

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%。

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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。

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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。

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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 千美元	%	US'000 千美元	%	US'000 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	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。

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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。

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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。

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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の木薯種植與收購。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の木薯種植。
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，將積極評估擴展新發酵產品的生產領域。
- 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發酵產品的生產方面，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

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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。