 2.9 times and 1.1 times, or US\$10,006,000 and US\$3,774,000, respectively. MSG, GA and modified starch were the main products sold in these markets.

(三) 中國市場

中國市場期內營收為23,626,000美元，比去年同期21,441,000美元成長10.2%金額2,185,000美元，佔總營收比重由14.1%下降為12.6%。中國區營收增加主要是由於味精與變性澱粉營收增加。這是公司近幾年來努力擴大味精，變性澱粉銷售的成果。

(四) 東協成員國市場

東協市場營收相當穩定，營收比去年同期增加6.2%。由於其他市場營收均增加，東協地區營收佔總營收比重減少由去年同期10.1%下降為8.7%。區內營收增加主要來自變性澱粉、肥料。

(五) 其他市場

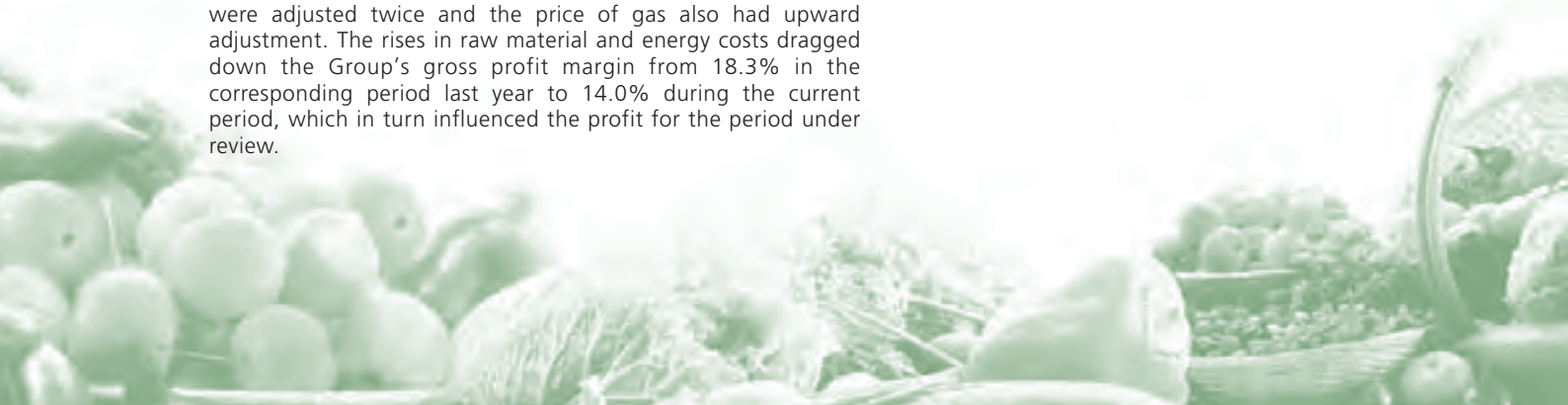
主要是歐洲和台灣市場在期內營收分別成長2.9及1.1倍，金額為10,006,000美元及3,774,000美元。主要銷售產品為味精，谷氨酸及變性澱粉。

III. OVERVIEW OF RAW MATERIALS

Demand for raw materials remained strong in Asian emerging markets. The prices of gasoline, diesel oil, gas and electricity rose in Vietnam. Despite the slowdown in price increment of molasses in the second quarter of this year, it was still 14.5% higher than the same period of last year. The price of liquid ammonia has climbed by 31.1% due to the rising price and growing demand of natural gas. The supply and demand of cassava starch remained slightly imbalanced. The increase in available plantation area fell behind the rising demand for cassava starch boosted by the prospering food, feed and ethanol industries, so the selling prices of cassava starch remained at a high level, surging by 33.5% from the same period last year. Meanwhile, the surging corn price in the PRC had an impact on the production cost of the factory in Shandong. In Vietnam, electricity cost increased by 15.3%, while the prices of gasoline, diesel oil and heavy oil were adjusted twice and the price of gas also had upward adjustment. The rises in raw material and energy costs dragged down the Group's gross profit margin from 18.3% in the corresponding period last year to 14.0% during the current period, which in turn influenced the profit for the period under review.

三、主要原料概況

在亞洲新興國家對原料需求依然強勁，在越南境內能源價格如汽油、柴油、瓦斯、電價均調漲。糖蜜雖今年第二季價格有減緩的現象，但期內價格仍比去年同期增加14.5%。液氨因天然氣價格上漲，需求增加，漲幅達31.1%。木薯澱粉供需失衡，木薯產品因食品、飼料、酒精產業之發展需求強勁，但種植面積趕不上需求，木薯價格呈高檔價位，與去年同期相比增加33.5%。同時中國區的玉米價格在期內亦高漲影響到山東廠的生產成本。在越南，期內電價調漲15.3%，汽油、柴油及重油價格經過兩次調高，同時瓦斯價格亦有調漲。原料及能源價格增加使集團期內毛利率由去年同期18.3%下降為14.0%，影響集團期內的利潤。



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IV. FINANCIAL REVIEW

(1) Cash Flow and Financial Resources

During the period under review, cash and bank deposits of the Group amounted to US\$21,712,000, which was US\$12,824,000, or around 37.1%, lower than the last year. Short-term bank borrowings were US\$53,059,000, an increase of US\$25,184,000 or around 90.3%, while middle-to-long-term bank borrowings totaled US\$12,603,000, a decrease of US\$2,656,000. Bank borrowings were mainly denominated in US dollars and Taiwan dollars, representing 95.5% and 4.5% of total borrowings respectively. The proportions of short-term and middle-to-long-term bank borrowings were 80.8% and 19.2%.

Accounts receivable dropped by US\$950,000, or around 2.4%, to US\$39,378,000, and they were mostly within 30 days. Inventories totaled US\$102,431,000. The figure increased by US\$19,238,000 (around 23.1%) under the influence of increasing material cost of molasses and starch.

Lower trade payables and higher inventories caused our short-term bank borrowings to increase substantially, so gearing ratio (total bank borrowings over shareholders interest) was 24.8%, which was higher than 16.2% in the last year. Net gearing ratio (total borrowings after deducting cash and deposit over shareholders interest) was 16.6%, which was also greater than 3.2% in the last year. Current ratio dropped from 2.28 to 2.15 because of increasing current liabilities.

(2) Capital Expenditure

During the period under review, the Group did not make any significant investments. Capital expenditure amounted to approximately US\$7,570,000, US\$1,355,000 less than US\$8,925,000 made in the first half of 2010.

四、財務回顧

(一) 流動資金和財政資源

期內集團現金和銀行存款為21,712,000美元比去年減少12,824,000美元，約37.1%。短期借款為53,059,000美元，增加25,184,000美元，約90.3%；中長期借款為12,603,000美元，減少2,656,000美元，借款以美元為主，佔95.5%。其餘為新台幣佔4.5%；短期和中長期借款比率為80.8%比19.2%。

應收帳款為39,378,000美元，減少950,000美元，約2.4%，主要是在30天期內應收帳款；存貨總額為102,431,000美元，因為糖蜜與澱粉原料價格調升，增加19,238,000美元（約23.1%）。

因應付帳款減少及存貨增加，導致短期借款大幅增加，故資本負債比（總借款比股東權益）為24.8%，高於去年的16.2%，淨資本負債比（總借款扣除現金和存款比股東權益）為16.6%，也高於去年的3.2%。另外，由於流動負債增加較多，流動比率由2.28下跌為2.15。

(二) 資本支出

期內並無重大投資，資本支出共約7,570,000美元，比二零一零上半年資本支出的8,925,000美元減少1,355,000美元。



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(3) Exchange rate

In recent years, the Vietnam Dong has been subject to greater pressure for further depreciation because of persistent high inflation and trade deficit in Vietnam. Combining with the widespread expectation of depreciation and the imbalance in supply and demand have widened the discrepancy between the exchange rate in the black market and the official market rate. To facilitate the return of the official exchange rate to the actual market level and to stabilise its exchange rates by stopping underground speculation, the Central Bank in Vietnam announced the depreciation of the Vietnam Dong by 9.3% and tightening the intraday fluctuation within 1% on 11 February 2011. The Vietnamese Government also announced new money control policies including a limit on the use of foreign money in daily commercial activities within the territories, increasing the interest rate of deposits and loans in Vietnam Dong, imposing a limit on the interest rate of deposits and loans in US dollars, as well as issuing an order to sell foreign exchange deposit and income of state-owned enterprises to banks exclusively. Under the more restrictive money policies, the exchange rate of the Vietnam Dong to the US dollar began to stabilise, but the gap of the interest rate between the US dollar and Vietnam Dong forced more companies to borrow in US dollars, so the pressure that the Vietnam Dong might further depreciate remains. As Vietnam is the largest market for Vedan, the depreciation of Vietnam Dong inevitably affects its profitability, so the Group has implemented risk-aversion initiatives to minimise any possible foreign exchange loss. Shanghai Vedan, Shandong Vedan Snowflake and Maotai Xiamen, the Group's PRC subsidiaries, focused on domestic sales. During the period under review, Renminbi has appreciated steadily against US dollars, a 2.3% appreciation compared with its currency rate at the end of 2010.

(4) Dividends

The Group proposed not to issue a dividend.

(三) 匯率

最近幾年，越南通貨膨脹高漲，對外貿易逆差大，使越幣面臨較大的貶值壓力，加上普遍預期越盾貶值，供需失衡，加大黑市與官價匯率差距。為了使越南盾官方匯率水平降至真正市場水平，阻止黑市對匯率的炒作，穩定貨幣，二零一一年二月十一日越南央行宣佈將越盾官方匯率貶值9.3%，銀行間每日匯率波動區縮小至1%。越南政府同時也採取一系列措施以管制貨幣，例如嚴格限制國內商業活動中使用外幣，提升越幣借存款利率，限制美元借存款利率，國營企業外匯存款及收入須出售給銀行等。在緊縮貨幣政策導向下，越盾兌美元匯率逐漸穩定。不過因美元和越盾利息差距大，造成企業朝向美元借款，將來越幣貶值壓力依然存在。越南為集團最大市場，越幣貶值必定影響獲利，集團也盡量做好避險措施將匯兌損失減至最小。集團中國區子公司上海味丹、山東味丹雪花及茂泰廈門主要以國內銷售為主，期內人民幣對美金匯率維持穩定升值趨勢，較去年底人民幣升值約2.3%。

(四) 股利

本期董事會決定不派發股利。



Management Discussion and Analysis 管理層討論及分析

V. PROSPECTS

The PRC and Vietnamese Governments have continued their policies to fend off inflation and tighten money supply, which have not only boosted the operating costs, but also increased uncertainties in these markets.

In the PRC market, revenues in the modified starch and MSG segments are expected to increase in the second half of the year due to seasonal factors, but the increase in material costs and labour costs may affect its profitability. Even should the prices of major materials such as molasses and cassava tend to decrease in Vietnam in the second half, the increase in energy cost, the possible depreciation of the Vietnam Dong, and a prevailing climate of weak consumption with decreasing spending power should negatively affect revenue from Vietnam. On the other hand, the sales of MSG should enter the peak season, which will mitigate the negative impact of decreasing spending power.

Facing this challenging environment, the Group will continue to implement cost-saving measures on production, sourcing, operation and administration, such as energy saving production and enhanced energy efficiency, as well as increasing automation and material efficiency. In the aspect of sourcing, the Group plans to purchase molasses from diversified sources, strengthen inventory management and increase the proportion of local sourcing. For its business, the Group intends to enhance distribution channels and branding, expand its export market and provide more training for operational and sales staff. In administration, the ERP system which will help simplify administrative procedures and optimise human resources is expected to be completed by the end of this year. On the other hand, the Group will proactively review the new product roll-out plan. In its long-term strategy, the Group is continuing to study the feasibility of various cooperative projects, with an aim to create new growth driver. At the same time, the Group continues to evaluate the middle to long-term supply of molasses, so as to secure a stable supply at a competitive price.

五、展望

中國和越南政府在二零一一年下半年將延續為打擊通貨膨脹而採取貨幣緊縮政策。此將不僅墊高經營成本，更增加集團在中國及越南經營環境的不確定性。

中國區下半年的變性澱粉和味精業務，將因季節性因素預估將會有成長，然因原料價格上漲及各項有關人事費用，亦有大幅增長，可能影響到中國區下半年的獲利。另外，越南區下半年雖然主要原料如糖蜜、木薯有下降趨勢但在能源成本上漲，越盾可能貶值及消費者節省開銷，民間購買力下滑等因素，將對集團越南廠下半年營收獲利的增長有不利之影響。但味精銷售將進入旺季，將可減少購買力下降的不利因素。

為因應未來具挑戰性的經營環境，集團將繼續執行落實自年初以來在生產、採購、業務、行政方面的因應措施，包括生產方面節約能源、提高能源效率、自動化及原料效益提升；採購方面，多元化糖源採購、強化庫存管理和盡量越南境內採購；業務方面則加強深耕銷售通路及品牌、增加出口市場及優質化業務、行銷人員；行政方面，預計年底完成ERP建置、行政簡化及強化人力資源；同時積極檢討新產品項目的規劃。在長期策略方面，亦然持續進行評估各項合作專案的可行性，以尋求成長動力，同時繼續推動各項評估中長期糖源掌握方案，以確保未來穩定有競爭力糖源。



Other Information

其他資料

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

DISCLOSURE OF INTERESTS AND SHORT POSITIONS IN SHARES OF OUR DIRECTORS AND CHIEF EXECUTIVE OF OUR COMPANY

(a) As at 30 June 2011, the interests and short positions of each Director and chief executive of our Company in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be notified to our Company and the Stock Exchange, were as follows:—

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司概無於回顧財政期內購買、出售或贖回本公司任何上市證券。

本公司董事及最高行政人員於股份之權益及淡倉之披露

(a) 於二零一一年六月三十日，本公司各董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文董事被認為或被視為擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條須列入該條文所述之登記冊內之權益及淡倉；或(c)根據上市規則所載之上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉如下：—

Name	姓名	Number of Shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Interests in Shares 於股份中之權益		Total number of Shares 股份總數	Percentage of issued Shares 已發行股份百分比
			Number of Shares in which interested under physically settled equity derivatives 按實物結算股本衍生工具擁有權益之股份數目			
Mr. YANG, Tou-Hsiung	楊頭雄先生	169,730,196 (Note 1) (附註1)	—		169,730,196	11.15%
Mr. YANG, Cheng	楊正先生	169,730,196 (Note 2) (附註2)	—		169,730,196	11.15%
Mr. HUANG, Ching-Jung	黃景榮先生	200,000	—		200,000	0.01%
Mr. CHAO, Pei-Hong	趙培宏先生	500,000	—		500,000	0.03%

Other Information 其他資料

Notes:—

1. Mr. YANG, Tou-Hsiung's interest in Shares is held in the following capacity:—

Capacity	身份	Number of Shares	Number of Shares through physically settled equity derivatives
		股份數目	透過實物結算股本衍生工具持有之股份數目
Interest of company controlled by him	於楊頭雄先生控制之公司中擁有權益	169,730,196*	—

* Mr. YANG, Tou-Hsiung is entitled to exercise or control the exercise of more than one-third of the voting power of King International Limited ("King International") and King International is the holder of such 169,730,196 Shares.

附註：—

1. 楊頭雄先生以下列身份持有股份權益：—

* 楊頭雄先生有權行使或控制行使 King International Limited (「King International」) 超過三分之一投票權，且 King International 為持有該批 169,730,196 股股份之持有人。

2. Mr. YANG, Cheng's interest in Shares is held in the following capacity:—

Capacity	身份	Number of Shares	Number of Shares through physically settled equity derivatives
		股份數目	透過實物結算股本衍生工具持有之股份數目
Interest of company controlled by him	於楊正先生控制之公司中擁有權益	169,730,196*	—

* Mr. YANG, Cheng is entitled to exercise or control the exercise of more than one-third of the voting power of King International and King International is the holder of such 169,730,196 Shares.

2. 楊正先生以下列身份持有股份權益：—

* 楊正先生有權行使或控制行使 King International 超過三分之一投票權，且 King International 為持有該批 169,730,196 股股份之持有人。

- (b) Save as disclosed above, as at 30 June 2011, none of our Directors or chief executive of our Company had or was deemed to have any interest or short position in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be notified to our Company and the Stock Exchange.

- (b) 除上文所披露者外，於二零一一年六月三十日，概無本公司董事或最高行政人員於本公司及其任何相聯法團（定義見證券及期貨條例第 XV 部）之股份、相關股份及債權證中，擁有或被視為擁有 (a) 根據證券及期貨條例第 XV 部第 7 及第 8 分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文被認為或被視為擁有之權益及淡倉）；或 (b) 根據證券及期貨條例第 352 條須列入該條文所述之登記冊內之任何權益或淡倉，或 (c) 根據上市規則所載之上市公司董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

Other Information 其他資料

- (c) Since 31 December 2010, the date of the latest published audited financial statements of our Company, up to 30 June 2011, none of our Directors has any direct or indirect material interest in any assets which have been acquired or disposed of by or leased to us, or proposed to be acquired or disposed of by or leased to us.
- (d) As at 30 June 2011, none of our Directors was materially interested in any contract or arrangement which is subsisting at the date of this report and which is significant in relation to our business.

- (c) 自二零一零年十二月三十一日(本公司最近一次公佈經審核財務報表之日)起至二零一一年六月三十日止,本公司董事概無於本公司收購、出售或租賃之任何資產中直接或間接擁有任何重大權益,或本公司擬收購、出售或租賃之任何資產中直接或間接擁有任何重大權益。
- (d) 於二零一一年六月三十日,本公司董事概無於對本公司業務關係重大(於本報告刊發日期仍屬有效)之任何合約或安排中擁有重大權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

- (a) So far as was known to any Director or chief executive of our Company, as at 30 June 2011, the following persons, other than a Director or chief executive of our Company, were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital of the Company, the respective relevant numbers of Shares in which they were, and/or were deemed to be, interested (all being long positions) and required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 336 of the SFO and the percentages which the Shares represented to the issued share capital of the Company:-

主要股東權益及股份之淡倉

- (a) 據本公司任何董事或最高行政人員所知,於二零一一年六月三十日,除本公司董事或最高行政人員外,以下人士直接或間接擁有本公司之任何類別股本面值5%或以上權益,彼等分別擁有及/或被視為擁有及根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益(全部均為好倉)的有關股份數目(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的權益及淡倉),或須列入本公司根據證券及期貨條例第336條所存置登記冊之權益,以及該等股份所佔本公司已發行股本的百分比:

Name 名稱	Number of Shares in which interested (other than under equity derivatives) 擁有權益之股份數目 (股本衍生工具除外)	Percentage of issued Shares 已發行股份 百分比
Billion Power Limited ("Billion Power")	460,237,609 (Note 1) (附註1)	30.22%
Vedan Enterprise Corporation ("Taiwan Vedan") 味丹企業股份有限公司(「台灣味丹」)	460,237,609 (Note 1) (附註1)	30.22%
King International	169,730,196 (Note 2) (附註2)	11.15%
Concord Worldwide Holdings Limited ("Concord Worldwide")	127,297,646 (Note 3) (附註3)	8.36%
High Capital Investments Limited ("High Capital")	127,297,646 (Note 4) (附註4)	8.36%

Other Information 其他資料

Notes:

1. Taiwan Vedan is entitled to exercise or control the exercise of more than one third of the voting power of Billion Power and is therefore taken to be interested in these 460,237,609 Shares held by Billion Power.
2. The capacity of King International in holding the 169,730,196 Shares was as beneficial owner.
3. The capacity of Concord Worldwide in holding the 127,297,646 Shares was as beneficial owner.
4. The capacity of High Capital in holding the 127,297,646 Shares was as beneficial owner.

Save as disclosed above, as at 30 June 2011 and so far as is known to the Directors or chief executives of the Company, no other person (not being a Director or chief executives of the Company) had, or was deemed or taken to have, any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange, under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

附註:

1. 台灣味丹有權行使或控制行使Billion Power超過三分之一之投票權，台灣味丹被視為擁有Billion Power所持有該460,237,609股股份之權益。
2. King International乃以實益擁有人身份持有169,730,196股股份。
3. Concord Worldwide乃以實益擁有人身份持有127,297,646股股份。
4. High Capital乃以實益擁有人身份持有127,297,646股股份。

除上文所披露者外，於二零一一年六月三十日及據本公司董事或最高行政人員所知，概無其他人士（並非本公司董事或最高行政人員）已經或被視為或被當作於本公司之股份或相關股份擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之任何權益或淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上權益。

CORPORATE GOVERNANCE AND COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to building and maintaining high standards of corporate governance practices. The Company has complied with all requirements set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules throughout the six months ended on 30 June 2011.

EMPLOYEE INFORMATION

On 30 June 2011, the Group had 3,675 employees of whom 3,133 are based in Vietnam, 534 in China and 8 in Taiwan.

The Group remunerates its employees based on their work performance, professional experiences and prevailing industry practices and related policies and packages are reviewed periodically by the management. Apart from pension funds, discretionary bonuses and share options are awarded to certain employees according to their respective individual performance assessment.

企業管治及遵守企業管治常規守則

本公司致力建立及維繫高水平企業管治。截至二零一一年六月三十日止六個月，本公司一直遵守上市規則附錄十四所載企業管治常規守則（「企業管治守則」）中所有規定。

僱員資料

於二零一一年六月三十日，本集團僱有3,675名僱員，其中3,133名駐於越南、534名駐於中國以及8名駐於台灣。

本集團僱員之薪酬乃按工作表現、專業資歷及普遍行業慣例釐訂。管理層會定期檢討本集團僱員之薪酬政策及待遇。除退休金外，本集團按照彼等各自的個別表現評估向若干僱員酌情發放花紅及購股權。



Other Information 其他資料**COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' DEALING IN SECURITIES**

All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules throughout the review period.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the unaudited interim financial report for the six months ended 30 June 2011. The Audit Committee comprises the three independent non-executive directors of the Company.

SHARE OPTION SCHEMES

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

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

The Pre-IPO Share Option Scheme has been expired on 12 June 2008 and any outstanding share options have been expired and cancelled.

遵守董事進行證券交易的標準守則

經本公司具體查詢後，所有董事已確認，彼等於整個回顧期內已遵守上市規則附錄十上市發行人董事進行證券交易的標準守則所載之規定標準。

審核委員會

審核委員會已聯同管理層審閱本集團採納之會計原則和慣例，並已討論內部監控和財務申報事宜，包括審閱截至二零一一年六月三十日止六個月之未經審核中期財務報告。審核委員會之成員包括本公司三位獨立非執行董事。

購股權計劃

二零零三年六月十三日，股東已批准首次公開發售前購股權計劃及購股權計劃。據此，本公司董事可酌情向本公司或其任何附屬公司任何僱員（包括任何執行董事）授出購股權，以根據該兩項購股權計劃之條款及條件認購本公司股份。

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

首次公開發售前購股權計劃已於二零零八年六月十二日屆滿，任何尚未行使之購股權已失效及註銷。



Review Report of the Independent Auditor

獨立核數師審閱報告

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF
VEDAN INTERNATIONAL (HOLDINGS) LIMITED**
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 22 to 44, which comprises the interim condensed consolidated balance sheet of Vedan International (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2011 and the related interim condensed consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 August 2011

中期財務資料審閱報告
致味丹國際(控股)有限公司董事會

(於開曼群島註冊成立之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第22至44頁的中期財務資料,當中包括味丹國際(控股)有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)於二零一一年六月三十日的中期簡明綜合資產負債表,以及截至該日止六個月期間的相關中期簡明綜合收益表、全面收入表、權益變動表和現金流量表,以及主要會計政策概要及其他附註解釋。香港聯合交易所有限公司證券上市規則規定,就中期財務資料編製的報告必須符合以上規則的有關條文及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論,並按照委聘之條款僅向整體董事會報告,除此以外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱工作。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢,以及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小,故不能令我們可保證我們將知悉所有在審核中可能被發現的所有重大事項。因此,我們不會發表審核意見。

結論

按照我們的審閱,我們並無發現任何事項,令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所
執業會計師

香港,二零一一年八月二十三日

Interim Condensed Consolidated Balance Sheet

中期簡明綜合資產負債表

			Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 US\$'000 千美元	Audited 經審核 31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	7	660	654
Property, plant and equipment	物業、廠房及設備	7	169,665	174,013
Intangible assets	無形資產	7	14,481	15,049
Prepayment for property, plant and equipment	物業、廠房及設備之 預付款項		53	200
Long-term loan and receivables	長期借貸及應收款項		393	–
Investment in an associate	於聯營公司之投資	8	1,085	1,230
Total non-current assets	非流動資產總額		186,337	191,146
Current assets	流動資產			
Inventories	存貨		102,431	83,193
Trade receivables	應收貿易賬款	9	39,378	40,328
Amount due from the non-controlling interest of a subsidiary	應收附屬公司非控股權益之 款項		1,264	1,308
Prepayments and other receivables	預付款項及其他應收款項		13,221	7,950
Current income tax recoverable	可收回即期所得稅		32	–
Cash and cash equivalents	現金及現金等價物		21,712	34,536
			178,038	167,315
Non-current assets held for sale	持作出售非流動資產		12,704	12,415
Total current assets	流動資產總額		190,742	179,730
Total assets	總資產		377,079	370,876

Interim Condensed Consolidated Balance Sheet 中期簡明綜合資產負債表

		Note 附註	Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 US\$'000 千美元	Audited 經審核 31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
EQUITY	權益			
Equity attributable to the owners of the Company	本公司擁有人應佔權益			
Share capital	股本	10	15,228	15,228
Reserves	儲備			
– Proposed interim/final dividends	– 建議中期/末期股息	19	–	3,670
– Others	– 其他		248,687	245,647
Non-controlling interest	非控股權益		263,915	264,545
			1,355	1,631
Total equity	權益總額		265,270	266,176
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Long-term bank borrowings	長期銀行借貸	12	12,603	15,259
Deferred income tax liabilities	遞延所得稅負債		7,064	7,513
Long-term payable to a related party	應付有關連人士之長期款項	21(c)	2,173	2,074
Provision for long service payment	長期服務金撥備		1,178	1,179
Total non-current liabilities	非流動負債總額		23,018	26,025
Current liabilities	流動負債			
Trade payables	應付貿易賬款	11	16,331	26,030
Accruals and other payables	應計費用及其他應付款項		14,308	19,847
Due to related parties	應付有關連人士款項	21(c)	2,789	2,280
Short-term bank borrowings	短期銀行借貸	12	47,745	23,596
Current portion of long-term bank borrowings	長期銀行借貸之即期部份	12	5,314	4,279
Current income tax liabilities	即期所得稅負債		2,304	2,643
Total current liabilities	流動負債總額		88,791	78,675
Total liabilities	負債總額		111,809	104,700
Total equity and liabilities	權益及負債總額		377,079	370,876
Net current assets	流動資產淨額		101,951	101,055
Total assets less current liabilities	總資產減流動負債		288,288	292,201

The notes on pages 28 to 44 form an integral part of this condensed consolidated interim financial information.

第28至44頁之附註為本簡明綜合中期財務資料之一部份。

Interim Condensed Consolidated Income Statement

中期簡明綜合收益表

Unaudited
Six months ended 30 June
未經審核
截至六月三十日止六個月

		Note 附註	2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Revenue	收益	6	186,698	152,167
Cost of sales	銷售成本	14	(160,604)	(124,309)
Gross profit	毛利		26,094	27,858
Other losses – net	其他虧損—淨額	13	(267)	(1,213)
Selling and distribution expenses	銷售及分銷開支	14	(10,223)	(8,037)
Administrative expenses	行政開支	14	(12,030)	(11,305)
Compensation to farmers	農民賠償	15	–	(11,807)
Operating profit/(loss)	經營溢利/(虧損)		3,574	(4,504)
Finance income	財政收入		343	232
Finance costs	財政支出		(1,069)	(813)
Finance costs – net	財政支出—淨值	16	(726)	(581)
Share of post-tax loss of an associate	應佔聯營公司稅後虧損	8	(145)	–
Profit/(loss) before income tax	除所得稅前溢利/(虧損)		2,703	(5,085)
Income tax expense	所得稅開支	17	(1,465)	(1,874)
Profit/(loss) for the period	期內溢利/(虧損)		1,238	(6,959)
Profit/(loss) attributable to:	以下各方應佔溢利/(虧損):			
– Owners of the Company	– 本公司擁有人		1,612	(6,707)
– Non-controlling interest	– 非控股權益		(374)	(252)
			1,238	(6,959)
Earnings/(losses) per share for profit/(loss) attributable to the owners of the Company	本公司擁有人應佔溢利/(虧損)之每股盈利/(虧損)			
– Basic earnings/(losses) per share (expressed in US cents)	– 每股基本盈利/(虧損) (以美仙計)	18	0.11	(0.44)
– Diluted earnings/(losses) per share (expressed in US cents)	– 每股攤薄盈利/(虧損) (以美仙計)	18	0.11	(0.44)

The notes on pages 28 to 44 form an integral part of this condensed consolidated interim financial information.

第28至44頁之附註為本簡明綜合中期財務資料之一部份。

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明綜合全面收入表

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Profit/(loss) for the period	期內溢利／(虧損)	1,238	(6,959)
Other comprehensive income	其他全面收入		
Currency translation differences	匯兌差額	1,526	269
Total comprehensive income/(loss) for the period	期內全面收入／(虧損)總額	2,764	(6,690)
Total comprehensive income/(loss) for the period attributable to:	以下各方應佔期內全面收入／(虧損)總額：		
- Owners of the Company	- 本公司擁有人	3,040	(6,461)
- Non-controlling interest	- 非控股權益	(276)	(229)
		2,764	(6,690)

The notes on pages 28 to 44 form an integral part of this condensed consolidated interim financial information.

第28至44頁之附註為本簡明綜合中期財務資料之一部份。

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

		Attributable to the owners of the Company 本公司擁有人應佔					Non-	Total
		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	Retained earnings 保留盈利 US\$'000 千美元	controlling interest 非控股權益 US\$'000 千美元	US\$'000 千美元
Balance at 1 January 2010	於二零一零年一月一日之結餘	15,228	47,358	10,308	79,994	116,078	2,685	271,651
Comprehensive income	全面收入							
Loss for the period	期內虧損	-	-	-	-	(6,707)	(252)	(6,959)
Other comprehensive income:	其他全面收入：							
Currency translation differences	匯兌差額	-	-	246	-	-	23	269
Total comprehensive income/ (loss) for the period ended 30 June 2010	截至二零一零年六月三十日止期間之全面收入/ (虧損)總額	-	-	246	-	(6,707)	(229)	(6,690)
Transactions with owners in their capacity as owners:	與擁有人(以其擁有人身份)進行交易：							
Dividends relating to 2009 paid in May 2010	於二零一零年五月支付之二零零九年度股息	-	-	-	-	(4,840)	-	(4,840)
Total transactions with owners	與擁有人之總交易額	-	-	-	-	(4,840)	-	(4,840)
Balance at 30 June 2010	於二零一零年六月三十日之結餘	15,228	47,358	10,554	79,994	104,531	2,456	260,121
Balance at 1 January 2011	於二零一一年一月一日之結餘	15,228	47,358	12,207	79,994	109,758	1,631	266,176
Comprehensive income	全面收入							
Profit for the period	期內溢利	-	-	-	-	1,612	(374)	1,238
Other comprehensive income:	其他全面收入：							
Currency translation differences	匯兌差額	-	-	1,428	-	-	98	1,526
Total comprehensive income/ (loss) for the period ended 30 June 2011	截至二零一一年六月三十日止期間之全面收入/ (虧損)總額	-	-	1,428	-	1,612	(276)	2,764
Transactions with owners in their capacity as owners:	與擁有人(以其擁有人身份)進行交易：							
Dividends relating to 2010 paid in May 2011	於二零一一年五月支付之二零一零年度股息	-	-	-	-	(3,670)	-	(3,670)
Total transactions with owners	與擁有人之總交易額	-	-	-	-	(3,670)	-	(3,670)
Balance at 30 June 2011	於二零一一年六月三十日之結餘	15,228	47,358	13,635	79,994	107,700	1,355	265,270

The notes on pages 28 to 44 form an integral part of this condensed consolidated interim financial information.

第28至44頁之附註為本簡明綜合中期財務資料之一部份。

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
	Note 附註		
Cash flows from operating activities	經營業務產生之現金流量		
Cash used in operations	業務所用之現金	(21,775)	(8,619)
Interest paid	已付利息	(654)	(438)
Income taxes paid	已付所得稅	(2,285)	(3,180)
Net cash used in operating activities	經營業務所用之現金淨額	(24,714)	(12,237)
Cash flows from investing activities	投資活動產生之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	7	(7,339)
Purchases of intangible assets and land use rights	購買無形資產及土地使用權	7	(1,586)
Long-term prepayment of property, plant and equipment	物業、廠房及設備之長期預付款項	147	641
Proceeds from sale of property, plant and equipment	銷售物業、廠房及設備之所得款項	44	18
Redemption of held-to-maturity financial asset	贖回持有至到期之財務資產	-	2,959
Investment in an associate	於聯營公司之投資	-	(1,230)
Interest received from held-to-maturity financial asset	已收持有至到期之財務資產之利息	-	61
Net cash used in investing activities	投資活動所用之現金淨額	(7,379)	(6,476)
Cash flows from financing activities	融資活動產生之現金流量		
Dividends paid	已付股息	19	(4,840)
Net change in short-term bank borrowings	短期銀行借貸變動淨額	24,149	7,129
Proceeds from long-term bank borrowings	長期銀行借貸所得款項	19,976	20,169
Repayment of long-term bank borrowings	償還長期銀行借貸	(21,597)	(19,975)
Repayment of long-term payable to Vedan Enterprise Corporation ("Taiwan Vedan")	償還結欠味丹企業股份有限公司(「台灣味丹」)之長期應付款項	(94)	(1,073)
Net cash generated from financing activities	融資活動產生之現金淨額	18,764	1,410
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(13,329)	(17,303)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	34,536	39,614
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物之匯兌收益／(虧損)	505	(4)
Cash and cash equivalents at end of the period	於期末之現金及現金等價物	21,712	22,307

The notes on pages 28 to 44 form an integral part of this condensed consolidated interim financial information.

第28至44頁之附註為本簡明綜合中期財務資料之一部份。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

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, acid and beverages. 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 Century Yard, Cricket Square, Hutchins Drive, George Town P.O. Box 2681 GT, Grand Cayman, British West Indies.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in US dollars (“US\$”), unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board of Directors on 23 August 2011.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2011 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

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(包括化工澱粉、葡萄糖糖漿、味精、蘇打及鹽酸)以及飲料。產品乃銷售往越南、其他東協成員國、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: Century Yard, Cricket Square, Hutchins Drive, George Town P.O. Box 2681 GT, Grand Cayman, British West Indies。

本公司擁有香港聯合交易所有限公司第一上市地位。

除另有列明外,本簡明綜合中期財務資料以美元列值。本簡明綜合中期財務資料於二零一一年八月二十三日獲董事會批准發佈。

本簡明綜合中期財務資料乃未經審核。

2 編製基準

截至二零一一年六月三十日止六個月之簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編製。簡明綜合中期財務資料應與根據香港財務報告準則而編製之截至二零一零年十二月三十一日止年度之年度財務報表一併閱讀,始屬完備。

3 會計政策

除下文所述者外,採納之會計政策與截至二零一零年十二月三十一日止年度之年度財務報表中所述之會計政策一致。

本中期期間的所得稅按照預期年度總盈利適用的稅率累計。



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (continued)

(a) Revised and amended standards adopted by the Group

The following revised standard and amendment to standard are mandatory for the first time for the financial year beginning 1 January 2011.

HKAS 24 (Revised)	Related Party Disclosures
HKAS 34	Interim Financial Reporting

The Group adopted the above revised standard and amendment to standard which impact the disclosures of the consolidated financial statements.

(b) The following amendments/revisions to standards and interpretation are mandatory for the first time for the financial year beginning 1 January 2011, but are not currently relevant for the Group.

HKAS 1	Presentation of Financial Statements
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Classification of Rights Issues
HKFRS 1	First-time Adoption of International Financial Reporting Standards
HKFRS 3	Business Combinations
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments
Amendment to HKFRS 1	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
Amendment to HK(IFRIC) – Int 14	Prepayments of a Minimum Funding Requirement

3 會計政策(續)

(a) 本集團所採納之準則修改及修訂

以下經修訂準則及準則修訂本必須於二零一一年一月一日開始之財政年度首次採納。

香港會計準則第24號(經修訂)	關連方披露
香港會計準則第34號	中期財務報告

本集團已採納以上影響綜合財務報表披露之經修訂準則及準則修訂本。

(b) 以下之準則修訂本/修訂及詮釋必須於二零一一年一月一日開始之財政年度首次採納，但有關修訂本/修訂及詮釋目前與本集團無關。

香港會計準則第1號	財務報表的呈列
香港會計準則第27號(經修訂)	綜合及獨立財務報表
香港會計準則第32號(修訂本)	供股之分類
香港財務報告準則第1號	首次採納國際財務報告準則
香港財務報告準則第3號	業務合併
香港財務報告準則第7號	金融工具：披露
香港(國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠計劃
香港(國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵銷金融負債
香港財務報告準則第1號之修訂	首次採納者就香港財務報告準則第7號之披露比較資料之有限豁免
香港(國際財務報告詮釋委員會) – 詮釋第14號之修訂	最低資金要求之預付款項

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (continued)

- (c) The following new standards and amendments to standards have been issued, but are not mandatory for the financial year beginning 1 January 2011 and have not been early adopted.

3 會計政策 (續)

- (c) 本集團並無提早採納以下已頒佈但於二零一一年一月一日開始之財政年度尚未生效之新準則及準則修訂本。

		Effective for accounting periods beginning on or after 於下列日期 或之後開始之 會計期間生效
HKAS 12 (Amendment) 香港會計準則第12號 (修訂本)	Deferred Tax: Recovery of Underlying Assets 遞延稅項：收回相關資產	1 January 2012 二零一二年一月一日
HKFRS 1 (Amendment) 香港財務報告準則第1號 (修訂本)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters 嚴重惡性通脹及剔除首次採用者的固定日期	1 July 2011 二零一一年七月一日
HKFRS 7 (Amendment) 香港財務報告準則第7號 (修訂本)	Disclosures – Transfers of Financial Assets 披露 – 轉移金融資產	1 July 2011 二零一一年七月一日
HKFRS 9 香港財務報告準則第9號	Financial Instruments 金融工具	1 January 2015 二零一五年一月一日
HKFRS 10 香港財務報告準則第10號	Consolidated Financial Statements 綜合財務報表	1 January 2013 二零一三年一月一日
HKFRS 11 香港財務報告準則第11號	Joint Arrangements 共同安排	1 January 2013 二零一三年一月一日
HKFRS 12 香港財務報告準則第12號	Disclosure of Interests in Other Entities 披露於其他實體之權益	1 January 2013 二零一三年一月一日
HKFRS 13 香港財務報告準則第13號	Fair Value Measurement 公平值之計量	1 January 2013 二零一三年一月一日

The Group has already commenced an assessment of the related impact of adopting the above new standards and amendments to standards to the Group. The Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will be resulted.

In addition, the Hong Kong Institute of Certified Public Accountants published a number of amendments for the existing standards under its annual improvement project published in May 2010. These amendments are not expected to have a significant financial impact on the results and financial position of the Group.

本集團已開始評估採納上述新準則及準則之修訂本對本集團之相關影響。本集團尚未能釐定是否會令本集團之會計政策或財務報表之呈報產生重大變動。

此外，於二零一零年五月，香港會計師公會於其年度改進項目中頒佈多項對現行準則之修訂。預期此等修訂不會對本集團之業績及財務狀況構成重大財務影響。

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4 ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2010, with the exception of changes in estimates that are required in determining the provision for income taxes.

5 FINANCIAL RISK MANAGEMENT**5.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and fair value interest-rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2010.

There have been no changes in the central treasury department (group treasury) since year end or in any risk management policies.

4 估計

編製中期財務報告需要管理層作出影響會計政策應用、所呈報資產及負債金額、收入及支出的判斷、估計及假設。實際結果可能有別於此等估計。

於編製簡明綜合中期財務資料時，除釐定所得稅撥備時所需之估計有變動外，管理層對應用本集團會計政策所作出的重大判斷及估計結果不確定性的主要來源，均與截至二零一零年十二月三十一日止年度的綜合財務報表所適用者相同。

5 財務風險管理**5.1 財務風險因素**

本集團之業務承受各種財務風險：市場風險（包括貨幣風險、現金流量及公平值利率風險）、信貸風險及流動資金風險。

本中期簡明綜合財務報表並未包括年度財務報表所需的所有財務風險管理資料以及披露，並應連同本集團於二零一零年十二月三十一日之年度財務報表一併閱讀。

自年末起，中央財政部（集團財政部）或任何風險管理政策並無任何變動。



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

5 FINANCIAL RISK MANAGEMENT (continued)**5.2 Liquidity risk**

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5.3 Fair value estimation

For the six months ended 30 June 2011, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and liabilities, and no reclassification of financial assets.

6 SEGMENT ANALYSIS

The chief operating decision-maker has been identified as the Board of Directors collectively. The Directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. These reports include segment revenue, segment assets and capital expenditures.

The Board of Directors consider the business from a geographical aspect. In presenting information on the basis of operating segments, segment revenue is based on the geographical presence of customers. Segment assets and capital expenditures are based on the geographical location of the assets.

Since the Group is mainly engaged in the manufacturing and selling of MSG products in which the gross profit would not vary much across geographical location, the chief operating decision makers assess the performance based principally on revenue derived by each geographical segment. Accordingly, the segment performance is restricted to revenue information.

(i) Segment revenue

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Vietnam	越南	84,754	73,391
The PRC	中國	23,626	21,441
Japan	日本	44,176	34,077
Taiwan	台灣	3,774	1,801
ASEAN member countries (other than Vietnam)	東協成員國(不包括越南)	16,245	15,298
Other regions	其他地區	14,123	6,159
		186,698	152,167

5 財務風險管理(續)**5.2 流動資金風險**

與年末比較，金融負債的合約未折現現金流出量並無重大變動。

5.3 公平值估計

截至二零一一年六月三十日止六個月，業務或經濟環境並無足以影響本集團金融資產及金融負債之重大變動，金融資產亦無任何重新分類。

6 分部分析

主要營運決策者已一併確定為董事會。董事審閱本集團之內部報告，以評核表現及分配資源。管理層根據此等報告(包括分部收益、分部資產及資本支出)釐定營運分部。

董事會以地理層面分析其業務。以營運分部呈報資料時，分部收益以客戶所在地區劃分。分部資產及資本開支則以資產所在地劃分。

由於本集團主要從事味精產品之製造及銷售，其毛利不會因地理位置而存在重大差異，主要營運決策者主要根據各地理分部所產生之收益評估業績。因此，分部業績僅限於收益資料。

(i) 分部收益

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

6 SEGMENT ANALYSIS (continued)

(ii) Capital expenditures

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Vietnam	越南	6,860	7,432
The PRC	中國	710	1,493
		7,570	8,925

Capital expenditures are allocated based on where the assets located.

Capital expenditures comprise additions of property, plant and equipment, intangible assets and land use rights.

(iii) Total assets

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Vietnam	越南	305,623	300,089
The PRC	中國	69,131	67,905
Hong Kong	香港	1,808	2,032
Taiwan	台灣	454	785
Singapore	新加坡	63	65
		377,079	370,876

Total assets are allocated based on where the assets are located.

6 分部分析(續)

(ii) 資本支出

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Vietnam	越南	6,860	7,432
The PRC	中國	710	1,493
		7,570	8,925

資本支出乃根據資產所在地而分配。

資本支出包括對物業、廠房及設備、無形資產及土地使用權之添置。

(iii) 總資產

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Vietnam	越南	305,623	300,089
The PRC	中國	69,131	67,905
Hong Kong	香港	1,808	2,032
Taiwan	台灣	454	785
Singapore	新加坡	63	65
		377,079	370,876

總資產乃根據資產所在地而分配。



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

7 CAPITAL EXPENDITURE

7 資本支出

		Intangible assets 無形資產				Total 總計 US\$'000 千美元	Property, plant and equipment 物業、 廠房及設備 US\$'000 千美元	Land use rights 土地使用權 US\$'000 千美元
		Goodwill 商譽 US\$'000 千美元	Software and licenses 軟件及牌照 US\$'000 千美元	Brand name 品牌 US\$'000 千美元	Trademarks 商標 US\$'000 千美元			
Six months ended 30 June 2010	截至二零一零年六月三十日 止六個月							
Opening net book amount as at 1 January 2010	於二零一零年一月一日之 期初賬面淨值	8,159	1,087	686	6,246	16,178	189,577	6,472
Exchange differences	匯兌差額	1	-	1	-	2	169	75
Additions	添置	-	121	-	-	121	7,339	1,465
Disposals	出售	-	-	-	-	-	(490)	-
Amortisation and depreciation	攤銷及折舊	-	(81)	(57)	(604)	(742)	(13,296)	(77)
Transfer to non-current assets held for sale	轉至持作出售非流動資產	-	-	-	-	-	-	(5,786)
Closing net book amount as at 30 June 2010	於二零一零年六月三十日之 期末賬面淨值	8,160	1,127	630	5,642	15,559	183,299	2,149
Six months ended 30 June 2011	截至二零一一年六月三十日 止六個月							
Opening net book amount as at 1 January 2011	於二零一一年一月一日之 期初賬面淨值	8,389	1,051	572	5,037	15,049	174,013	654
Exchange differences	匯兌差額	179	-	-	-	179	542	15
Additions	添置	-	-	-	-	-	7,570	-
Disposals	出售	-	-	-	-	-	(514)	-
Amortisation and depreciation	攤銷及折舊	-	(86)	(57)	(604)	(747)	(11,946)	(9)
Closing net book amount as at 30 June 2011	於二零一一年六月三十日之 期末賬面淨值	8,568	965	515	4,433	14,481	169,665	660

8 INVESTMENT IN AN ASSOCIATE

8 於聯營公司之投資

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Unlisted shares, at cost	非上市股份(按成本)	1,085	1,230

Movement on the investment in an associate is as follows:

於聯營公司之投資變動分析如下:

		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
As at 1 January	於一月一日	1,230	-
Additions	增加	-	1,230
Share of post-tax loss of an associate	應佔聯營公司稅後虧損	(145)	-
As at 30 June	於六月三十日	1,085	1,230

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

8 INVESTMENT IN AN ASSOCIATE (continued)

The Group's share of the results of an associate and its aggregated assets and liabilities are shown below:

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%
Dacin International Holdings Limited 達欣國際控股有限公司	The Cayman Islands 開曼群島	4,100,000 shares of US\$1 each 4,100,000股股份，每股1美元	30

Summary of financial information on associate – effective interest

		Assets 資產 US\$'000 千美元	Liabilities 負債 US\$'000 千美元	Revenues 收益 US\$'000 千美元	Share of loss 應佔虧損 US\$'000 千美元
Effective interest	實際權益	1,085	–	–	(145)

The associate is principally engaged in real estate development in Vietnam. As of 30 June 2011, the associate has not started any development project.

8 於聯營公司之投資(續)

本集團應佔聯營公司之業績以及其資產及負債總額分析如下：

聯營公司之財務資料概要 – 實際權益

聯營公司於越南主要從事房地產發展。截至二零一一年六月三十日，聯營公司並未開展任何發展項目。

9 TRADE RECEIVABLES

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Trade receivables from third parties	應收第三方貿易賬款	40,331	41,600
Trade receivables from a related party (Note 21(c))	應收有關連人士貿易賬款 (附註21(c))	443	250
Less: provision for impairment of trade receivables	減：應收貿易賬款減值撥備	(1,396)	(1,522)
		39,378	40,328

9 應收貿易賬款



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

9 TRADE RECEIVABLES (continued)

The credit terms of trade receivables range from cash on delivery to 90 days. At 30 June 2011, trade receivables based on invoice date are aged as follows:

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Current	即期	21,545	27,666
31 – 90 days	31至90天	13,310	8,906
91 – 180 days	91至180天	2,597	2,959
181 – 365 days	181至365天	1,911	809
Over 365 days	365天以上	1,411	1,510
		40,774	41,850

9 應收貿易賬款(續)

應收貿易賬款之信貸期由貨到付現至90天。於二零一一年六月三十日，應收貿易賬款按發票日期之賬齡分析如下：

10 SHARE CAPITAL

10 股本

		Authorised ordinary shares 法定普通股		
		Par value 面值 US\$ 美元	Number of shares 股份數目	US\$'000 千美元
At 30 June 2011 and 31 December 2010	於二零一一年六月三十日及 二零一零年十二月三十一日	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 面值 US\$ 美元	Number of shares 股份數目	US\$'000 千美元
At 30 June 2011 and 31 December 2010	於二零一一年六月三十日及 二零一零年十二月三十一日	0.01	1,522,742,000	15,228

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

11 TRADE PAYABLES

As at 30 June 2011, trade payables based on invoice date are aged as follows:

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Current	即期	13,867	22,754
31 – 90 days	31至90天	2,304	3,224
91 – 180 days	91至180天	37	35
181 – 365 days	181至365天	59	17
Over 365 days	365天以上	64	–
		16,331	26,030

11 應付貿易賬款

於二零一一年六月三十日，應付貿易賬款按發票日期之賬齡分析如下：

12 BANK BORROWINGS

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Long-term bank borrowings – secured (Note 22)	長期銀行借貸 – 有抵押(附註22)	17,917	19,538
Current portion of long-term bank borrowings – secured (Note 22)	長期銀行借貸之即期部份 – 有抵押(附註22)	(5,314)	(4,279)
		12,603	15,259
Short-term bank borrowings – secured (Note 22)	短期銀行借貸 – 有抵押(附註22)	38,094	14,308
– unsecured	– 無抵押	9,651	9,288
		47,745	23,596

12 銀行借貸



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

12 BANK BORROWINGS (continued)

The Group's long-term bank borrowings are repayable as follows:

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Within 1 year	一年內	5,314	4,279
Between 1 and 2 years	一年至兩年	5,314	5,314
Between 2 and 5 years	兩年至五年	7,289	9,945
		17,917	19,538

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

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
US\$	美元	62,711	42,146
New Taiwan dollar	新台幣	2,951	988
		65,662	43,134

13 OTHER LOSSES – NET

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Net exchange losses	匯兌虧損淨額	(679)	(1,177)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(11)	(479)
Sales of scrap materials	廢料銷售	192	138
Interest income from held-to-maturity financial asset	持有至到期之財務資產 利息收入	–	61
Others	其他	231	244
		(267)	(1,213)

12 銀行借貸(續)

本集團之長期銀行借貸須於以下期間償還：

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Within 1 year	一年內	5,314	4,279
Between 1 and 2 years	一年至兩年	5,314	5,314
Between 2 and 5 years	兩年至五年	7,289	9,945
		17,917	19,538

借貸賬面金額按以下貨幣計值：

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
US\$	美元	62,711	42,146
New Taiwan dollar	新台幣	2,951	988
		65,662	43,134

13 其他虧損－淨額

Six months ended 30 June
截至六月三十日止六個月

		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Net exchange losses	匯兌虧損淨額	(679)	(1,177)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(11)	(479)
Sales of scrap materials	廢料銷售	192	138
Interest income from held-to-maturity financial asset	持有至到期之財務資產 利息收入	–	61
Others	其他	231	244
		(267)	(1,213)

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

14 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

14 按性質分類之開支

銷售成本、銷售及分銷開支及行政開支所包括的開支分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Changes in inventories of finished goods and work in progress	製成品和在製品存貨變動	(6,742)	(12,976)
Raw materials and consumables used	已用原料和消耗品	148,900	119,470
Amortisation of intangible assets (Note 7)	無形資產攤銷(附註7)	747	742
Amortisation of land use rights (Note 7)	土地使用權攤銷(附註7)	9	77
Depreciation on property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	11,946	13,296
Operating lease expenses in respect of leasehold land	有關租賃土地經營租約之開支	96	93
Employee benefit expenses	僱員福利開支	12,660	10,933
Write back of provision for impairment of trade receivables (Note 9)	應收貿易賬款減值撥回撥備(附註9)	(126)	-
Other expenses	其他開支	15,367	12,016
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	182,857	143,651

15 COMPENSATION TO FARMERS

On 8 October 2008, the Group received a decision from the relevant government authority that the Group had been in violation of certain environmental laws in Vietnam. The Group was required to pay approximately US\$16,000 and US\$7,713,000 as penalty and environmental fees respectively. All these penalty and environmental fees were recorded in the consolidated income statement in 2008. Due to this environmental matter, farmer associations in Ho Chi Minh City, Ba Ria-Vung Tau Province and Dong Nai Province in Vietnam intended to file a court claim against the Group. On 13 August 2010, the Group agreed to provide approximately US\$11,807,000 (equivalent to VND 218,949,000,000) to farmer associations in Ho Chi Minh City, Ba Ria-Vung Tau Province and Dong Nai Province in Vietnam. This has been recorded in the consolidated income statement for the year ended 31 December 2010. The Group paid the amount in two instalments with 50% each in August 2010 and January 2011. The Directors obtained a legal opinion and considered that there is no further significant liability to any parties in relation to this environmental matter.

15 農民賠償

於二零零八年十月八日，本集團獲悉相關政府機構有關本集團違反越南若干環境法例之決議。本集團須分別支付約16,000美元及7,713,000美元作為罰款及環境費用。全部該等罰款及環境費用已於二零零八年之綜合收益表中記錄。由於此環境事項，越南胡志明市、巴地頭頓省及同奈省之農民協會擬入稟法院向本集團索取賠償。於二零一零年八月十三日，本集團同意向越南胡志明市、巴地頭頓省及同奈省之農民協會賠償約11,807,000美元(相等於218,949,000,000越南盾)。全部該等賠償已於截至二零一零年十二月三十一日止年度之綜合收益表中記錄。本集團同意分兩期分別於二零一零年八月及二零一零年一月支付賠償，每次支付50%。董事獲得法律意見並認為並無就此環境事項對任何人士負有其他重大負債。

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

16 FINANCE COSTS – NET

16 財政支出－淨值

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Finance income – interest income on short-term bank deposits	財政收入－短期銀行存款 利息收入	(343)	(232)
Interest expense on bank borrowings	銀行借貸利息開支	975	675
Amortisation of discount on long-term payable to a related party (Note 21(c))	應付有關連人士之長期 款項折讓攤銷 (附註21(c))	94	138
Finance costs	財政支出	1,069	813
Finance costs – net	財政支出－淨值	726	581

17 INCOME TAX EXPENSE

17 所得稅開支

Taxation on profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

溢利的稅項按期內估計應課稅溢利乘以本集團營運所在國家的適用稅率計算。

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

於綜合收益表內扣除之所得稅開支包括：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
Enterprise income tax (“EIT”)	企業所得稅 (「企業所得稅」)	1,914	2,901
Deferred income tax	遞延所得稅	(449)	(1,027)
		1,465	1,874

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.

企業所得稅按財務申報的法定溢利計算，並就所得稅中毋須課稅或不可扣減之收支項目而調整。

(i) Vietnam

The applicable EIT rates for the Group’s operation in Vietnam range from 15% to 25%, as stipulated in the respective subsidiaries’ investment licenses.

(i) 越南

本集團越南業務的適用企業所得稅率介乎15%至25%之間，具體稅率載於附屬公司各自的投資許可證。

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

17 INCOME TAX EXPENSE (continued)**(ii) The PRC**

The applicable EIT rates for the Group's operation in the PRC range from 12.5% to 25%.

Shanghai Vedan, Shandong Vedan Snowflake and Xiamen Maotai are entitled to full exemption from EIT for the first two years and 50% reduction in EIT for the next three years, commencing from the first profitable years after offsetting all unexpired tax losses brought forward from the previous years. Shanghai Vedan, Shandong Vedan Snowflake and Xiamen Maotai have already triggered their first year of tax exemption entitlement in 2005, 2006 and 2008 respectively.

(iii) Singapore/Hong Kong

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

(iv) Taiwan

The applicable EIT rate for the Group's operations in Taiwan is 25%.

18 EARNINGS/(LOSSES) PER SHARE

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to owners of the Company of US\$1,612,000 (2010: loss of US\$6,707,000) by 1,522,742,000 (2010: 1,522,742,000) ordinary shares in issue during the period.

Diluted earnings/(losses) per share is the same as basic earnings/(losses) per share as there are no dilutive instruments for the period ended 30 June 2011 and 2010.

19 DIVIDENDS**17 所得稅開支(續)****(ii) 中國**

本集團中國業務的適用企業所得稅率介乎12.5%至25%之間。

上海味丹、山東味丹雪花及廈門茂泰可從首個盈利年度(於抵銷過往年度結轉的所有未到期稅項虧損之後為準)開始,免繳企業所得稅兩年,隨後三年則享有稅率減半優惠。上海味丹、山東味丹雪花及廈門茂泰已分別於二零零五年、二零零六年及二零零八年開始彼等的首個免稅年度。

(iii) 新加坡/香港

期內本集團並無產生自或源自新加坡/香港之估計應課稅溢利,故並無就新加坡/香港利得稅作出撥備。

(iv) 台灣

本集團台灣業務的適用企業所得稅率為25%。

18 每股盈利/(虧損)

每股基本盈利/(虧損)按本公司擁有人應佔溢利/(虧損)1,612,000美元(二零一零年:6,707,000美元虧損)除以期內已發行普通股1,522,742,000股(二零一零年:1,522,742,000股)計算。

截至二零一一年及二零一零年六月三十日止期間,由於無攤薄工具,每股攤薄盈利/(虧損)與每股基本盈利/(虧損)相同。

19 股息**Six months ended 30 June
截至六月三十日止六個月**

		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
2010 final, paid of 0.240 US cents (2009: 0.317 US cents) per ordinary share	已付二零一零年末期股息每股普通股0.240美仙(二零零九年:0.317美仙)	3,670	4,840
2011 interim, nil (2010 interim: nil) per ordinary share	二零一一年中期股息每股普通股零元(二零一零年中期:無)	-	-
		3,670	4,840

Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

20 COMMITMENTS

(i) Capital commitments

The Group's capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Contracted but not provided for Property, plant and equipment	已訂約但未撥備物業、廠房及設備	1,274	825
Investment in associate (Note)	於聯營公司的投資(附註)	5,190	5,190
		6,464	6,015

Note: Details of investment are disclosed in Note 8.

附註：投資詳情於附註8披露。

(ii) Operating lease commitments

The Group had future aggregate minimum lease payments in respect of land and buildings under non-cancellable operating leases as follows:

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Not later than one year	一年內	123	120
Later than one year and not later than five years	一年後至五年內	457	474
Later than five years	五年後	3,045	3,104
		3,625	3,698

20 承擔

(i) 資本承擔

本集團於結算日已訂約但未產生之資本支出如下：

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Contracted but not provided for Property, plant and equipment	已訂約但未撥備物業、廠房及設備	1,274	825
Investment in associate (Note)	於聯營公司的投資(附註)	5,190	5,190
		6,464	6,015

附註：投資詳情於附註8披露。

(ii) 經營租約承擔

本集團根據土地及樓宇的不可撤銷經營租約而須於未來支付的最低租賃款項總額如下：

		As at 於	
		30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Not later than one year	一年內	123	120
Later than one year and not later than five years	一年後至五年內	457	474
Later than five years	五年後	3,045	3,104
		3,625	3,698



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

21 RELATED PARTY TRANSACTIONS

- (a) The table below summarises the related party and nature of its relationship with the Company as at 30 June 2011:

Related party 有關連人士	Relationship with the Company 與本公司的關係
Taiwan Vedan 台灣味丹	A substantial shareholder of the Company 本公司的主要股東

- (b) Significant related party transactions, which were carried out in the normal course of the Group's businesses are as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 US\$'000 千美元	2010 二零一零年 US\$'000 千美元
		Note 附註	
Sale of goods to Taiwan Vedan	向台灣味丹銷售貨品	(i)	766
Technological support fee paid to Taiwan Vedan	向台灣味丹支付技術支援費	(ii)	1,555
Agency commission income received from Taiwan Vedan	收取台灣味丹的代理佣金收入	(ii)	41
			1,478
			1,082
			56

Note:

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

21 有關連人士交易

- (a) 下表概述於二零一一年六月三十日的有關連人士及其與本公司的關係性質：

- (b) 在本集團日常業務中與有關連人士進行的重大交易如下：

附註：

- (i) 本公司董事認為向有關連人士作出的銷售在日常業務中進行，且價格及條款不遜於本集團與其他第三者客戶交易所支付及訂立的價格及條款。
- (ii) 本公司董事認為該等交易在日常業務中進行，並且根據相關協議的條款收費。



Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

21 RELATED PARTY TRANSACTIONS (continued)

(c) Balances with the related party

As at 30 June 2011 and 31 December 2010, the Group had the following significant balances with the related party:

		As at 於	30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Current:	即期：			
Trade receivables from Taiwan Vedan (Note 9)	應收台灣味丹貿易賬款 (附註9)	(i)	443	250
Due to Taiwan Vedan	應付台灣味丹款項	(i)	837	323
Current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	有關轉讓商標應付台灣味丹款項即期部份	(ii)	1,952	1,957
Non-current:	非即期：			
Non-current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	有關轉讓商標應付台灣味丹款項非即期部份	(ii)	2,173	2,074

Note:

- (i) All these balances with the related party are unsecured, interest-free and have no fixed terms of repayment.
- (ii) The balance represents the fair value payable to Taiwan Vedan for assignment of certain trademarks under the Trademark Assignment Agreement. It is payable by seven equal annual instalments commencing on 1 January 2007. The original face amount is US\$15,014,000 and was discounted to fair value using a rate based on the borrowing rate of 4.7% per annum at the date of assignment of the trademarks (Note 16).

於二零一一年六月三十日及二零一零年十二月三十一日，本集團與有關連人士之主要結欠如下：

		As at 於	30 June 2011 二零一一年 六月三十日 US\$'000 千美元	31 December 2010 二零一零年 十二月三十一日 US\$'000 千美元
Current:	即期：			
Trade receivables from Taiwan Vedan (Note 9)	應收台灣味丹貿易賬款 (附註9)	(i)	443	250
Due to Taiwan Vedan	應付台灣味丹款項	(i)	837	323
Current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	有關轉讓商標應付台灣味丹款項即期部份	(ii)	1,952	1,957
Non-current:	非即期：			
Non-current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	有關轉讓商標應付台灣味丹款項非即期部份	(ii)	2,173	2,074

附註：

- (i) 有關連人士之所有結餘均無抵押、免息及無固定還款期。
- (ii) 根據商標轉讓協議，該結餘相當於就轉讓若干商標而應付台灣味丹之公平值。其須由二零零七年一月一日起，分七期每年支付相同款額。原面值為15,014,000美元，並按根據轉讓商標當日之借貸年利率4.7厘計算之利率折現至公平值（附註16）。

22 BANKING FACILITIES

The Group's bank borrowings of US\$56,011,000 as at 30 June 2011 (31 December 2010: US\$33,846,000) were secured by:

- (i) Legal charges over certain of the Group's property, plant and equipments with net book amount of approximately US\$21,910,000 (31 December 2010: US\$22,715,000).
- (ii) Corporate guarantee provided by the Company.

22 銀行信貸

本集團於二零一一年六月三十日之銀行借貸56,011,000美元（二零一零年十二月三十一日：33,846,000美元）以下列各項作為抵押：

- (i) 本集團賬面淨值約21,910,000美元（二零一零年十二月三十一日：22,715,000美元）之若干物業、廠房及設備之法定抵押。
- (ii) 本公司提供之公司擔保。



VEDAN
INTERNATIONAL

Vedan International (Holdings) Limited

味丹國際(控股)有限公司

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