

Mission 使命

To be Asia's leading manufacturer of ferment 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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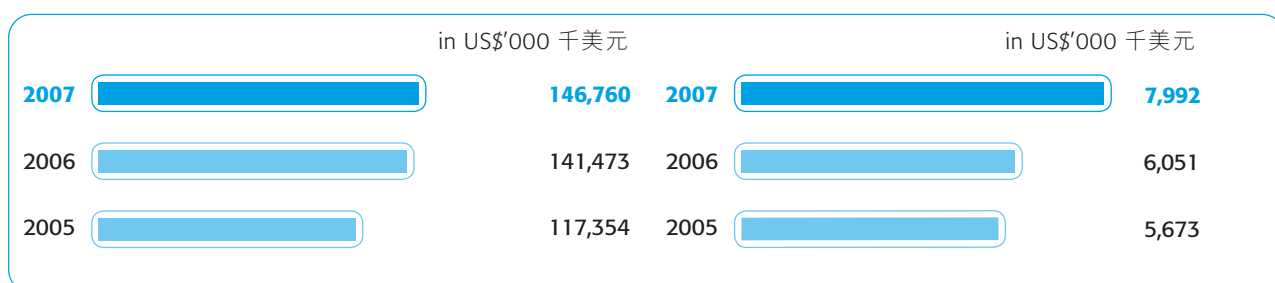
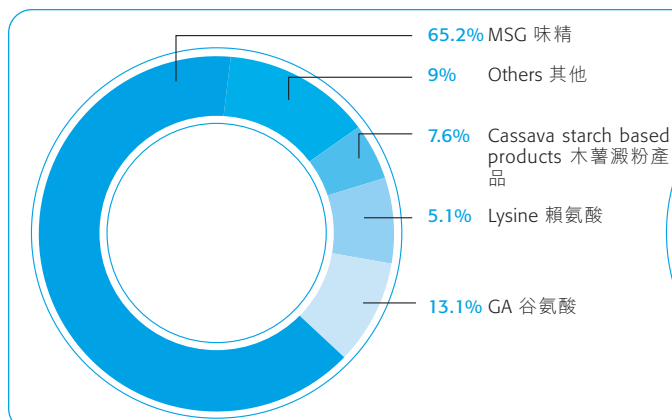
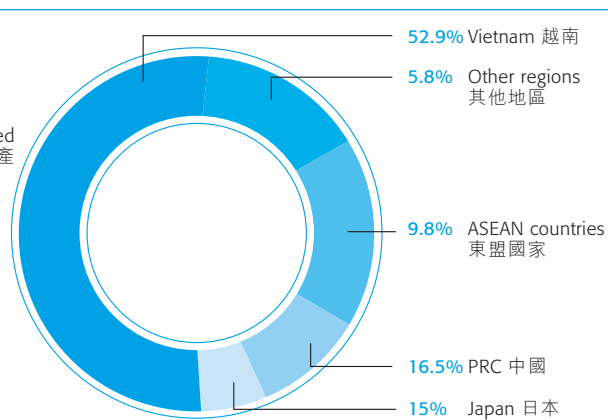
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Financial Highlights

財務摘要

		Unaudited 未經審核 Six months ended 30 June 2007 截至二零零七年 六月三十日止 六個月 US\$'000 千美元	Unaudited 未經審核 Six months ended 30 June 2006 截至二零零六年 六月三十日止 六個月 US\$'000 千美元	Change 變動
Results	業績			
Turnover	營業額	146,760	141,473	3.7%
Profit before taxation	除稅前盈利	9,865	7,886	25.1%
Profit attributable to shareholders	股東應佔盈利	7,992	6,051	32.1%
Basic earnings per share (US cents)	每股基本盈利 (美仙)	0.52	0.40	30.0%
Diluted earnings per share (US cents)	每股攤薄盈利 (美仙)	0.52	0.40	
Interim dividend declared per share (US cents)	已宣派每股中期股息 (美仙)	0.262	0.200	
(HK cents)	(港仙)	2.043	1.560	

Turnover 營業額6 months ended 30 June
截至六月三十日止六個月**Net Profit 純利**6 months ended 30 June
截至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 2007
截至二零零七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 2007
截至二零零七年六月三十日止六個月

Corporate Information

Board of Directors

Executive Directors

Yang, Tou-Hsiung (Chairman)
 Yang, Cheng
 Yang, Kun-Hsiang (CEO)
 Yang, Chen-Wen
 Wang, Joel J.

Non-executive Directors

Huang, Ching-Jung
 Chou, Szu-cheng

Independent Non-executive Directors

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

* member of Audit Committee

Authorised Representatives

Yang, Kun-Hsiang
 Wang, Joel J.

Company Secretary

Lo, Chi-Man

Auditors

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

Legal Advisors

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Registered Office

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Share Registrars

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 26/F., Tesbury Centre, 28 Queen's Road East,
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公司資料

董事會

執行董事

楊頭雄(主席)
 楊正
 楊坤祥(行政總裁)
 楊辰文
 王肇樹

非執行董事

黃景榮
 周賜程

獨立非執行董事

趙培宏*
 莊淑芬*
 柯俊禎*

* 審核委員會成員

法定代表

楊坤祥
 王肇樹

公司秘書

羅志文

核數師

羅兵咸永道會計師事務所
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 George Town, Grand Cayman, British West Indies

股票過戶及登記處

卓佳登捷時有限公司
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 Reuters: 2317.HK

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Chairman's Statement

In the first half of 2007, despite the relatively stable material prices, MSG continued to face international price competition. Nevertheless, by placing priority emphasis on boosting profit before turnover and exerting its best in maintaining selling price of its products, controlling costs and enhancing production efficiency, both the Group's turnover and profit grew, the former moderately and the latter rather notably.

The Group's turnover for the first half of 2007 increased by 3.7% against the last corresponding period, while profit leaped a remarkable 32.1%. All core products delivered satisfactory performance, with GA, modified starch and specialty chemicals reporting particularly strong growth in sales of 20%, 51.9% and 15.7% respectively. Geographically, the Group's major markets, including Vietnam, China and ASEAN countries, reported sales growth by approximately 3.7%, 20% and 14% respectively compared with the last corresponding period, while the Japan market shrank due to drop in lysine sales.

Sales in China increased substantially in the first half year. However, with corn price increasing, Shandong Vedan Snowflake Enterprise Co., Ltd. had to shoulder increased material costs for GA and MSG, which suppressed its profit. As for the Group's Shanghai plant, it had begun to see the fruits of its two years' efforts to develop modified starch products. The Group has set up a distribution network for the products and started to register returns. The management believes the business has huge potential with demand for processed food rising among consumers in China.

Carbohydrate sourcing is critical to the sustainable growth of the Group in the years to come. Apart from focusing on gaining access to more raw material sources in the first half year, the Group also brought in a batch of experienced professionals to join its management team in May this year. Among them are agricultural gurus from the Taiwan International Cooperation and Development Fund with doctorate and master's degrees who have worked with overseas counterparts on different projects. These professionals have assisted the Group in expanding the scope of the sugar beet trial cultivation in Vietnam and introduced sweet Sorghum bicolor, which boasts exceptional cost effectiveness as a raw material, to the Group, thus giving the Group more complementary raw material choices and bigger cost competitiveness. The management is convinced that the Group will be able to effectively control the quantities and prices of main raw materials in the foreseeable future, which will translate into tangible gain for the Group in terms of production cost and profit.

主席報告書

味丹國際在2007年上半年的營運，雖然原料價格已較穩定，但國際味精價格的競爭仍相當激烈，然而，集團仍秉持獲利優先為原則，努力地維持產品售價、控制成本與提升生產效率，致使營收雖然相較去年同期僅略有增加，但獲利卻有明顯幅度的成長。

集團2007年上半年之營收雖較2006年同期僅提升3.7%，盈利卻大幅增長32.1%。集團主要產品的業務多有不錯的表現，尤其是谷氨酸、變性澱粉及特用化學品的銷售各有20%、51.9%、15.7%顯著的增加。以區域市場來看，相較去年同期、除日本市場因賴氨酸銷售減少而衰退外，集團在各主要市場，越南、中國與東盟國家等主要市場的業績都較去年約有3.7%、20%與14%的成長。

中國市場在上半年整體的銷售成績有明顯的增長。但因國內玉米價格高漲，致使山東味丹雪花廠所生產的谷氨酸及味精之原料成本上揚，獲利受到壓縮。雖然如此，上海廠所生產的食品用變性澱粉在近兩年來的耕耘，逐漸開花結果，銷售網路與業績已漸漸拓展開來。經營層相信以中國消費市場對食品加工的需求，此業務在中國市場將有大幅成長的潛力。

鑑於糖質原料的掌控，將是決定集團未來永續發展成功與否的重要關鍵指標之一。除在上半年持續致力於掌握更多糖源供應之主軸外，今年五月份已引進一批學有專精農業高級幹部加入經營團隊，是中華民國國際合作發展基金會團長級、具博士、碩士學位，曾派駐國外主導農業合作開發多年經驗的農業專業人員，這一批專精的農業幹部，除延續擴大越南試種植熱帶甜菜之面積外，並已引進低成本、高效率之甜高粱，已收成一次，效果比預期好，再加上河靜木薯澱粉廠，將使集團的原料更多元化，對原料來源與成本更具有互補性與競爭力。經營層相信在不久的將來，集團即可掌控原料的數量與主導原料的價格，對生產成本與獲利將逐漸顯現實質效益。

Chairman's Statement

Outlook for the second half year

After Vietnam's formal accession to the World Trade Organization early this year, her economy has been thriving. In addition to continuing to develop existing products and ride on our established distribution network and well-recognized brand in Vietnam and ASEAN countries to realize fully our strengths in production and sales, we will also seize opportunities in relation to new product development. Armed with strong core competence, we will explore and develop different high value-added products to prepare the Group for taking its business to the next level.

In the China market, the Group will seek to fortify the distribution network of its plants in Shanghai, Xiamen and Shandong, and step up expansion of modified starch business which is expected to bring more revenue in the coming half year. Heeding the overall business environment in the PRC, the Group expects to complete moving the MSG facilities from Xiamen to Shandong in the second half year, so as to strengthen and perfect the plant's overall fermentation and production capacities. Provided that raw material supplies are going to stay stable and at low cost, the Shandong plant is going to become a major base of the Group for growing its business and sales in the China market.

The Group has been attentive regarding R&D direction and execution. It has continuously reported good progress in new product development and improving the efficiency of different production processes. Apart from the efforts of its own R&D team, the Group is also negotiating with some advanced international bio-chemical companies on projects in relation to development of new products or innovative production technology. Our hope is to constantly improve product technology and production efficiency and create more high value-added products to enrich our diverse offerings.

Our staff at all levels will actively and carefully implement the Group's plans. We are confident that, as our technological capabilities improve and we continue to push forward our business strategies, our profit will continue to grow. At the same time, the Group will continue to review its long-term operational direction and develop a befitting development blueprint that can help it stay competitive and create higher value.

By order of the Board
Yang, Tou-Hsiung
Chairman

Hong Kong, 20 September 2007

主席報告書

展望下半年

越南於今年初正式加入世界貿易組織(WTO)，各項經濟活動正蓬勃展開。集團對此除積極耕耘我們現有的各項產品，藉由在越南與東盟國家已穩固的行銷網絡及品牌知名度，鞏固並發揮產銷的優勢外，將更積極地接洽相關的新產品與商機，利用既有的核心基礎，以期開拓更廣、更高附加價值的新產品，為集團事業能再創新另一個高峰而佈局。

2007年下半年在中國市場之開展，除持續耕耘上海廠、廈門廠與山東廠各項產品於當地市場的通路經營外，將更加強食品應用變性澱粉業務的拓展，預計下半年將可增添更高的營業成績。同時，因應中國載體的環境，在下半年由廈門廠遷往山東廠的味精製設備將裝置完成，以強化山東廠整體之醱酵與精製的運轉產能，如能輔以充分且低成本原料價格的配合時，將使山東廠成為集團在中國市場拓展與產銷的重要據點。

集團也相當重視研發的方向與執行，無論是開發各種新產品或改善各項製程的效率，都已有不錯的成效。而集團目前除本身研發團隊的全力投入外，也正與數家國際性先進之生化公司，洽談開發新產品或創新的製程技術，以期不斷提升生產技術與效率，並創造更多樣化的高附加價值產品。

集團各級同仁將繼續以積極的態度與審慎的做法來落實各項計劃；我們也有信心，在各項技術提升與業務策略的推展下，集團的盈利將逐步回升。但更進一步地，集團也將不斷地構思長期的經營方向及建構未來的發展藍圖，以延續發揮集團的競爭優勢，創造更高的價值。

承董事會命
 主席
楊頭雄

香港，二零零七年九月二十日

Management discussion and analysis

管理層討論及分析

Business Review

With the Group placing priority emphasis on boosting profit before turnover, net profit for the first half of 2007 leaped a substantial 32.1% from US\$6,051,000 in the first half of 2006 to US\$7,992,000 in the period under review, exceeding by far the growth in turnover. Turnover of the Group for the first half of 2007 was US\$146,760,000, grew by 3.7% as compared to the same period last year. Among the major markets of the Group, China recorded the biggest increase in turnover, 20% more than the same period last year, followed by Taiwan and ASEAN countries delivering growth of 22.3% and 14% respectively, and Vietnam recorded 3.7%. Affected by reduction of lysine production, turnover from Japan dropped by 21.3%. By product, GA recorded 20% increase in turnover as compared to the last corresponding period. The next was starch products which delivered 29% growth in turnover as compared to the same period last year. Specialty chemicals grew 15.7% in turnover while that from MSG was at the same level as last year.

Although affected by international supply and demand situations, the average selling price of MSG and GA only had slight downward adjustments during the period. The resilience of the profit from MSG was mainly attributable to the drop in price of the major raw material molasses and the Group's improved production efficiency. The Group also increased sales of higher margin MSG in its retail mix, resulting in enhanced overall gross profit of this product during the period. The drop in gross profit of GA in China was mainly due to surge in corn price and drop in the selling price of GA in China. In Vietnam, however, the gross profit of GA went up as the costs of major raw materials softened. While the selling price of lysine was at the same level as last year, the product reported a slight increase in gross profit as cost lowered. Profit from modified starch also rose because of higher sales. As a result, the overall gross profit margin of the Group rose from 18.8% last year to 19.4% this review period, representing a growth of 6.9%, or US\$1,827,000.

業務總覽

集團鑒於獲利提昇優先於營收成長之考量，2007年上半年營收為146,760,000美元比去年同期成長3.7%，但淨利則有大幅成長32.1%，由2006年上半年6,051,000美元增加為7,992,000美元。增加幅度遠大於營收增長。淨利率由去年上半年4.3%增長為5.4%。就營收成長而言以中國市場最快為20%，台灣及東盟市場分別增長22.3%和14%。越南為3.7%，日本市場則因受賴氨酸減產影響衰退21.3%。以產品而言，谷氨酸的營業額較去年同期增加20%，澱粉產品次之增長29%。特化產品成長15.7%，味精則維持去年水平。

雖然期內主要產品味精和谷氨酸因受國際行情影響，平均售價略為下跌，但因主要原料糖蜜價格於期內亦有下滑，而且生產效益之提昇，與提高毛利較高之味精零售市場比重，故整體味精毛利已有回昇。而山東合資廠GA毛利下滑主要受玉米價格上漲及國內GA售價下跌影響，但越南廠因主要原料價格下滑其GA毛利反而回昇。賴氨酸售價維持去年同期水平。但成本下降，故毛利略有增長。變性澱粉則因數量增加，獲利亦有成長。故整體毛利由去年同期18.8%增加到19.4%，金額增加1,827,000美元，成長6.9%。

Management discussion and analysis

管理層討論及分析

Business Analysis

經營分析

(1) Sales analysis by products

(一) 產品銷售分析

Unit: US'000

單位：千美元

Item 項目	First half of 2007 2007年上半年		First half of 2006 2006年上半年		Change (%) 增/減(%)		
	US'000	%	US'000	%	US'000	%	
	千美元	%	千美元	%	千美元	%	
MSG	味精	95,650	65.2%	96,300	68.1%	(650)	-0.7%
GA	谷氨酸	19,216	13.1%	16,008	11.3%	3,208	20.0%
LYSINE	離氨酸	7,472	5.1%	9,212	6.5%	(1,740)	-18.9%
Starch-N	天然澱粉	89	0.1%	1,363	1.0%	(1,274)	-93.5%
STARCH-M	變性澱粉	11,108	7.6%	7,314	5.2%	3,794	51.9%
SEASONING	風味調味料	558	0.4%	169	0.1%	389	230.2%
Specialty Chemicals	特用化學品	6,914	4.7%	5,977	4.2%	937	15.7%
Fertilizer and feed-use additives	肥料及飼料 添加劑	2,544	1.7%	2,185	1.5%	359	16.4%
Beverage	飲料	2,691	1.8%	2,315	1.6%	376	16.2%
Other	其他	518	0.3%	630	0.5%	(112)	-17.8%
Total	合計	146,760	100%	141,473	100%	5,287	3.7%

MSG and GA

Affected by pricing strategy concern, turnover from MSG dropped slightly by US\$650,000, or 0.7%, to US\$95,650,000. GA, however, brought in US\$3,028,000 more in turnover, bringing the total to US\$19,216,000, 20% more than in the same period last year. The turnover of GA in China, Vietnam and ASEAN countries recorded growth.

China is the biggest producer of MSG and GA in the world using corn as the major raw material. However, the corn price has been on the rise since 2006 and still climbing in the first half of 2007, resulting in surge in production cost of MSG and GA, and pressure on the profitability of MSG and GA producers in China including the Group's joint venture Shandong Vedan Snowflake. The higher production cost in China and the Chinese authority abolishing the export tax rebates starting on 1 July 2007, nevertheless benefited the Group's operation in Vietnam. The products output in Vietnam have gained competitive edges and are expected to see good growth in turnover and profit from export in the second half of the year. A major Korean MSG producer had given the Group a big volume of contracts for delivery starting the second half of this year and a Thailand MSG producer had doubled their contract volume.

味精和谷氨酸

味精因價格策略之考量，營收略為減少650,000美元約(-0.7%)，營收金額為95,650,000美元。谷氨酸則增加3,028,000美元，達19,216,000美元，谷氨酸比去年同期增長20%，在中國，越南，東協地區均有成長。

中國是生產味精及谷氨酸最大的國家，主要用玉米作為生產原料，然玉米價格自2006年開始上漲。2007年上半年依然維持上升趨勢，導致味精及谷氨酸成本上揚，中國味精及谷氨酸生產業者獲利均受到壓縮，集團在山東成立味丹雪花聯營公司亦受到波及，但集團主要生產基地越南反而因中國業者製造成本提高，再加上自2007年7月1日起取消出口退稅，無形中提高越南廠味精與谷氨酸產品競爭力，預期今年下半年此兩項產品在外銷市場上之營收及獲利將有不錯之成長。集團於今年下半年接獲一家韓國主要的味精生產商的大量訂單，而另一家泰國味精生產商亦把訂單加大一倍。

Management discussion and analysis

管理層討論及分析

Business Analysis (continued)

(1) Sales analysis by products (continued)

Starch

The Group's modified starch business has had satisfactory development over the years. In the first half of 2007, sales of modified starch was US\$11,108,000, an increase of 51.9%, or by US\$3,794,000 when compared with the first half of last year. In terms of sales volume, an increase of 43.2% was registered against the same period last year. Rapid growth of the modified starch business prompted the Group to convert all native starch into modified starch during the period under review. The Group expects the business to continue to grow in the second half of the year, especially the modified starch business in China. The Group's effort in developing higher value-added modified starch for food applications in the past two years is bearing fruits, and will continue to be fruitful in the second half of the year.

Lysine

As a result of surge of corn price and a manufacturing plant halting production in Korea, lysine price is expected to go up in the second half year. The Group derived turnover of US\$7,472,000 from lysine during the period under review, a decrease of 18.9% against US\$9,212,000 in the last corresponding period. The drop was mainly attributable to Group's strategy of shifting lysine production facilities to manufacture GA, with lysine having low profit caused by its persistently weak international selling price. However, when compared with the second half of last year, turnover from lysine grew by 22.3%, which is an indicator of gradual recovery of sales. The Group heeding its geographical advantages and placing focus on developing markets for the product in ASEAN countries and Vietnam has also given the business a brighter prospect. The Group has been actively improving production efficiency and lowering cost, which has allowed it to boost profit from lysine, and anticipating demand for lysine to climb in the second half year.

Specialty Chemicals

Turnover from specialty chemicals during the period under review amounted to US\$6,914,000, a growth of 15.7% or US\$937,000, when compared to US\$5,977,000 in the same period last year. The Group expects this business to achieve stable growth in the second half of the year.

經營分析(續)

(一) 產品銷售分析(續)

澱粉業務

集團發展變性澱粉業務到目前已有良好的成果。2007年上半年，變性澱粉銷售金額為11,108,000美元，比去年上半年成長51.9%，金額為3,794,000美元，數量成長43.2%。由於變性澱粉大幅成長，今年上半年天然澱粉全數轉作變性澱粉。預估今年下半年集團澱粉業務亦將繼續成長，特別是中國區變性澱粉業務，經一年來努力開發附加價值較高之食品變性澱粉市場，已有不錯的成績，今年下半年中國食品用變性澱粉預期應有大幅度之增長。

賴氨酸

賴氨酸因玉米價格原料上漲及韓國生產賴氨酸大廠停產影響，預計今年下半年價格應可提昇。集團賴氨酸於期內營業額為7,472,000美元比去年同期9,212,000美元減少18.9%。主要是國際賴氨酸價格低迷利潤低，因而集團將賴氨酸生產線轉作谷氨酸所致。但若和去年下半年比，則營收成長22.3%，顯示已開始逐漸恢復，特別是集團因地利之便把發展重心擺在東盟和越南本地市場，已有顯著之成果。集團現正積極改善製程，降低成本以提昇獲利，同時集團預估賴氨酸售價與需求於下半年將逐步回昇。

特用化學品業務

期內特化產品營收為6,914,000美元，比去年同期5,977,000美元成長15.7%，金額為937,000美元，預估下半年應可維持穩定成長。

Management discussion and analysis

管理層討論及分析

Business Analysis (continued)

經營分析(續)

(2) Market Analysis

(二) 市場分析

Unit: US'000

單位：千美元

Items 項目		First half of 2007 2007年上半年		First half of 2006 2006年上半年		Change (%) 增/減(%)	
		US'000	%	US'000	%	US'000	%
		千美元	%	千美元	%	千美元	%
Nam	越南	77,563	52.9%	74,765	52.8%	2,798	3.7%
The PRC	中國	24,250	16.5%	20,203	14.3%	4,047	20.0%
Japan	日本	22,126	15.1%	28,107	19.9%	(5,981)	-21.3%
ASEAN	東盟	14,319	9.8%	12,564	8.9%	1,755	14.0%
Taiwan	台灣	4,135	2.8%	3,380	2.4%	755	22.3%
EUROPEAN	歐洲	2,483	1.7%	2,151	1.5%	332	15.4%
Other region	其他	1,884	1.2%	303	0.2%	1,581	521.8%
Total	總共	146,760	100.0%	141,473	100.0%	5,287	3.7%

1. Vietnam

In the first half of 2007, turnover from sales in the Vietnam market was US\$77,563,000, representing an increase of 3.7% or US\$2,798,000, when compared with the last corresponding period. The increase was driven mainly by the 66.1% surge, or US\$1,816,000 in amount, in lysine sales at the Group's efforts to cultivate the lysine market in Vietnam. However, turnover from native starch reduced by US\$1,104,000, primarily because the starch output of Ve-Yu Starch Factory was used as raw material of modified starch. Other products such as MSG, GA and specialty chemicals all recorded stable growth.

2. China

China recorded the fastest growth in turnover during the period and became the second largest market of the Group. Turnover from sales in the China was US\$24,250,000, an increase of 20% or US\$4,047,000, when compared with the same period last year. The major growth drivers were GA and modified starch, which brought in 45.3% or US\$1,314,000, and 291% or US\$2,225,000, more in turnover respectively. The Group expects modified starch to bring in higher contributions in the future.

1. 越南市場

2007年上半年越南市場總營收為77,563,000美元，比去年同期增長3.7%，金額2,798,000美元，主要增長來自賴氨酸之銷售成長66.1%金額為1,816,000美元，反映集團耕耘越南賴氨酸市場有了成果，然天然澱粉減少1,104,000美元。主要是味友澱粉公司生產之澱粉提供作為變性澱粉之原料，其餘產品如味精，谷氨酸，特用化學品等則持續穩定成長。

2. 中國市場

期內中國市場營收成長最為快速，已成為集團第二大市場，金額為24,250,000美元比去年同期增加4,047,000美元約20%，主要增長動力來自谷氨酸成長45.3%，金額1,314,000美元和變性澱粉大幅成長291%金額2,225,000美元。預估未來變性澱粉業務之比重將會有更進一步的增長。

Management discussion and analysis

管理層討論及分析

3. Japan

As international price of lysine has been persistently weak, the Group strategically used the production capacity for lysine to produce GA that has a higher margin. This led to a notable decrease of over US\$5,000,000 in turnover from lysine, which was sold mainly to Japan. The overall sales in Japan decreased sharply by 21.3%, or US\$5,981,000. However, with demand for lysine back on the climb, the price of the product has also been rising gradually. In the second half year, sales of lysine in Japan is expected to increase, while that of MSG and modified starch will be about the same as last year's. With the international prices of MSG and modified starch showing signs of heading upward, turnover in Japan is expected to improve in the coming half year.

4. ASEAN countries

Turnover in ASEAN countries amounted to US\$14,319,000, an increase of 14% or US\$1,755,000. However, compared to the 54.2% and 78.2% turnover growth in 2005 and 2006 respectively, the market apparently was experiencing slower growth, which was attributable to the competition from MSG producers in China. The market bought 9.6%, or US\$1,095,000, less of MSG during the period under review. However, with corn price standing high and the Chinese government abolishing the export tax rebates starting 1 July 2007, the Group's MSG business is expected to pick up again in the second half of this year.

Although the sales of MSG reduced in the period, GA and lysine delivered strong performances with turnover increased by US\$1,634,000 and US\$1,163,000 respectively. Overall, the ASEAN market recorded a 14% growth.

3. 日本市場

由於賴氨酸價格低迷不振，集團採減產措施轉而生產谷氨酸。故以日本為主要市場之賴氨酸業務大幅減少超過五百多萬美元。故整體日本營收大幅衰退21.3%，金額5,981,000美元。隨著賴氨酸需求日益增加，售價開始逐漸提高，預計賴氨酸業務亦會提昇。味精和變性澱粉則維持和去年約相同水平，預估下半年，因國際味精價格和變性澱粉均有上漲趨勢，日本市場營收於下半年應會有成長。

4. 東盟市場

2007年上半年東盟市場營收為14,319,000美元，增長14%，金額為1,755,000美元，相對於2005年54.2%及2006年78.2%，今年上半年成長有減緩之趨勢，主要因仍是來自中國味精業者之競爭，使集團於東盟味精營業額不僅未能成長反而衰退9.6%，金額1,095,000美元，但由於玉米價格持續處於高檔，且中國政府已於2007年7月1日起取消出口退稅，將有助集團的味精產品於下半年重拾升軌，並處於較有利之競爭地位。

雖然期內味精銷售減少但谷氨酸則有大幅之成長，金額為1,634,000美元。另外賴氨酸亦有1,163,000美元之增長，故整體東盟市場亦有14%之增長。

Management discussion and analysis

管理層討論及分析

Raw material/Cost

During the period under review, the price of molasses, a major raw material of the Group, came down due to increased supply. The price of cassava, however, increased slightly due to substantial increase in export of dried cassava from Vietnam. Generally speaking, at the Group's years of efforts to improve its production processes hence efficiency, which have helped to lower cost. Also, thanks to the drop in international price of molasses, the Group was able to record increased profit, offsetting the downward adjustment of selling price of MSG. The Group has been able to secure stable supply and price of raw materials for the year, hence is confident of expanding its business and delivering profit in the second half year.

Financial Review

Cash flow and financial resources

The Group maintained a healthy financial position during the period. As at 31 June 2007, it had cash and bank savings amounted to US\$15,976,000, which was similar to last year's US\$15,966,000. It was, however, able to substantially reduce bank loans from US\$93,426,000 to US\$71,736,000, repaying US\$21,690,000 or approximately 23.2% of the total loans held. Gearing ratio dropped from 38.7% to 28.5%, while net gearing ratio was down from 32.1% to 22.2%. The decrease in bank loans was mainly due to the drop in capital expenditure and increase in profit. Account receivables increased by US\$5,961,000 resulting from the Group's expanded business while inventory reduced by US\$2,851,000. Current ratio improved from 1.45 in the same period last year to 1.76 as a result of decrease of bank loans during the period. The Group's bank loans are denominated 93.5% in US dollar, 3.1% in RMB and 3.4% in Taiwan dollar. Increase in US interest rate during the period elevated average loan interest to 6.4%, a slight 0.3% higher than 6.1% in the same period last year. Middle to long-term loans and short-term loans amounted to US\$16,082,000 and US\$55,654,000 respectively, or in the ratio of 22.4% to 77.6%.

原料／成本

期內主要原料糖蜜因供應增加，價格有所下降，但木薯則因越南出口木薯乾大幅增加，影響價格，略有上漲。整體而言，集團多年來致力於製程改善。提高生產效益，對生產成本降低有所助益。再加上國際糖蜜價格略為下降，雖然主要產品味精售價略有下滑，但依然獲利能有成長。集團於本年度內已掌控穩定原料來源和價格，對2007年下半年業務之擴展和獲利之穩定應有所幫助。

財務回顧

流動資金及財政資源

期內集團財務穩健，截至2007年6月底現金和銀行存款，維持於去年同期水平為15,976,000美元，約相當去年同期15,966,000美元。而借款則有顯著下降由93,426,000美元減少為71,736,000美元，償還金額為21,690,000美元約23.2%，資本負債比由38.7%降低為28.5%，淨資本比由32.1%減少為22.2%。借款減少主因為資本支出減少及獲利增加，應收帳款則因業務擴展而增加5,961,000美元，但存貨則減少2,851,000美元。流動比率因借款減少由去年同期1.45增加為1.76。銀行借款主要為美元借款，其餘為人民幣及台幣，分別為93.5%，3.1%和3.4%，期內借款平均成本比去年同期略高出0.3%主要是美元利率上漲所至。中長期與短期借款比例為22.4%與77.6%，金額分別為16,082,000美元及55,654,000美元。

Management discussion and analysis

管理層討論及分析

Financial Review (continued)

Prospects

To Vedan, the second half year will continue to be challenging. However, the Group is prepared to overcome all difficulties with accomplishing growth in both turnover and profit as its goal. It will take or complete the following major initiatives in the second half year:

1. Construction of the Ha Tinh starch factory has started in the third quarter this year and is expected to commence first phase of production by second quarter next year. The plant will initially produce 100 tonnes of native starch per day and its production capacity will be gradually increased next year. It is set to become another starch production base of the Group in the future.
2. The Group implements a host of measures to control the supply of raw materials. Apart from continuing to expand the scope of the tropical sugar beet cultivation trial, the Group will also extend cultivation and purchase of cassava in and from the border areas of Cambodia. In addition, the Ve-Yu starch factory in Vietnam will continue to increase production capacity. To complement the new Ha Tinh starch plant being built to serve the central northern part of Vietnam, efforts to provide guidance to farmers in cultivating cassava have begun.
3. Shangdong Vedan Snowflake has commenced the installation of production facilities, which were acquired from Mao Tai factory. The plant will have an additional annual production capacity of 24,000 tonnes and is expected to begin production this November, bringing the total capacity of MSG production to 45,000 to 50,000 tonnes annually.
4. Continue the evaluation progress of cassava cultivation in Laos and Cambodia, aiming at securing stable supply of cassava as raw material.

財務回顧(續)

展望

下半年對集團經營而言，依然充滿挑戰，但集團已作好準備，有充分信心克服困難以維持營收獲利之增長。今年下半年集團將繼續執行下列重要工作：

1. 越南中北部之河靜澱粉廠已於今年第三季展開第一期建築工程，預計明年第二季前可投入生產，初期生產天然澱粉每天100噸，明年將逐步擴充，未來將規劃為另一個主要的澱粉與相關產品的生產基地。
2. 原料掌握方面仍將多管齊下，除繼續擴大熱帶甜菜的試種面積，並持續開展柬埔寨邊境的木薯種植與收購。另外在越南中部味友澱粉公司也將再擴增產能，而配合中北部的河靜新廠建設，也已積極展開輔導農民的木薯種植。
3. 山東味丹雪花聯營公司，收購茂泰精製廠設備，產能增加每年24,000噸，總味精產能提升至每年45,000至50,000噸，已開始安裝作業，預估今年11月將可開始投入生產。
4. 將持續積極進行於寮國，柬埔寨開發木薯種植計劃之評估，以掌握木薯原料之來源。

Management discussion and analysis

管理層討論及分析

Financial Review (continued)

Prospects (continued)

- The Group sees great potential in biofuel. Boasting extensive experience in fermentation technology, a proven vertically integrated production platform and diverse raw material sources, it will look for cooperative or strategic alliances to explore this new business.
- Expanding business in China is still a major task of the Group. The GA and MSG segments in China are going through transformation and consolidation. The Group will actively look for and evaluate possible strategic alliances to expand business in China. Expanding and strengthening the foothold of modified starch for food applications in the China market is another major focus of the Group.

Looking ahead, in the China market, with the prices of raw materials standing high, export tax rebates abolished by the Chinese government and appreciation of the RMB, the GA and MSG segments are expected to further consolidate. The Group will look for cooperation opportunities with other industry players in China and is expecting the business in its production base Vietnam to grow against the backdrop. Regarding control on raw material supply, which has increasing bearing on operational returns, although development takes time, the Group has been actively exploring new raw material sources and also pushing to boost the scale of material sources. The Group believes such moves will benefit the Group in the development of new fermentation products and in terms of cost. Growth of the higher value modified starch business is also expected to accelerate. These developments will enable the Group to raise both its turnover and profit in the future.

財務回顧(續)

展望(續)

- 集團將利用多年來累積大型發酵技術之經驗，垂直水平整合之製造平台，掌握多元化原料來源…等優勢，積極尋找合作或策略伙伴，將積極評估擴展新醱酵產品的生產領域。
- 中國區的業務擴展將仍是集團的重要工作之一，目前中國國內的谷氨酸與味精產業，正面臨轉型與整合的階段。集團將積極評估並尋找策略聯盟的機會，期可擴充此項業務，而食品用變性澱粉的持續擴展與深耕，更是集團在中國區的重點業務。

整體而言，展望未來集團的發展，谷氨酸與味精產業因中國國內的生產原料供應與成本仍為高檔，政府取消出口退稅，人民幣升值等各項因素影響，此產業在中國正進一步踏入產業整合的時期，集團除可積極評估同業合作的契機外，主要生產基地越南的業務也將因而提升。另外，對於日益重要的原料掌握方面，雖然仍需時間開拓，但集團已經在多元化原料與擴充面積方向，奠下基礎，預期未來可以供應集團在生產成本與新醱酵產品的生產方面，提供最佳的支援，同時，較高產值的變性澱粉業務預期也會更為增長。這些都將有助於提升集團未來營收與獲利的表現。

Management discussion and analysis

管理層討論及分析

INTERIM DIVIDEND AND CLOSE OF REGISTER

The Board of Directors has resolved to declare an interim dividend of 0.262 US cents (2.043 HK cents) per share for the year ending 31 December 2007.

The share register will be closed from 15 October to 18 October 2007, both days inclusive, during which period no transfer of shares will be registered. Dividend warrants will be dispatched to shareholders on or about 30 October 2007. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Register, Tricor Tengis Limited of 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 12 October 2007.

EMPLOYEE INFORMATION

At 30 June 2007, the Group has 3,672 employees of whom 2,905 are based in Vietnam, 754 are based in the PRC, 12 are based in Taiwan and 1 is based in Hong Kong.

The employees are remunerated based on their work performance, professional experiences and prevailing industry practices. The Group's employee remuneration policy and package are periodically reviewed by the management. Apart from pension funds, discretionary bonuses and share options are awarded to certain employees according to the assessment of individual performance.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SHARE DEALING

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

中期股息及截止過戶

董事會議決宣派截至二零零七年十二月三十一日止年度每股0.262美仙(2.043港仙)之中期股息。

股份過戶登記處將於二零零七年十月十五日至二零零七年十月十八日(首尾兩天包括在內)期間暫停辦理過戶登記手續。股息單大概於二零零七年十月三十日或前後寄發予股東。為符合資格收取中期股息,所有填妥之過戶表格連同有關股票必須不遲於二零零七年十月十二日下午四時三十分送達香港灣仔皇后大道東28號金鐘匯中心26樓本公司之股份過戶登記處香港分處卓佳登捷時有限公司辦理過戶手續。

僱員資料

於二零零七年六月三十日,本集團僱有3,672名僱員,其中2,905名駐於越南、754名駐於中國、12名駐於台灣以及1名駐於香港。

僱員之薪酬乃按工作表現、專業資歷及普遍行業慣例釐定。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,本集團按照個別表現評估向若干僱員發放酌情花紅及購股權。

購買、贖回或出售本公司上市證券

本公司並無於期內贖回任何本公司股份。本公司或其任何附屬公司概無於期內購買或出售任何本公司股份。

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中載列董事進行證券交易的標準守則所載之規定標準。

Management discussion and analysis

管理層討論及分析

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 2007.

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 2007. The Audit Committee comprises the three independent non-executive directors of the Company.

PUBLICATION OF FINANCIAL INFORMATION

The Company's 2007 interim report containing all the information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Listing Rules will be available on the website of the Stock Exchange (<http://www.hkex.com.hk>) and our website (<http://www.vedaninternational.com>) in due course.

APPRECIATION

The board of directors would like to take this opportunity to express our sincere thanks to our shareholders for their support and to our staff for their commitment and diligence during the period.

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常規。截至二零零七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。

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，包括審閱截至二零零七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。

刊發財務資料

本公司載有上市規則附錄十六第46(1)至第46(6)段規定之所有資料之二零零七年中期報告將於適當時候在聯交所網站(<http://www.hkex.com.hk>)及本公司網站(<http://www.vedaninternational.com>)可供查閱。

致謝

董事會謹藉此機會真誠感謝期內本公司股東之支持及本公司員工之奉獻及勤勉。

Other Information

其他資料

Purchase, Redemption or Sale of Listed Securities of the Company

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

購買、贖回或出售本公司上市證券

本公司並無於期內贖回任何本公司股份。本公司或其任何附屬公司概無於期內購買或出售任何本公司股份。

Disclosure of Interests and Short Positions of Our Directors and Chief Executive of Our Company

(a) As at 30 June 2007, 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:-

本公司董事及最高行政人員權益及淡倉之披露

(a) 於二零零七年六月三十日，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)	4,500,000		174,230,196	11.44%
Mr. YANG, Chen-Wen	楊辰文先生	—	4,500,000		4,500,000	0.30%
Mr. YANG, Cheng	楊正先生	—	—		4,500,000	0.30%
Mr. YANG, Kun-Hsiang	楊坤祥先生	—	—		4,500,000	0.30%
Mr. WANG, Joel J.	王肇樹先生	750,000	—		750,000	0.05%
Mr. HUANG, Ching-Jung	黃景榮先生	200,000	—		200,000	0.01%
Mr. CHAO, Pei-Hong	趙培宏先生	500,000	—		500,000	0.03%
Ms. CHUANG, Shu-Fen	莊淑芬女士	500,000	—		500,000	0.03%

Other Information

其他資料

Notes:-

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

Capacity	身份	Number of Shares 股份數目	Number of Shares through physically settled equity derivatives*** 透過實物結算股本衍生工具持有之股份數目***
Beneficial owner	實益擁有人	—	4,500,000**
Interest of company controlled by him	於楊頭雄先生控制之公司中擁有權益	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.

** Mr. YANG, Tou-Hsiung is interested in 4,500,000 Shares pursuant to the options granted to him on 13 June 2003 under a share option scheme adopted by our Company on 13 June 2003 (the "Pre-IPO Share Option Scheme"). The exercise price under the options is HK\$0.801 and the exercise period is 13 June 2004 to 12 June 2008.

*** These derivatives are unlisted.

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

(b) Save as disclosed in this circular, as at 30 June 2007, 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.

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」) 超過三分之一之投票權，且 King International 為持有該批 169,730,196 股股份之持有人。

** 楊頭雄先生根據本公司於二零零三年六月十三日採納之購股權計劃 (「首次公開發售前購股權計劃」) 而於二零零三年六月十三日獲授之購股權，擁有 4,500,000 股股份之權益。該等購股權之行使價為 0.801 港元，行使期由二零零四年六月十三日至二零零八年六月十二日止。

*** 該等衍生工具均為非上市。

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

(b) 除本通函所披露者外，於二零零七年六月三十日，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 XIV 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 XIV 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

- (c) Since 31 December 2006, the date of the latest published audited financial statements of our Company, 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 2007, none of our Directors was materially interested in any contract or arrangement which is subsisting at the date of this circular and which is significant in relation to our business.

Substantial Shareholders

- (a) So far as was known to any Director or chief executive of our Company, as at 30 June 2007, the following persons, other than a Director or chief executive of our Company, had an interest or short position in the Shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in five per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any of our Subsidiaries:-

其他資料

- (c) 自二零零六年十二月三十一日(本公司最近一次公佈經審核財務報表之日)起,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) 於二零零七年六月三十日,本公司董事概無於對本公司業務關係重大(於本通函刊發日期仍屬有效)之任何合約或安排中擁有重大權益。

主要股東

- (a) 據本公司任何董事或最高行政人員所知,於二零零七年六月三十日,除本公司董事或最高行政人員外,以下人士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披露之權益或淡倉,或直接或間接擁有附有權利於任何情況下在本公司任何附屬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:-

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	460,237,609 (Note 1) (附註1)	30.22%
Taiwan Vedan 台灣味丹	460,237,609 (Note 1) (附註1)	30.22%
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

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, 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) who had any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange, under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

Corporate Governance and Compliance with the Code on Corporate Governance Practices of the Listing Rules

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 2007.

Employee Information

At 30 June, 2007, the Group has 3,672 employees of whom 2,905 are based in Vietnam, 754 are based in the PRC and 12 are based in Taiwan and 1 is based in Hong Kong.

The employees are remunerated based on their work performance, professional experiences and prevailing industry practices. The Group's employee remuneration policy and package are periodically reviewed by the management. Apart from pension funds, discretionary bonuses and share options are awarded to certain employees according to the assessment of individual performance.

Compliance of the Model Code for Directors' Share Dealing

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

其他資料

附註：

1. 台灣味丹有權行使或控制行使Billion Power 超過三分之一之投票權，故台灣味丹被視為擁有Billion Power所持有該460,237,609股股份之權益。
2. 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，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）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%或以上權益或持有該等股本任何購股權。

企業管治及遵守上市規則企業管治常規守則

本公司致力建立及維繫高水平企業管治常規。截至二零零七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

於二零零七年六月三十日，本集團僱有3,672名僱員，其中2,905名駐於越南、754名駐於中國、12名駐於台灣以及1名駐於香港。

僱員之薪酬乃按工作表現、專業資歷及普遍行業慣例釐定。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，本集團按照個別表現評估向若干僱員發放酌情花紅及購股權。

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中載列董事進行證券交易的標準守則所載之規定標準。

Other Information

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 2007. 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 Post-IPO 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.

Details of the share options outstanding as at 30 June 2007 which have been granted to the Directors of the Company under the Pre-IPO Share Option Scheme are as follows:

Director/Employees 董事/僱員	Number of options 購股權數目		exercise price 行使價	date of grant 授出日期	exercise period 行使期
	balance at 1 January 2006 於二零零六年 一月一日 結餘	exercised during the period 期內行使			
Mr YANG, Tou-Hsiung 楊頭雄先生	4,500,000	-	HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr YANG, Chen-Wen 楊辰文先生	4,500,000	-	HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr YANG, Cheng 楊正先生	4,500,000	-	HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
Mr YANG, Kun-Hsiang 楊坤祥先生	4,500,000	-	HK\$0.801 0.801港元	13 June 2003 二零零三年 六月十三日	13 June 2004 to 12 June 2008 二零零四年六月十三日至 二零零八年六月十二日
	<u>18,000,000</u>	<u>-</u>			

其他資料

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，包括審閱截至二零零七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首次公開發售後購股權計劃。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。

以下是根據首次公開發售前購股權計劃向本公司董事授出，而於二零零七年六月三十日尚未行使之購股權詳情：

Condensed Consolidated Balance Sheet

As at 30 June 2007

簡明綜合資產負債表

於二零零七年六月三十日

		As at 於	
		30 June 2007 二零零七年 六月三十日 US\$'000 千美元 Unaudited 未經審核	31 December 2006 二零零六年 十二月三十一日 US\$'000 千美元 Audited 經審核
	Note 附註		
ASSETS			
Non-current assets			
		資產	
		非流動資產	
Land use rights	5	6,127	6,038
Property, plant and equipment	5	201,185	211,688
Intangible assets	5	17,630	18,127
Loan receivable		667	-
Held-to-maturity financial asset		3,236	3,361
Deferred income tax asset		59	-
		228,904	239,214
Current assets			
		流動資產	
Inventories		73,219	65,520
Trade receivables	6	41,406	38,150
Prepayments and other receivables		6,337	6,312
Tax recoverable		-	980
Due from a minority shareholder		1,560	-
Cash and cash equivalents		15,976	17,282
		138,498	128,244
Total assets		367,402	367,458
		資產總值	

Condensed Consolidated Balance Sheet

As at 30 June 2007

簡明綜合資產負債表

於二零零七年六月三十日

		As at 於	
		30 June 2007 二零零七年 六月三十日 US\$'000 千美元 Unaudited 未經審核	31 December 2006 二零零六年 十二月三十一日 US\$'000 千美元 Audited 經審核
	Note 附註		
EQUITY	權益		
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔資本及儲備		
Share capital	股本	7	15,228
Reserves	儲備		
– Proposed dividends	– 建議股息		3,996
– Others	– 其他		222,602
			246,696
Minority interest	少數股東權益		4,927
Total equity	權益總額		251,623
			243,984
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Long-term bank borrowings	長期銀行貸款	9	16,082
Deferred income tax liabilities	遞延所得稅負債		11,076
Long-term payable to a related party	應付有關連人士之長期款項	17(b)	9,136
Post-employment obligations	退休後福利責任		927
Total non-current liabilities	非流動負債總額		37,221
			44,678
Current liabilities	流動負債		
Trade payables	應付貿易賬款	8	13,743
Accruals and other payables	應計費用及其他應付款項		7,186
Due to related parties	應付有關連人士款項	17(b)	1,305
Short-term bank borrowings	短期銀行貸款		
– Secured	– 有抵押		32,874
– Unsecured	– 無抵押		11,946
Current portion of long-term bank borrowings	長期銀行貸款之即期部份	9	10,834
Taxation payable	應付稅項		670
			78,558
Total liabilities	負債總額		115,779
			123,474
Total equity and liabilities	權益及負債總額		367,402
			367,458
Net current assets	流動資產淨值		59,940
			49,448
Total assets less current liabilities	總資產減流動負債		288,844
			288,662

The notes on pages 27 to 43 are an integral part of this condensed interim financial information.

第27至43頁之附註為本簡明中期財務資料之一部份。

Condensed Consolidated Income Statement

For the six months ended 30 June 2007

簡明綜合損益表

截至二零零七年六月三十日止六個月

			Unaudited 未經審核	
			For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
		Note 附註		
Turnover	營業額	4	146,760	141,473
Cost of sales	銷售成本	11	(118,345)	(114,885)
Gross profit	毛利		28,415	26,588
Other gains – net	其他收益 — 淨額	10	1,382	691
Selling and distribution expenses	銷售及分銷開支	11	(7,176)	(7,330)
Administrative expenses	行政開支	11	(10,281)	(9,248)
Operating profit	經營盈利		12,340	10,701
Finance costs – net	融資成本 — 淨值	12	(2,475)	(2,815)
Profit before income tax	未計所得稅前盈利		9,865	7,886
Income tax expense	所得稅開支	13	(2,338)	(1,791)
Profit for the period	本期盈利		7,527	6,095
Attributable to:	以下方應佔：			
– equity holders of the Company	– 本公司股權持有人		7,992	6,051
– minority shareholder	– 少數股東		(465)	44
			7,527	6,095
			US cents per share 每股美仙	US cents per share 每股美仙
Earnings per share for profit attributable to the equity holders of the Company during the period	本公司股權持有人應佔期內每股盈利			
– Basic earnings per share	– 每股基本盈利	14	0.52	0.40
– Diluted earnings per share	– 每股攤薄盈利	14	0.52	0.40
Dividends	股息	15	3,996	3,026

The notes on pages 27 to 43 are an integral part of this condensed interim financial information.

第27至43頁之附註為本簡明中期財務資料之一部份。

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2007

簡明綜合權益變動表

截至二零零七年六月三十日止六個月

		Unaudited 未經審核						
		Attributable to the equity holders 股權持有人應佔						
		Share capital	Share premium	Exchange reserve	Merger reserve	Retained earnings	Minority interest	Total
		股本	股份溢價	匯兌儲備	合併儲備	保留盈利	少數股東 權益	總計
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元	千美元
At 1 January 2006	二零零六年一月一日	15,228	47,358	4,170	79,994	86,305	3,600	236,655
Profit for the period	本期盈利	-	-	-	-	6,051	44	6,095
Dividends	股息	-	-	-	-	(1,708)	-	(1,708)
Exchange translation differences	匯兌差額	-	-	277	-	-	-	277
At 30 June 2006	二零零六年六月三十日	15,228	47,358	4,447	79,994	90,648	3,644	241,319
At 1 January 2007	二零零七年一月一日	15,228	47,358	5,196	79,994	92,486	3,722	243,984
Profit for the period	本期盈利	-	-	-	-	7,992	(465)	7,527
Dividends	股息	-	-	-	-	(2,432)	-	(2,432)
Contribution from a minority shareholder	少數股東出資	-	-	-	-	-	1,560	1,560
Exchange translation differences	匯兌差額	-	-	874	-	-	110	984
At 30 June 2007	二零零七年六月三十日	15,228	47,358	6,070	79,994	98,046	4,927	251,623

The notes on pages 27 to 43 are an integral part of this condensed interim financial information.

第27至43頁之附註為本簡明中期財務資料之一部份。

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2007

簡明綜合現金流量表

截至二零零七年六月三十日止六個月

		Unaudited 未經審核	
		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Cash flows from operating activities – net	經營業務產生之現金流量 — 淨額	7,011	(9,312)
Cash flows from investing activities – net	投資活動產生之現金流量 — 淨額	(3,118)	(18,366)
Cash flows from financing activities:	融資活動產生之現金流量：		
– contribution from a minority shareholder	– 少數股東出資	–	3,600
– dividends paid	– 已付股息	(2,432)	(1,708)
– drawdown of bank loans	– 提取銀行貸款	54,072	74,201
– repayments of bank loans	– 償還銀行貸款	(55,703)	(60,428)
– repayments 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	(1,061)	–
Cash flows from financing activities – net	融資活動產生之現金流量 — 淨額	(5,124)	15,665
Net change in cash and cash equivalent	現金及現金等價物變動淨額	(1,231)	(12,013)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	17,282	27,987
Effect of foreign exchange rate changes	匯率變動之影響	(75)	(8)
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	15,976	15,966
Analysis of balances of cash and cash equivalents:	現金及現金等價物之結餘分析		
Bank balances and cash	銀行結餘及現金	15,976	15,966

The notes on pages 27 to 43 are an integral part of this condensed interim financial information.

第27至43頁之附註為本簡明中期財務資料之一部份。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

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 foods, 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 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 has been approved for issue by the Board of Directors on 20 September 2007.

2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2007 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim financial reporting”. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2006.

3 Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2006.

Certain new accounting and financial reporting standards, amendments to existing standards and interpretations have been published and are effective for financial year ending 31 December 2007. Those that are relevant to the Group’s operations are as follows:

- HKFRS 7 “Financial Instruments: Disclosures”, and a complementary amendment to HKAS 1 “Presentation of Financial Statements – Capital Disclosures”. HKFRS 7 introduces new disclosures to improve the information about financial instruments. The amendment to HKAS 1 introduces disclosures about the level of an entity’s capital and how it manages capital. The Group assessed the impact of HKFRS 7 and the amendment to HKAS 1 and concluded that the main additional disclosures are the sensitivity analysis to market risk and the capital disclosures required by the amendment of HKAS 1. Full disclosures as required will be disclosed in the annual financial statements.
- HK(IFRIC)-Int 10 “Interim Financial Reporting and Impairment”. HK(IFRIC)-Int 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation does not have material impact on the Group’s condensed interim financial information.

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用品，包括化工澱粉、葡萄糖糖漿、味精、梳打、酸及飲料。產品銷售予越南、其他東盟成員國、中華人民共和國(「中國」)、日本、台灣以及一些歐洲國家之食品分銷商、國際貿易公司，以及食品、紙品、紡織和化學產品生產商。

本公司為一家在開曼群島註冊成立之有限公司，其註冊辦事處之地址為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，此等簡明綜合中期財務資料以美元呈列。此等簡明綜合中期財務資料已於二零零七年九月二十日獲董事會批准發佈。

2. 編製基準

本截至二零零七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。中期簡明財務報告應與截至二零零六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

採納之會計政策與截至二零零六年十二月三十一日止年度之年度財務報表之會計政策一致。

若干新會計及財務報告準則、對現有準則及註釋之修訂經已公佈，並於截至二零零七年十二月三十一日止財政年度生效，其中與本集團業務有關者如下：

- 香港財務報告準則第7號「金融工具：披露」及香港會計準則第1號「呈列財務報表—資本披露」之補充修訂。香港財務報告準則第7號就改善金融工具資料引入新披露事項。香港會計準則第1號之修訂引入關於實體之資本水平及其如何管理資本之披露事項。本集團已評估香港財務報告準則第7號及香港會計準則第1號之修訂之影響，斷定主要之額外披露事項為香港會計準則第1號之修訂所規定之市場風險之敏感度分析及資本披露。規定之全面披露將於年度財務報表中披露。
- 香港(國際財務報告詮釋委員會)—詮釋第10號「中期財務報告及減值」。香港(國際財務報告詮釋委員會)—詮釋第10號禁止於結算日後撥回於中期期間就商譽、股本工具投資及按成本列賬金融資產投資確認減值虧損。此詮釋對本集團簡明中期財務資料概無任何重大影響。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

3 Accounting policies (continued)

Other new accounting and financial reporting standards, amendments to existing standards and interpretation which have been published and effective for financial year ending 31 December 2007 as set out below are currently not relevant to the Group's operations:

- HK(IFRIC)-Int 7, "Applying the Restatement Approach under HKAS 29, Financial Reporting in Hyperinflationary Economies"
- HK(IFRIC)-Int 8, "Scope of HKFRS 2, Share-based payment"
- HK(IFRIC)-Int 9, "Reassessment of Embedded Derivatives"

The Group has not early adopted any new accounting and financial reporting standard, amendments to existing standards and interpretations which have been issued but not yet effective for financial year ending 31 December 2007.

4 Segment analysis

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group in making operating and financial decisions.

(a) Business segment

The Group has been operating in one single business segment, i.e. the manufacture and sale of fermentation-based food additives, biochemical products and cassava starch-based industrial products including modified starch, glucose syrup, MSG, soda, acid and beverages.

(b) Geographical segment

In presenting information on the basis of geographical segments, segment revenue is based on the geographical presence of customers.

3. 會計政策(續)

已公佈及於截至二零零七年十二月三十一日止財政年度生效，但目前與本集團業務並無關連之其他新會計及財務報告準則、對現有準則及詮釋之修訂如下：

- 香港(國際財務報告詮釋委員會)一詮釋第7號，「根據香港會計準則第29號惡性通貨膨脹經濟中的財務報告採用重列法」
- 香港(國際財務報告詮釋委員會)一詮釋第8號，「香港財務報告準則第2號範圍，以股份支付之款項」
- 香港(國際財務報告詮釋委員會)一詮釋第9號，「重估嵌入式衍生工具」

本集團並無提早採納任何於截至二零零七年十二月三十一日止財政年度已頒佈但尚未生效之任何新會計及財務報告準則、對現有準則及詮釋之修訂。

4. 分部分析

分部資料按本集團之業務及地理分類呈列。選擇業務分部資料作為主要呈報形式，原因是業務分部資料與本集團作出經營及財務決策有較密切關係。

(a) 業務分部

本集團專注經營單一業務，即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用品，包括化工澱粉、葡萄糖糖漿、味精、梳打、酸及飲料。

(b) 地理分部

按地理分部呈列資料時，分部收入乃根據客戶所在地入賬。

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Vietnam	越南	77,563	74,765
The PRC	中國	24,250	20,203
Japan	日本	22,126	28,107
Taiwan	台灣	4,135	3,380
ASEAN member countries (other than Vietnam)	東盟成員國 (不包括越南)	14,319	12,564
Other regions	其他地區	4,367	2,454
		146,760	141,473

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

5 Capital expenditure

5. 資本支出

		Intangible assets			Total	Property, plant and equipment	Land use rights
		Goodwill	Trademarks	Brand name			
		商譽	商標	品牌	總額	物業、廠房及設備	土地 使用權
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元
Six months ended	截至二零零六年						
30 June 2006	六月三十日止六個月						
Opening net book amount as at	於二零零六年一月一日						
1 January 2006	之期初賬面淨值	8,159	11,082	–	19,241	216,187	5,583
Exchange differences	匯兌差額	58	–	–	58	177	51
Additions	添置	–	–	–	–	18,077	543
Disposals	出售	–	–	–	–	(19)	–
Amortisation and depreciation	攤銷及折舊	–	(605)	–	(605)	(13,268)	(71)
Closing net book amount as at	於二零零六年六月三十日						
30 June 2006	之期末賬面淨值	8,217	10,477	–	18,694	221,154	6,106
Six months ended 30 June 2007	截至二零零七年						
	六月三十日止六個月						
Opening net book amount as at	於二零零七年一月一日						
1 January 2007	之期初賬面淨值	7,226	9,873	1,028	18,127	211,688	6,038
Exchange differences	匯兌差額	165	–	–	165	789	154
Additions	添置	–	–	–	–	2,921	–
Disposals	出售	–	–	–	–	(31)	–
Amortisation and depreciation	攤銷及折舊	–	(605)	(57)	(662)	(14,182)	(65)
Closing net book amount as at	於二零零七年六月三十日						
30 June 2007	之期末賬面淨值	7,391	9,268	971	17,630	201,185	6,127

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

6 Trade receivables

6. 應收貿易賬款

		As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 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	41,152	37,787
Trade receivables from related parties (note 17(b))	應收有關連人士賬款 (附註17(b))	254	363
		41,406	38,150

The credit terms of trade receivables range from cash on delivery to 120 days. At 30 June 2007 and 31 December 2006, the ageing analysis of the trade receivables is as follows:

應收貿易賬款之信貸期由貨到付款到120天。於二零零七年六月三十日及二零零六年十二月三十一日，應收貿易賬款之賬齡分析如下：

		As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 十二月三十一日 US\$'000 千美元
Current	即期	20,672	22,634
31 – 90 days	31至90天	19,402	14,917
91 – 180 days	91至180天	1,170	458
181 – 365 days	181至365天	133	141
Over 365 days	365天以上	29	–
		41,406	38,150

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed. Management believes that no additional credit risk beyond the amounts provided for collection losses that are inherent in the Group's trade receivables.

本集團有大量客戶分散世界各地，因此其應收貿易賬款之信貸風險並不集中。管理層相信，除本集團之應收貿易賬款本身已提撥之收賬損失以外，概無其他額外信貸風險。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

7 Share capital

7. 股本

		Authorised 法定		
		Ordinary shares 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 2007 and 31 December 2006	於二零零七年六月三十日 及於二零零六年十二月三十一日	0.01	10,000,000,000	100,000
		Issued and fully paid 已發行及繳足		
		Ordinary shares 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 2007 and 31 December 2006	於二零零七年六月三十日 及於二零零六年十二月三十一日	0.01	1,522,742,000	15,228

On 13 June 2003, a share option scheme and a pre-IPO share option plan were approved pursuant to a written resolution of all the shareholders of the Company.

- (a) Under the share option scheme, the board of directors may at its discretion offer options to any directors, employees, business partners or their trustees of the Group which entitle them to subscribe for shares in aggregate not exceeding 10% of the shares in issue from time to time. These options have a duration of ten years from the date of grant, but shall lapse where the grantee ceases to be employed by the Company or its subsidiaries. No share options were granted by the Company under the share option scheme during the current period and previous years.

二零零三年六月十三日，購股權計劃及首次公開售股前購股權計劃已根據本公司所有股東之書面決議案獲批准。

- (a) 根據購股權計劃，董事會可酌情向本集團任何董事、僱員、業務夥伴或彼等之受託人授出購股權，賦予彼等權利認購合共不超過不時已發行股份10%之股份。該等購股權之有效期自授出當日起計，為期十年，惟將於該承授人不再受僱於本公司或其附屬公司時失效。本公司在本期及過往年度並無根據購股權計劃授出任何購股權。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

7 Share capital (continued)

(b) Under the pre-IPO share option plan ("Pre-IPO Share Option Scheme"), the board of directors may at its discretion offer options to any directors or employees of the Group and its subsidiaries which entitle them to subscribe for shares of the Company. On 13 June 2003, 24,500,000 options and 5,270,000 options were granted to directors of the Company and employees of the Group, respectively, under the Pre-IPO Share Option Scheme. These options are exercisable in accordance with the terms of the Pre-IPO Share Option Scheme commencing on 13 June 2004 and up to 12 June 2008.

11,270,000 share options were exercised in 2004 and 500,000 share options were cancelled in 2006. Pre-IPO share options outstanding as at 30 June 2007 are as follows:

		Exercise price per share 每股行使價	Number of options 購股權數目
Directors	董事	HK\$0.801 0.801港元	18,000,000

8 Trade payables

The ageing analysis of trade payables is as follows:

		As at 30 June 2007 於二零零七年六月三十日 US\$'000 千美元	As at 31 December 2006 於二零零六年十二月三十一日 US\$'000 千美元
Current	即期	11,347	15,299
31 – 90 days	31至90天	2,359	1,804
91 – 180 days	91至180天	7	9
181 – 365 days	181至365天	30	4
		13,743	17,116

7. 股本 (續)

(b) 根據首次公開售股前購股權計劃(「首次公開售股前購股權計劃」)，董事會可酌情向本集團及其附屬公司任何董事或僱員授出購股權，賦予彼等權利認購本公司股份。於二零零三年六月十三日，董事會根據首次公開售股前購股權計劃向本公司董事及本集團僱員分別授出24,500,000份及5,270,000份購股權。該等購股權自二零零四年六月十三日至二零零八年六月十二日期間可根據首次公開售股前購股權計劃之條款行使。

二零零四年，已行使11,270,000份購股權，二零零六年已註銷500,000份購股權，於二零零七年六月三十日，尚未行使之首次公開售股前購股權如下：

8. 應付貿易賬款

應付貿易賬款之賬齡分析如下：

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

9 Long-term bank borrowings

9. 長期銀行貸款

		As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 十二月三十一日 US\$'000 千美元
Long-term bank borrowings – secured	長期銀行貸款—有抵押	26,916	32,498
Current portion of long-term bank borrowings	長期銀行貸款之即期部份	(10,834)	(11,162)
		16,082	21,336

The Group's long-term bank loans were repayable as follows:

本集團之長期銀行貸款須於以下期間償還：

		As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 十二月三十一日 US\$'000 千美元
Within one year	一年內	10,834	11,162
In the second year	於第二年	8,898	10,506
In the third to fifth year	於第三至第五年	7,184	10,830
		26,916	32,498

Notes to the Condensed Consolidated
Financial Information

簡明綜合財務資料附註

10 Other gains – net

10. 其他收益－淨額

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Net exchange gains	外匯收益淨值	332	43
Net loss from sales of electricity	出售電力虧損淨額	(1)	(5)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房 及設備收益／(虧損)	588	(19)
Sales of scrap materials	廢料銷售	252	192
Interest income from held-to-maturity financial asset	持有至到期之金融資產 之利息收入	124	126
Others	其他	87	354
		1,382	691

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

11 Expenses by nature

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

11. 按性質分類之開支

銷售成本、分銷開支及行政開支所包括之開支分析如下：

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 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	(1,603)	(16,220)
Raw materials and consumables used	已用原料及消耗品	94,416	81,644
Amortisation of trademarks	商標攤銷	605	605
Amortisation of brand name	品牌攤銷	57	-
Amortisation of land use rights	土地使用權攤銷	65	71
Depreciation on property, plant and equipment	物業、廠房及設備折舊	14,182	13,268
Operating lease expense in respect of leasehold land	有關租賃土地經營租約之開支	65	60
Employee benefit expenses	僱員福利開支	8,654	7,379
Other expenses	其他開支	19,361	44,656
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	135,802	131,463

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

12 Finance costs – net

12. 融資成本 — 淨額

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Interest expenses on bank borrowings	銀行貸款利息開支	2,318	2,675
Amortisation of discount on long-term payable to a related party	長期應付一名有關連人士之折扣攤銷	258	283
Interest income on bank deposits	銀行存款之利息收入	(101)	(143)
		2,475	2,815

13 Income tax expense

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

13. 所得稅開支

綜合損益表內之所得稅開支包括：

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Enterprise income tax	企業所得稅	2,770	1,932
Deferred income tax	遞延所得稅	(432)	(141)
		2,338	1,791

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

13 Income tax expense (continued)

(i) Vietnam

Enterprise income tax ("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. The applicable EIT rates for the Group's operation in Vietnam range from 10% to 25%, as stipulated in the respective subsidiaries' investment licenses.

(ii) The PRC

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. The applicable EIT rates for the Group's operation in the PRC range from 18% to 33%.

Mao Tai Foods (Xiamen) Co., Ltd, Shanghai Vedan Enterprise Co. Ltd ("Shanghai Vedan") and Shandong Vedan Snowflake Enterprise Co., Ltd ("Shandong Snowflake") are entitled to full exemption from EIT for the first two years and 50% reduction EIT for the next three years, commencing from the first profitable year after offsetting all unexpired tax losses carried forward from the previous years. Shanghai Vedan and Shandong Snowflake have triggered its first profitable year.

On 16 March 2007, the National People's Congress approved the Corporate Income Tax Law of the People's Republic of China (the "new CIT Law"). The new CIT Law reduces the corporate income tax rate for domestic enterprises and foreign invested enterprises from 33% to 25% with effect from 1 January 2008.

The new CIT Law provides that further detailed measures and regulations on the determination of taxable profit, tax incentives and grandfathering provisions will be issued by the State Council in due course. As and when the State Council announces the additional regulations, the Company will assess their impact, if any, and this change in accounting estimate will be accounted for prospectively.

(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.

13. 所得稅開支(續)

(i) 越南

企業所得稅(「企業所得稅」)按財務申報之法定盈利計算，且就所得稅之毋須課稅或不可扣減之收支項目作出調整。本集團在越南之業務適用企業所得稅率，按附屬公司各自之投資許可證所規定，介乎10%至25%之間。

(ii) 中國

企業所得稅按財務申報之法定盈利計算，且就所得稅之毋須課稅或不可扣減之收支項目作出調整。本集團在中國之業務適用企業所得稅率介乎18%至33%之間。

茂泰食品(廈門)有限公司、上海味丹企業有限公司(「上海味丹」)及山東味丹雪花實業有限公司(「山東雪花」)在抵銷所有過往年度結轉之未過期稅損後，由首個盈利年度開始可享首兩年全數豁免企業所得稅及緊接其後三個年度可享50%企業所得稅寬減。上海味丹及山東雪花已錄得其首個盈利年度。

於二零零七年三月十六日，全國人民代表大會通過中華人民共和國企業所得稅法(「新企業所得稅法」)。新企業所得稅法把國內企業及外資企業之企業所得稅稅率由33%減至25%，由二零零八年一月一日起生效。

新企業所得稅法規定，國務院將於適當時候頒佈釐定應課稅盈利、稅務優惠及不追溯條文之詳細措施及規例。當國務院宣佈額外規例時，本公司將評估其影響(如有)，並在日後之賬目呈列有關會計估計之變動。

(iii) 新加坡／香港

由於本集團於本期內並無在新加坡及香港賺取或獲得估計應課稅盈利，因此並無作出新加坡／香港利得稅撥備。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

14 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2007.

14. 每股盈利

(a) 基本

每股基本盈利按本公司股權持有人應佔盈利除以截至二零零七年六月三十日止六個月已發行普通股加權平均數計算。

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Profit attributable to equity holders of the Company	本公司股權持有人應佔盈利	7,992	6,051
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (以千計)	1,522,742	1,522,742
Basic earnings per share (US cents per share)	每股基本盈利 (每股美仙)	0.52	0.40

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

14 Earnings per share (continued)

(b) Diluted

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options which are dilutive potential ordinary shares. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the six months ended 30 June 2007) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

14. 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃按假設所有具攤薄潛力普通股獲轉換而調整已發行普通股加權平均數計算。本公司之購股權為具攤薄潛力普通股。為釐定可按公平價值(以本公司股份截至二零零七年六月三十日止六個月之平均市場價格釐訂)購買之股份數目之計算方法乃根據未行使購股權隨附之認購權之貨幣價值。根據上述計算得出之股份數目與假設行使購股權而應已發行之股份數目比較。

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
Profit attributable to equity holders of the Company	本公司股權持有人應佔盈利	7,992	6,051
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (以千計)	1,522,742	1,522,742
Adjustments for share options (thousands)	購股權調整 (以千計)	4,333	2,522
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利之 普通股加權平均數 (以千計)	1,527,075	1,525,264
Diluted earnings per share (US cents per share)	每股攤薄盈利 (每股美仙)	0.52	0.40

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

15 Dividends

15. 股息

		For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
2006 Final dividend of 0.158 US cents (2005: Final dividend 0.112 US cents) per ordinary share, paid	已付二零零六年末期股息每股 普通股0.158美仙 (二零零五年：末期股息0.112美仙)	2,432	1,708
2007 Interim dividend of 0.262 US cents (2006: Interim dividend 0.200 US cents) per ordinary share, proposed	建議派付二零零七年中期股息 每股普通股0.262美仙 (二零零六年：中期股息0.200美仙)	3,996	3,026
		6,428	4,734

16 Capital commitments for property, plant and equipment

16. 物業、廠房及設備之資本承擔

		As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 十二月三十一日 US\$'000 千美元
Contracted but not provided for	已訂約但未撥備	3,795	211
Authorised but not contracted for	已批准但未訂約	13,056	14,823

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

17 Related party transactions

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

			For the six months ended 30 June 2007 截至 二零零七年 六月三十日 止六個月 US\$'000 千美元	For the six months ended 30 June 2006 截至 二零零六年 六月三十日 止六個月 US\$'000 千美元
		Note 附註		
Sale of goods to Vedan Enterprise Corporation ("Taiwan Vedan")	味丹企業股份有限公司 (「台灣味丹」) 銷售貨品	(i)	711	2,200
Technological support fee paid to Taiwan Vedan and Tung Hai	向台灣味丹及東海支付技術支援費	(ii)	1,238	1,299
Technological support fee received from Taiwan Vedan	從台灣味丹收取技術支援費	(ii)	-	20
Commission from Taiwan Vedan in connection with the Agency Agreement	就代理協議收取台灣味丹之佣金	(ii)	38	31

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 ordinary course of business and the fees are charged in accordance with the terms of the underlying agreements.

(b) Balances with related parties

As at 30 June 2007, the Group had the following significant balances with related parties:

附註：

- (i) 本公司董事認為向有關連人士銷售是在日常業務中進行，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之價格及條款。
- (ii) 本公司董事認為該等交易在日常業務中進行，並且根據相關協議之條款收費。

(b) 有關連人士之結餘

於二零零七年六月三十日，本集團與有關連人士有以下重大結餘：

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

17 Related party transactions (continued)

(b) Balances with related parties (continued)

17. 有關連人士交易(續)

(b) 有關連人士之結餘(續)

	Note 附註	As at 30 June 2007 於 二零零七年 六月三十日 US\$'000 千美元	As at 31 December 2006 於 二零零六年 十二月三十一日 US\$'000 千美元
Current:			
Trade receivables from related parties (note 6):			
– Shanghai Vedan Foods Company Limited (“Shanghai Vedan Foods”)	(i)	4	4
– Taiwan Vedan		250	359
		254	363
Current:			
Technological support fee payable to Taiwan Vedan	(i)	221	258
Current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	1,084	–
		1,305	258
Non-current:			
Non-current portion of the amount due to Taiwan Vedan in connection with assignment of trademarks	(ii)	9,136	11,023

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

17 Related party transactions (continued)

(b) Balances with related parties (continued)

Note:

- (i) All these balances with related parties are unsecured, interest-free and have no fixed terms of repayment.
- (ii) The amount represented 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 amount is 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.

18 Banking facilities

The Group's bank borrowings of US\$59,790,000 as at 30 June 2007 (31 December 2006: US\$60,231,000) were secured by:

- (i) legal charges over certain of the Group's property, plant and equipments with net book value of approximately US\$38,363,000 (31 December 2006: US\$41,908,000).
- (ii) corporate guarantee provided by the Company.

17. 有關連人士交易(續)

(b) 有關連人士之結餘(續)

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，該款項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。款項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。

18. 銀行信貸

本集團於二零零七年六月三十日之銀行貸款59,790,000美元(二零零六年十二月三十一日：60,231,000美元)以下列各項作為抵押：

- (i) 本集團賬面淨值約38,363,000美元(二零零六年十二月三十一日：41,908,000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。

Notice of Payment of Interim Dividend, 2007

派發二零零七年度中期股息 之通告

Interim Dividend and Close of Register

The Board of Directors has resolved to declare an interim dividend of 0.262 US cents (2.043 HK cents) per share for the year ending 31 December 2007.

The share register will be closed from 15 October to 18 October 2007, both days inclusive, during which period no transfer of shares will be registered. Dividend warrants will be dispatched to shareholders on or about 30 October 2007. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Register, Tricor Tengis Limited of 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 12 October 2007.

By Order of the Board

Lo Chi Man

Company Secretary

Hong Kong, 20 September 2007

中期股息及截止過戶

董事會議決宣派截至二零零七年十二月三十一日止年度每股0.262美仙(2.043港仙)之中期股息。

股份過戶登記處將於二零零七年十月十五日至二零零七年十月十八日(首尾兩天包括在內)期間暫停辦理過戶登記手續。股息單大概於二零零七年十月三十日或前後寄發予股東。為符合資格收取中期股息，所有填妥之過戶表格連同有關股票必須不遲於二零零七年十月十二日下午四時三十分送達香港灣仔皇后大道東28號金鐘匯中心26樓本公司之股份過戶登記處香港分處卓佳登捷時有限公司辦理過戶手續。

承董事會命

公司秘書

羅志文

香港，二零零七年九月二十日

