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)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL HIGHLIGHTS

	Year ended 31 December		
	2014	2013	**Difference**
	US$'000	*US$'000*	
Revenue	**325,627**	**342,453**	(4.91)%
Gross profit	**44,116**	**48,089**	(8.26)%
(Loss)/profit for the year	**(2,928)**	**728**	(502.20)%
(Loss)/profit attributable to owners	**(2,434)**	**1,488**	(263.58)%
Basic (loss)/earnings per share	**(0.16) US cents**	0.10 US cents	
Diluted (loss)/earnings per share	**(0.16) US cents**	0.10 US cents	
Final dividend proposed per share	**– US cents**	– US cents	
Total dividends paid and proposed per share	**– US cents**	0.101 US cents	

RESULTS

The Board of Directors of Vedan International (Holdings) Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2014, together with the comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended 31 December	
		2014	2013
	Note	***US$'000***	*US$'000*
Revenue	*5*	**325,627**	342,453
Cost of sales	*7*	**(281,511)**	(294,364)
Gross profit		**44,116**	48,089
Other gains – net	*6*	**870**	1,156
Gain on disposal of non-current assets held for sale		**–**	986
Selling and distribution expenses	*7*	**(22,627)**	(23,279)
Administrative expenses	*7*	**(23,491)**	(24,637)
Operating (loss)/profit		**(1,132)**	2,315
Finance income		**643**	981
Finance costs		**(910)**	(742)
Finance (costs)/income – net	*8*	**(267)**	239
Share of post-tax loss of an associate		**(97)**	(32)
(Loss)/profit before income tax		**(1,496)**	2,522
Income tax expense	*9*	**(1,432)**	(1,794)
(Loss)/profit for the year		**(2,928)**	728
(Loss)/profit attributable to:			
Owners of the Company		**(2,434)**	1,488
Non-controlling interest		**(494)**	(760)
		(2,928)	728
Earnings per share for (loss)/profit attributable to the owners of the Company during the year *(expressed in US cents per share)*			
Basic (loss)/earnings per share	*11*	**(0.16)**	0.10
Diluted (loss)/earnings per share	*11*	**(0.16)**	0.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2014	2013
	US$'000	*US$'000*
(Loss)/profit for the year	**(2,928)**	728
Other comprehensive income		
Item that may be reclassified to profit or loss		
Currency translation differences	**(285)**	1,770
Other comprehensive income for the year, net of tax	**(285)**	1,770
Total comprehensive income for the year	**(3,213)**	2,498
Total comprehensive income for the year attributable to:		
– Owners of the Company	**(2,715)**	3,236
– Non-controlling interest	**(498)**	(738)
Total comprehensive income for the year	**(3,213)**	2,498

CONSOLIDATED BALANCE SHEET

		As at 31 December	
		2014	2013
	Note	***US$'000***	*US$'000*
ASSETS			
Non-current assets			
Land use rights		**2,767**	2,624
Property, plant and equipment		**167,220**	126,708
Intangible assets		**9,822**	11,163
Long-term loan and receivables		**165**	117
Investment in an associate		**3,393**	3,490
Total non-current assets		**183,367**	144,102
Current assets			
Inventories		**104,775**	115,202
Trade receivables	*3*	**25,981**	30,741
Amount due from the non-controlling interest of a subsidiary		**933**	1,445
Short-term loan to an associate		**–**	96
Amount due from an associate		**123**	–
Prepayments and other receivables		**14,986**	14,311
Amount due from a related party		**1,146**	–
Restricted cash		**4,249**	4,264
Short-term bank deposits		**3,463**	3,013
Cash and cash equivalents		**37,491**	39,496
		193,147	208,568
Disposal group held for sale		**1,926**	–
Total current assets		**195,073**	208,568
Total assets		**378,440**	352,670
EQUITY			
Equity attributable to owners of the Company			
Share capital		**15,228**	15,228
Reserves		**253,901**	256,677
		269,129	271,905
Non-controlling interest		**(2,030)**	(1,748)
Total equity		**267,099**	270,157

		As at 31 December	
		2014	2013
	Note	***US$'000***	*US$'000*
LIABILITIES			
Non-current liabilities			
Bank borrowings		**32,696**	2,074
Deferred income tax liabilities		**4,772**	5,357
Retirement benefit obligations		**1,214**	1,169
Total non-current liabilities		**38,682**	8,600
Current liabilities			
Trade payables	*4*	**14,546**	14,590
Accruals and other payables		**18,331**	14,975
Amount due to a related party		**–**	313
Bank borrowings		**38,857**	43,085
Current income tax liabilities		**925**	950
Total current liabilities		**72,659**	73,913
Total liabilities		**111,341**	82,513
Total equity and liabilities		**378,440**	352,670
Net current assets		**122,414**	134,655
Total assets less current liabilities		**305,781**	278,757

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

(a) The following new standards, interpretations and amendments to standards are mandatory for the Company for the first time for the financial year beginning on 1 January 2014, but have not had any significant impact on the preparation of the consolidated financial statements.

HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendment	Investment Entities
HKAS 32 Amendment	Offsetting Financial Assets and Financial Liabilities
HKAS 36 Amendment	Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 Amendment	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies

(b) The following new standards and amendments to standards have been issued, but are not effective for the financial year beginning on 1 January 2014 and have not been early adopted.

		Effective for annual periods beginning on or after
HKAS 19 (2011) Amendment	Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements Project	Annual Improvements 2010-2012 Cycle	1 July 2014
Annual Improvements Project	Annual Improvements 2011-2013 Cycle	1 July 2014
Annual Improvements Project	Annual Improvements 2012-2014 Cycle	1 January 2016
HKFRS 14	Regulatory Deferral Accounts	1 January 2016
HKFRS 10 and HKAS 28 Amendment	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
HKFRS 11 Amendment	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
HKAS 16 and HKAS 38 Amendment	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
HKAS 16 and HKAS 41 Amendment	Agriculture: Bearer Plants	1 January 2016
HKAS 27 Amendment	Equity Method in Separate Financial Statements	1 January 2016
HKAS 1 Amendment	Disclosure initiative	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: applying the consolidation exception	1 January 2016
HKFRS 15	Revenue from Contracts with Customers	1 January 2017
HKFRS 9	Financial Instruments	1 January 2018

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

(c) In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). It has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

2 Segment information

The chief operating decision-maker has been identified as the Executive Directors collectively. The Directors review the Group's policies and information for the purposes of assessing performance. The Group presents its operating segment results (below), based on the information reviewed by the chief operating decision-maker, and used to make strategic decisions. This information includes segment revenue, segment capital expenditures, segment assets, segment non-current assets, other than financial instruments and deferred income tax assets and segment liabilities.

The chief operating decision-maker considers the business mainly from a geographical aspect. In presenting information on the basis of operating segments, segment revenue is based on the geographical presence of customers. Segment capital expenditures, segment assets, segment non-current assets, other than financial instruments and deferred income tax assets and segment liabilities are based on the geographical location of the assets or liabilities.

The chief operating decision maker mainly assesses the performance based on revenue derived by each geographical segment. Accordingly, the segment performance is restricted to revenue information.

Revenue of approximately US$51,608,000 (2013: US$60,034,000) is derived from a single external customer. This revenue is attributable to the MSG/GA segment located in Japan.

(a) Segment revenue

	2014	2013
	US$'000	*US$'000*
Vietnam	**164,619**	168,934
The PRC	**33,842**	38,433
Japan	**74,985**	79,967
Taiwan	**14,947**	14,908
ASEAN member countries (other than Vietnam)	**29,787**	30,220
Other regions	**7,447**	9,991
	325,627	342,453

	2014	2013
	US$'000	*US$'000*
MSG/GA	**225,153**	239,208
Modified starch/Native starch	**43,220**	44,234
Specialty chemicals	**22,566**	23,199
Fertiliser and feed products	**21,809**	26,736
Others	**12,879**	9,076
	325,627	342,453

(b) ***Capital expenditure***

	2014	2013
	US$'000	*US$'000*
Vietnam	**60,565**	5,479
The PRC	**817**	2,800
	61,382	8,279

Capital expenditures are attributed to segments based on where the assets are located.

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

(c) ***Assets***

	2014	2013
	US$'000	*US$'000*
Vietnam	**318,456**	285,697
The PRC	**53,586**	58,993
Hong Kong	**5,591**	7,527
Taiwan	**724**	370
Singapore	**83**	83
Total assets per the balance sheet	**378,440**	352,670

Total assets are attributed to segments based on where the assets are located.

Property, plant and equipment are monitored by the management at the operating segment level. The following is a summary of amortisation, depreciation, impairment of non-current assets, income tax expense and share of loss from associate for each operating segment.

	Amortisation and depreciation	**Impairment**	**Income tax expense**	**Share of loss from associate**
	US$'000	*US$'000*	*US$'000*	*US$'000*
2014				
Vietnam	19,241	–	1,238	97
The PRC	2,334	–	194	–
	21,575	–	1,432	97
2013				
Vietnam	20,472	–	1,424	32
The PRC	3,067	–	370	–
	23,539	–	1,794	32

(d) Non-current assets, other than financial instruments and deferred income tax assets, by country:

	2014	2013
	US$'000	*US$'000*
Vietnam	**152,019**	109,745
The PRC	**24,195**	25,848
Hong Kong	**3,595**	4,901
Taiwan	**–**	–
Singapore	**–**	–
Total	**179,809**	140,494

(e) ***Liabilities***

	2014	2013
	US$'000	*US$'000*
Vietnam	**92,353**	66,728
The PRC	**8,424**	11,902
Hong Kong	**5,352**	1,976
Taiwan	**5,167**	1,863
Singapore	**45**	44
Total liabilities per the balance sheet	**111,341**	82,513

3 Trade and other receivables

	Group	
	2014	2013
	US$'000	*US$'000*
Trade receivables from third parties	**27,651**	32,477
Less: provision for impairment of trade receivables	**(1,670)**	(1,736)
Trade receivables – net	**25,981**	30,741

The credit terms of trade receivables range from cash on delivery to 60 days and the ageing of the trade receivables based on invoice date is as follows:

	Group	
	2014	2013
	US$'000	*US$'000*
0 – 30 days	**20,611**	21,004
31 – 90 days	**3,469**	7,128
91 – 180 days	**1,830**	1,660
181 – 365 days	**52**	786
Over 365 days	**1,689**	1,899
	27,651	32,477

4 Trade and other payables

At 31 December 2014, the ageing of trade payables based on invoice date is as follows:

	2014	2013
	US$'000	*US$'000*
0 – 30 days	**13,738**	13,354
31 – 90 days	**685**	1,191
91 – 180 days	**59**	–
181 – 365 days	**27**	17
Over 365 days	**37**	28
	14,546	14,590

5 Revenue

The Group manufactures and sells fermentation-based food additives, biochemical products and cassava starch-based industrial products including modified starch, glucose syrup, MSG, soda, acid and beverages. Revenues recognised for the years ended 31 December 2014 and 2013 were US$325,627,000 and US$342,453,000 respectively.

6 Other gains – net

	2014	2013
	US$'000	*US$'000*
Net exchange loss	**(184)**	(77)
Loss on disposals of property, plant and equipment	**(314)**	(269)
Sales of scrap materials	**813**	887
Others	**555**	615
	870	1,156

7 Expenses by nature

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

	2014	2013
	US$'000	*US$'000*
Changes in inventories and consumables used	**237,639**	255,791
Amortisation of intangible assets	**1,334**	1,339
Amortisation of land use rights	**66**	55
Auditor's remuneration	**340**	340
Depreciation on property, plant and equipment	**20,175**	22,145
Operating leases expenses in respect of leasehold land	**325**	161
Employee benefit expenses	**29,135**	29,986
(Reversal)/provision for impairment of trade receivables	**(21)**	127
Other expenses	**38,636**	32,336
Total cost of sales, selling and distribution expenses and administrative expenses	**327,629**	342,280

8 Finance (costs)/income – net

	2014	2013
	US$'000	*US$'000*
Finance income	**643**	981
Interest expense on bank borrowings	**(1,359)**	(742)
Less: amounts capitalised on qualifying assets	**449**	–
Finance costs	**(910)**	(742)
Finance (costs)/income – net	**(267)**	239

9 Income tax expense

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

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

	2014	2013
	US$'000	*US$'000*
Enterprise income tax ("EIT")	**2,054**	3,036
Over-provision of income tax in previous years	**(37)**	(477)
Total current tax	**2,017**	2,559
Deferred income tax	**(585)**	(765)
	1,432	1,794

10 Dividends

There was no dividend paid in 2014 (2013: US$3,741,000 (0.246 US cents per ordinary share)). The Board has resolved not to recommend for shareholders' approval at its forthcoming annual general meeting the payment of a final dividend for the year ended 31 December 2014 (2013: same).

	2014	2013
	US$'000	*US$'000*
2014 interim dividend, nil (2013 interim: 0.101 US cents) per ordinary share	**–**	1,536

The aggregate amounts of the dividends paid and proposed during 2014 and 2013 have been disclosed in the consolidated income statement in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

11 (Loss)/earnings per share

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2014	2013
	US$'000	*US$'000*
(Loss)/profit attributable to owners of the Company	**(2,434)**	1,488
Weighted average number of ordinary shares in issue *(thousands)*	**1,522,742**	1,522,742
Basic (loss)/earnings per share *(US cents per share)*	**(0.16)**	0.10

(b) Diluted

Diluted (loss)/earnings per share is same as basic (loss)/earnings per share as there are no dilutive instruments for the years ended 31 December 2014 and 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS OVERVIEW

The US economy has become the best performer in the world in 2014, enjoying a stable economic recovery, a strong US dollar and a good year for its stock market. This was mainly attributable to the US Federal Reserve's ongoing quantitative easing policy and the inexpensive energy and raw materials provided by the boom in shale oil and gas. The US was Vietnam's largest export destination and Vietnam managed to achieve record highs in export and trade surplus thanks to the improvement of business sentiment in the US. In Vietnam, GDP growth for the year reached 5.98%, the highest in the past four years. Its inflation rate has dropped from 18.58% in 2011 to 4.09% in 2014. This was not only the lowest level in the past decade, but also marked the first year in that time in which the GDP growth rate exceeded inflation. As for the financial aspects, apart from the slightly higher doubtful debts of banks, the overall economy in Vietnam is developing positively characterised by a stable US dollar-Vietnam Dong exchange rate, a decline in the domestic interest rate, a trade surplus and higher foreign exchange reserves. During the year, ratings firms Moody's and Fitch have adjusted the credit rating on Vietnam from B2 to B1 and B+ to BB– respectively. Meanwhile, the Chinese economy has started its transformation and its exports are facing challenges. Its economic expansion is shifting from rapid growth in the past to a new state of medium-speed growth. Elsewhere, the Eurozone economy is struggling with recession and deflation, while the emerging markets have been hit hard by both an economic slowdown and the appreciation of the US dollar.

In 2014, the Group recorded revenue of US$325,627,000, which represented 4.9% or US$16,826,000 less than the amount of US$342,453,000 in 2013. The decrease was mainly due to the drop in revenue of MSG/GA products by US$14,055,000. Gross profit in 2014 declined by approximately 8.3% or US$3,973,000 to US$44,116,000. Overall gross profit margin decreased to 13.5% from 14.0% in the last corresponding period. Net profit margin declined from 0.2% to a loss of –0.9%. Net loss amounted to US$2,928,000. The drop in profit was mainly due to the tough price competition of MSG product manufacturers in the PRC and the persistent increase of energy costs of Vietnam-based factories which could not be passed on in higher selling prices, which eroded the Group's profitability. The slight decrease in MSG production also led to a drop in the revenue of fertiliser of about US$4,927,000. The slowdown in economic growth in the PRC and the Chinese government's crackdown on luxury spending have affected the demand for MSG from the catering industry. Revenue in the PRC has decreased by 11.9% or US$4,591,000. To resolve the high energy cost of the Vietnam-based factories, the Company has commenced alternative energy solutions, which are expected to commence operation in the first quarter of 2015. The new boiler should help lower the production costs of the Vietnam-based factories and generate profit for the Group.

2. FINANCIAL REVIEW

(1) Liquidity and Financial Resources

In response to the Central Bank of Vietnam's periodic efforts to decrease the interest rate on Vietnam Dong deposits during the year under review, the Group utilised part of its deposits denominated in Vietnam Dong to repay the borrowings in US dollars. As at 31 December 2014, the Group had cash and bank deposits equivalent to US$45,203,000, which was approximately US$1,570,000 or about 3.4% lower than that amount in late 2013. Short-term bank borrowings decreased by US$4,228,000 or 9.8% to US$38,857,000, while long-term bank borrowings rose by US$30,622,000 to US$32,696,000 from US$2,074,000 in late 2013 due to financing the investment in alternative energy solutions during the year. Total bank borrowings increased by US$26,394,000, or around 58.4% as compared with that at the end of 2013 to US$71,553,000. The borrowings were mainly denominated in US dollars, which accounted for 97.8% of the total and the remaining 2.2% was denominated in New Taiwan dollars. The proportions of short-term and medium-to-long-term bank borrowings were 54.3% and 45.7%.

As at 31 December 2014, inventory decreased by 9.1% or US$10,427,000 to US$104,775,000 as compared with that at the end of 2013. Trade receivables amounted to US$25,981,000, a decrease of 15.5% or US$4,760,000 from late 2013, and around 74.5% of them were due within 30 days.

In light of the increased borrowings, the gearing ratio (total borrowings to total capital ratio) was 26.8%, which was higher than 16.7% at the end of last year. Net gearing ratio (total borrowings less cash and deposits to total capital ratio) was 9.9%, also higher than -0.6% in late 2013. As inventory, trade receivables and current liabilities declined, current ratio was 2.7 in 2014, maintaining the level of that of 2013, with a slight drop of 0.1.

(2) Capital Expenditure

During the year, capital expenditure amounted to approximately US$61,382,000, approximately US$53,103,000 higher than the amount of US$8,279,000 in 2013. The increase was a result of investing in alternative energy solutions.

3. EXCHANGE RATE

In 2014, the Vietnam economy remained stable with a trade surplus of more than US$2 billion. At the beginning of 2014, the US dollar to Vietnam Dong exchange rate stood at VND21,036 to US$1. In May 2014, the Government adjusted the VND/US$ rate downward by 1% to VND21,246 to US$1, representing the first depreciation by the Central Bank of Vietnam in more than one year. During 2014, the US$/VDN rate only depreciated by 1% and the VND remained stable compared to other Asian currencies.

The Group's subsidiaries in the PRC are mainly for domestic distribution and their transactions are denominated in RMB. In 2014, the exchange rate of RMB to USD was fluctuating and volatile. The RMB dropped 0.36% in the whole year, the first depreciation of the RMB to the USD since the RMB currency reform was launched in 2005. The Japanese yen to USD exchange rate continued to depreciate during the last two years and recorded a decrease of around 14% in the year of 2014. Given a portion of the revenue from the Vietnam factories was in USD, so basically it can balance its USD requirements and reduce the potential exchange risk.

4. DIVIDEND

The Board decided not to distribute dividends because a loss was recorded in this year.

5. PROSPECTS

Looking forward, ASEAN member countries are expected to set up an ASEAN Economic Community by the end of 2015. The closer integration within ASEAN member countries in 2014 offered obvious benefits, covering more than 600 million people with a GDP exceeding US$2.5 trillion. Based on trading volume, 70% regional trades are tax-free and the effective tax rate is below 5%. In 2015, the ties have become even closer, which in turn will help Vedan Vietnam in expanding its ASEAN market and securing competitive resources. To foster future growth in the Vietnam and China markets, the Group will keep abreast of the latest market situation and is set to grow steadily in 2015.

A. The operating approach of the Vietnam operations will follow the general strategic direction outlined below:

- Leverage the establishment of the ASEAN Economic Community to expand ASEAN market
- Develop high value-added starch products to boost profitability
- Develop customised chemical fertilisers and organic compound fertilisers
- Continue to lower costs and enhance production capacity
- Ensure all core products such as MSG, modified starch, soda and hydrochloric acid occupy leading positions within their respective markets in Vietnam
- Optimally utilise resources, focus on core products, enhance our competitive edge and increase profitability

B. The operating approach of operations in the PRC will follow the general strategic direction outlined below:

- Enhance seasoning products and focus on implementing the distribution channel model

- Enhance its own brand and strengthen marketing channels

- Develop new cassava starch-based products, build a professional team and expand into food and beverage industry

- Simplify workflow, improve organisational structure and bolster the Group's capabilities

- Invest in sugar and starch business together with extensive bulk materials market. Distribute new products and enter the alcohol business

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's shares during the year ended 31 December 2014.

CORPORATE GOVERNANCE

The Company is strongly committed to maintaining good corporate governance. The Directors aim to continually review and enhance corporate governance practices of the Group.

Save and except for code provision E.1.2 as set out below, the Company has complied with the provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") during the reporting period:

In respect of code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting and should also invite the chairman of the audit, remuneration and nomination committees to attend. Mr. YANG, Tou-Hsiung, the Chairman of the Board and the Chairman of the Nomination Committee and Mr. CHAO, Pei-Hong, Chairman of the Audit Committee were not able to attend the Annual General Meeting of the Company held on 20 May 2014 due to business commitments.

AUDIT COMMITTEE

The Audit Committee, comprising all the Independent Non-executive Directors of the Company, has reviewed the results of the Group for the year ended 31 December 2014 and has discussed with the management the accounting principles and practices adopted by the Group, and its internal controls and financial reporting matters.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2014 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

FINAL DIVIDEND

The Board of Directors does not recommend the payment of a final dividend for the year ended 31 December 2014.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement was published on the Hong Kong Stock Exchange's website at "www.hkexnews.hk" and the Company's website at "www.vedaninternational.com". The Company's 2014 annual report containing all the information required under the Listing Rules will be dispatched to shareholders and published on the websites of the Hong Kong Stock Exchange and the Company in due course.

OUR APPRECIATION

Finally, we would like to express our gratitude to the shareholders, business partners and customers for their unfaltering support. We would also like to thank our dedicated staff for their contributions to the Group.

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

Hong Kong, 24 March 2015

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

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