Management Discussion and Analysis
管理層討論及分析

I. BUSINESS OVERVIEW

With the global economy plunging and landing low in 2020 at the impact of the COVID-19 pandemic, the chances for it to grow in 2021, against a seriously lack lustre base, would be high, however, optimism should be guarded. The emergence of COVID-19 variants pushing up infection cases, re-activation of lockdown measures, plus doubts about efficacy of COVID-19 vaccines are among major unfavourable factors that could challenge the road of economy recovery across the world.

In 2020, with the pandemic put under control by the Vietnam Government, the country saw a huge influx of foreign capital. Total import export volume amounted to approximately US$543.9 billion, with trade surplus at approximately US$19.1 billion, the highest since 2016. At the same time, the exchange rate of the Vietnamese Dong against the U.S. dollar has remained stable since last year, which has effectively curbed inflation. The Consumer Price Index (CPI) increased by 3.23% year-on-year, meeting its below 4% target. However, the Vietnamese economy has once again been affected due to the fourth wave of COVID-19 outbreak.

For the first half year, the Group made revenue of approximately US$196,085,000, an increase of 12.7% or approximately US$22,149,000, when compared with the same period of last year. The increase was not only mainly to the improved market sentiment during the period, but also the slowdown in rise of raw material costs of major products including modified starch and maltose, the decline in energy costs, as well as the Group's continuous effort to develop new products bolstering overall revenue and gross profit. For MSG, gross profit improved this year as compared to last year thanks to enhancement of the production process and efficiency, and among specialty products, soda saw a significant drop in selling price and profit as demand was affected by the pandemic and price competition was severe. Hydrochloric acid, however, recorded an increase in sales volume and selling price as costs came down. Hence, the overall revenue and gross profit of specialty products were better compared with that of last year. As for fertiliser and feed products, the Group focused on consolidating channels and adjusting product structure, and emphasised on developing high-margin products. In addition, among other products, the Group's sales volume of and correspondingly the revenue from coffee beans and bulk foods ingredients increased notably, reflective of the Group's effective sales strategy. The Group's overall gross profit margin increased from 17.7% in the first half of 2020 to 19.4%. Gross profit amounted to approximately US$38,022,000, an increase of approximately US$7,195,000 when compared with the same period of last year. Net profit margin increased from 3.4% in the same period of 2020 to 5.3%. Net profit grew from US$5,894,000 in the same period of last year to US$10,382,000. The Group's revenue and profit grew during the period mainly because the price growth of some raw materials stabilised and more high value-added products were sold.

一、 業務總覽

在2020年全球經濟受新型冠狀病毒(COVID-19)衝擊而嚴重衰退的低基期之下，2021年全球經濟出現增長的機會將提升，但不宜過度樂觀。在變種病毒感染人數激增、封鎖措施重新啟動、疫苗效力的不確定性等重大不利因素之下，各國經濟邁向復甦之路仍然充滿挑戰。

2020年，越南政府成功遏制疫情爆發，境外資金大舉湧入，進出口貿易總額約為5,439億美元，貿易順差達約191億美元，創2016年以來最高。同時，越南盾對美元的匯率自去年以來一直保持穩定，有效抑制通貨膨脹，消費物價指數(CPI)同比增長3.23%，達成低於4%的目標。然而，越南經濟因第四波疫情爆發而再次受影響。

集團上半年營收達約196,085,000美元，較去年同期上升12.7%或增加約22,149,000美元。營收增長的主要原因除了越南在上半年的銷售氛圍較去年熾熱外，集團的主要產品中，變性澱粉及麥芽糖受惠於原料成本漲幅趨緩，能源成本下降，加上持續開發新產品，帶動整體營收與毛利；味精因製作過程改善使效率提升，帶動今年毛利較去年上升；特化產品中，蘇打因受市場低價競爭及疫情影響需求量，致售價與和獲利顯著下滑。然而，因鹽酸的成本降低、而銷售量及售價均提高，特化產品整體的營收與毛利較去年增加；肥飼料產品則著重在整合通路與調整產品結構，致力發展高毛利產品。此外，集團其他產品中的咖啡與大宗食材，因銷售策略奏效，銷售量明顯增加，帶動營收大幅增長。集團整體毛利率由2020上半年的17.7%上升至19.4%，毛利為約38,022,000美元，較去年同期增加約7,195,000美元；淨利率則由2020年同期3.4%增長至5.3%，淨利約為10,382,000美元，較去年同期增加約5,894,000美元。集團於本期之營收與利潤均錄得增長，主要由於部分原料漲幅趨穩，同時增加高附加價值產品之銷售。

Vietnam was one of the few countries most successful in containing the pandemic and was affording stable long-term economic growth. With the opportunities brought by the Sino-US trade conflicts, it became the place to relocate production facilities of many companies. It has also been active in taking part in regional economic and trade consolidation like signing free trade zone agreements including the Free Trade Agreement (FTA), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP) with developed economies such as the UK, EU and the PRC, favouring the overall development of the country. However, since the end of April, COVID variants started spreading in the community and sparked the fourth wave of COVID-19 outbreak. That plus insufficient supply of vaccines and low vaccination rate, North Vietnam was the first to see a new round of outbreak of the virus in May, followed by Ho Chi Minh City and provinces in South Vietnam in June. With local governments locking down communities, GDP grew by 5.64% for the first six months of the year, which was lower than the growth rate of the same period in 2018 and 2019 (7.05% and 6.77%, respectively). Vietnam's Purchasing Managers' Index (PMI) fell from 53.1% in May to 44.1% in June, which meant the country's manufacturing industry was contracting. As many factories had to suspend operation because of the pandemic, production volume and orders both shrank and so did workload. With demand down, it was also difficult for manufacturers to raise the selling price of their products. Currently, the manufacturing industry is still under pressure from rising raw material and transportation costs. In the first six months of the year, the country recorded trade deficit (US$1.5 billion) versus trade surplus (US$5.9 billion) in the same period last year.

越南為應對疫情最為成功的幾個國家之一，長期經濟增勢穩定。在中美貿易戰的機遇中，成為不少企業轉移生產基地的目標，且積極響應區域經貿整合，如與英國、歐盟、中國等發達經濟體簽訂自由貿易協議(FTA)、跨太平洋夥伴全面進步協定(CPTPP)、區域全面經濟夥伴協定(RCEP)等多個自由貿易區域聯盟，有利整體發展。可是，越南自4月底起因變種病毒流入社區，導致第四波疫情爆發。加上疫苗不足及接種率低，北越地區於5月爆發疫情，更於6月擴散至胡志明及南越各省。在各地政府實施社交距離措施下，今年上半年的GDP增長為5.64%，低於2018年及2019年同期增長率（分別為7.05%及6.77%）。今年6月越南採購經理人指數(PMI)由5月的53.1%下降至44.1%，代表國內生產業務正在縮減。疫情爆發令大部分工廠需要暫時停業，導致產量與訂單雙雙萎縮，工作量亦明顯減少。由於需求下降，廠商亦難以提升產品出售價格。目前，製造業仍面臨原材料及運輸費用上升之壓力。今年上半年貿易收支由去年同期的順差（59億美元）轉為逆差（15億美元）。

The Vietnamese economy remained stable overall in the first half of 2021. However, there are uncertainties surrounding growth the economy as the fourth wave of COVID-19 outbreak starting to affect the recovering economy, including the latest social distancing measures dampening consumption and domestic production decreasing, resulting in trade deficit, and the lower-than-expected FDI expansion. Despite all that, the Vietnamese credit lines have continued to grow and inflation rate has remained low, while the manufacturing industry is still a main economic growth driver of the country. In the latter half year, containing the pandemic, especially making progress with vaccination, will be crucial to how well the economy will grow. Obvious changes are expected in the third quarter with support from economic stimulus measures. New export orders will help bring about trade surplus in the second half year.

2021年上半年越南整體經濟維持穩定，但第四波疫情爆發所出現的影響，包括最近採取之社交距離措施令消費意慾下降，國內生產縮減，貿易收支出現逆差，FDI增長不如預期等，令均越南經濟復甦充滿變數。然而，越南的授信維持成長，通脹率保持在低水平，及其製造業務仍是經濟增長的主要原因之一。越南遏制疫情的速度，特別是疫苗接種率，將為下半年經濟增長之關鍵。在經濟刺激措施的支持下，越南第三季經濟有望出現明顯變化，而新出口訂單將協助越南下半年貿易收支轉為順差。

II. BUSINESS ANALYSIS

二、營業分析

(i) Sales Analysis by Market

(一) 市場銷售分析

Unit: US$'000

單位：千美元

Country	國家	First Half of 2021 2021年上半年 Amount 金額	% %	First Half of 2020 2020年上半年 Amount 金額	% %	Difference 差異 Amount 金額	% %
Vietnam	越南	**88,526**	**45.1%**	81,259	46.7%	7,267	8.9%
Japan	日本	**32,379**	**16.5%**	32,051	18.4%	328	1.0%
PRC	中國	**31,095**	**15.9%**	21,534	12.4%	9,561	44.4%
ASEAN	東盟國家	**13,855**	**7.1%**	12,239	7.0%	1,616	13.2%
US	美國	**13,551**	**6.9%**	13,012	7.5%	539	4.1%
Others	其他	**16,679**	**8.5%**	13,841	8.0%	2,838	20.5%
Total	合計	**196,085**	**100.0%**	173,936	100.0%	22,149	12.7%

1. Vietnam

Vietnam is the Group's largest market, which brought in revenue of approximately US$88,526,000 in the first half of 2021, an increase of approximately US$7,267,000, or 8.9%, more than in the same period in 2020, accounting for 45.1% of the Group's total revenue versus 46.7% in the previous same period. During the period, revenue from the Vietnamese market increased, thanks to the adjustment of selling prices of MSG and modified starch in response to market changes, strengthened inventory control and improved production efficiency, which effectively boosted sales volume and revenue. At the same time, at the Group's efforts to integrate sales channels and adjust the structure of fertilisers and feed products, both unit prices and revenue increased in the period. Thus, though overall sales volume declined, profits increased.

1. 越南市場

越南為本集團第一大市場，二零二一年上半年營收約為88,526,000美元，較二零二零年同期增加約7,267,000美元或8.9%，營收佔比由46.7%降至45.1%。期內越南市場營收增加，主要因味精與變性澱粉根據市場變化而調整售價，並強化庫存控管與提升生產效率，有效推升銷售量與營收。同時，期內集團致力以整合銷售通路與調整肥飼料產品結構，帶動銷售單價與營收增長，整體銷售量雖然下滑，但獲利卻有所提升。

2. Japan

Japan is the Group's second largest market. With the pandemic kept coming and going in the period, it affected the outlook on economic recovery. The MSG consumer market shrank, leading to a decline in selling prices and sales volume, and revenue. The sales volume of modified starch climbed reflective of market acceptance. With the Group continuing to expand its new customer base, promote usage in different sectors, actively develop high-value-added products, and expand production capacity to reduce costs, overall revenue and profit of the Group from the market increased mildly. Revenue for the period was approximately US$32,379,000, an increase of approximately US$328,000, or 1.0%, against the first half of 2020, and it accounted for 16.5% of the Group's total revenue, down from 18.4%.

3. The PRC

Revenue from the PRC market for the period was approximately US$31,095,000, an increase of approximately US$9,561,000, or 44.4%, when compared with the first half of 2020, and accounted for 15.9% of the Group total, up from 12.4% in the last same period. The significant increase in revenue was owed to the Group's effective strategy to grow business scale by enhancing product mix, developing sales channels and stepping up development of and cooperation along its industrial chain, which helped boost the sales volume and revenue of trade products and coffee beans distributed by the Group in the country. However, the Group adjusted the selling prices of MSG products to cope with market competition, which resulted in a decline in revenue.

4. The ASEAN Market

In the period, the ASEAN market, excluding Vietnam, reported revenue of approximately US$13,855,000, an increase of approximately US$1,616,000, or 13.2%, relative to the same period in 2020, and accounted for 7.1% of the Group's total revenue, versus 7.0% in the previous same period. The revenue increase was mainly attributable to the moderate increase in sales volumes of and revenues from MSG, modified starch, fertilisers and feed products. The ASEAN market is a key market which the Group has been actively developing, with the hope of making the best of its advantages in the industry and on the base of its core product mix to develop other businesses, establish closer partnerships and cultivate sales channels, aiming ultimately to achieve sales breakthroughs.

2. 日本市場

日本為集團第二大市場，期內由於疫情反覆，影響經濟復甦前景，導致味精消費市場萎縮，售價與銷售量同時減少，營收隨之下滑。變性澱粉受到市場接受，銷售量增加。集團持續深化新客群與跨界應用，積極開發高附加價值產品，擴大產能來帶動成本下降，致整體營收與獲利略有增長。期內營收約為32,379,000美元，較2020上半年增加約328,000美元或1.0%，佔集團營收由18.4%降至16.5%。

3. 中國市場

期內中國市場營收約為31,095,000美元，較2020上半年增加約9,561,000美元或44.4%，營收佔比由12.4%增至15.9%。中國市場期內營收大幅增加，主要因中國區所代理之貿易產品與咖啡豆等，在強化產品組合與精耕銷售渠道之下提升了產業鏈之間的發展與合作，致營運規模成長策略奏效，銷售量與營業額表現亦顯著增長。但味精因應市場競爭而調整售價，致營業額下滑。

4. 東盟市場

本期東盟市場（除越南之外）營收約為13,855,000美元，較2020年同期增加約1,616,000美元或13.2%，佔集團總營收由7.0%提升至7.1%，主要因味精、變性澱粉與肥飼料產品之銷售量與營收略為增長。東盟市場為本集團持續積極開發之重點市場，期能發揮產業優勢，以核心產品拓展其他業務，建立更緊密的合作夥伴關係，深耕銷售通路，以創造突破性的銷售成績。

5. ***The US***

Revenue from the US market was approximately US$13,551,000 for the period, an increase of approximately US$539,000, or 4.1%, against the same period in 2020. Its share of revenue of the Group, however, fell from 7.5% to 6.9%. The growth performance for the period was mainly attributable to the increase in market demand for organic maltose and high-end modified starch products, which drove up selling prices and sales volumes, and the revenue growth followed, translating into notable profit contribution. With the Group mastering key technologies and consolidated its production value chain, plus continuing to develop functional products to meet customer needs and improve product competitiveness, sales growth is anticipated.

5. ***美國***

美國市場期內營收約為13,551,000美元，較2020年同期增加約539,000美元或4.1%，而營收佔比由7.5%降為6.9%。期內業績增長主要因有機麥芽糖與高階變性澱粉產品之市場需求增加，帶動售價與銷售量表現，營業額隨之上漲。對於獲利貢獻顯著，本集團已掌握關鍵核心技術，整合生產價值鏈，持續開發功能性產品，以滿足客戶需求及提高產品競爭力，未來銷售表現值得期待。

6. ***Other markets***

Other markets, including mainly Taiwan, South Korea and the European Union markets, brought in total revenue of approximately US$16,679,000 during the period, up by approximately US$2,838,000, or 20.5%, and accounted for 8.5% of the Group's total revenue versus 8.0%, against the same period in 2020. The sharp increase in revenue was mainly due to rising market demand for modified starch, fertilisers and feed products.

6. ***其他市場***

其他市場主要為台灣、韓國及歐盟市場，期內合計營收約為16,679,000美元，較2020年增加約2,838,000美元或20.5%，佔集團總營收由8.0%增至8.5%，主要因變性澱粉與肥飼料之市場需求增加，致營業額有較大幅度的增長。

(II) Sales Analysis by Product

(二) 產品銷售分析

Unit: US$'000

單位：千美元

Item	項目	**First half of 2021 2021年上半年**		First half of 2020 2020年上半年		Difference 差異	
		Amount 金額	**% %**	Amount 金額	% %	Amount 金額	% %
MSG + Seasonings	味精+調味料	**115,862**	**59.1%**	111,978	64.4%	3,884	3.5%
Modified starch + native starch + maltose	變性澱粉+天然澱粉+麥芽糖	**36,000**	**18.4%**	30,223	17.4%	5,777	19.1%
Specialty chemicals	特化產品	**10,535**	**5.4%**	9,199	5.3%	1,336	14.5%
Fertilisers and Feed Products	肥料與飼料	**14,957**	**7.6%**	11,881	6.8%	3,076	25.9%
Others	其他	**18,731**	**9.5%**	10,655	6.1%	8,076	75.8%
Total	合計	**196,085**	**100.0%**	173,936	100.0%	22,149	12.7%

1. MSG and Seasonings

Revenue from MSG and seasoning-related products amounted to approximately US$115,862,000 in the period, an increase of approximately US$3,884,000, or 3.5%, versus a year ago. As the economic activities and market demand were weak in the PRC, Japan, the US and European markets, and that plus price competition with industry peers, resulted in sales volume and revenue sliding. Although the pandemic prevailed this year, the moderate growth in performance was mainly due to a rather thin base of comparison, revenue and sales in the period increased slightly. While in Vietnam, the PRC, ASEAN and other markets, sales performance overall was better than last year's, the overall revenue from MSG and seasoning-related products decreased, so the proportion of revenue contribution from the product segment dropped to 59.1% from 64.4% a year ago.

2. Modified starch/Native Starch/Maltose

Modified starch, native starch and maltose products recorded higher total sales and profitability during the period, with revenue up by around US$5,777,000, or 19.1%, to approximately US$36,000,000, and its share of the total revenue of the Group climbed from 17.4% to 18.4%, thanks to stabilising cassava cost, effective strategic procurement plan and a notable increase in market demand for organic products in the period. The increase in demand for high-end products in Japan and the US markets was the reason for the relatively larger increase in sales volume and revenue of modified starch. In addition, in the Vietnamese market, with new customers and new usages of organic maltose surfacing, the selling prices and sales volume of maltose increased, and revenue followed. Taking into account the Group's active effort to develop new products with higher added value and tighten cooperation with leading companies around the world, the Group is looking at the promise of stronger profitability in the future.

1. 味精與調味料

期內味精與調味料相關產品營收約為115,862,000美元，較2020年增加約3,884,000美元或3.5%。雖然中國、日本、美國與歐洲市場之經濟活動與市場需求疲弱，加上同業價格競爭，致銷售量與營收同時明顯下滑；即使今年疫情仍未平息，但業績略為增長主要因去年基數較低，相較之下而略顯增加。雖然越南、中國、東盟與其他市場之銷售表現較去年為佳，但整體的味精和調味料相關產品之營業額減少，營收佔比由2020年的64.4%降至59.1%。

2. 變性澱粉／天然澱粉／麥芽糖

變性澱粉、天然澱粉與麥芽糖產品於期內因木薯原料價格持續回穩，計畫性採購策略應用得當，且有機產品需求明顯增長，整體銷售與獲利上升，營收約為36,000,000美元，較2020年增加約5,777,000美元或19.1%，集團總營收由17.4%增至18.4%。因高階產品需求增加，帶動變性澱粉在日本、美國市場銷售量與營收大幅增長。另外，麥芽糖因越南市場之有機糖漿新客群與新應用增加，推動售價與銷售量，營業額隨之增加。集團持續積極開發高附加價值新產品，深化與全球領先企業的合作領域，未來獲利潛力值得期待。

3. Specialty chemicals and fertilisers and feed products

Specialty chemicals including hydrochloric acid, soda and bleach are sold in the Vietnamese market. During the period, demand increased compared with last year, which led to an increase in sales volume. The total revenue from specialty products was approximately US$10,535,000, an increase of approximately US$1,336,000, or 14.5%, relative to the same previous period, and accounted for 5.4% of the Group's total revenue, up from 5.3%. In light of the low-price competition of soda products during the period, the Group adjusted the selling prices of those products based on market trading conditions, which caused a drop in gross profit, though sales volume and revenue improved. As for hydrochloric acid, its selling price was adjusted based on output volume and market demand, as such its sales volume, revenue and profit all recorded impressive growth.

Fertilisers recorded notable more profit despite a drop in sales volume of various products during the period. The impact of the pandemic and the weather were the main reasons that market demand softened. Nevertheless, the Group launched products of new specifications, actively looked for new customers and improved the fertiliser product mix, allowing it to set higher product prices and achieve revenue and profit growth. The Group will continue to promote high value-added special fertilisers and develop new sales channels. Revenue from fertilisers and feed products increased by US$3,076,000, or 25.9%, year-on-year to approximately US$14,957,000 and its contribution to the Group's total revenue rose from 6.8% in the previous same period to 7.6%.

4. Other products

Revenue from other products increased by approximately US$8,076,000, or 75.8%, to approximately US$18,731,000 during the period. The segment's revenue contribution to the Group total grew from 6.1% to 9.5% year-on-year, from mainly the strong sales volume of coffee beans and bulk food ingredients distributed in the PRC. By reaching for depth and breadth in the product category, and adding new product types to meet market demand for similar types of products, the segment achieved handsome revenue growth.

3. 特化產品與肥飼料

特化產品包括鹽酸、蘇打、漂白水均於越南銷售。期內需求較去年上升，使銷售量增加。特化產品營收期內合計約為10,535,000美元，較2020年增加約1,336,000美元或14.5%，佔集團總營收由5.3%上升至5.4%。期內蘇打產品因受同業低價競爭影響，售價根據市場交易情形而調整，致銷售量與營業額雖增加，但毛利下滑。鹽酸產品售價則依產量與市場需求而修訂，致期內銷售量、營收與獲利均有可觀的增長。

肥料產品方面，期內各產品銷售量雖然減少，但獲利大幅增加。主要受疫情與氣候影響，整體市場需求趨緩，但集團積極投入新規格產品，有效開發新客戶與改善產品結構，並推動漲價策略，伴隨營收與獲利增長。集團將繼續推廣高附加價值專用肥料產品，並積極開發新銷售渠道。集團肥飼料產品營收達約14,957,000美元，較2020年增加3,076,000美元或25.9%，佔集團總營收由6.8%增至7.6%。

4. 其他產品

其他產品營收約為18,731,000美元，較2020年增加約8,076,000美元或75.8%，佔集團總營收由6.1%增至9.5%。期內業績增長主要因中國區所代理之咖啡與大宗食材產品銷售量明顯增加，透過強化產品的深度與廣度及增加不同產品種類，以滿足市場對同類產品的不同需求，從而帶動營業額大幅增長。

III. MAJOR RAW MATERIALS/ENERGY OVERVIEW

(i) Cassava

In the 2019/2020 production season, major cassava producer countries like Thailand, Vietnam and Cambodia gradually resumed plantation operations. However, with the COVID-19 pandemic prevailing discouraging consumption demand, the price increases of cassava and starch raw materials slowed compared with 2019. The cassava industry also continued to face various challenges from, such as, pests and diseases, competition from alternative agricultural products, drastic climate change and change in market size and supply and demand, leading to fluctuation of product price. The Group will continue to consolidate its long-term strategic partnership with suppliers, quickly seize new sources of raw materials to help stabilise supply chain procurement cost.

In the first half of 2021, the outputs of major plantation areas such as Thailand, Vietnam, and Cambodia were stable and Vietnam exported 15% more cassava against the previous same period. The strong demand of the international consumer market in the first half year also boosted the prices of cassava and starch raw materials. To quickly seize new sources of raw materials and control procurement costs, the Group has stepped up exploring more new sources of supply and its efforts have borne fruit.

(ii) Molasses

In the beginning of the 2019/2020 production season, the outputs of major sugar production regions were unsatisfactory and the production volume of molasses also kept sliding, resulting in supply shortage in the global market. However, in the wake of the pandemic, the international sugar market changed, gradually returning to surplus supply time. The gap between supply and demand caused prices to rise then drop, and then rebound again. In the 2020/2021 production season, the International Sugar Organisation issued a report and said it expects consumption and market demand to come back strong in post-pandemic time. And, with an approximately 3,500,000 tons supply gap in the global molasses, even though the two major molasses producer countries Brazil and India are putting out higher volumes, they will still be affected by such factors as extreme climate, surge in ethanol use and tight animal feed markets, limiting the overall output of molasses. Global sugar production is expected to increase only slightly in 2021/2022, thus prices are likely to stay firm. The Group will continue to keep a close watch on changes in the international molasses market and actively develop more new sources of supply to ensure it has access to stable raw material supply.

三、 主要原料／能源概況

(一) 木薯

2019/2020年產季泰國、越南、柬埔寨等主要產地種植面積已逐步恢復，但由於全球疫情持續，消費市場需求疲軟，致木薯與澱粉原料價格漲幅較2019年趨緩。但木薯產業持續面臨諸多考驗，木薯病害、替代農作物競爭、劇烈氣候變化、市場規模供需等因素，致價格波動漲跌不一。集團將持續強化長期的策略性供應商聯盟，快速掌握原料來源，穩定供應鏈採購成本。

2021上半年產季泰國、越南、柬埔寨等主要產地之產量平穩，而越南在上半年的總出口量增加了15%。上半年國際消費市場需求強勁，導致木薯與澱粉原料價格上漲。為快速掌握原料來源控制採購成本，集團加強開發更多新的供應源並已取得成效。

(二) 糖蜜

2019/2020年產季初期，主要糖產區產量不佳，糖蜜產量也持續下降，全球糖市供應量短缺。但在疫情發生後國際食糖格局發生變化，供給逐步重回過剩時代，供需缺口端的變化，致使糖價先漲後跌再反彈上行。進入2020/2021年產季，國際糖業組織(International Sugar Organization)報告指出，預期市場將進入後疫情時代，消費需求強烈恢復，全球糖市供應缺口約350萬噸。儘管兩個最大的生產國巴西、印度產量增長，但仍受極端氣候困擾、燃料乙醇消耗量急劇增加及動物飼料市場吃緊等因素影響，致使糖蜜的產量不甚樂觀；預估2021/2022全球糖產量僅小幅增加，所以價格將可能持續堅挺。集團將持續觀察國際糖蜜市場變化動態，積極開發更多新的供應源，以確保原料來源供應穩定。

(iii) Energy

In 2020, global coal output declined 6.5% year-on-year. Affected by the pandemic at the start, coal consumption was on the low side and production resumed faster than consumption demand, and coal prices dropped with the market concerned about coal demand. Then, coal production and supply slowed down and coal price turned around and headed on the uptrend. Global oil and natural gas prices also dropped due to the pandemic and market demand was weak. Major energy suppliers around the world started to scale down oil exploration. According to the International Energy Agency ("IEA"), global energy demand in 2020 had decreased by 5%, and vaccination against COVID-19 will not be able to quickly offset the heavy blow dealt on global crude oil demand by the pandemic. In 2021, while international oil prices are expected to increase and the international natural gas market has begun to recover, the pace of growth in various aspects would still be less than expected. The greatest risk of price fluctuation is demand dropping again while supply increases. The Group will watch closely on the changes in the energy industry and devise flexible response plans.

Regarding electricity price, in order to help enterprises or units navigate the difficult times brought by the pandemic, the Vietnamese Government started its electricity price concession policy in 2020, while continuing to transform and upgrade electricity engineering capability, to make sure electricity demand could be met after the pandemic ended and work and production resumed. The Group has been using cogeneration power system to assure it has stable electricity supply. Since the Group uses mainly self-generated electricity, a drop in cost of purchasing electricity from the outside has limited impact on it.

(三) 能源

2020年全球煤炭產量同比減少6.5%，由於初期受疫情影響，使得煤炭消耗量偏低，煤炭生產恢復快於耗用需求，市場對需求端的擔憂導致煤炭價格大幅下滑，後期由於煤炭減產供給下降，煤炭價格回調轉而持續上漲。國際石油與天然氣價格亦因疫情震盪走低，市場需求疲軟，全球各大能源供應商紛紛削減油汽探勘規模。國際能源署(IEA)報告指出，2020年全球能源需求總量下降5%，預計疫苗將不會很快逆轉疫情對全球原油需求所造成的衝擊。雖然預計2021年國際油價有望看漲，國際天然氣市場開始復甦，但諸多方面增速低於預期，價格波動最大風險是需求再次放緩和供應相應增加。集團持續關注掌握能源產業變動，彈性規劃因應對策。

在電價方面，越南政府為對受疫情影響的企業或單位度過難關，自2020年起實施了電價減免政策，並持續改造電力升級工程，以滿足疫情過後復工復產之用電需求。集團使用汽電共生發電系統，有效確保電力供應穩定，故以自產電力為主，外購電力成本的調降對集團影響有限。

IV. FINANCIAL REVIEW

(i) Liquidity and financial resources

The Group had cash and cash equivalents, short-term bank deposits and structured bank deposits amounting to approximately US$48,053,000 for the period, US$24,105,000, or around –33.4%, less when compared with the end of 2020. Short-term bank borrowings increased year-on-year by approximately US$2,954,000, or about 9.1%, to approximately US$35,327,000. Medium-to-long-term bank borrowings decreased by approximately US$2,394,000, or around –17.1%, to US$11,592,000. Total bank borrowings were US$46,919,000, an increase of US$560,000, or around 1.2%, when compared with the end of 2020, and around 97.7% of the total borrowings were denominated in US dollars and the remaining around 2.3% in New Taiwan dollars.

Trade receivables amounted to approximately US$36,968,000, representing an increase of approximately US$6,670,000, or about 22.0%, when compared with the end of 2020, and about 67.6% of the trade receivables had turnover within 30 days. Total inventory amounted to approximately US$116,612,000, up by approximately US$24,947,000, or around 27.2%, when compared with the end of 2020.

As a result of the slight increase in both total borrowings and total equity, the Group's gearing ratio (total borrowings to total equity ratio) was 15.4%, same as at the end of 2020. With more cash on hand than borrowings, net gearing ratio (total borrowings less cash and deposits to total equity ratio) of the Group was –0.4%, lower than the –8.6% in 2020. During the period, rise in short-term borrowings led to increased current liabilities, as such, the Group's current ratio decreased from 3.2 at the end of 2020 to 3.1, and quick ratio also decreased from 1.8% at the end of 2020 to 1.4%. The financial structure of the Group remained healthy.

(ii) Capital expenditure

During the period, capital expenditure of the Group amounted to approximately US$7,235,000, approximately US$13,779,000 less than the approximately US$21,014,000 in the first half of 2020. The decrease was mainly due to the Group's Vietnam subsidiary completing expansion and other projects in the previous two years gradually completed. Other than funding for continuing projects, there were no new projects requiring substantial capital expenditure in the period.

四、財務回顧

(一) 流動資金與財政資源

集團現金及現金等價物，銀行短期存款和結構性銀行存款約為48,053,000美元，較2020年底減少約24,105,000美元，約-33.4%。短期借款約為35,327,000美元，較2020年底增加約2,954,000美元，約9.1%；中長期借款約為11,592,000美元，較2020年底減少約2,394,000美元，約-17.1%。借款總額約為46,919,000美元，較2020年底增加約560,000美元或約1.2%。借款以美元為主，佔97.7%，其餘為新台幣佔2.3%。

應收貿易帳款約為36,968,000美元，較2020年底增加約6,670,000美元，約22.0%，30天期內應收帳款佔比為67.6%。存貨總額約為116,612,000美元，較2020年底增加約24,947,000美元，約27.2%。

因借款及股東權益都稍為增加，資本負債比（總借款比股東權益）為15.4%，與2020年底的15.4%約當；由於現金高於借款，淨資本負債比（總借款扣除現金和存款比股東權益）為-0.4%，低於2020年的-8.6%。期內，因短期借款增加導致流動負債增長，流動比率因此由2020年底之3.2降為3.1，速動比率由2020年底之1.8%降為1.4%，集團財務結構仍保持穩定狀態。

(二) 資本支出

期內資本支出共約為7,235,000美元，較2020年上半年資本支出約21,014,000美元減少約為13,779,000美元，主要為越南子公司前兩年度之擴建案與各項專案陸續完成，本期除延續執行之款項，並無重大資本支出新案。

(iii) Exchange rate

In Vietnam, the ample foreign exchange reserves she has have braced and kept the Vietnamese Dong strong. And, as the Vietnamese Government does not resort to currency depreciation to stimulate export, the performance of the Vietnamese Dong amid the pandemic has been relative strong when compared to currencies of other major ASEAN economies including Singapore, Indonesia and Thailand. The State Bank of Vietnam announced that the Vietnamese Dong appreciated 0.8% in the first half of 2021, from 23,237 Vietnamese Dong to US$1 at the end of 2020 to 23,045 Vietnamese Dong to US$1 in the period. Hence, the general expectation is that Vietnam will see export trade continuing to gather growth momentum, trade surplus prevailing and inflation kept at a relatively low level in 2021. The Vietnamese Dong will continue to stay strong in a generally stable macroeconomic environment.

The Group's subsidiaries in the PRC are mainly responsible for local sales with transactions denominated in RMB. Experts expect the RMB to maintain higher flexibility despite facing appreciation pressure and that it will remain stable relative to other currencies in 2021. The Group will continue to monitor the RMB to US dollar exchange rate trend going forward.

(iv) Earnings per share and dividends

Basic earnings per share were 0.68 US cents for the period. The Board has resolved to declare an interim dividend of 0.272 US cents per share. The dividend payout ratio was 40%.

(三) 匯率

越南近年來充足的外匯存底有助越盾幣值穩定，同時越南政府在匯率政策上不實施貨幣貶值來刺激出口，致使在疫情衝擊下，越盾表現相對新加坡、印尼、泰國等主要東協經濟體強勢。越南國家銀行公佈的中心匯率2021年上半年升值0.8%，由2020年底平均23,237越幣／美元，升值至2021年上半年平均的23,045越幣／美元。各界預測越南2021年將延續出口增長趨勢，保持貿易順差態勢，通脹仍控制在較低水準，整體宏觀經濟穩定，越盾將保持穩健。

集團中國區子公司主要以中國國內銷售為主，交易以人民幣計算。專家預期2021年人民幣雖然有升值壓力，但仍保持較高彈性，整體走勢相較其他主要貨幣穩健，集團將持續關注人民幣與美元幣值之間的匯率變動。

(四) 每股盈利及股息

本期每股基本盈利為0.68美仙。董事會決定派發中期股息每股0.272美仙，派息率為40%。

V. PROSPECTS

In 2020, the COVID-19 pandemic dealt a dire blow on the entire world. With effective vaccines developed and countries rolling out more economic stimuli, there is hope that the global economy will start to recover in 2021. However, with such uncertainties as the surge of COVID-19 variant infections, the substantial increase in or consistently high prices of coal for power generation and the sugar source raw material molasses, and also the unit price of container freight fee surrounding the Group's operations, an increase in operating costs looks inevitable.

To cope with unprecedented economic circumstances and uncertainties, the Group will continue to improve the flexibility of its overall operation, adjust its business portfolios and models, strengthen organisational operations to raise management efficiency, actively develop new products and expand production scale, place more emphasis on satisfying customer and consumer demands, optimise cost structure for better flexibility and consolidate its industrial chain, implement set action plans and create new growth drivers to help it raise profitability in the long run. The main tasks and directions are as follows:

- Expand product lines and optimise product mix to partially upgrade existing third-party products, launch a series of extended products and add more flavors. The Group will also increase the proportion of highly functional and high value-added products so as to enlarge market share and boost profit from product sales.
- Actively expand new channels and new markets, identify in different markets customers and consumers who share the same product demand, adjust product positioning and sales methods, look for cooperative partners to help enlarge markets, strengthen brand positioning and competitive advantages, all to the end of improving the Group's results performance.
- Continue to sharpen production technologies and enhance production efficiency, as well as develop customised products, improve operational and management techniques and master key technologies to enhance core competitiveness, so as to achieve the dual objectives of raising quality and lowering costs.
- Capture the price trends of bulk raw materials, actively look for alternative raw material solutions, maintain long-term cooperative relations with domestic and overseas suppliers and effectively execute procurement strategies to ensure access to stable raw materials supply.

五、 展望

2020年的新冠肺炎給全世界各方面帶來深遠的衝擊，但隨著疫苗研製成功及更多財政刺激政策，全球經濟有望在2021年走向復甦。但新變異病毒感染人數激增、能源原料煤炭與糖源原料糖蜜及貨櫃運費於下半年之單價大幅成長，或維持高價狀態，經營成本的提升，將不可避免之經營變數。

雖然集團將面對前所未見的經濟環境與變數，集團將持續提升整體營運的靈活度，調整業務組合與商業模式，強化組織運作以提高管理效率，積極開發新品並提升生產規模，更加重視貼近客戶與消費者的需求，改善彈性成本結構與產業鏈整合，落實組織既定的行動方案，創造新成長動能以期提高獲利能力。主要重點工作與方向，略述如下：

- 擴展產品線與優化產品組合，將現有代理產品進行局部改造，推出一系列的延伸商品，逐漸發展出多種口味。同時增加高功能與高附加價值產品的佔比，以增強市場佔有率與產品銷售利潤。
- 積極拓展新通路與新市場，針對不同市場尋找具相同產品需求的客戶與消費者，調整產品定位與銷售方式，尋求合作夥伴來擴大市場規模，強化品牌定位與競爭優勢，以提升集團業績表現。
- 持續精進生產技術與提升生產效率，同時發展客製化產品，改善經營管理技術，掌握關鍵技術以提升核心競爭力，達到提高品質與降低成本的相乘效益。
- 掌握大宗原料市場行情變動趨勢，積極尋求原料替代方案，致力與國內外供應商維持長期合作關係，有效執行採購策略，以確保原料供應穩定。

- Adopt the co-opetition strategy to boost product and service value, use its production base in Vietnam to actively develop the ASEAN market and markets which are signatories of the Free Trade Agreement (FTA), the Comprehensive and Progressive Agreement for TransPacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP), and via mutual support within the Group give full play to its core advantages to see the Group expand its business footprint.

- Accelerate forging strategic alliances or cooperation with other businesses to consolidate resources and jointly develop markets, strengthen the Research and Development (R&D) function to enable surpassing of technological barriers, push for upgrade and transformation of the Group, develop new product operations, expand overall business scale and improve business performance.

- Establish a strategic organisational structure and a special strategic team to enhance the organisational efficiency of all units, explore products or distribution products that match business needs, and explore cost competitive manufacturers, customer demands and new product items, to help improve revenue, profit and economies of scale.

- Expedite digitalisation and introduction of IT systems to facilitate management and application of big data for obtaining immediate feedback information to help with optimising business processes, understanding customers and developing better response strategies.

- Use financial management tactics to control and manage capital allocation, improve the operational efficiency of assets and reduce risks from movement of exchange rates, interest rates and prices in the volatile global financial market.

Looking ahead at the second half year, the Group is not optimistic about the overall prospect of the market and sees serious challenges for its business operations. However, with operating strategies devised and extensive efforts made to enhance development of the domestic and overseas markets, plus a well-established sales network and the factories in Vietnam boasting advantage in export of a wide array of products, and last but not least its staff working in unison to counter challenges, the Group is confident of not only overcoming those difficulties, but also realising its operational strengths to achieve better results.

- 以競合策略增強產品與服務價值，透過越南生產基地，持續發展東盟市場及與越南有簽訂自由貿易協定(FTA)，跨太平洋夥伴全面進步協定(CPTPP)，及區域全面經濟夥伴協定(RCEP)的市場，並於集團內互相支援，發揮核心優勢擴展集團事業版圖。

- 加速策略聯盟或異業合作，有效整合資源共同開發市場，強化研發功能跨越技術門檻，推動集團升級轉型，拓展新產品之經營，擴大經營規模與經營績效。

- 建置戰鬥型組織及專責策略小組，提升各單位組織效率，尋找業務需求之產品或代理品，及具成本競爭力廠商，開發客戶需求及產品項目，達到擴增營收、利潤與規模之綜效。

- 加速導入電子化與資訊系統，進行大數據的管理及應用，取得即時回饋資訊，優化業務流程，理解客戶並提出更好的應對策略。

- 運用財務管理以運籌帷幄，持續管控資金調配策略，同時提高資產營運效率，並在全球金融市場動盪之際，降低匯率、利率、價格的市場風險。

展望下半年局勢不容樂觀，集團經營仍面對相當的困難，然而經由集團已制定的經營策略，配合已深耕國內外市場的力度與深度，已建立的銷售網路等成果，加上越南廠多種產品的出口力度優勢，以及全體員工風雨同舟齊心面向挑戰，集團仍具信心，除可克服相關困難外，將發揮集團營運綜效，再造成長佳績。