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**VEDAN INTERNATIONAL (HOLDINGS) LIMITED**

**味丹國際（控股）有限公司**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock code: 02317)**

## **PROFIT WARNING**

This announcement is made by Vedan International (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that based on its preliminary review of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2022 (the “**Management Accounts**”), it is expected that the Group will record a decrease of approximately 70% to 90% in the consolidated net profit for the six months ended 30 June 2022 as compared to that for the six months ended 30 June 2021.

The Board believes that the expected decrease of approximately 70% to 90% in the consolidated net profit of the Group for the six months ended 30 June 2022 as compared to that for the corresponding period in the last year was mainly affected by the following factors:

Due to the onslaught of the resurgence of the COVID-19 pandemic, the effects of the Russia-Ukraine war, the soaring of international energy prices and the slowdown in the global economic growth, the subsidiaries of the Company were severely affected in the supply of raw materials, the production utilization rate, sales volume of some major products as well as the costs of transportation by land and sea freight, which resulted in a significant increase in operating costs. Although the Group has adopted the strategies for raising prices for its products, the price increase in some products cannot fully compensate the rise in costs and expenses, which ultimately led to a significant year-on-year decrease in the consolidated net profit of the Group.

The information contained in this announcement is only based on the Board's preliminary assessment of the Management Accounts, and has not been reviewed by the Company's auditor. The interim results of the Group for the six months ended 30 June 2022 are expected to be published in August 2022. Shareholders and potential investors of the Company are advised to read the interim results announcement of the Company carefully upon its publication.

Despite the foregoing, the Board considers that the overall financial position of the Group remains steady and healthy, and the Board is actively considering specific plans to increase sales and reduce production costs. Therefore, the Board remains cautiously optimistic about the long-term prospects of the Group.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Vedan International (Holdings) Limited**  
**YANG, Kun-Hsiang**  
*Executive Director and Chief Executive Officer*

Hong Kong, 15 July 2022

As at the date of this announcement, the Board comprises the following members:–

*Executive Directors:–*

Mr. YANG, Tou-Hsiung  
Mr. YANG, Cheng  
Mr. YANG, Kun-Hsiang  
Mr. YANG, Chen-Wen  
Mr. YANG, Kun-Chou

*Non-executive Directors:–*

Mr. HUANG, Ching-Jung  
Mr. CHOU, Szu-Cheng

*Independent non-executive Directors:–*

Mr. CHAO, Pei-Hong  
Mr. KO, Jim-Chen  
Mr. CHEN, Joen-Ray  
Mr. HUANG, Chung-Fong