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With the renowned Vedan products, we can now enjoy a meal of great quality and taste. 家傳戶曉的味丹產品，讓我們享受一頓美味可口的優質膳食。

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High Quality High-demand products 高品質高需求產品

At the heart of Vedan International's business success is a group of core products with widespread applications and strong brand recognition, one of the Group's most important and well-guarded assets. Its renowned "Vedan" brand MSG, for example, is considered essential throughout the food processing industries across Asia for its role in enhancing the flavours of a range of foodstuffs, and enjoys a huge and constantly growing market throughout Vietnam, the PRC, ASEAN countries, Japan and the United States.

味丹國際的成功有賴於一組應用廣泛和品牌知名度高的產品，是集團高度重視的資產之一。例如馳名的「味丹」味精，能夠加強食物的鮮味，普遍地用於各類食品調味，更在亞洲各地，被食品加工業視為不可或缺的烹調材料，而在越南、中國、東盟各國、日本以及美國等市場亦錄得強勁的銷售增長。



FAQ

常見問題

1 Q : Is MSG an unhealthy food?

A : This is a pure misconception. MSG is in fact a natural amino acid. Daily foods such as tomato, cheese, mushroom and milk contain MSG. It is made from the fermentation of materials containing glucose, like starch, molasses and corn, with no added chemicals. On a dietary basis, it causes absolutely no harm to the human body. In addition, MSG is endorsed by many international institutions including the United States Food and Drug Administration, which categorizes MSG as "Generally Recognized As Safe" (GRAS) and is in the same category as sugar, salt and vinegar.

2 Q : Why chose Vietnam as the major production base?

A : Vietnam is a suitable site in many aspects, including its supply of raw materials, its economy and its geographical location. Vietnam is rich in agricultural products, and can provide the Group with a stable and abundant supply of raw materials. It is located in the heart of Asia and is undergoing satisfactory economic development. It is also politically stable and the local government is also very supportive of foreign investors. In addition, it shares a very similar food and beverage culture with China, and is in itself a major market for MSG in Asia.

3 Q : What are the strategies for coping with the fluctuations in raw material prices?

A : Cassava, molasses and industrial salts are the Group's key raw materials. Unlike corn, which is an international commodity, cassava is a regional agricultural product and is mass-produced in Vietnam. As such, the Group is able to source this material entirely in Vietnam, avoiding global price fluctuations. The Group is also planning to establish three additional production bases this year, to further enhance the stability of our raw material supplies. As for molasses, because of insufficient supply in Vietnam, a portion of our supply still has to be imported. The Group's strategy is to by-pass trading agents and sign agreements with large-scale sugar plants in Vietnam directly whilst entering into long-term agreements with international suppliers for imported supplies. In addition, as the Group possesses large raw material warehouses, it can stock up more materials when prices are low. This also reduces the risk of price fluctuations in the market. For industrial salts, the Group's strategy is to diversify its sourcing base from Vietnam. In the past, the Group mainly relied on imports from Australia. Currently, the Group also sources from India. What is more, the Group also switched from using imported heavy oil to natural gas as energy source in its Vietnam plant.

問：味精是否一種不健康之食品？

答：這純粹為一種誤解。味精實為一種天然氨基酸，在日常食物中如蕃茄、芝士、蘑菇甚至母乳等亦含有味精成份。加上味精本身乃由澱粉、糖蜜或玉米等葡萄糖原料經發酵提煉而成，絕無化學成份，因此日常食用絕不會對人體健康構成影響。此外，多個國際機構包括美國食品及藥物管理局也確認味精為「認可安全」，與糖、鹽和醋等調味料同屬一類。

問：為何選擇越南為主要生產基地？

答：越南在多方面包括原料供應、經濟及地理等均與集團之業務非常配合。越南農產品豐富，為集團提供大量穩定的生產原材料。其位處亞洲核心，經濟發展理想，政治社會穩定，加上政府對外商亦十分支持。此外，越南之飲食文化與中國非常接近，本身更為亞洲最主要的味精市場之一。

問：集團有何措施應付原材料價格的波動？

答：集團之主要原材料為木薯、糖蜜及工業鹽。木薯屬區域性的農產品，不像玉米屬國際性期貨，同時在越南有大量生產，集團全部在越南採購，不太會受國際價格波動影響。另外，集團預計今年再增加三個生產供應基地，未來此原料供應會更穩定。糖蜜方面則因越南本地供應量尚不夠，部份需進口。集團的對策是在越南國內直接和一些大糖廠簽合同，盡量不經過中間商，同時在進口方面和國際大商社簽長期合同。另外，集團擁有龐大的原料倉庫，價格便宜時可多買，降低市場價格波動的影響。工業鹽方面，集團採取的對策是分散採購來源，除越南當地供應部份外，過去進口主要靠澳洲，現又新增加印度來源等。另外，以前要靠進口重油做為燃料，現已由越南當地供應天然氣取代。

4 Q : What is the relationship between the Group and Taiwan Vedan?
A : The Yang family is the major shareholder of both Vedan International and Taiwan Vedan. In terms of business, the two companies operate independently, possessing their own production facilities and focusing on different markets. In 2003, the two companies signed a 25-year term agreement to draw a clear line between their respective businesses.

5 Q : What are the growth drivers for Vedan International in the future?
A : The Group aims to strike a balance between its short and mid-to-long term development objectives. The reduction of energy costs, and the expanded capacities for the production of MSG and starch-based products will facilitate short-term growth for the Group. In the mid-to-long term, growth drivers include expansion in the Southeast Asian and PRC markets; the synergies from mergers, acquisitions and strategic alliances, and the benefits from new product development.

6 Q : How will the Group expand the PRC market?
A : Currently, the average annual consumption of MSG per head in the PRC is around 600 grams, far below other Asian countries. To increase its MSG production capacities in the PRC, the Group will acquire MSG manufacturers with strong brand name but operating at low efficiency and low economies of scale, or to form alliances with PRC manufacturers. At the same time, the Group will enhance the "Vedan" brand name in the PRC to further penetrate the consumer market.

7 Q : What is your dividend policy?
A : The Group maintains a stable dividend policy. The Board will reserve 60% of distributable profits for dividend payouts in 2004 and 2005. In the following years, dividend payouts will range between 40% to 60%, depending on the working capital requirements.

8 Q : What are your capital expenditure plans for 2004?
A : The Group's major capital expenditure plans in 2004 include:

- expansion of MSG production capacities: this will boost turnover and will also enhance economies of scale
- expansion of cassava starch-based product capacities and establish starch processing plants to enhance control over raw materials and production costs
- expansion of capacities for specialty chemical products
- implement merger and acquisition plans in the PRC market to strengthen market penetration
- develop new products; enhance sales network and promote brand awareness

9 Q : What do you see as the challenges in the next three years?
A :

- expansion of the basic agricultural raw materials production base and maintain its stable performance
- penetration of the PRC market to further raise market share
- Expansion of Southeast Asian markets
- development for new products
- further reduction in costs and sustain growth

問：集團與台灣味丹有何關係？
答：味丹國際及台灣味丹之大股東均為楊氏家族。但業務方面，彼此絕對獨立，各自擁有生產設施及針對不同市場。此外，兩公司亦於二零零三年簽訂一項為期二十五年之區域劃定協議，清楚界定彼此的業務領域。

問：味丹國際之未來增長將來自哪方面？
答：集團致力爭取短線及中長線業務的平衡發展。短線之增長將主要源自燃料生產成本的下降，以及味精及澱粉產品產能的提升。中長線而言，動力將來自東南亞與中國市場的擴充，併購與策略聯盟所帶來的綜效發揮及新產品開發生產所帶來的利益提升等三大方面的營運推動。

問：集團將如何拓展中國市場？
答：目前，中國之每年人均味精消耗量只為約六百克，遠較其他亞洲國家為低。集團將透過併購具一定品牌知名度，但規模效益較低的味精生產商或與中國境內的生產廠商策略聯盟，增加於中國的味精產能。同時，集團亦將加強「味丹」於中國之品牌效應，以進一步滲透消費群。

問：集團之派息政策如何？
答：集團致力維持穩定的派息政策。於二零零四年及二零零五年度，董事局將預留可分派盈利之60%作派息用途。而繼後之年度，百分比將介乎40%至60%之間，主要視乎屆時之資金需求情況。

問：集團於二零零四年有何資本開支計劃？
答：集團於二零零四年之主要資本開支計劃包括：

- 擴大味精產能：除提升整體營業額，此將有助進一步提升規模經濟效益
- 擴大增長迅速的木薯澱粉產品之產能，以及透過設立澱粉加工廠，加強原料及成本控制
- 擴大酸鹼廠產能
- 落實於中國市場的併購計劃，以增加滲透率
- 開發新產品、加強銷售網絡以及提升品牌知名度

問：集團未來三年將面對那些挑戰？
答：

- 擴大和穩定基本農產品原料生產基地
- 滲透中國大陸市場，提升市場佔有率
- 擴充東南亞地區市場
- 開拓新產品市場
- 持續成本下降，和業績成長