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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 and the Inside Information Provisions 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 year ended 31 December 2014 (the “**Management Accounts**”), it is expected that the Group will record a significant decrease in the consolidated net profit for the year ended 31 December 2014 as compared to the year ended 31 December 2013.

The Board is of the view that the performance of the Group for the year ended 31 December 2014 was mainly affected by the following:

The overall gross profit margin of the Group fell sharply during the year 2014 as a result of increased production costs, which was mainly due to the continued rise in the natural gas prices used by the Group’s plant in Vietnam and the remaining high prices of other major raw materials. In addition, the major markets where the Group conducts its businesses were

affected by unstable economic conditions as well as growing competition resulting from price slashes. As a result, we were not able to mark up the price of MSG, one of our major products, to reflect the rising costs. This led to a decrease in average gross profit margin for the year ended 31 December 2014 as compared to the year ended 31 December 2013.

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 auditors. The annual results of the Group for the year ended 31 December 2014 is expected to be published in March 2015. Shareholders and potential investors of the Company are advised to read carefully the announcement on annual results of the Company upon its publication.

Despite the above, the Board considers that the Group's overall financial position is still healthy while the Board is actively discussing and developing a specific plan to increase sales and reduce production costs. Therefore, the Board remains cautiously optimistic on the long term prospect of the Group.

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

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

Hong Kong, 13 February 2015

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. HSIEH, Lung-Fa