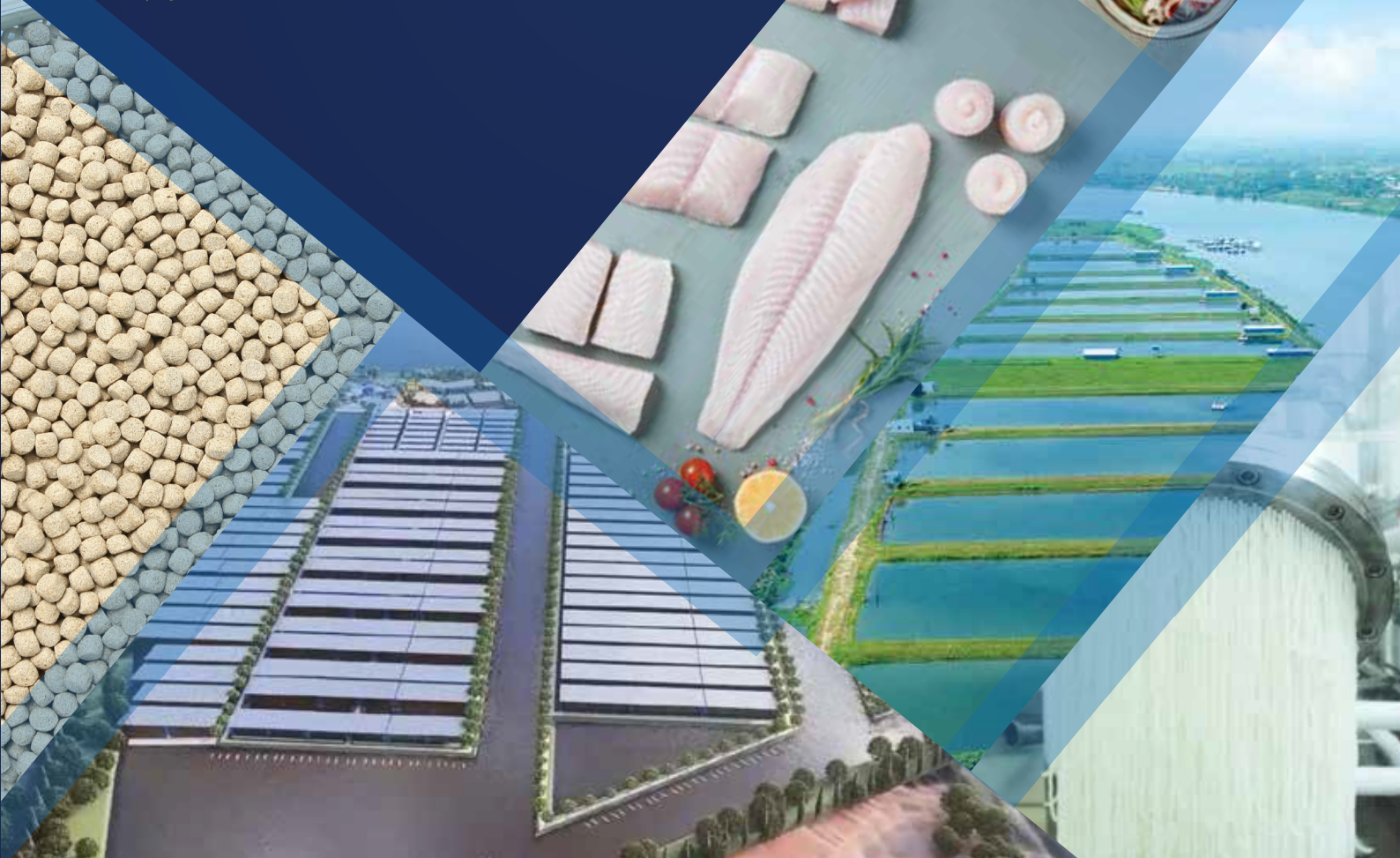




VINH HOAN

ANNUAL REPORT 2022

# VINH HOAN PROUD TO LEAD



VINH HOAN



*Proud to Lead*

Respectful and Grateful

## GENERAL INFORMATION

Trading Name: **VINH HOAN CORPORATION**

English Name: **VINH HOAN CORPORATION**

Business Registration No: **1400112623**

Charter Capital: **1,833,769,560,000 VND**

Address: **National Road 30, Ward 11, Cao Lanh City,**

**Dong Thap Province**

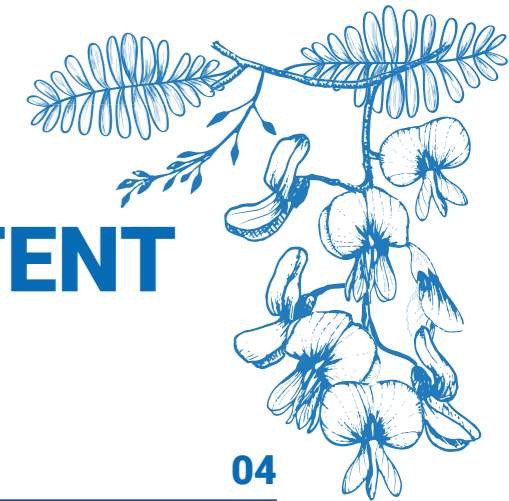
Tel: **+84 2773 891 166**

Fax: **+84 2773 891 062**

Website: **www.vinhhoan.com**

Stock Symbol: **VHC**

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# MESSAGE FROM THE CHAIRWOMAN

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# CHAIRWOMAN FOREWORD



Mdm. Truong Thi Le Khanh  
Chairwoman

In 2022; when the transmission of COVID-19 has slowed down and herd immunity should be achieved via vaccinations, even when there are new COVID cases, vaccinated people are protected by antibodies and have helped the world to return to a normal rhythm and not the new normal.

Everyone is happy to meet each other, have office meetings and return to the office. The factories resume normal operations with joy and appreciate the values of daily life.

2022 is also the year where the pangasius industry witnessed an outstanding result, in which the export turnover is over 2.4 billion USD. Along with this joy, Vinh Hoan celebrated its 25th anniversary with impressive numbers: Revenue reached **13,230 billion VND**. Profit after tax reached **1,975 billion VND**, exceeding the plan 230 billion VND in terms of revenue and **375 billion VND** in profit.

Marking 25 years of establishment, I would like to thank the trust of customers, partners, the dedication and continuous improvement of all employees and above all, the sympathy and sharing of my family so that Vinh Hoan can overcome challenges and constantly strive to improve himself on his journey to the world. 25 years proud to lead, Vinh Hoan could not have achieved today's achievements without the valuable support of different individuals, groups, organizations and authorities.

In the upcoming journey, Vinh Hoan focuses on creativity and innovation to create new products and strategic breakthroughs. In 2023, the group's two new business segments; aquatic feed products produced by FeedOne and fruits and vegetables products from Thanh Ngoc Agricultural Products Company (TNG Foods), commence into operation. By participating in the feed industry, Vinh Hoan will be able to complete its sustainable pangasius supply chain. With vegetables and fruits products added to the product portfolio, Vinh Hoan hopes to develop more diversified food products combining seafood and agriculture ingredients to provide nutritious and convenient meals for consumers around the world.

## IN 2023, VINH HOAN WILL CONTINUE TO FOCUS ON THREE AREAS:



### Building a young, spirited, innovative team and employee advocacy of Vinh Hoan culture

Human resources are the core for development. We will continue to focus on training and developing our young potential employees that are eager to innovate with a spirit of overcoming difficulties, as well as showing their commitment, generosity and love for the company and products with a common goal of helping Vinh Hoan to conquer many more milestones.



### Value chain optimization strategy

At Vinh Hoan, we continuously apply technology and constantly research and develop new products. After the success of the Collagen and Gelatin factory, we have built and commenced production of a surimi processing factory using pangasius broken meat and also built a workshop to produce imitation crab sticks from pangasius surimi. The R&D process to scale up production has helped us master the technology, build a team of technical staff and affirmed Vinh Hoan's ambition in bringing technology into our supply chain.

We have also invested a lot of human and financial resources for our hatchery center. This place is not only a hatchery, but also a place for us to research and develop different farming models from fingerlings to grow out stage to bring to the market high quality pangasius products at reasonable prices with a target to revolutionize the pangasius hatchery industry.



### Sustainable development strategy for the agricultural product industry

Build a farming area for Thanh Ngoc Agricultural Products Company so that in the near future TNG Foods s s will become a perfect piece of Vinh Hoan to become a sustainable food production company.

Once again, we would like to sincerely thank our shareholders, investors, supply partners and all employees and especially our customers who have always supported Vinh Hoan.

*Sincerely thank you!*



Truong Thi Le Khanh  
Chairwoman



# INTRODUCTION

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2.1 >>> Our Mission - Our Vision - Our Core Values

2.2 >>> Company History

2.3 >>> Product Portfolio

02



# OUR VISION – OUR MISSION – OUR CORE VALUES



## OUR VISION

To be a global aquaculture leader providing safe, sumptuous, and healthy food solutions in a sustainable and environmental-friendly manner.



## OUR MISSION:

To affirm our market-leading position and contribute to sustainable aquaculture globally by continuous innovation, environmental protection, and efficiency improvement in all business aspects.



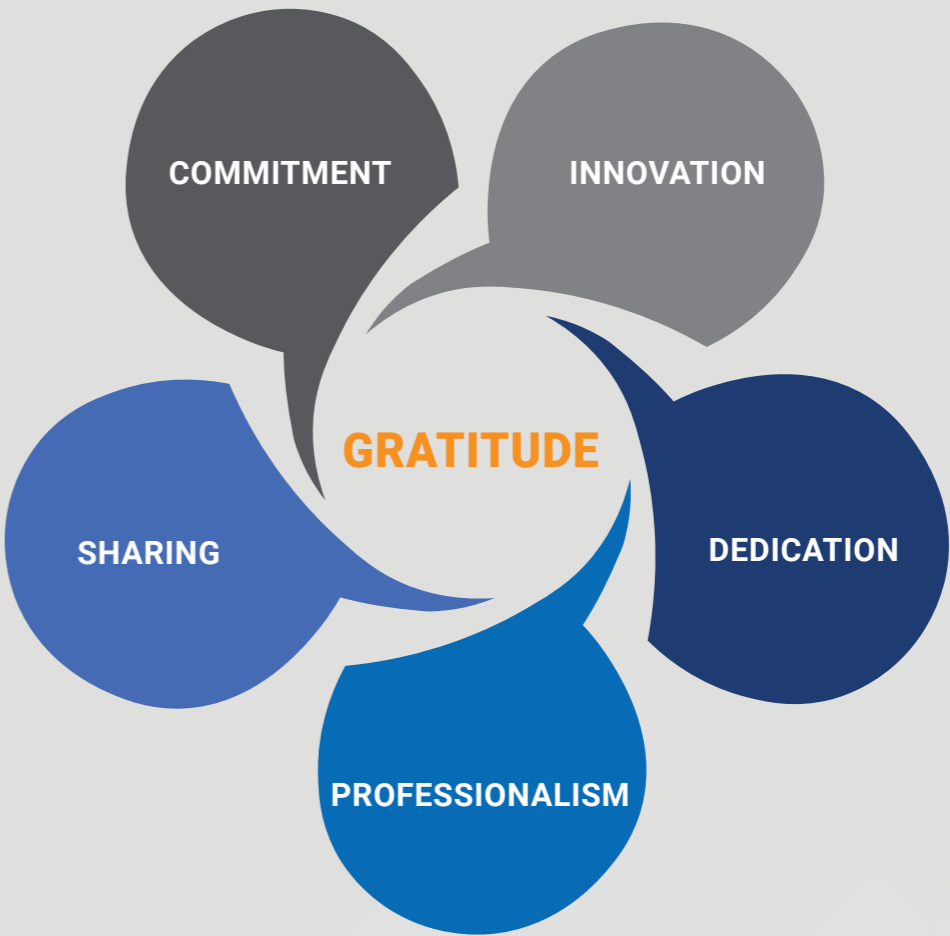
## BUSINESS PHILOSOPHY

Exceed customer expectations, honesty, and compliance.



## OUR CORE VALUES

- **COMMITMENT:** Say and do the right things
- **INNOVATION:** Constantly differentiate to develop
- **DEDICATION:** Work wholeheartedly for the benefit of all
- **SHARING:** Sharing is caring
- **PROFESSIONALISM:** Prompt and proactive actions under strict regulatory compliance



## 2.2 COMPANY HISTORY

Vinh Hoan was established in 1997 in Dong Thap province, specializing in farming and processing of frozen pangasius products. Vinh Hoan is the leader in farming, production, and export of the pangasius industry. The Company has achieved the following milestones over its history of 25 years:



**1997**

Mrs. Truong Thi Le Khanh, the Chairwoman, established Vinh Hoan in Sa Dec, Dong Thap Province, Vietnam



**1998**

Transformed the business model to Vinh Hoan Limited Company



**1999**

Established a seafood workshop in Cao Lanh, Dong Thap, Vietnam



**2007**

Established Workshop 2 (DL.61)

**2007**

Listed on the Ho Chi Minh Stock Exchange



**2010**

Became the world's largest exporter of Pangasius fish according to the Vietnam Association of Seafood Exporters and Producers (VASEP)



**2016**

Increased Foreign Ownership Limit to 100% to attract foreign investors.



**2008**

Established Workshop 3 (DL.500)



**2015**

Vinh Wellness commenced operation to produce collagen and gelatin from pangasius



**2017**

Established Thanh Binh Dong Thap to expand pangasius production capacity.



**2018**

Established Vinh Phuoc Food to expand pangasius production capacity

**2019**

Established Vinh Hoan Hatchery, focusing on research and development of new technologies and process improvement in order to produce high-quality fingerlings.



**2020**

The BOD of Vinh Hoan approved the acquisition of State Capital and Investment Corporation's shares in Sa Giang Joint Stock Company.

**VINH  
TECHNOLOGY**



**2020**

R&D Center of Vinh Hoan Collagen was established to further research on the different products and applications



**2020**

The BOD of Vinh Hoan approved the establishment of Vinh Technology Company in Singapore

**VINH  
AGRICULTURE**

**2021**

Completed Sa Giang factory No. 3 specializing in processing rice-based products.



**2021**

BASAmaster, Vinh Hoan's domestic brand, was sold and displayed in 17/19 supermarket chains nationwide.

**2021**

Established Thanh Ngoc Agricultural Products Co., Ltd (TNG Food) to open a new division of the Company, Vinh Agriculture.



**2021**

Completed two blocks of condominiums for employees with a construction area of more than 10,000 m2 for more than 300 apartments in Dong Thap Province.



# VINH HOAN - EVENT HIGHLIGHTS

## IN 2022

Business results exceeded expectations: net income reached

**1,975 BILLION VND,**  
exceeding the profit plan of VND 375 billion in 2022, and revenue of  
**13,230 BILLION VND**  
increasing by 46% compared to 2021.

Vinh Hoan has carried out the groundbreaking ceremony of Thanh Ngoc Agriculture Food-Company Limited (TNG Foods) in Chau Thanh District, Dong Thap Province with a total investment of

**500 BILLION VND**  
designed capacity of  
**230,000 TONS/YEAR**



Vinh Hoan started the construction of **4 BLOCKS** of the Residential Area project for employees with a total investment of  
**250 BILLION VND.**



The Feed Factory Feedone went into operation with a total investment of  
**900 BILLION VND**  
with a capacity of  
**350,000 TONS/YEAR.**

Vinh Hoan's surimi processing factory commenced operation.



**25**  
YEAR

Vinh Hoan marked the 25th anniversary of the Company's establishment.



## ESOP

The company has announced ESOP bonus shares for employees, with the total number of shares issued accounting for 2% of charter capital.



Vinh Hoan was honored by Nhip Cau Dau Tu Magazine in the list of 50 most effective companies in Vietnam in 2022.



Vinh Hoan was honored by Forbes Magazine in the list of 50 best-listed companies in 2022.



Vinh Hoan was honored as one of the 25 leading brands in the food service industry in 2022 by Forbes Magazine.



Vinh Hoan was honored by Nhip Cau Dau Tu Magazine in the list of 50 **sustainable enterprises** in 2022.

TOP 50 CORPORATE SUSTAINABILITY AWARDS



## 2.3 PRODUCT PORTFOLIO

Vinh Hoan's product portfolio in 2022



PANGASIUS PRODUCTS



BY-PRODUCTS



AGRICULTURE PRODUCTS



VALUE-ADDED PRODUCTS



WELLNESS PRODUCTS



AQUA FEED PRODUCTS

SA GIANG PRODUCTS

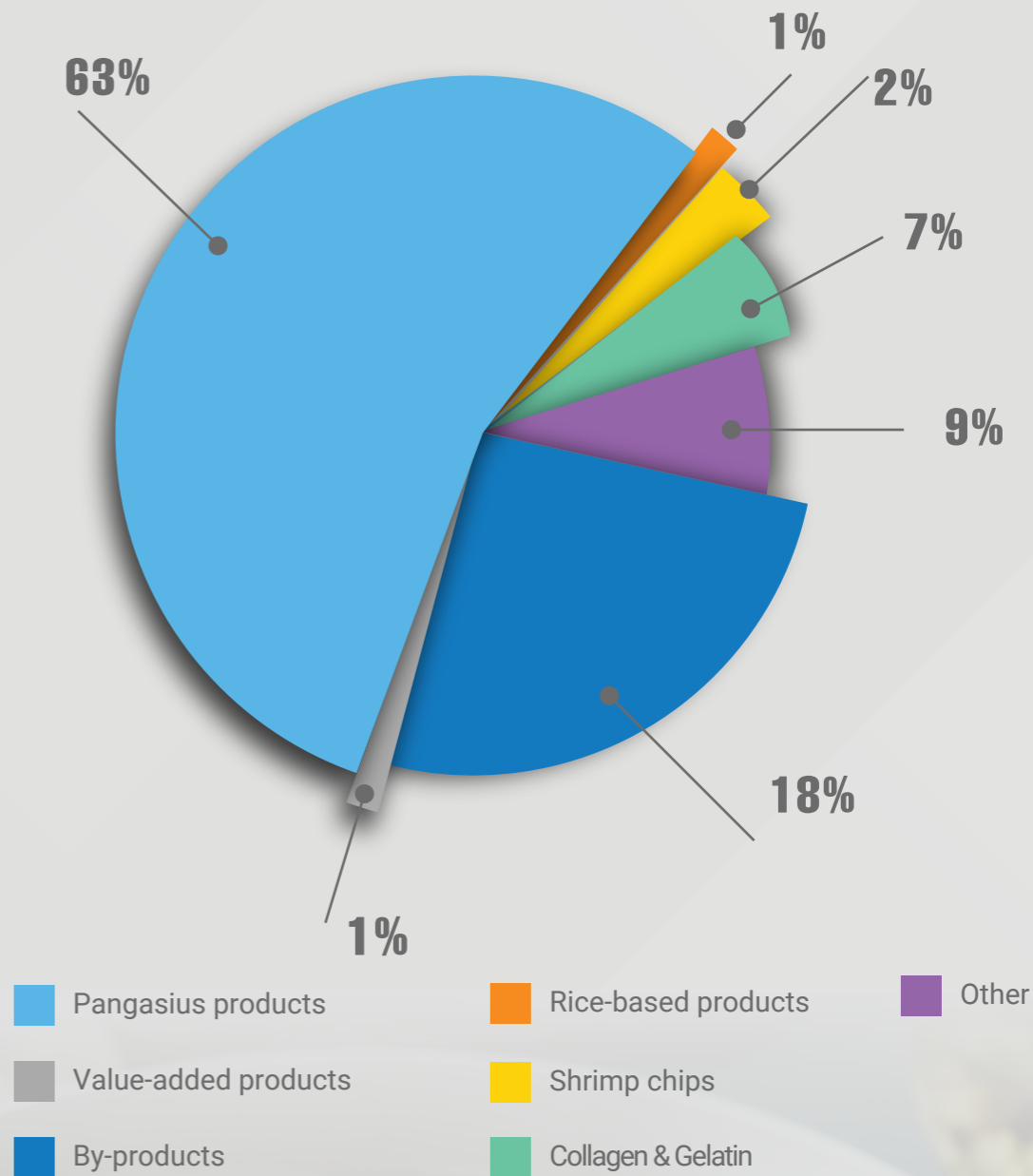


SHRIMP CHIPS



RICE-BASED PRODUCTS

REVENUE BY PRODUCT CATEGORIES  
IN 2022



# MANAGEMENT DISCUSSION AND ANALYSIS

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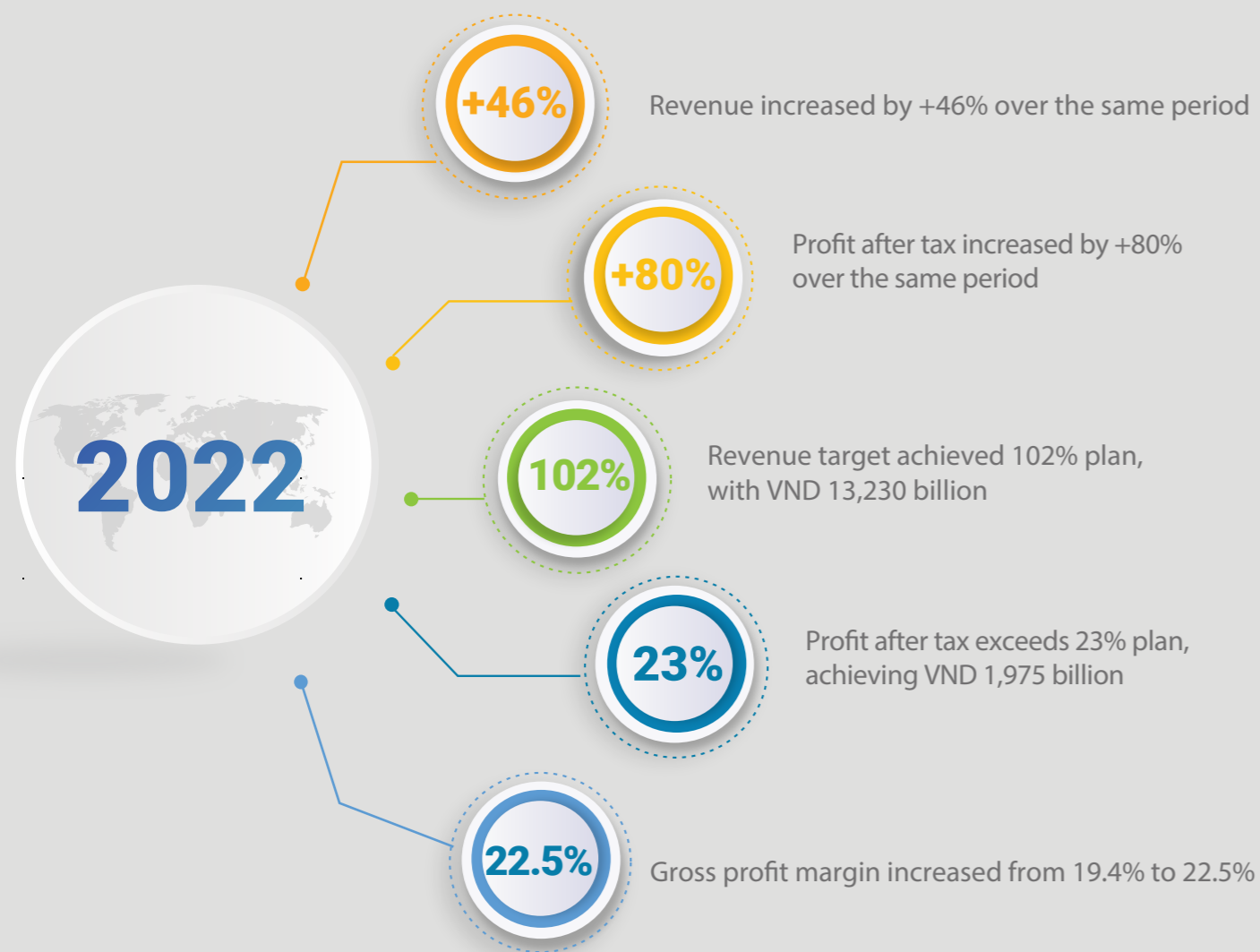
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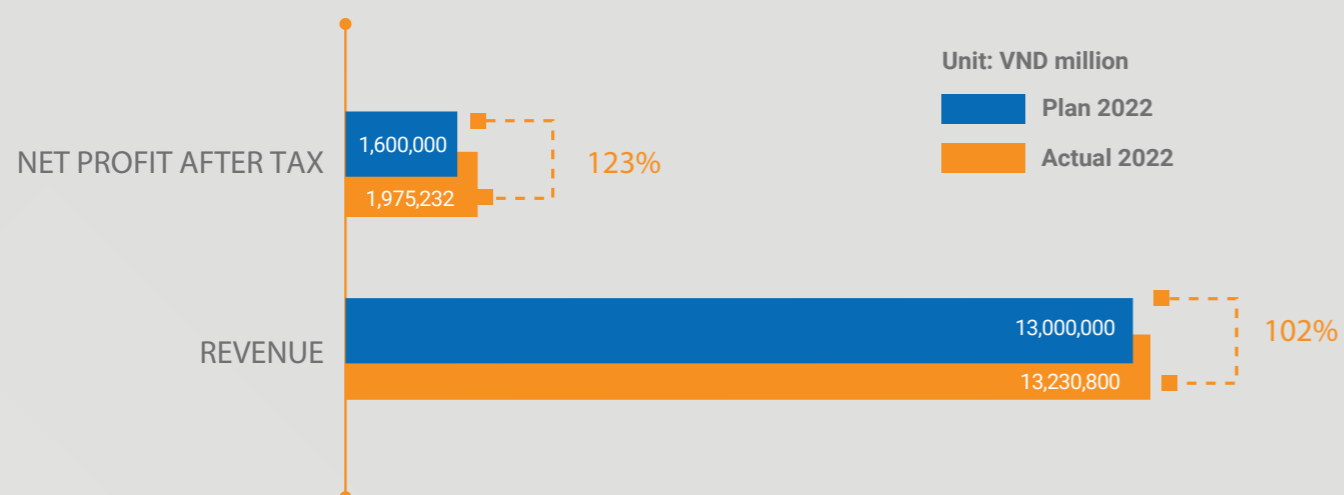


# 3.1 ANALYSIS REPORT IN 2022

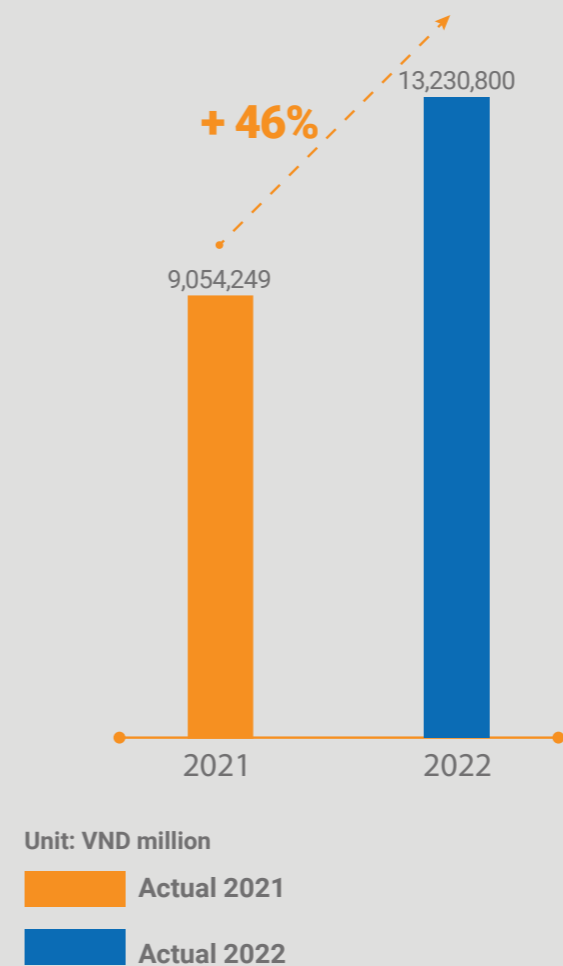
## 1. FINANCIAL RESULTS IN 2022:



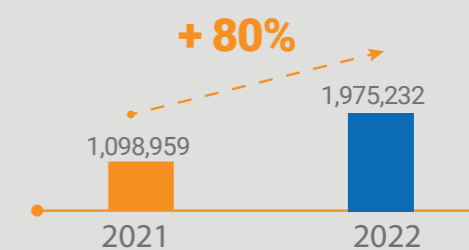
### REVENUE AND PROFIT IN 2022



## REVENUE IN 2022 VS 2021



## PROFIT IN 2022 VS 2021



## 2. VINH HOAN - PANGASIOUS MARKET SHARE

Top 4 Pangasius export enterprises in 2022( USD million)					
NO	COMPANY NAME	VALUE ( MILLION USD )	PROPORTION OF THE TOTAL SEAFOOD EXPORT (%)	PROPORTION OF THE TOTAL PANGASIOUS EXPORT (%)	COMPARED TO 2021 (%)
1	VINH HOAN CORP	375.190	3.42	15.4	35.8
2	BIENDONG SEAFOOD	136.415	1.24	5.6	15.1
3	NAVICO	126.041	1.15	5.2	36.5
4	IDI CORP	120.263	1.10	4.9	56.6

## EXPORT TURNOVER

In 2022, the Group's turnover reached a record milestone. The largest contribution came from the first 2 quarters of the year. From Quarter 3.2022, the impact of economic recession and inflation caused the demand and price of seafood to decrease, and showed clearly in the last quarter of the year. Specifically, in Quarter 4.2022, the Group's total turnover decreased by 24% compared to the previous quarter and 8% compared to 2021.

PANGASIOUS SEGMENTS:

In terms of sales revenue:

In 2022, Vinh Hoan's total pangasius export value reached 364.7 million USD, up 36% in value over the same period last year. The growth in revenue is mainly due to the good average selling price in 2022 compared to 2021.

Compared with the total plan set out in 2022 for Pangasius products of 336.5 million USD, the Pangasius segment has excellently completed 108% of the plan.

Particularly for the fourth quarter of 2022, pangasius exports fell sharply in both volume and value over the same period. This is completely in line with the previous prediction, when the order situation tended to decrease from Quarter 3 due to difficulties in key markets such as increased inventories in the US, import restrictions in China, and the imbalance of exchange rates in other importing countries.

Pangasius market

Despite a decline in the last quarter of the year, the United States is still Vinh Hoan's largest market, with pangasius revenue of nearly 248 million USD, accounting for a market share of up to 68% in 2022. In 2021, the US market share will increase thanks to the strong recovery of the market after the pandemic year.

China is the second largest market, with 23 million USD. Due to the impact of the Zero Covid policy and import restrictions due to the re-epidemic outbreak, compared to 2021, the market share in this billion-population market has plummeted from 12% to 6% in 2022.

The UK holds the 3rd position with a market share of 5%, a slight decrease compared to 2021. Consumer price inflation (CPI) in the UK and Europe has increased to a high level , making consumers to tighten their spending in the UK.

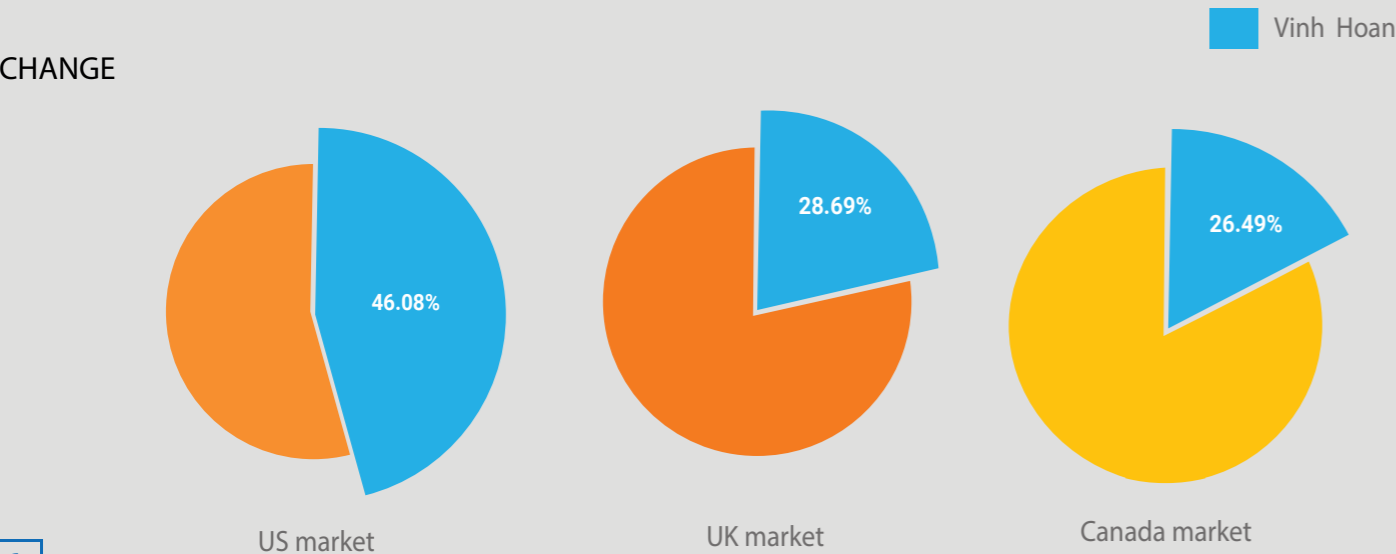
The Canadian market has remained stable at the 4th position with a share of 4%.

The rest is divided equally among other markets such as Belgium, Australia, the Netherlands, Germany, and Switzerland.

VINH HOAN'S PANGASIOUS AT KEY MARKETS:

Vinh Hoan maintained its leading position in the industry, accounting for 15.4% of value and 10.31% of output. In which, Vinh Hoan ranks first in Vietnam in the following markets: the US (46%); UK (29%); Canada (26%)

VHC'S EXPORTS COMPARED TO THE PANGASIOUS EXPORT INDUSTRY AT KEY MARKETS



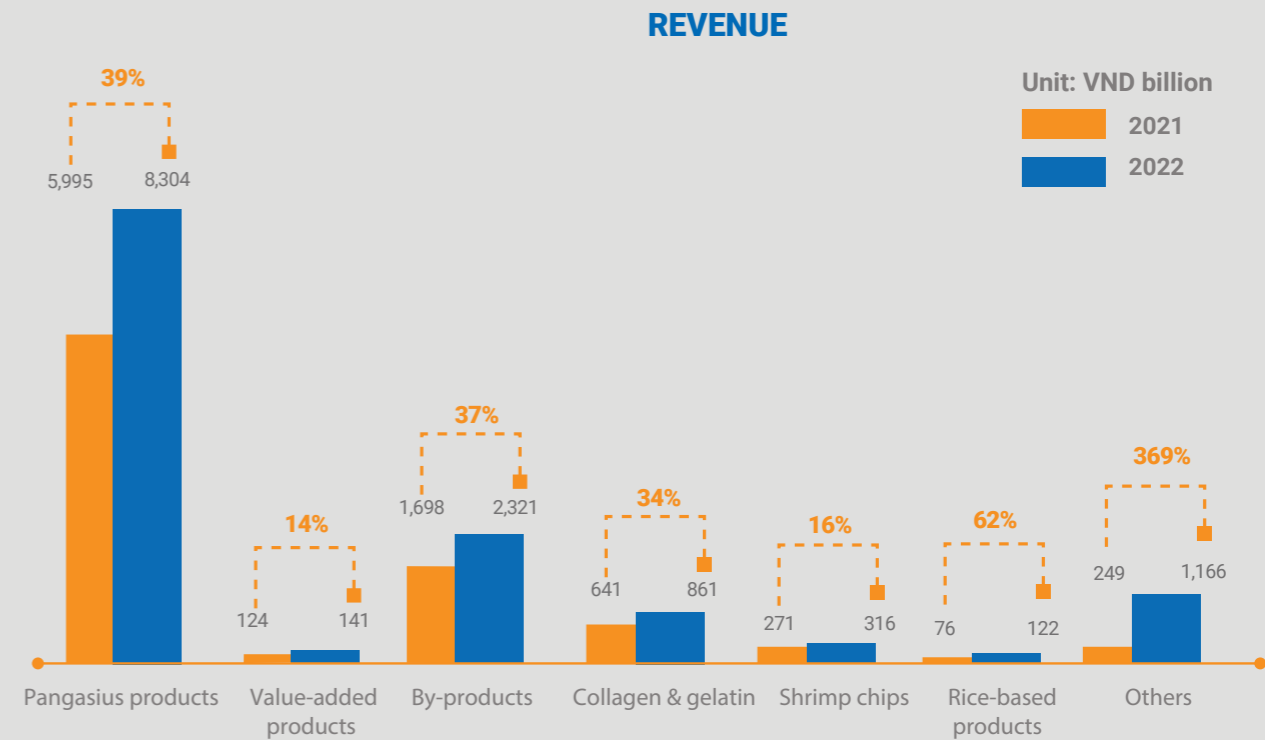
COLLAGEN AND GELATIN

In 2022, the revenue segment of Collagen increased by 19% and Gelatin increased by 37% compared to 2021. The indicators of sales, output, and number of customers all increased compared to 2021, representing the recovery of market demand after the pandemic.

Collagen was exported to 20 markets in 2022, achieving sales of 9.1 million USD, up 19% compared to 2021.

Gelatin exported to 19 markets in 2022, reaching a turnover of 28 million US, increased by 37% compared to 2021.

3. REPORT YEAR 2022

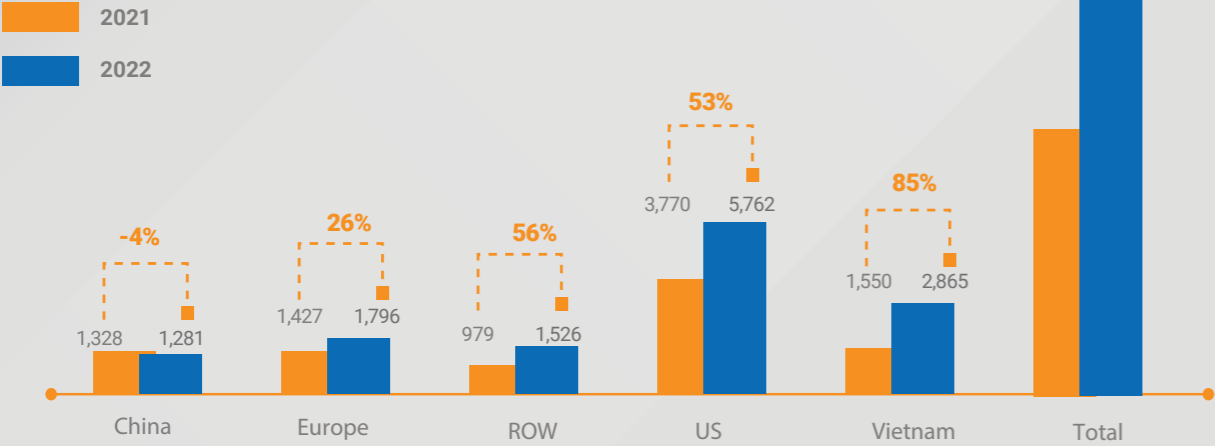


After 2 years of the pandemic, people returned to normal life, and the economy recovered, helping Vietnam's pangasius exports in 2022 reached a record of 2.44 billion USD, up 51% compared to 2021.

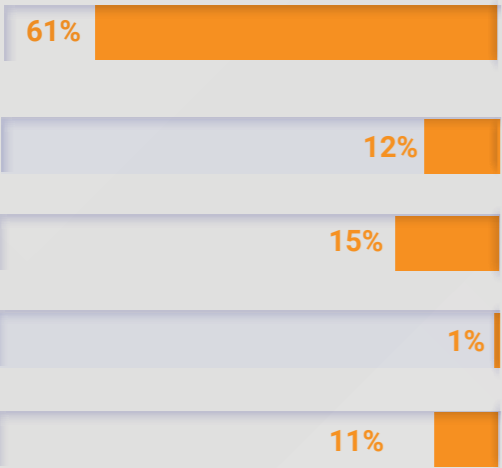
In 2022, the pangasius industry grows positively. After the peak of the epidemic, the demand in markets and the export price of pangasius also increased, creating opportunities for the seafood industry to have impressive business results. Besides, the UK and European market opportunities accept the use of pangasius to partially replace other white fish in raw materials for processing breaded and ready-to-cook products. Although there were some negative changes in the high oil price, and inflation affected demand in the fourth quarter of 2022, 2022 is still a milestone for the industry. In that picture, Vinh Hoan affirms its leading position with total pangasius export revenue in 2022 reaching 364.7 million USD, accounting for 15.4% of Vietnam's total pangasius export turnover.

## REVENUE BY MARKET

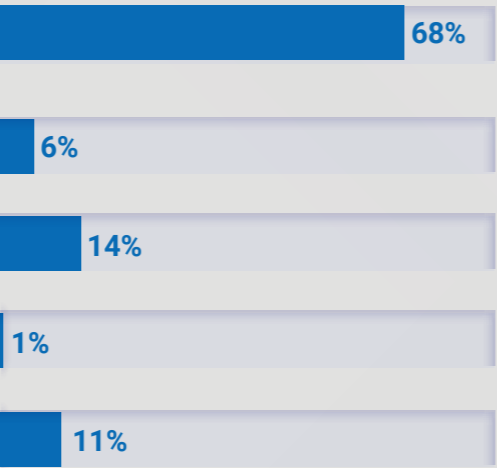
Unit: VND billion



### VINH HOAN'S PANGASIOUS EXPORTS IN 2021



### VINH HOAN'S PANGASIOUS EXPORTS IN 2022



In 2022, Vinh Hoan sells to 50 markets (an increase of 3 markets compared to 2021). In which, the four largest markets are the US (43% of total consolidated revenue), China (10% of total consolidated revenue), Europe (10% of total consolidated revenue), and the UK (4% of total consolidated revenue), accounting for 67% of total consolidated revenue.

## NEW PRODUCTS

2022 is the year that Vinh Hoan completed three new factories. Feed-One Aquatic Feed Factory (Product: Fish Feed Pellets); Thanh Ngoc Agri-Food Factory (Product: Processed Fruits and Vegetables) and Pangasius Surimi Factory (Product: Pangasius Surimi and Crab Sticks).

### SURIMI

In October 2022, Vinh Hoan's Surimi factory officially went into operation. The factory operates with a designed capacity of 5,000 tons per year, aiming to expand the portfolio of value-added products.

Surimi factory meets HACCP standards and has HALAL certification.

Products from expanded pangasius surimi such as original flavor crab sticks or added cheese flavor, fried fish balls.

### THANH NGOC

The factory completed and started operation from January, 2023 with fruit and vegetable product lines such as freeze-dried, frozen, fresh, and dried. The factory's capacity is up to 23,000 tons of finished products/year, input materials are 150 tons/day, with modern machinery is committed to meeting the needs of high-quality agricultural products of customers around the world.



# ANALYSIS REPORT 2022

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RATIOS IN 2022

Unit: VND million

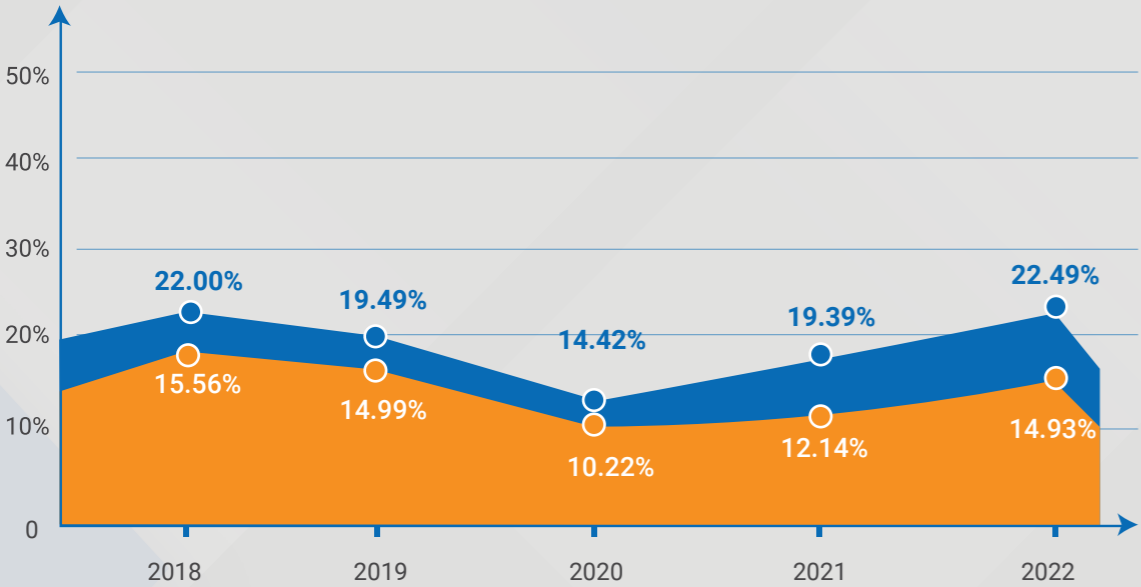
COMPANY	LISTED NAME	NET REVENUE 2022	NET PROFIT 2022	PROFIT BEFORE TAXES, INTEREST AND DEPRECIATION & AMORTIZATION (EBITDA) 2022
VINH HOAN	VHC	13,230,800	1,975,232	2,746,971

In the context of recovering from the complicated developments of COVID-19, Vinh Hoan once again marked impressive business results in 2022 and exceeded business targets.

### PROFITABILITY

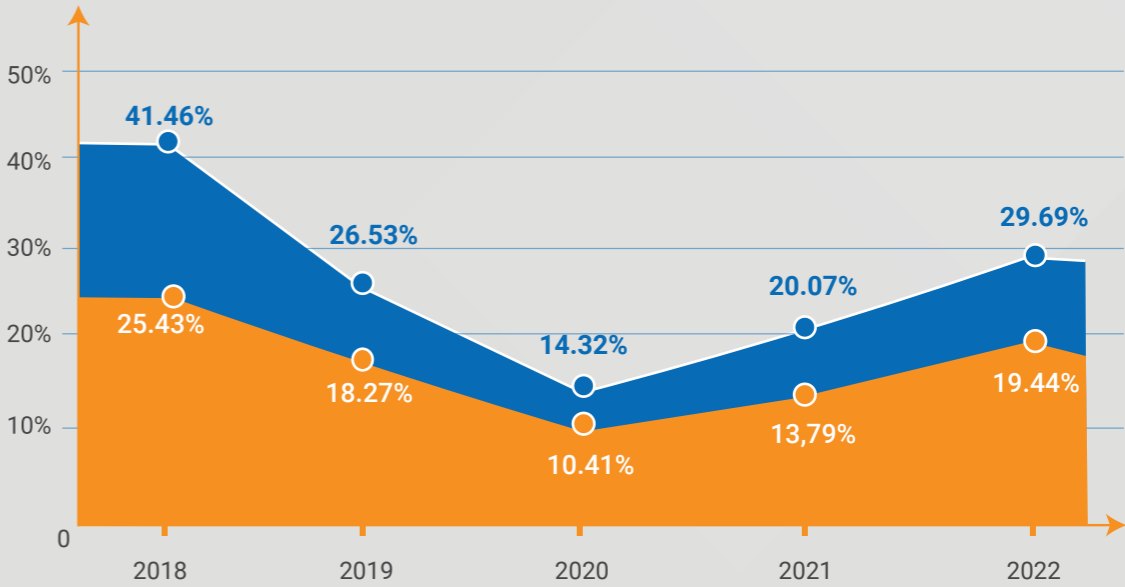
#### PROFIT MARGIN

Gross profit margin  
Net profit margin (\*)

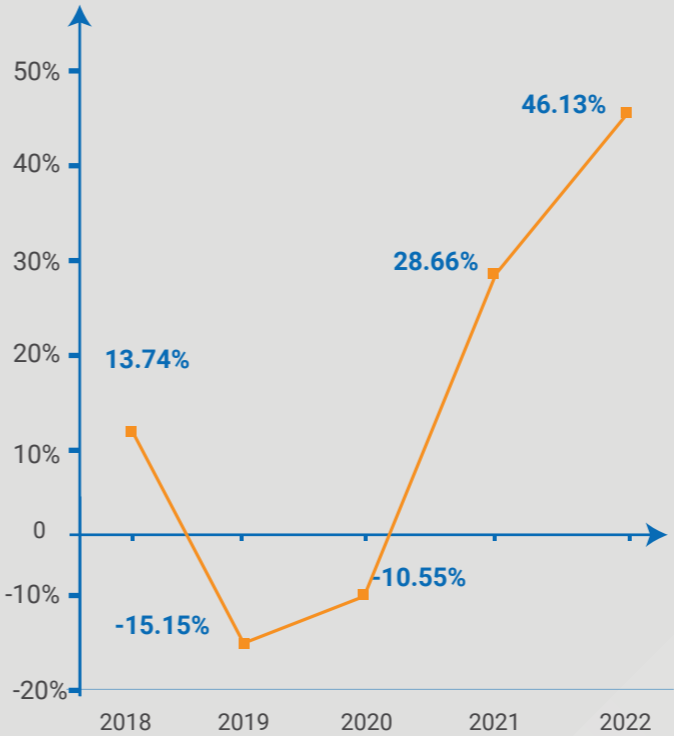


### PROFIT MARGIN

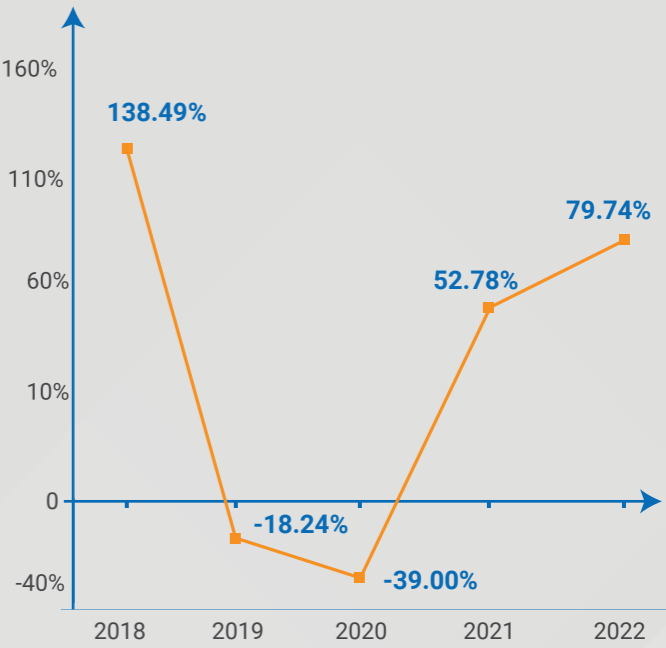
Profit margin / Return on Equity (ROE) (\*)  
Profit margin / Return on Assets (ROA) (\*)



### REVENUE GROWTH RATE



### GROWTH RATE OF PROFIT AFTER TAX (\*)

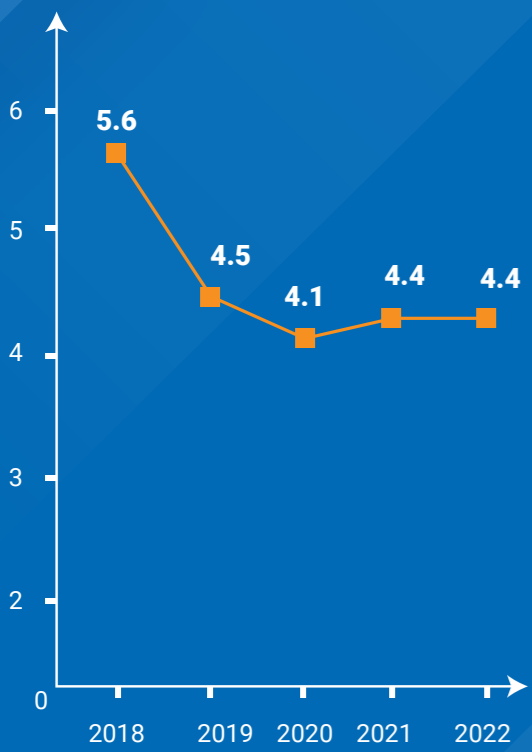


(\*): Profit after tax of shareholders of parent company

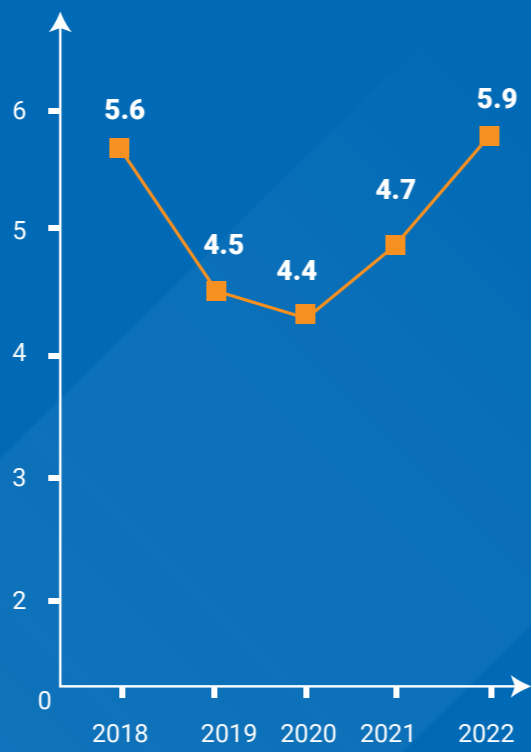
Vinh Hoan has always maintained stable capital use efficiency over the years. In 2022, the Company continues to control inventory and receivables efficiently, so the capital efficiency indicators are better than in previous years. This helps Vinh Hoan maintain a safe financial position for business activities in the context of world economic and financial instability.

EFFICIENT CAPITAL

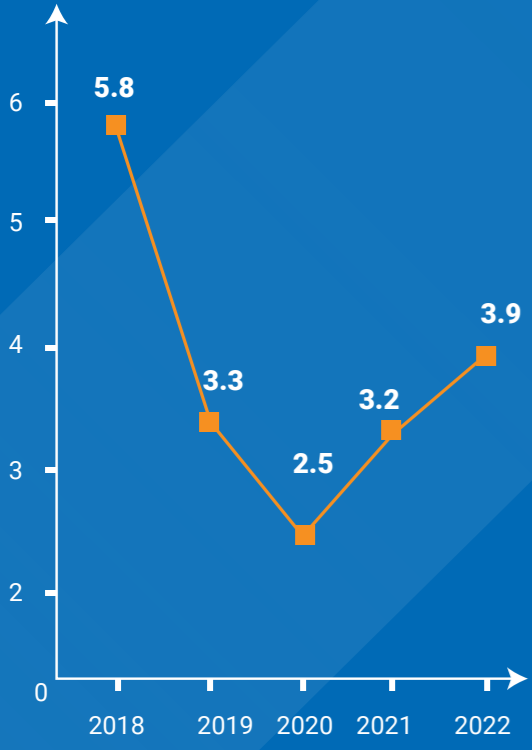
INVENTORY TURNOVER



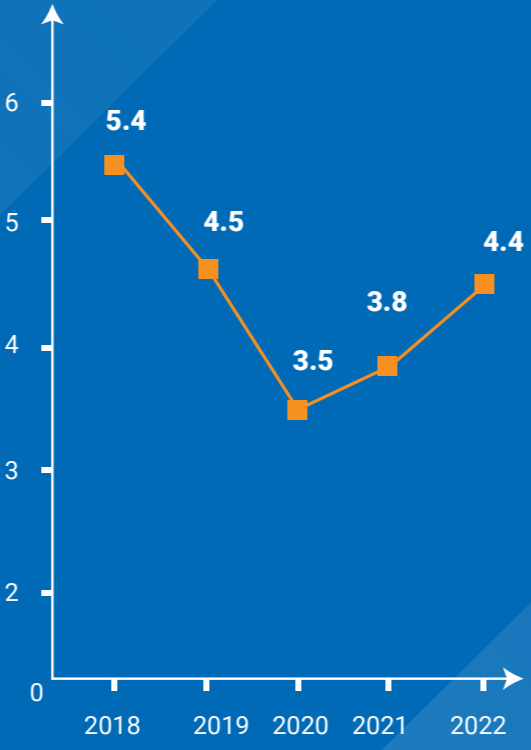
ACCOUNTS RECEIVABLES TURNOVER



WORKING CAPITAL TURNOVER



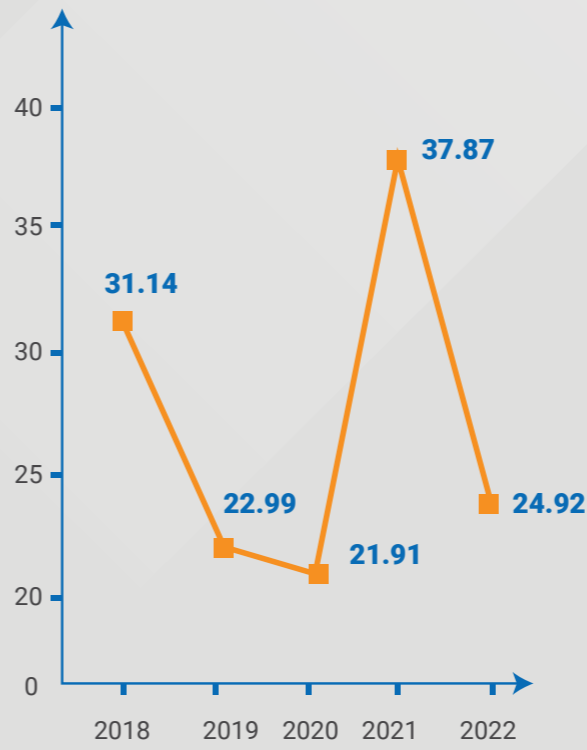
FIXED ASSET TURNOVER



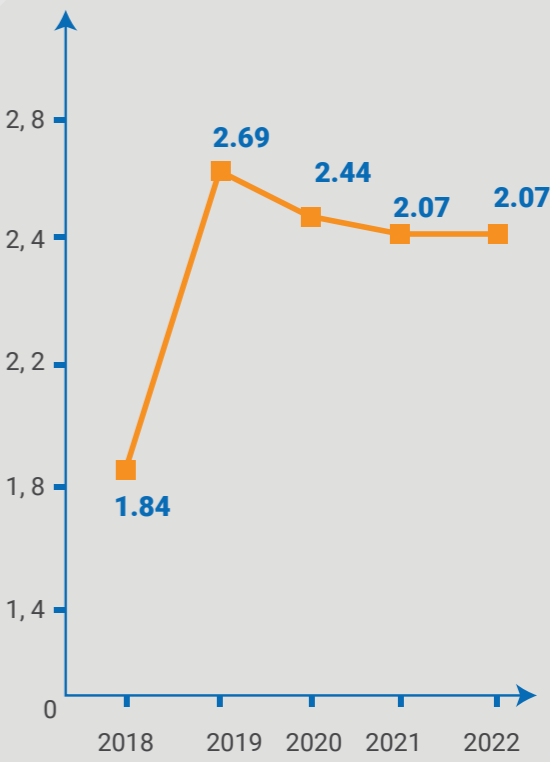
The Company's financial position continued to remain stable, reflected in basic indicators.

EFFICIENT CAPITAL

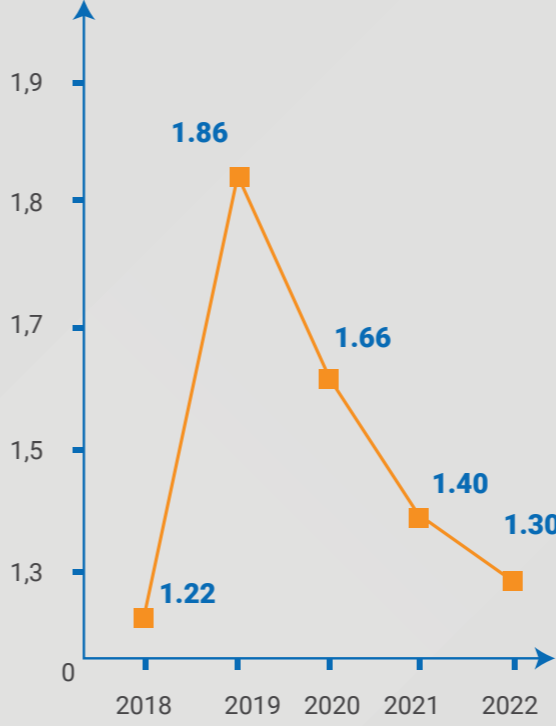
CAPABILITY TO GUARANTEE LOAN INTEREST



CURRENT RATIO



QUICK PAYOUT RATIO



## RATIOS OF CAPITAL STRUCTURE:

Vinh Hoan always maintains a safe leverage ratio thanks to its abundant cash source.

FINANCIAL LEVERAGE COEFFICIENTS	2022	2021
Debt/Total Assets Ratio	0.34	0.33
Debt/Equity Ratio	0.52	0.49

## INDICATORS ON VOLATILITY OF DEBT - INTEREST - EXCHANGE RATE DIFFERENCE:

Loan balance in 2022 increased by 26% compared to 2021, but interest expense increased by nearly 180% because in 2022 the Company mainly borrowed VND (normal VND loan interest rate was 2 times higher than USD loan interest rate) and the interest rate of VND borrowing in 2022 is about 2 times higher than the interest rate in 2021 due to the general influence of the tight monetary policy of the FED and Vietnam.

The USD/VND exchange rate at the end of 2022 increased by 3.4% compared to the end of 2021, the average exchange rate in 2022 (according to Vinh Hoan's sales) increased by 1.4% compared to 2021. Since the company's income is mainly coming from exports, the increase in the exchange rate has helped the income from exchange rate difference increase by 1,722% compared to 2021 (partly because in 2022 the Company has gradually switched from borrowing USD to borrowing VND from the first months of the year).

Net financial income in 2022 is still more than 64 billion VND, but down 27% compared to 2021 due to direct influence from provisions for investment in the trading securities.

Unit: VND million

ITEMS	2022	2021
Loan balance (short and long term)	2,388,456	1,891,435
Net outstanding loan balance (Debt - money and short-term financial investment)	67,393	424,470
Interest expenses	97,121	34,702
Net exchange rate income	157,875	8,661
Net financial operating income	64,490	88,612

## FINANCIAL POSITION

### Consolidated income statement

Unit: VND million

ITEMS	2018	2019	2020	2021	2022	COMPARED TO PLAN
Net Revenue	9,271,329	7,867,144	7,037,180	9,054,249	13,230,800	<b>102%</b>
Earnings before interest and taxes (EBIT)	1,743,548	1,368,905	841,678	1,314,257	2,420,039	
Earnings before interest, taxes, and depreciation & amortization (EBITDA)	1,899,850	1,534,109	1,044,357	1,599,249	2,746,971	
Net profit	1,442,182	1,179,123	719,308	1,098,959	1,975,232	<b>123%</b>

### Revenue structure by product and business type:

SALES REVENUE	REVENUE IN 2022 (VND BILLION)	REVENUE SHARE IN 2022 (%)	REVENUE IN 2021 (VND BILLION)	REVENUE RATIO IN 2021 (%)
Revenue from sales of finished goods	9,847	74.4%	6,271	69.3%
Sales of goods	950	7.2%	1,021	11.3%
Revenue from selling by-products	2,165	16.4%	1,672	18.5%
Revenue from service providers	63	0.5%	39	0.4%
Sales of raw materials	206	1.5%	50	0.5%

### Profit by product type

GROSS PROFIT MARGIN (GPM)	2022	2021	COMPARISON (%)
GPM for finished product	29.6%	24.4%	21.46%
GPM for goods	6.6%	4.5%	46.17%
GPM for by-products	12.9%	9.0%	43.76%

## INVENTORY

The company always maintains a stable average inventory level in line with sales capacity.

INVENTORY	AS AT DECEMBER 31, 2022 (VND BILLION)	AS AT DECEMBER 31, 2021 (VND BILLION)
Materials	354.6	188.9
Tools	16.3	10.8
Unfinished production and business costs	1,154.8	927.3
Goods	15.6	19.7
Finished product	1,468	612.7
Goods sent for sale	3.9	8.8
Other	200.6	24.9
<b>TOTAL</b>	<b>3,213.8</b>	<b>1,793.1</b>

## DISTRIBUTED PROFIT (DIVIDEND)

According to the Resolution of the Annual General Meeting of Shareholders on April 20, 2022, Vinh Hoan plans to pay the 2022 dividend in cash at the rate of **20% (2,000 VND/share)** and in shares of **20%**, authorizing the Board of Directors to choose a closing date for the list of shareholders and decide on a specific percentage to pay.

**In October 2022, the Company advanced a cash dividend for 2022 at the rate of 20% (2,000 VND/share).**

## INVESTMENT DISBURSEMENT IN 2022

During the year, the whole group disbursed investment in the following main projects:

- Disbursement for the project of the aqua feed factory: 381 billion VND.
- Disbursement for fruit factory project: 351 billion VND.
- Disbursement to the Hatchery: 47 billion VND.
- Disbursement of Sa Giang Factory, Collagen Factory, renovating fish processing factories, and investing in fish farming areas: 399 billion VND.



# ASSESSMENT REPORT FOR 2022 AND 2023 ORIENTATION FROM THE BOARD OF DIRECTORS



Following the accomplishments of 2021, when the Company's Board of Directors, along with the strong determination of thousands of employees, created miracles, overcoming the historical challenge of the Covid-19 pandemic, is the year 2022 with also outstanding business results. The previous year's accomplishments can be said to have served as a foundation for progress in 2022. Without the perseverance and hard work of Vinh Hoan's collective continues to work during the tough circumstances of the epidemic, it would be impossible to achieve outstanding demand, creating impressive sales results, particularly in the first half of 2022. The Board of Directors of the Company recognized the Board of Management and employees' contributions once more. The 2022 results, with revenue growth of 46% and profit reaching a record level of 1,975 billion VND, are a very meaningful achievement to commemorate Vinh Hoan's 25th anniversary, as well as a testament to the cohesive value that has been molded and developed in Vinh Hoan culture since its inception.



## Our subsidiaries are growing across steadily

Vinh Hoan has focused over the years on expanding its core businesses and developing new businesses that are related to each other and are always under closed processing, as well as a part of the circular economy model. As a result, these investments have yielded excellent results, and the subsidiaries have grown steadily, contributing to the overall corporation's revenue and profit. **Thanh Binh and Vinh Phuoc** are two subsidiaries that are in the group's core business, and have grown and aligned in farming and processing pangasius, similar to the parent company. The standards are similar to Vinh Hoan in terms of product quality and management in production efficiency. Thanh Binh is the most profitable subsidiary, accounting for 30% of total revenue and profit. Vinh Phuoc has made progressive profits so far after a challenging period of renovation and new construction in 2018 - 2019. Furthermore, Vinh Phuoc's success in the salmon processing project for Japanese partner, is an important direction of the group in the plan to diversify seafood raw materials. This is a strategic effort to take advantage of well-invested facilities and skilled workers, and maintain the appropriate level of production management.

**Vinh Hoan Collagen**, following market challenges in 2020 and 2021 due to the epidemic, has recorded an increase in revenue in both collagen and gelatin products in 2022. The challenges this year for Vinh Hoan Collagen is the cost of raw materials. Although the group's closed business model has provided significant benefits in terms of raw material supply for collagen and gelatin factories, the company cannot avoid the impact of market supply and demand, as well as fuel and auxiliary higher costs. Vinh Hoan Collagen's profit after tax increased by nearly 20% as compared to 2021, but there is still room for improvement in terms of profit margins and revenue in 2023 and subsequent years. In the group's ongoing efforts to develop new products and technologies, Vinh Hoan Collagen continues to play a significant role in research and development.

2022 is the first year of operation of **Feed One** operation, our aqua feed factory. The success of Feed One is that it quickly went into stable production, achieving optimal production capacity, quantity, and quality of products for the company's farms and external farming households. Feed One has rapidly grown in sales and profits since its first year of production.



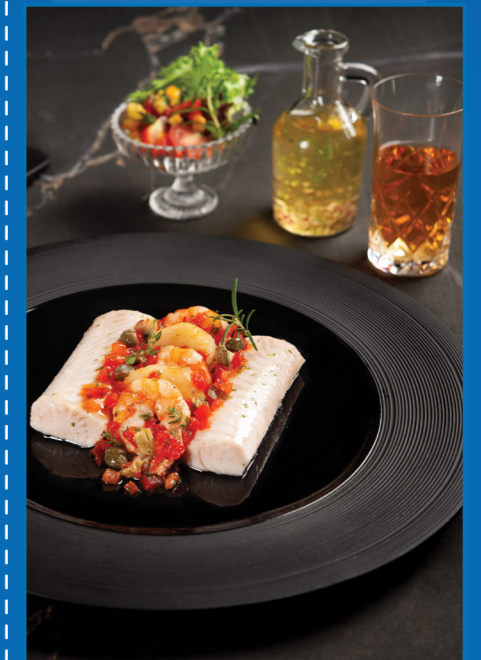
Following **Vinh Hoan Collagen**, Vinh Hoan Hatchery is also a subsidiary where Vinh Hoan focuses its resources on innovative research and boldly invests in science and technology. The hatchery center has been operating steadily in parallel with the production of fingerlings for the Company. It has been carrying out many trials to make breakthroughs in the hatchery stage and the quality of raw materials. During the year, Vinh Hoan Hatchery welcomed many visitors, and customers, were impressed and supported the Company's interest in the fingerling stage research and development. Despite the fact that there are still many challenges due to the large capital commitment, low levels of production, and negative profit level, Vinh Hoan Hatchery has shown positive progress in some trial results, continuously measuring and adjusting, giving the Board of Directors confidence to continue to invest and support the Executive Board in this area.

**Sa Giang** also had an impressive business year, with revenue increasing by 16% and profit increasing by 87% over the same period. Due to global inflation affecting purchasing power, shrimp crackers will face difficulties in the export market in 2022. This is offset by the domestic market, which is recovering from the 2021 epidemic and the company's development of rice-based products. Following the completion of the investment in the Sa Giang 3 factory for pho and other noodle products, the Board of Directors and employees have worked hard to develop the brand and market for this new product group, thereby creating opportunities to increase revenue and profit.

During the year, the Board of Directors also acknowledged that **Thanh Ngoc's** investment project to build the fruit and vegetable processing factory had successfully completed all categories on time and was ready for production in March 2023.

## Proper sales strategy, cost control, and the ability to develop new products

Those are 3 crucial elements of Vinh Hoan's success in 2022. In contrast to 2021, 2022 is a stable year for production when the Covid-19 outbreak crisis is under control and the workforce is more committed due to the policies and benefits for employees during prior challenging periods. The entire production cost was lowered as a result of the double-digit increase in processing productivity throughout the year. The increase in other production costs is kept under control reasonably in accordance with the rise in the market's raw material prices. The farmed raw materials efficiency is stabilized at a certain level with some slight improvements. The increase in farming costs were mostly due to the feed price increasing several times during the year, however, it was still price competitive and under control. As a result of good production conditions, the Board of Management had the right sales strategy to support the Company's implementation of sensible pricing practices that would increase sales and profits. From the beginning of the year to the end of the year, the market for seafood consumption in general, and pangasius, in particular, has shifted rather significantly. The Board of Management and the company's sales and marketing team responded quickly, and assisted customers right away to maintain sales. It is also worthy to note the marketing initiatives, particularly after a 2-year break caused by the pandemic. During international fairs and exhibitions, the company's sales and marketing team actively engaged in sales opportunities and established new markets. Our digital marketing channels also have improvements to engage more with customers.



Vinh Hoan's outstanding achievement this year in terms of products is that there have been strategic development projects to help develop pangasius industrial block, taking advantage of opportunities when manufacturers in Europe are looking for a source of white fish to replace marine fishes due to the Russia and Ukraine conflict. This product provides an opportunity for sales in a new segment, based on a new need. The R&D team is constantly developing value-added products, which have a high order acquisition rate.

During the year, the Company also completed the surimi workshop and imitation crab sticks made from pangasius. This product line facilitates the optimization of pangasius fillet production when by-products can be used to add value, thereby diversifying pangasius applications for the world's consumers. Aside from pangasius, other subsidiaries have introduced and quickly sold exciting new products such as rice paper, fine vermicelli noodles from Sa Giang, frozen durian from Thanh Ngoc, refined fish oil from Vinh Phuoc, and collagen jelly from Vinh Hoan Collagen.

In preparation for the commencement of the Thanh Ngoc factory operation, the pilot factory was quickly equipped and was constantly busy producing sample products for potential customers, introducing fruit and vegetable products at various events.



## Vinh Hoan 25 years Vinh Hoan's Culture

The year 2022 marks another important milestone of Vinh Hoan's 25 years of outstanding development. Just like each member of the Company, the Board of Directors is proud of Vinh Hoan that has grown, reaching out to the great sea and conquering new heights.

The 25th Anniversary of Vinh Hoan was successfully held, leaving the audience with positive impressions and emotional feelings, and cohesion both internally and with external customers and partners. Nothing is more meaningful when Vinh Hoan celebrates this event with impressive business results.

Therefore, it is impossible not to mention a very important factor for the development journey from its birth until today, which is Vinh Hoan culture, which has been shared and marked the most on the occasion of the year, 25th anniversary of the establishment of the Company.

Vinh Hoan's culture has existed even before Vinh Hoan was established. That is the founder of Vinh Hoan's personality, aspirations, and personal values. These values have been spread and, present in each Vinh Hoan's member, in every business decision of the Company, in the relationship between Vinh Hoan and parties ranging from State authorities to customers, partners, and local communities, since the first day Vinh Hoan was established.

The Board of Management and the Company's collective have been remarkable in their communication, training, and promotion of Vinh Hoan culture in recent years.

As the company grew in size and faced more challenges, the Board of Management realized that it was necessary to communicate Vinh Hoan's cultural values more systematically so that many more generations of employees to come could understand and practice them consistently, resulting in strength and solid, long-lasting beliefs.

Furthermore, over the next five years, Vinh Hoan culture will become a clear recruitment and human resource development criterion, allowing Vinh Hoan to implement new strategies and achieve new goals.

Vinh Hoan culture and people will undoubtedly remain central to the Company's success in the coming years.



## Orientation in 2023

The Board of Directors has the following operational orientations for the Board of Management in 2023:

- Assessing that 2023 is a year of common challenges for the world economy with the risk of recession leading to weakening purchasing power, the Board of Management needs to focus on segments and opportunities that pangasius can take advantage of competitive price position compared to other seafood to maintain and develop sales. At the same time the company will continuously improve product quality and customer service.
- Focus on selling fruit and vegetable product lines from the Agriculture division so that Thanh Ngoc factory can quickly achieve the target revenue.
- Complete land procedures and paperwork to secure farming areas for Thanh Ngoc, ensuring the ability to control quality and deploy the replication of vegetable and fruit farming to other farms that meet export standards in high-demand markets.
- Control expenses and be prudent in investment.
- Focus on developing the Pangasius Hatchery Center.
- Further promote research and improvement in fish farming to optimize processing and meet the diverse requirements of the market in terms of size and quality.
- After the success of the imported salmon processing project, it is necessary to continue to successfully implement the expansion project in imported seafood in order to diversify the source of raw materials and maximize the production capacity and supply of frozen seafood products.
- Continue with research and development activities, seeking and promoting new projects from opportunities found through new products, and new technological processes.
- Execute training and employee development plans.

## MARKETS AND PRODUCTS

**I**nflation, recession, weaken purchasing power, and rising production costs are expected to occur in 2023, making it a difficult year for the global economy. Vinh Hoan's product offerings are within the food industry, in which pangasius is our main product. Pangasius has always been competitive in price compared to other seafood. Even though pangasius is considered as an essential white fish choice and affordable for consumers, it is impossible to completely avoid the negative effects of macroeconomic factors. In that context, it is critical to also focus on the less affected market segments that develop sales opportunities to drive sales, and gain market share. Alongside this, Vinh Hoan will be more flexible in sales to support market segments that are affected by the sales policy will be flexible to support market segments more affected by consumers tighten their wallets.



Along with our product and market strategies for pangasius as the core business, Vinh Hoan will continue to diversify our product portfolio with other types of seafood through imported fish processing projects, which successfully began with salmon in Vinh Phuoc factory. We believe that the constant learning, training, investment in strategic facilities, and persistence will help to develop and produce positive results, which will be important for Vinh Hoan's sustainable development in the medium and long-term.



**T**here is still room to expand and develop new markets with Sa Giang and Vinh Wellness product lines. 2023 is the year which creates an increase in motivation for Vinh Hoan's management team and employees to continue to develop product diversification and value further based on the achievements of the previous years. The Company is driven to find customers for new product line items, such as frozen and freeze-dried fruit and vegetable products for the newly launched Thanh Ngoc factory. Furthermore, after the first orders in the beginning of 2023, our fish surimi and imitation crab sticks workshop will need to increase in production through expanding new markets and customer base in order to contribute in optimizing our pangasius supply chain and increasing the value of by-products from pangasius.



After investments to increase production and R&D capacity in 2021 and 2022, there is a lot of potential for Sa Giang to develop value-added products in related product lines which are prawn crackers and rice-based products. Sa Giang's strategy is to maximize the brand value by introducing to consumers more diverse, convenient, and globally inspired products that the company can develop through domestic and international sales.



# FINGERLING CENTER AND IMPROVEMENT IN FISH FARMING

After many difficulties in construction progress due to geographical location and the COVID-19 pandemic, the Pangasius Fingerling Center of Vinh Hoan Pangasius Hatchery Co., Ltd. began its operations in the first quarter of 2022. Although this business unit is still not profitable, the farming process at the Hatchery center have shown promising results in terms of producing fingerlings of various ages with a high survival rate and quality.



The Hatchery Center's focus in 2023 will be to quickly put experimental results into production practice, while also scaling up production to bring the project to break-even point as soon as possible, and most importantly, to provide competitive input products in terms of both quality and cost to the Company's fish farming areas.

Faced with the challenge of the continual increase in aqua feed costs in 2023, we intend to maintain tight control over farming efficiency while strongly encouraging improvements in fish farming in order to maintain our strategic competitive advantages in the future. Vinh Hoan's strategic spearheads in the coming years will be self-sufficiency in raw materials, constant improvement in breed quality, and pioneering in technical innovation.

The company's goal is to reach 75% of self-supplied raw material. With this rate of self-supplied raw material, it indicates that controlling farming costs and raw fish quality are critical to the Company's competitive position.

## TRAINING AND R&D CAPACITY

Training and developing employees' capacity and skills is also an important focus of the company. In particular, in 2023, we will prioritize training research and development capacity in order to create a large number of new value-added product lines and to promote innovations for new business lines. The company continues to promote policies aimed at attracting and retaining talent, particularly scientific and technical forces as well as management skills appropriate for the new era.



The company also intends to develop long-term, systematic, and supplemental digital transformation training programs. We also strive to reduce customer complaints by training and raising awareness among managers and employees.

# REVENUE FROM NEW BUSINESS SEGMENT

The project of Thanh Ngoc vegetable and fruit processing factory has been put into operation since the first quarter of 2023, becoming one of the key projects of the agricultural sector of Dong Thap province. This project targets toward processing with new techniques and technologies, combined with Vinh Hoan's experience in production management, supply chain management, and, most importantly, leveraging the existing sales network to increase demand and output for Vietnamese agricultural products.



In 2023, Vinh Hoan aspires to assist Thanh Ngoc in finalizing the system, and technological process, obtaining quality management certifications, produce product samples to quickly find customers, and bring revenue for this new business segment. Furthermore, Thanh Ngoc is in the process of completing the procedures to acquire land to establish a testing planting area to ensure the factory's ability to supply qualified raw materials for customers to exporting markets with strict quality control standards.

With the market assessment and forecast, as well as the above strategic orientations for 2023, the Company's Board of Management establishes the revenue and profit targets for 2023 as shown in the below table. Despite the challenges in the year ahead, we believe that focusing on development in the right direction with timely and appropriate adjustments will help the Company meet its goals while also ensuring the 3-5 years development roadmap is on track and sustainable for many more years to come.

## PLAN OF REVENUE AND PROFIT IN 2023

UNIT: VND BILLION	ACTUAL 2022	PLANNED 2023	GROWTH
Consolidated revenue	13,230	11,500	-13%
Consolidated profit after tax	1,975	1,000	-49%

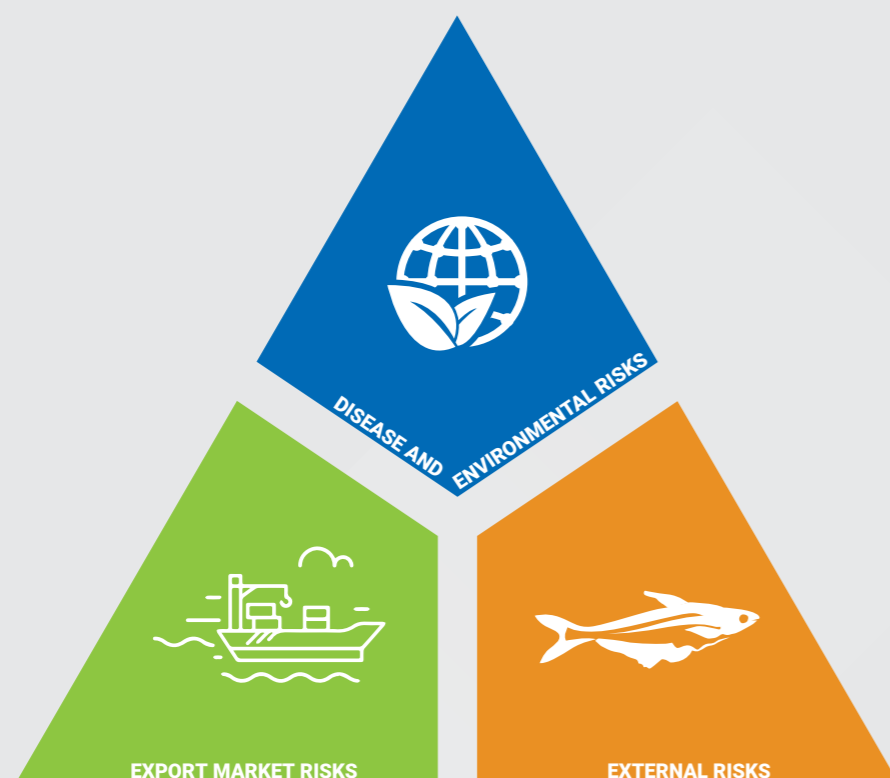
# RISK ASSESSMENT AND RISK MANAGEMENT

“ The year 2022 marks the 25th anniversary of Vinh Hoan Corporation, with many celebratory events and challenges ahead. Faced with challenges, Vinh Hoan Corporation actively monitors the situation, assesses and provides appropriate and timely solutions to minimize risk factors that may have negative results to Vinh Hoan's growth and sustainable business activities.

”

## 1. ENTERPRISE RISK IDENTIFICATION AND MANAGEMENT:

Vinh Hoan is actively monitoring the seafood export market in general and the pangasius export industry in particular. For example, the pangasius export market faces the following common risks:



## RISKS



### DISEASE AND ENVIRONMENTAL RISKS

COVID-19 in 2022 is no longer a concern for pangasius exporters. The seafood industry has coped with and survived the pandemic through its ingenious flexibility.

Pangasius farming in the Mekong Delta benefits from many favorable natural conditions, but the recent climate change situation poses a risk to not only Vinh Hoan but also to other manufacturing enterprises. The problem of salt intrusion, for example, is a threat to pangasius producers, however, Vinh Hoan always proactively measures indicators proactively and takes timely preventive measures. As a result, none of Vinh Hoan's farming areas have been identified with salt intrusion at this time, or have any severe impacts on raw materials. In addition, Vinh Hoan actively constructed a settling pond to treat wastewater rather than discharging it directly into the environment and a pipeline to use water from the Mekong River while controlling water salinity.



### EXTERNAL RISKS

As the entire seafood sector struggles to find enough high-quality raw materials, the pangasius industry likewise faces numerous difficulties. As such, Vinh Hoan is focusing on hatchery and fingerling through Vinh Hoan Hatchery Co., Ltd. as well as expanding the farming area by 100 ha in order to raise the rate of self-sufficient raw materials to 75%.



### EXPORT MARKET RISKS

In order to meet stringent export standards and take full advantage of the Free Trade Agreement, Vinh Hoan must first understand the legal systems, food safety, and environmental standards of other countries to which Vinh Hoan products are imported. Since then, Vinh Hoan has proactively established and developed a business strategy to ensure full compliance with export targets, expand the necessary markets and limit the risks of violations of laws and regulations.





## 2. RISK MANAGEMENT ACTIVITIES

### RISK MANAGEMENT ACTIVITIES IN 2022:

Building an internal control system towards risk management in the enterprise.

- On the basis of a unified risk assessment framework, the Company has closely coordinated with departments to develop many prevention policies and focus on risk control efforts throughout the Group.
- The Company has been proactive in setting up periodic control plans for processes not only at Vinh Hoan, but also at member companies to detect risk factors that may affect production business activities.
- The Company always appreciates the exchange of internal information on corporate risks so that risk issues are always properly and promptly taken care of by the Board of Directors.

### RISK MANAGEMENT PLANS IN 2023

- Maintain the implementation of activities to prevent and detect risks affecting business activities.
- Maintain compliance control activities.
- Design and implement the Risk Management and Business Continuity Plan (BCP) training program to raise awareness among staff and management team in risk management.





# CORPORATE GOVERNANCE

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## 4.1 Board Of Directors

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- ▶ Activities Of The Board Of Directors

## 4.2 Board of Management

## 4.3 Supervisory Board

- ▶ Introduction to The Supervisory Board
- ▶ Activities Of The Supervisory Board

# 04

# 4.1 BOARD OF DIRECTORS



## 4.1.1 INTRODUCTION TO THE BOARD OF DIRECTORS

The 2022 Annual General Meeting of Shareholders has elected and approved the Board of Directors ("BOD") for office term 2022 – 2026 as follows:



**Mdm. Truong Thi Le Khanh**  
Chairwoman of the Board



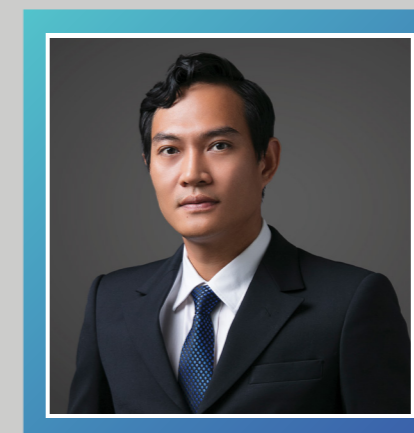
**Mrs. Nguyen Ngo Vi Tam**  
Board Member



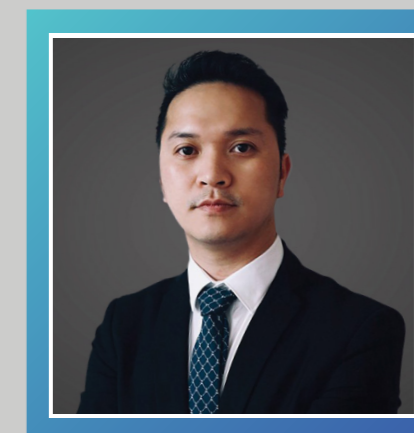
**Mrs. Truong Tuyet Hoa**  
Board Member



**Mrs. Nguyen Thi Kim Dao**  
Board Member



**Mr. Nguyen Van Khanh**  
Independent Board Member



**Mr. Le Van Nhat**  
Independent Board Member

Changes in BOD members in 2022: **Yes**

Dismissal of Mr. Vo Phu Duc – Member of the Board of Directors since April 20, 2022.

Appointment of Mr. Le Van Nhat – Independent member of the Board of Directors since April 20, 2022.

# BIOGRAPHICAL OF BOARD OF DIRECTORS



## Mdm. Truong Thi Le Khanh

**Chairwoman**

Year of Birth: **1961**

Qualification: **Bachelor of Economics**

VHC shareholding ratio (as of **21 October 2022**): **43.16%**

**She has served as the Chairwoman of the BOD since 2007**

**Mdm. Truong Thi Le Khanh** is the founder and the Chairman of the Board of Directors.

Since 1997, she has led VHC from a small processing facility to the global leading pangasius company. She has over 20 years of experience in the pangasius industry and is widely known as one of the leading businesswomen in Vietnam pangasius industry. She is responsible for focusing on strategic planning activities and improving the management of the company. She is also the Chairwoman of the Freshwater Fish Committee of the Vietnam Association of Seafood Exporters and Producers (VASEP).

She was also awarded many honorable and prestigious awards as below:

**2011**

- ▶ Third Class Labor Medal, for having excellent business result in 2005-2009, contributing to the building of socialism and national protection by the President of the Socialist Republic of Vietnam

**2013**

- ▶ Successful intellectual businesswoman of Saigon 2013 Vietnam Union of Science and Technology Associations
- ▶ Top 10 Most Successful Vietnamese Business women by Forbes Vietnam

**2014**

- ▶ Representative Vietnamese Businesswoman with "Shining The Golden Rose" Cup by Vietnam Chamber of Commerce and Industry
- ▶ Top 50 Best Leaders with Outstanding Business Achievements and Outstanding Leadership 2014 by Nhip Cau Dau Tu Magazine

**2015**

- ▶ Top 50 Best Leaders with Outstanding Business Achievements and Outstanding Leadership 2015 by Nhip Cau Dau Tu Magazine

**2018**

- ▶ Entrepreneur for Mekong Delta Community
- ▶ Excellent Entrepreneur Award in Mekong Delta 2018 by the Vietnam Chamber of Commerce and Industry (VCCI)
- ▶ Top 50 Most Influential Vietnamese Women 2018 by Forbes Vietnam

**2017**

- ▶ Top 50 Most Influential Vietnamese Women 2017 by Forbes Vietnam

**2017**

- ▶ Second Class Labor Medal, for having excellent business result in 2011-2015, contributing to the building of socialism and national protection by the President of the Socialist Republic of Vietnam

**2016**

- ▶ Top 50 Most Influential Vietnamese Women 2016 by Forbes Vietnam

**2019**

- ▶ Top 50 Most Influential Vietnamese Women by Forbes Vietnam
- ▶ Gold Star Award by Dat Viet Entrepreneur

**2020**

- ▶ Top 25 Most Power Businesswomen in Asia 2020 by Forbes Asia

**2021**

- ▶ Marked as an excellent leader in the innovation strategy adapted to the Covid-19 pandemic, was honored by Forbes magazine in the list of 50 Outstanding Female Leaders in Asia "50 over 50 Asia 2022"
- ▶ Typical Vietnamese Business Woman – Golden Rose Cup (VCCI)

**2022**

- ▶ Marked as one of the best entrepreneurs (APEA 2022 – Outstanding Entrepreneur Category) in Asia 2022, nominated by Enterprise Asia in October 2022
- ▶ The Vietnam Record Association (Vietkings) set a record for the book "Gifts from the Mekong River - Discover 222 delicacies from pangasius" - the first book to synthesize and introduce a system of delicacies from pangasius, combining Asian - European - American culinary styles, with the largest number of dishes up to 222 dishes
- ▶ Honored with the Outstanding ASEAN Women Entrepreneurs Award by the ASEAN Women Entrepreneurs Network (AWEN)



## Mrs. Nguyen Ngo Vi Tam

### Board Member

Year of birth: **1979**

Qualifications: **Bachelor of Laws, MBA**

Years with Vinh Hoan: **19 years**

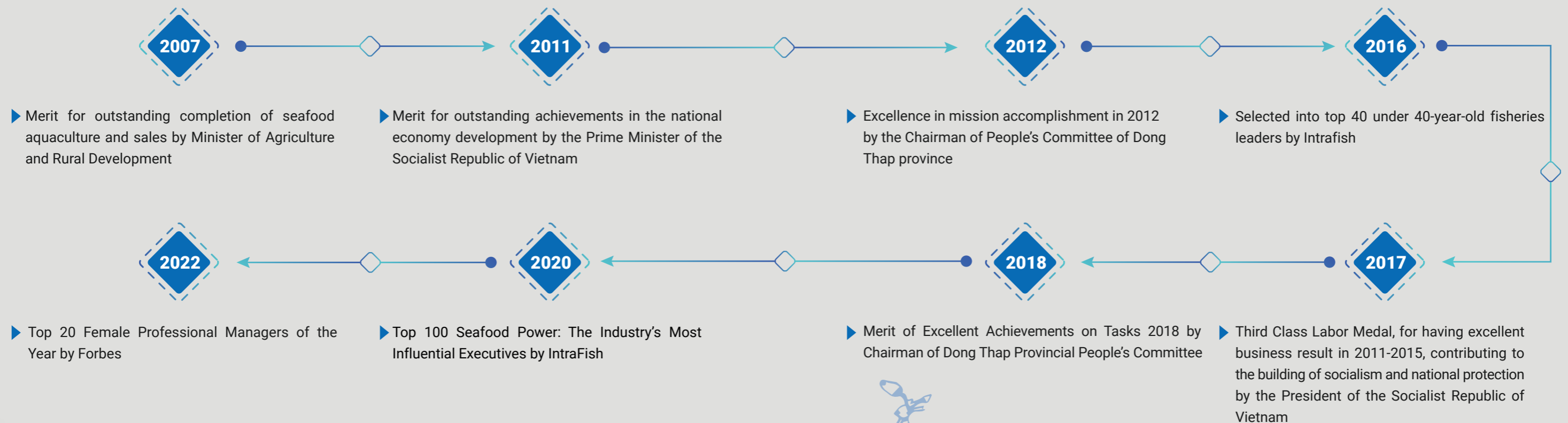
VHC shareholding ratio (as of **21 October 2022**): **0.12%**

**She has been a BOD member since 2007**

**Mrs. Nguyen Ngo Vi Tam** is the General Director of Vinh Hoan Company.

Started as a salesperson to a sales manager at Vinh Hoan, she possesses the qualities to be appointed General Director of Vinh Hoan in 2016. Mrs. Nguyen Ngo Vi Tam has led Vinh Hoan's sales team for over 11 years, developing and improving the scale and production capacity of Vinh Hoan. With her leadership, the export sales have recorded a fivefold increase. She also handles the anti-dumping case in the US, investor relations, and advises the Board of Directors on strategies for long-term development, and plays a key role in the implementation of these strategies.

She was awarded many merits and awards as below:





### **Mrs. Truong Tuyet Hoa**

#### **Board Member**

Year of birth: **1976**

Qualifications: **Bachelor of Economics, MBA**

Years with Vinh Hoan: **26 years**

VHC shareholding ratio (as of 21 October 2022 ): **0.00%**

**She has been a BOD member since 2015**



### **Mrs. Nguyen Thi Kim Dao**

#### **Board Member**

Year of birth: **1979**

Qualifications: **Bachelor of Accounting, MBA**

Working time at Vinh Hoan: **19 years**

VHC's shareholding ratio (as of 21 October 2022 ): **0.00%**

**She has been a BOD member since 2016**

Mrs. Hoa was appointed as Sales Manager in 2009 before being promoted to Sales Director in 2017.

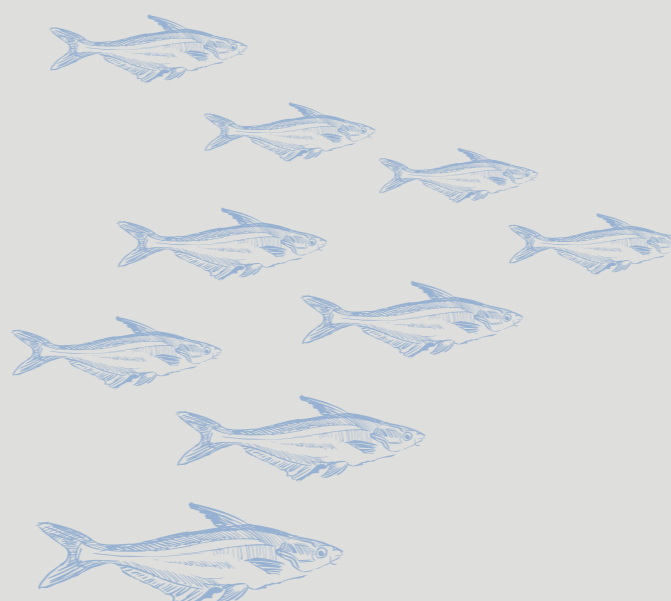
She was among the first key salesperson since the company's founding days. She started her career at Vinh Hoan from Sales working in the Import and Export documents department. From a very early on, she demonstrated the skills of a good salesperson with full of enthusiasm in business and the ability to analyze market trends. She plays an important role in planning and implementation of business plans and sales strategies of the Company as well as effective management of exports, logistics, and after-sale services.

She was awarded Merit of Outstanding Achievements in Aquaculture and Seafood Business by The Minister of Agriculture and Rural Development and Merit of Excellent Achievements by the Chairman of the People's Committee of Dong Thap Province.

Mrs. Nguyen Thi Kim Dao served as the Chief Accountant for 10 years before being appointed as the Chief Financial Officer in 2014.

She manages accounting and financial procedures for Vinh Hoan to ensure strict compliance, accuracy and truthfulness, and optimizing the capital efficiency for Vinh Hoan and its subsidiaries. Mrs. Dao also took part in the early phase of tackling the anti-dumping case in the US. In addition, she also advises the Board of Directors on many important financial strategies and cost management policies for the Company.

She was awarded Merit of Outstanding Achievements in the National Economy Development by the Prime Minister of the Socialist Republic of Vietnam, many merits of Outstanding Achievements in Aquaculture and Seafood Business by the Minister of Agriculture and Rural Development, and by the Chairman of People's Committee of Dong Thap Province.





### Mr. Nguyen Van Khanh

**Independent Board Member**

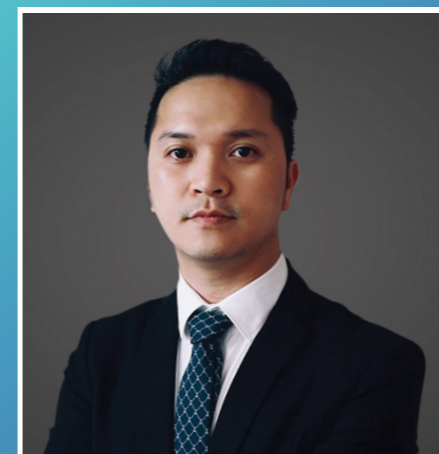
Year of Birth: **1982**

Qualifications: **Master of Economics, Bachelor of English**

Years with Vinh Hoan: **None**

VHC's shareholding ratio (as of 21 October 2022): **0.00%**

**Mr. Nguyen Van Khanh has served as Independent Board Member of Directors since 2020**



### Mr. Le Van Nhat

**Independent Board Member**

Year of Birth: **1990**

Qualifications: **Bachelor of Information Technology**

Years with Vinh Hoan: **None**

VHC's shareholding ratio (as of 21 October 2022): **0.00%**

**He is an independent member of the Board of Directors since 2022**

With his experience of 16 years working in the stock market, **Mr. Khanh** is considered a highly experienced expert in financial consultancy for domestic enterprises, joint ventures, and FDI enterprises.

He has carried out and operated many projects such as equitization and divestment projects for various enterprises, financial consulting projects, corporate restructuring projects, merger and acquisition (M&A) projects, securities issuance, and share listing projects.

With over 12 years of experience working in the fields of information technology consulting and digital transformation for both domestic and international businesses, **Mr. Nhat** is an expert with a wealth of knowledge.

He has overseen the direct implementation of numerous projects for Techcombank Securities' digital process transformation as well as BPM consultancy assignments for the Dutch Ministry of Labor, the Dutch Tax Administration, and the Dutch Minister of Transport.



4.1.2 ACTIVITIES OF THE BOARD OF DIRECTORS

Corporate governance is based on management principles that are transparent and open to employees and the public.

Vinh Hoan is committed to promote transparency and openness in management activities for the benefit of our members, our customers, and our related parties. Therefore, our governance is mostly in compliance with the guidance of the Ho Chi Minh City Stock Exchange related to corporate governance.

The Board of Directors takes all responsibilities for providing strategic directions to the Group’s business, including the parent company and its members.



THE MEMBERS OF THE BOARD OF DIRECTORS

As of 31 December 2022, the members of the Board of Directors are as follows:

BOD’s members	Year of Birth	Position	Day became a member of the BOD	For office term to	Remuneration in 2022 (VND)
Mdm. Truong Thi Le Khanh	1961	Chairwoman	Apr 17, 2007	2026	2,467,000,000
Mrs. Nguyen Ngo Vi Tam	1979	Member	Apr 17, 2007	2026	563,400,000
Mrs. Nguyen Thi Kim Dao	1979	Member	Oct 03, 2016	2026	563,400,000
Mrs. Truong Tuyet Hoa	1976	Member	May 08, 2015	2026	563,400,000
Mr. Vo Phu Duc (Dismissed on April 20, 2022)	1976	Member	May 09, 2012	–	146,700,000
Mr. Le Van Nhat (Appointed on April 20, 2022)	1990	Independent Member	April 20, 2022	2026	333,400,000
Mr. Nguyen Van Khanh	1982	Independent Member	May 15, 2020	2026	120,000,000

ALLOCATION OF TASKS WITHIN THE BOARD OF DIRECTORS

The General Meeting of Shareholders elected the BOD, thus assigning the Chairman of the BOD among its members. Each member shall take the same responsibility for performing the BOD’s functions.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The BOD is responsible for defining the strategic orientation for Vinh Hoan’s operation. The regulations for the BOD help define the division of responsibilities between the BOD and the Board of Management in the aspects of finance, Company strategies, human resources, and organization.

WORKING PRINCIPLES OF THE BOARD OF DIRECTORS

The BOD shall convene at a frequent interval according to production and business activities requirements at least four (04) times a year. In 2022, the BOD convened fourteen (14) meetings. In accordance with the rules, the General Director and the Chairman of the Board of Directors will attend these meetings in addition to, when needed, requesting the attendance of Executive Board members. A majority of votes is required for a decision to be valid. The Chairman of the Board of Directors will decide if there are exactly the same number of votes.



The BOD had official meetings in 2022 as follows:

BOD’s members	Position	Number of attendance	Percentage
Mdm. Truong Thi Le Khanh	Chairwoman	14/14	100%
Mrs. Nguyen Ngo Vi Tam	Member	14/14	100%
Mrs. Nguyen Thi Kim Dao	Member	14/14	100%
Mrs. Truong Tuyet Hoa	Member	14/14	100%
Mr. Vo Phu Duc (Dismissed on April 20, 2022)	Member	4/14	30.7%
Mr. Le Van Nhat (Appointed on April 20, 2022)	Independent Member	11/14	76.9%
Mr. Nguyen Van Khanh	Independent Member	14/14	100%

**The independent BOD member in 2022 made the assessment and concluded that:**



- Evaluate the performance of the Board of Directors in fully performing the representative function of the owners in supervising the operating activities of the Company, giving appropriate orientation and timely directing to ensure the effective use of resources power.
- The Board of Directors has worked closely with the Board of Management (BOM) to find solutions to remove difficulties and promote investment and development in production and business activities in 2022.

In general, the year 2022, despite being greatly affected by the Russia-Ukraine war and the Covid-19 epidemic, but with a high sense of responsibility, solidarity and cooperation in performing tasks honestly and carefully, the Board of Directors implemented drastic solutions in monitoring and directing the BOM to implement the resolutions of the General Meeting of Shareholders, the Resolutions of the Board of Directors and exceeded the business plan in 2022, ensuring benefits for the Company and shareholders.

In 2022, the Company has exceeded the annual business plan, the contents of the plan and targets have been implemented.

**Resolutions of the BOD for the year 2022:**

No.	Date	Resolutions
1	02/15/2022	Resolution on: Contributing capital at Thanh Ngoc Agriculture Food Co., Ltd.
2	03/07/2022	Finalizing the list of shareholders in order to attend the Annual General Meeting of Shareholders 2022.
3	03/21/2022	Deciding on: Change in personnel: Dismissing Mrs. Dang Thi Thuong from the position of Sustainable Development Director of Vinh Hoan Joint Stock Company from March 21, 2022, and appointing Mrs. Dang Thi Thuong as the Director, the legal representative of the company. at Thanh Ngoc Agriculture Food Co., Ltd. since March 21, 2022. Mrs. Phan Thi Kim Hoa was appointed as Sale Director of Vinh Wellness and Vinh Agri.
4	03/28/2022	Resolution on: Selling treasury shares of the Company.
5	04/22/2022	Resolution on: Establishment of a stock issuance committee under the ESOP 2022.
6	04/29/2022	Resolution on Approving the plan to sell treasury shares of the Company.
7	06/08/2022	Resolution on: Specific regulations for the issuance ESOP 2022.
8	07/04/2022	Resolution on: Increasing capital at Vinh Hoan Fish Hatchery Co., Ltd.
9	07/07/2022	Resolution on: Collecting written opinions of shareholders on time limit for transferring shares of employees participating in the ESOP 2022.
10	07/19/2022	Resolution on: Approving documents, date of collecting shareholders' written opinions.
11	08/15/2022	Resolution on: Capital Contribution at Feed One Company Ltd.
12	09/30/2022	Resolution on: Change in personnel: <ul style="list-style-type: none"> <li>► Dismissing Ms. Le Ngoc Tien from the position of Director of Strategy Division of Vinh Hoan Joint Stock Company since October 1, 2022, and Appointing Ms. Le Ngoc Tien as Managing Director and legal representative of Vinh Technology Pte Ltd since October 1, 2022.</li> <li>► Dismissing the legal representative of Vinh Technology Pte Ltd with Mrs. Phan Thi Kim Hoa since October 1, 2022.</li> </ul>
13	10/07/2022	Resolution on: Paying dividends in 2022
14	11/15/2022	Resolution on: Contributing capital at Thanh Ngoc Agriculture Food Co., Ltd.



## TOOLS OF INFORMATION AND SUPERVISION OF THE BOARD OF MANAGEMENT

### Tools of information management

The BOM shall send reports to the BOD regarding the key figures on the current business status and other important information related to the production and business activities of the Company. The Chairwoman of the Board regularly attends these meetings and provides directions for essential matters.



### The planning and goal setting process

Vinh Hoan has a planning and goal-setting process, including reports to the BOD. This will help fulfill Vinh Hoan's vision, mission, and strategic goals.

### Risk management

Vinh Hoan has implemented risk management to prevent material risks and minimize the losses arising from the aforementioned risks. Therefore, the Company operates a risk management system in which the BOD, the BOM, and the Internal Audit Department annually could identify and analyze the significant risks, determine measures for risk assessment and conduct suitable scenarios for risk prevention. Furthermore, once material risks are identified and potentially have adverse effects on the Company, we will accordingly set standard rules to eliminate or, at least, reduce the impact of these risks.



# 4.2

## THE BOARD OF MANAGEMENT

The Board of Management ("BOM") includes the General Director who has overall responsibility for managing the business and Directors who are charged with different functions and subsidiaries.

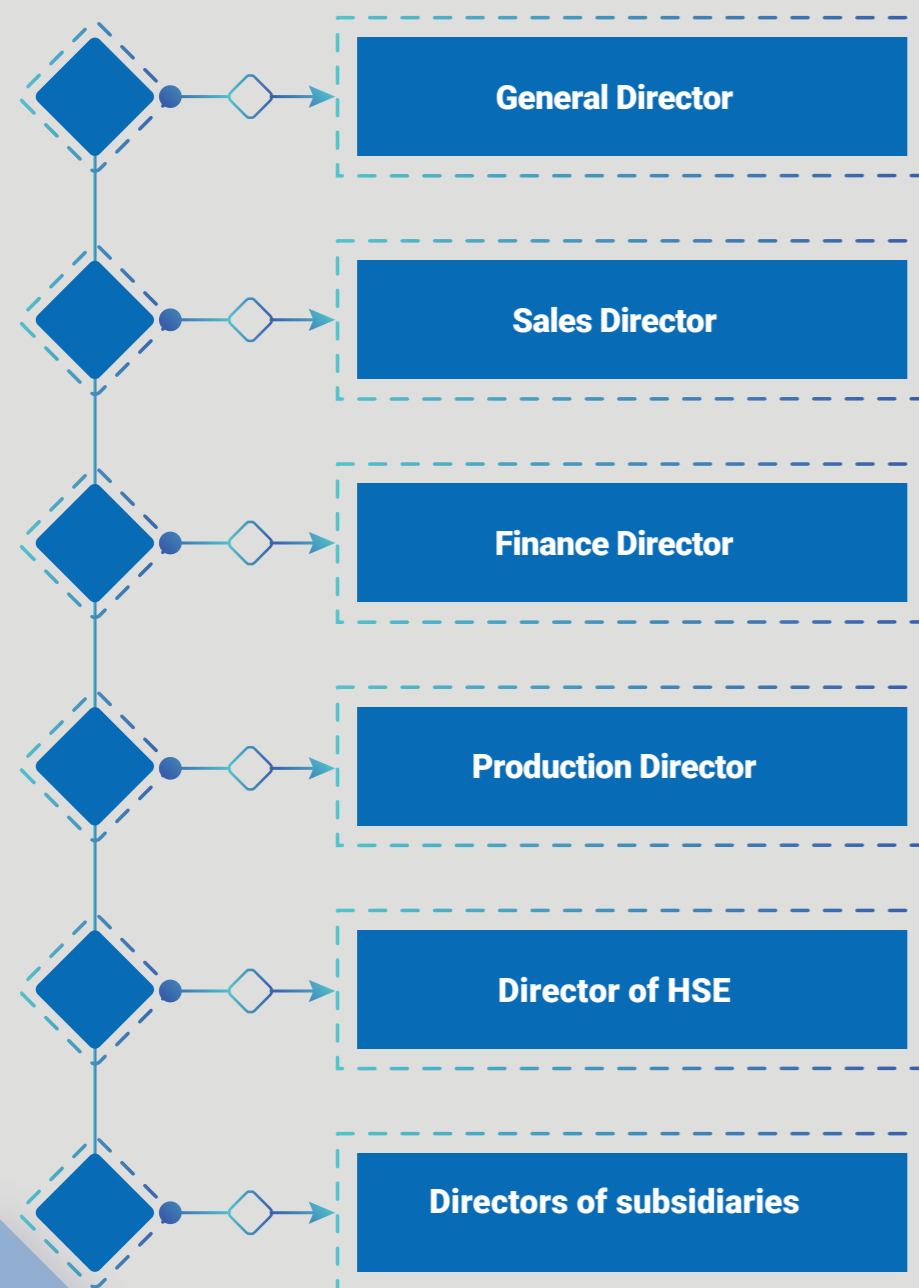
Changes in the BOM's personnel in 2022: **Yes**

The dismissal of Mrs. Phan Thi Kim Hoa – Director of Vinh Technology from **October 01, 2022**

The dismissal of Ms. Le Ngoc Tien – Chief Strategy Director from **October 01, 2022**

The appointment of Ms. Le Ngoc Tien – Director of Vinh Technology from **October 01, 2022**

The appointment of Mrs. Dang Thi Thuong – Director of Thanh Ngoc Agriculture Food Co., Ltd.



**MRS. NGUYEN NGO VI TAM**

**GENERAL DIRECTOR**



**MRS. TRUONG TUYET HOA**

**SALES DIRECTOR**



**MRS. NGUYEN THI KIM DAO**

**FINANCE DIRECTOR**



## MR. VO PHU DUC

**DIRECTOR OF VINH HOAN COLLAGEN ONE MEMBER LTD., CO.**

Year of birth: **1976**

Qualifications: **Bachelor in Construction Engineering**

Years with Vinh Hoan: **20 years**

VHC's shareholding ratio (as of 21 October 2022): **1.5%**



## MRS. HO THANH HUE

**PRODUCTION DIRECTOR**

Year of birth: **1982**

Qualifications: **Bachelor in Environmental Engineering**

Years with Vinh Hoan: **19 years**

Shareholding ratio (as of 21 October 2022): **0.04%**

**Mr. Vo Phu Duc** started working at Vinh Hoan in 2003 and has been constantly managing many projects to expand the production capacity of the company: from fillet processing to food manufacturing, rice, collagen, and gelatine.

From 2007 to 2013, he held the position of Director in Vinh Hoan 1 Aquacultural Feed Company. The Feed factory increased in revenue and contributed greatly to the parent company business during his time managing the company. After the divestiture of Vinh Hoan 1, Mr. Duc was appointed as the Director of Vinh Hoan Collagen on August 01, 2013. Under his management, the operation at Vinh Hoan Collagen was on schedule, as well as technical standards of the final products and production efficiency are also met. He also advises the Board of Directors in strategies related to technology development and innovations.

He was awarded Merit of Outstanding Achievements in the National Economy Development by the Prime Minister of the Socialist Republic of Vietnam, Merit of Excellent Achievements by the Chairman of People's Committee of Dong Thap Province, and Excellent Entrepreneur Award in Mekong Delta by the Vietnam Chamber of Commerce and Industry.

**Mrs. Ho Thanh Hue** joined Vinh Hoan as a Quality Control Department's staff, then was gradually appointed in positions of production management including Deputy Quality Manager in 2006 and Factory Deputy Manager in 2007.

From 2007 to 2009, she was appointed as Production Director Assistant before being promoted to Production Director in 2010. She is responsible for managing all production activities of the Company including the construction projects, repairs, planning, purchasing materials and organizes daily activities of the fish processing workshops. She has played an important role in the implementation process of the capacity expansion strategy in recent years to keep up with the sales growth and meet the ever increasing demand for product quality and productivity improvement.

She was awarded the Merit of Excellent Achievements by the Chairman of the People's Committee of Dong Thap Province.



## MR. HUYNH DUC TRUNG

**DIRECTOR OF HSE**

Year of birth: **1963**

Qualifications: **Bachelor in Food Process Engineering**

Years with Vinh Hoan: **23 years**

Shareholding ratio (as of 21 October 2022): **0.00%**



## MRS. PHAN THI BICH LIEN

**DIRECTOR OF THANH BINH DONG THAP ONE MEMBER LTD., CO.**

Year of birth: **1976**

Qualifications: **Bachelor in Aquaculture Engineering**

Years with Vinh Hoan: **23 years**

Shareholding ratio (as of 21 October 2022): **0.00%**

**Mr. Huynh Duc Trung** is one of the first employees of Vinh Hoan since its establishment. He played a key role in the construction and production management of the very first factories.

He was appointed as Deputy Managing Director in-charge of production and aquaculture for 13 years before being appointed as HSE Director responsible for land documentation for new farming projects, establishment, and management of processes and activities related to the environment, labor union, security, safety of the workshops and labor safety in the Company.

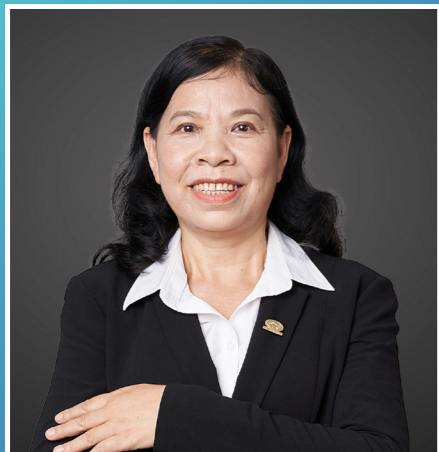
He was awarded the Labor Medal Class III by the President of the Socialist Republic of Vietnam and many other merits of outstanding achievements in the national economy development and medal for agriculture and rural development.

**Mrs. Lien** is one of the key production management personnel of Vinh Hoan. She had been in charge of multiple positions, including the Director of Freezing Workshop, Production Director, and Purchasing Manager.

With her working experience and in-depth understanding of production processes, she was appointed as Director of Thanh Binh Dong Thap One Member Ltd., Co. when Vinh Hoan acquired this company in early 2017. Overcoming the initial difficulties in taking over the new company, Mrs. Lien led Thanh Binh Dong Thap to increase productivity and efficiency, greatly contributing to the completion of Vinh Hoan's production plan.

She was awarded Merit of Excellent Achievements in Seafood Farming and Trading by the Minister of Agriculture and Rural Development and Merit of Excellent Performance by the Chairman of the People's Committee of Dong Thap province.





## MRS. LE THI SAU

**DIRECTOR OF VINH PHUOC FOOD CO., LTD.**

Year of birth: **1966**

Qualifications: **Bachelor in Food Chemistry Engineering,  
Bachelor of Economics**

Years with Vinh Hoan: **23 years**

Shareholding ratio (as of 21 October 2022): **0.01%**

**Mrs. Sau** has many experiences in production management in Vinh Hoan and its subsidiaries. In quarter 4 of 2018.

With the trust of the BOD, she was appointed Director of Vinh Phuoc Food Company Limited, responsible for strategic planning and management of investment and production activities, contributing to lead Vinh Phuoc Food into stable operation.

She was awarded the Medal for Agriculture and Rural Development by the Minister of Agriculture and Rural Development and Merit of Excellent Achievement by the Chairman of the People's Committee of Dong Thap Province.



## MS. LE NGOC TIEN

**DIRECTOR OF VINH TECHNOLOGY**

Year of birth: **1998**

Qualifications: **Bachelor of Financial Accounting**

Years with Vinh Hoan: **1 year**

Shareholding ratio (as of 21 October 2022): **0.00%**

She has held the position of Director of Strategy Division since the beginning of the fourth quarter of 2021.

Before joining Vinh Hoan, **Ms. Tien** worked in a multinational company with Asia headquarters in Singapore. In Vinh Hoan, she is in charge of digital transformation strategy planning, as well as managing investment activities of Vinh Technology, contributing to Vinh Hoan's focus on technological development and scientific technology.



### MRS. LAM MAU DIEP

**FEED ONE CO., LTD**

Year of birth: 1981

Qualifications: **Bachelor of Accounting**

Years with Vinh Hoan: **11 years**

Shareholding ratio (as of 21 October 2022): 4.45%



### MRS. DANG THI THUONG

**DIRECTOR OF THANH NGOC AGRICULTURE FOOD CO.,LTD.**

Year of birth: 1987

Qualifications: **Master of Biology**

Years with Vinh Hoan: **13 years**

Shareholding ratio (as of 21 October 2022): 0.00%

She has been the Director of Feed One Co., Ltd. since November 2021.

**Mrs. Diep** has more than 12 years of experience in the food industry. From November 2021, she was appointed by the Board of Directors to the position of Director of the newly established Feed One Co., Ltd. She is responsible for strategic planning and management of investment and production activities and contributes to the company's stable operation

**Mrs. Dang Thi Thuong** started working for Vinh Hoan in 2010. She was responsible for the farms' certification activities before being appointed as Director of Aquaculture and Director of Sustainability in 2014 and 2017.

She has led multiple successful implementations of the international aquaculture certification programs for the Company, typically ASC and BAP, contributing to the development of revenue and promotion of Vinh Hoan brand over the years. As the Company positioned itself as a leading company in global sustainable aquaculture, Mrs. Thuong continues to play a vital role in Company's strategy heading towards 100% farms being certified by 2020. She also represents the Company in the research and development projects in the field of domestic and international aquaculture.

She was awarded Merit of Excellent Achievements by the Chairman of the People's Committee of Dong Thap Province.

## 4.3 THE SUPERVISORY BOARD

### 4.3.1 introduction to the supervisory board

The Annual Shareholders Meeting 2022 elected the Supervisory Board for the office term 2022 - 2026 as follows:

Mrs. Nguyen Thi Cam Van – Head of the Supervisory Board

Mr. Nguyen Quang Vinh – Member of the Supervisory Board

Mrs. Phan Thi Kim Hoa – Member of the Supervisory Board



#### MRS. NGUYEN THI CAM VAN

**Head of the Supervisory Board**

Year of Birth: **1986**

Qualifications: **Bachelor of Economics; CFA**

**Mrs. Van is also an Investment Director of BW Industrial Development Joint Stock Company**

Shareholding ratio (as of 21 October 2022): **0.00%**

With many years of experience in financial advisory and auditing at KPMG Vietnam and in investment and financial management at REFICO Real Estate Development Group, BW Industrial Development Joint Stock Company, Mrs. Van plays a key role in planning strategies and action plans for the Supervisory Board in 2022.



#### MR. NGUYEN QUANG VINH

**Member of the Supervisory Board**

Year of Birth: **1979**

Qualifications: **Bachelor of Economics**

Shareholding ratio (as of 21 October 2022): **0.00%**

**Mr. Vinh** is currently a Deputy Production Director at Vinh Hoan Corporation.

Mr. Vinh has over 12 years of experience in production planning at Vinh Hoan's subsidiaries and over 5 years of experience in farming at the Company. With a deep knowledge of production and farming, he plays an important role in contributing technical opinions so that the control plans are close to the reality of the Company.



#### MRS. PHAN THI KIM HOA

**Member of the Supervisory Board**

Year of Birth: **1988**

Qualifications: **MBA**

Shareholding ratio (as of 21 October 2022): **0.00%**

**Mrs. Hoa** was the Legal Representative of Vinh Technology Company Limited until October 01, 2022

Mrs. Hoa has over 11 years of experience working in the Sales Department of Vinh Hoan.

4.3.2 ACTIVITIES OF THE SUPERVISORY BOARD

The meetings of the Supervisory Board in 2022:

Member of Supervisory Board	Position	Number of attendances	Percentage
Mrs. Nguyen Thi Cam Van	Head of the Supervisory Board	07/07	100%
Mr. Nguyen Quang Vinh	Member	07/07	100%
Mrs. Phan Thi Kim Hoa	Member	07/07	100%

Thù lao của Ban Kiểm Soát trong năm 2022:

Member of Supervisory Board	Position	Remuneration in 2022 (VND)
Mrs. Nguyen Thi Cam Van	Head of the Supervisory Board	240,000,000
Mr. Nguyen Quang Vinh	Member	203,400,000
Mrs. Phan Thi Kim Hoa	Member	240,000,000

SUPERVISORY ACTIVITIES OF THE SUPERVISORY BOARD TO THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT

- ▶ Monitored implementation progress of the plans outlined in the Resolution of Annual General Meeting of Shareholders.
- ▶ Attended quarterly and irregular meetings of BOD to promptly grasp issues arising in production and business processes.
- ▶ Directed activities of the Internal Audit Department;
- ▶ Reviewed internal control procedures of key departments, and proposed for improvement (if any).



COORDINATION BETWEEN THE ACTIVITIES OF THE SUPERVISORY BOARD AND THE ACTIVITIES OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND MANAGEMENT

- ▶ Commented on issues that have arisen in the meeting with the BOD and BOM.
- ▶ Commented on shortcomings in the internal control procedures of the departments.
- ▶ The Supervisory Board coordinated closely and regularly with BOD and BOM in supervising and improving the efficiency of activities at the Company.
- ▶ The Supervisory Board assessed the management and execution activities of BOD and BOM who had been implemented effectively and prudently by following the strategies and objectives set by the General Meeting of Shareholders as well as complying with relevant provisions of the Law.

OTHER ACTIVITIES OF THE SUPERVISORY BOARD

- ▶ Trained internally on review methods on common type of contracts in business activities.
- ▶ Trained internally on financial statement analysis.
- ▶ Participated in year-end inventory counting observation.

The Supervisory Board collaborated with the Board of Directors and the Executive Board to support the Company's commercial and production endeavors in 2022, and it accomplished the goals it had set with a strong sense of accountability and integrity, encouraging the Company to outperform the yearly business plan.

ACTION PLAN FOR 2023

- ▶ Perform auditing and controlling according to the functions and tasks.
- ▶ Concentrate on performing auditing and controlling the Company's business, production, finance and investment activities.
- ▶ Monitor the implementation of the Resolution of General Meeting of Shareholders 2023 of the BOD, BOM;
- ▶ Focus on material risks identified in 2022.
- ▶ Periodic review of the compliance and effectiveness of internal processes
- ▶ Internal training.
- ▶ Other activities as requested by shareholders.



# ENVIRONMENT AND SOCIAL RESPONSIBILITIES

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5.1 >> Environment

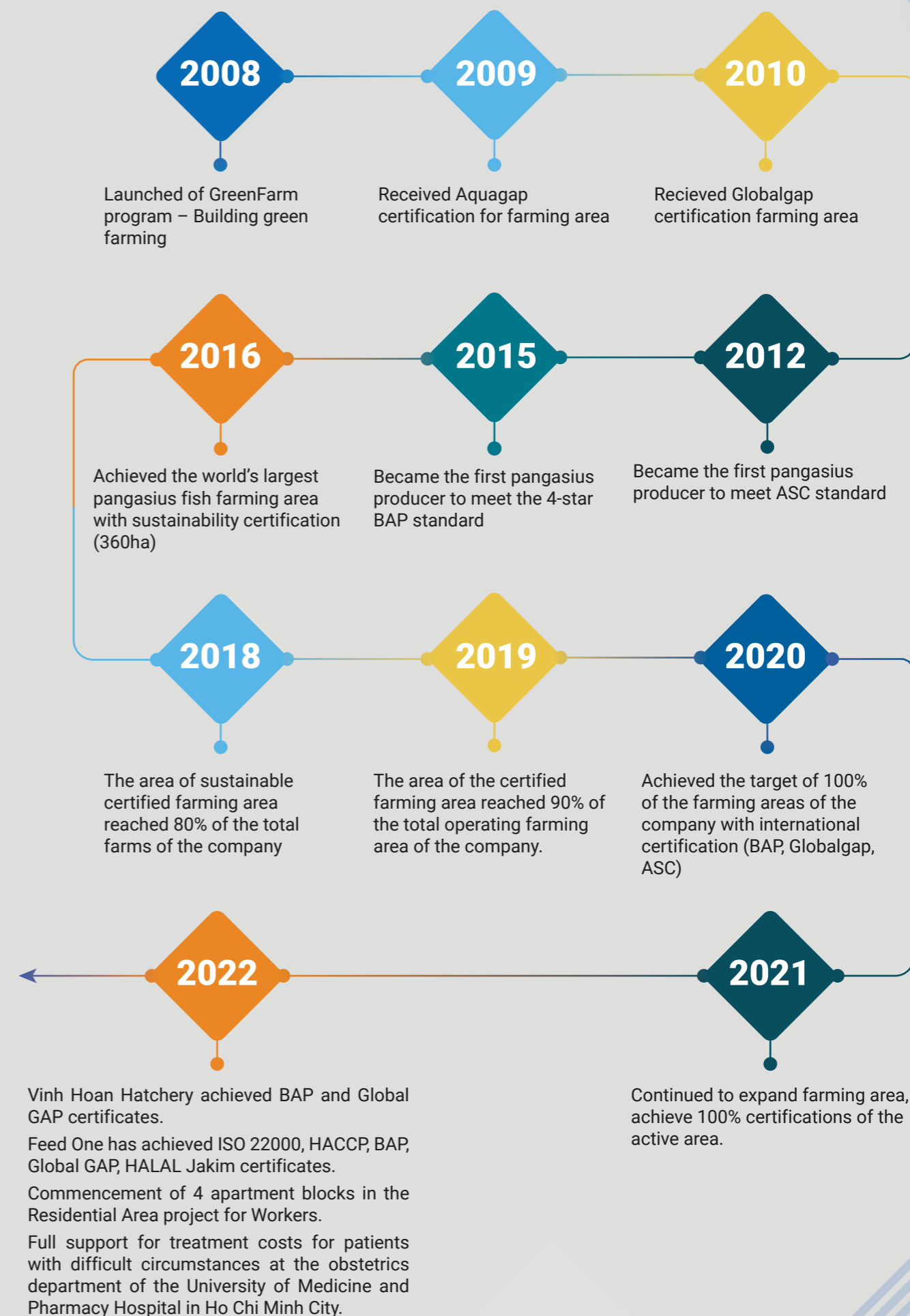
5.2 >> Labor and Social Responsibilities

05

## 5.1 ENVIRONMENT

### SUSTAINABLE DEVELOPMENT JOURNEY

Up to now, Vinh Hoan has reached the milestone of 25 years of operation and has continuously maintained its leading position in the industry for nearly 15 years. The Company has made remarkable progress in the business thanks to its continuous expansion activities in farming, processing, and export capacities and investment in the development of products in the entire chain of production. Vinh Hoan orients the development path according to the circular economic model strategy to help optimize the value chain, reduce waste to the environment, and create valuable products from by-products, waste. Looking back on Vinh Hoan's development journey, this path has always been associated with environmentally friendly production activities and community benefits.



RESOURCES FOR OPERATIONS:

- ▶ Implement eco-friendly technologies to ensure 100% compliance with ISO 14001.
- ▶ Implement emission reduction programs at the company.
- ▶ Establishment of Science and Technology Development Fund.
- ▶ The improvement department comes into operation to help recognize contributions, promptly implement innovative ideas, and promote continuous improvement programs in production.



PRODUCTION:

IMPROVE OPERATIONAL EFFICIENCY

- ▶ Vinh Hoan converted to only using surface water.
- ▶ Reduce water use and reduce water discharge into the environment.
- ▶ Reduced electricity consumption compared to the same period last year when improving the cooling system, intelligent lighting system.
- ▶ Applying automated machine technology, helps increase productivity, working time.
- ▶ Vinh Hoan has always focused on converting environmentally friendly technologies to reduce greenhouse gas emissions, such as converting refrigeration systems from R22 to NH3, and converting hot water heating systems from DO oil to use the boiler's excess heat.
- ▶ Always comply with industry regulations.



AQUACULTURE:

IMPROVE COSTS AND INCREASE FARMING EFFICIENCY

- ▶ Develop a sustainability certification program that reaches 100% of active regions.
- ▶ Always comply with industry regulations.
- ▶ The application of high technology in farming activities helps increase farming efficiency, reduce the impact on the cultivated environment, thereby minimizing the effects of climate change.
- ▶ Participate in collaborative research projects in the development of the industry.
- ▶ Participate in projects on animal welfare with customers.



- ▶ Apply vaccines in fish rearing to limit diseases and minimize the use of antibiotics in the farming stage.
- ▶ As the company recognizes the importance of environmental protection, all of our farming areas utilize water treatment before discharging.
- ▶ In every three years, farms that are ASC certified, will be assessed and advised on the environmental and social life impact of the farming area to the surrounding community to determine whether or not any negative activities occur.

## 5.2

# LABOR AND SOCIAL RESPONSIBILITIES

## SUSTAINABLE HUMAN RESOURCES

One of the Company's most precious assets human resources, has undoubtedly contributed to Vinh Hoan's successes over the past 25 years.

Understanding the significance and expressing gratitude, which are the foundations of Vinh Hoan's core values, we constantly work to create a fair and equal working environment; maintaining a culture of openness and honest behavior and creating conducive conditions for employees to connect, share, and contribute to the collective development together.



Vinh Hoan is a manufacturing business that employs almost up to 10,000 people as of December 31, 2022. Our workforce is becoming more qualified and skilled. In addition, the Company successfully implemented and met high standards set by international organizations including BSCI, BAP, GRASP (Global GAP), ASC, Sedex, BSCI...

As such, our company is able to export goods to important markets with strict employee policy requirements, such as the US, Europe, etc.

## I. COLLECTIVE WEALTH:

“With the motto "Employees are invaluable assets," the Board of Directors and the Board of Management have carried out activities to care for the lives of employees through a variety of practical programs, as follows: ”

- ▶ All of Vinh Hoan employees are signed with labor contracts, fully participating in social insurance, health insurance, and unemployment insurance benefits, and be assigned jobs based on their respective expertise and ability. We do not apply force or involuntary labor towards our workers.
- ▶ The average income of our employees is getting better and better.



▶ Regarding working conditions, occupational safety, and health (OSH), our employees are trained in occupational safety and health (OSH), guided through the work process before beginning their work, and are provided with labor protection supplies on a regular basis. Periodical health checks every 6 months are also organized, as is occupational health check for employees.

▶ The company regularly organizes specialized training courses to improve professionalism, trainings to foster corporate culture within Vinh Hoan, and professional training for employees, thereby building a solid team of employees, who have good moral qualities and dedicated to the profession, responsible, and have professional qualifications to meet the requirements of production and business tasks of the company.

“ Vinh Hoan's Board of Directors is always concerned about employee welfare regimes; therefore there are many policies in place to care for employees in order to encourage the working spirit and create cohesion between employees and the Company.”

- ▶ Always maintain the annual 13th-month salary and bonus for employees.
- ▶ Implement the Lunar New Year bonus for employees with the bonus level according to the company's production and business results in the calendar year.
- ▶ Maintain bonuses for Liberation Day, Independence Day, and New Year and the bonus for employees with outstanding achievements in achieving the assigned work goals.
- ▶ Give Lunar New Year gifts at the end of the year to employees with the hope that they can enjoy the new year with their families.
- ▶ Give Lunar New Year's lucky money to all employees who return to the company on the first day of the new year.
- ▶ Reimburse gas and car rental for employees who live far away to work at the Company.
- ▶ Give birthday gifts in kind to employees.
- ▶ Participate in purchasing a comprehensive health care insurance package for managers in the company.



- ▶ Cooperate with the Union to organize visits and promptly give regular gifts to employees and Trade Union members who are sick.
- ▶ Maintain policies to also care for women employees such as:
  - Assisting women employees with work incentives and benefits after their paternity leave.
  - Supporting child care costs (children under 6 years old)
- On the occasion of International Women's Day, March 8th, and Vietnam Women's Day, October 20th, the company holds a flower arrangement competition and provides gifts to female employees.
- ▶ Care for employees' children and their parents through the following activities:
  - Giving gifts and organizing entertainment programs for the children on the occasion of International Children's Day (June 1) as well as the annual Mid-Autumn Festival.
  - Distributing prizes and giving gifts to 551 students with excellent academic results in the 2021 – 2022 school year totaling 290 million VND.

- ▶ Appreciation program on the day of Vu Lan Festival (mid-July of the lunar calendar every year) and sends gifts to employees' parents.
- ▶ Take care of the spiritual life of employees: The company organizes cultural and musical events, sports and wellness programs such as football, volleyball, and badminton... and organizes team building for employees to create a comfortable spirit, build a friendly working environment, connect and share among members of the company.



### The Trade Union at the Company also actively takes care of the life of employees facing difficult circumstances such as:

- ▶ Encouraging and raising awareness by supporting house construction in the program "Union Shelter" for workers with housing and financial difficulties. Through this program, we have supported the construction of three new houses in 2022, and 1 repaired and renovated house. The total of this program in 2022 is 150 million VND.
- ▶ Every year, the Trade Union organizes scholarships for children of employees who have excelled academically, celebrates the Mid-Autumn Festival, and holds a Mid-Autumn Festival lantern-making contest for the children of Company employees.



- ▶ The company also has a small football field so that workers can play sports after their day of hard work, where they can play friendly matches and maintain their fitness.
- ▶ The company also builds a relaxing space, a modern coffee space for internal use by employees throughout the company.
- ▶ In order to promote the working spirit of the labor force and foster well-being, the Company's Board of Directors organizes domestic and international sightseeing tours for all employees according to the annual program.

- ▶ To commemorate the 25th anniversary of Vinh Hoan Corporation, the company organizes a painting contest with the theme "My family and Vinh Hoan's family" in 2022.
- ▶ Every year near the Lunar New Year, the Trade Union organizes the distribution of gifts to all union members in the company. To commemorate the Lunar New Year, hundreds of special gifts were given to trade union members with difficult circumstances.

## II. Implementation of social responsibilities.

- ▶ Vinh Hoan always adheres to and well abides by tax and customs laws, and contributes to the state budget accordingly. The Ministry of Finance and the People's Committee of Dong Thap Province awarded the company with the Certificate of Merit for tax declaration.
- ▶ For all employees, the company always implements comprehensive health insurance, social insurance, and unemployment insurance policies.
- ▶ Ensure full salary payment in accordance with the agreement for our employees, as well as allowances.



- ▶ Comply with and effectively implement legal production and business requirements.
- ▶ The company always adheres to environmental protection in production and business activities, ensuring compliance with current environmental laws such as:
  - Invest in the wastewater treatment system to ensure discharge operation in accordance with current regulations.

## III. Implementation of social security work, and charity activities.

In addition to production and business activities, Vinh Hoan actively participates in implementing social security activities, contributing to the community such as:

- ▶ The company contributed 1 billion VND to the Association of People with Disabilities, Victims of Agent Orange/DIOXIN, and Poor Patients of Dong Thap Province in 2022.

- Gifting more than 3,000 health insurance cards to poor and near-poor households in districts and towns in Dong Thap province.
- Donating more than 300 wheelchairs and hand steering wheelchairs to people with disabilities.
- Donating money to support victims of Agent Orange/DIOXIN, victims affected by Agent Orange/Dioxin exposure.
- Supporting financially for heart surgery program for the underprivileged in Dong Thap Province.
- Supported 1 billion VND in order to pay hospital fees for poor patients at Dong Thap Provincial General Hospital.



- ▶ The company donated 1 billion VND to the Nguyen Sinh Sac Education fund and the Dong Thap Province's Fund for Poor Children in order to carry out the following activities:

- Awarding scholarships "Academic Role Models" to underprivileged and studious students on a monthly basis throughout the year, each worth 10 million VND.
- Contributing financial support to provide bookshelves throughout Dong Thap province.
- Awarding "Nursing dreams" scholarships to students in difficult circumstances overcoming difficulties to study well in high schools throughout Dong Thap province, each being worth 5 million VND.

► Collaborated with the Dong Thap Province's Youth Union to organize the Mid-Autumn Festival program in 2022, and the Company distributed 20 savings books to children whose families were affected by the Covid-19 Pandemic; the total budget was more than 100 million VND.

► In collaboration with business partner, the Company organized the distribution of 100 bicycles to Cao Lanh City and Cao Lanh District's middle and high school students.



► Donated one ambulance to the Cho Lach District General Hospital in Ben Tre Province (more than 1 billion VND).

► Gave gifts to underprivileged, lonely seniors, children with disabilities, and orphans on the occasion of the upcoming New Year. Each gift is equivalent to 500,000 VND.

► Delivered gifts, cared for military families, honored heroic Vietnamese mothers in the province of Dong Thap during occasions such as the Vu Lan Festival, and the Lunar New Year.

► On the full moon day of the seventh lunar month, the company works with localities and temples in Dong Thap province to provide more than 1,000 gifts (rice, noodles, and cash) to the underprivileged. The program's overall budget is more than 500 million VND.

► Assisted communities in the creation of new rural areas as below:

► The company is determined to maintain stable and effective production and business activities, thereby contributing to the creation of jobs for nearly 4,000 local workers and providing them with a stable income to support their families and increase their source of company.

► Throughout the year, the company prioritizes recruiting workers in Dong Thap in order to contribute to the provision of jobs for the people and the socioeconomic development of the community.

► Working together with businesses in Emulation Block 10A, the Company contributed to the construction of a house of compassion for poor workers employed at Block 10A enterprises, thereby contributing to the gradual reduction of temporary housing in the area of Dong Thap.

► Collaborated with the medical team from Ho Chi Minh City and Kim Cang Pagoda in Thu Thua district, Long An Province, as well as leaders of the Dong Thap Province's health sector and the Red Cross Associations of districts in Dong Thap Province; The Company founded and fully the eye surgery program called "Light of Dream" to bring lights to patients with cataracts, and other vision problems as well as Sponsorship program for poor people in rural areas of districts in Dong Thap Province who cannot afford to go to the hospital for surgery to treat eye diseases. Between 2016 and 2022, the program completed 4,300 cases with a total budget of more than 4.3 billion VND. The eye surgery program "Light of Dream" will be continued by the Company and the next the milestone is to reach 10,000 cases in the near future.

“The company is committed to implementing a comprehensive policy for employees, including wage, ethics, and a code of conduct in business, as well as equal professional opportunities.”



# CONSOLIDATED FS FOR THE YEAR ENDED 31 DECEMBER 2022

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- 6.2 Statement of the Board of Management
- 6.3 Independent auditor's report
- 6.4 Consolidated balance sheet
- 6.5 Consolidated income statement
- 6.6 Consolidated cash flow statement
- 6.7 Notes to the consolidated financial statements

06



## 6.1 CORPORATE INFORMATION

### ENTERPRISE REGISTRATION CERTIFICATE

No. 1400112623 dated 17 April 2007 was initially issued by the Department of Planning and Investment of Dong Thap Province with the latest amendment dated 5 July 2022.

### BOARD OF DIRECTORS

Mrs. Truong Thi Le Khanh	Chairwoman
Mrs. Nguyen Ngo Vi Tam	Member
Ms. Truong Tuyet Hoa	Member
Ms. Nguyen Thi Kim Dao	Member
Mr. Nguyen Van Khanh	Member
Mr. Le Van Nhat	Member (from 20 April 2022)
Mr. Vo Phu Duc	Member (until 20 April 2022)

### BOARD OF SUPERVISION

Mrs. Nguyen Thi Cam Van	Head
Mr. Nguyen Quang Vinh	Member
Mrs. Phan Thi Kim Hoa	Member

### BOARD OF MANAGEMENT

Ms. Nguyen Ngo Vi Tam	Chief Executive Officer
Mr. Huynh Duc Trung	Head of Health and Safety
Ms. Nguyen Thi Kim Dao	Chief Financial Officer
Ms. Ho Thanh Hue	Head of Production
Ms. Truong Tuyet Hoa	Head of Sales - Seafood
Ms. Le Ngoc Tien	Chief Strategy Officer (until 1 October 2022)
Ms. Dang Thi Thuong	Head of Sustainability (until 21 March 2022)
Ms. Phan Thi Kim Hoa	Head of Sales - Wellness and Agriculture (until 21 March 2022)

### LEGAL REPRESENTATIVE

Mrs. Truong Thi Le Khanh	Chairwoman
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### REGISTERED OFFICE

National Highway 30, Ward 11, Cao Lanh City, Dong Thap Province, Vietnam

### AUDITOR

PwC (Vietnam) Limited

## 6.2 STATEMENT OF THE BOARD OF MANAGEMENT

### STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of Vinh Hoan Corporation ("the Company") is responsible for preparing consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and the results of its consolidated operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going-concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and error.

### APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 5 to 52 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



Truong Thi Le Khanh  
Chairwoman  
Legal Representative

Dong Thap Province, SR Vietnam  
30 March 2023



## INDEPENDENT AUDITOR'S REPORT



### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VINH HOAN CORPORATION

We have audited the accompanying consolidated financial statements of Vinh Hoan Corporation ("the Company") and its subsidiaries (together, "the Group") which were prepared on 31 December 2022 and approved by the Board of Management on 30 March 2023. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2022, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 52.

### RESPONSIBILITY OF THE BOARD OF MANAGEMENT

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements; and for such internal control which the Board of Management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### AUDITOR'S OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, consolidated the financial position of the Group as at 31 December 2022, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

### OTHER MATTER

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

### For and on behalf of PwC (Vietnam) Limited



#### Pham Thai Hung

Pham Thai Hung  
Audit Practising Licence No.  
Authorised signatory

#### Tran Thi Cam Tu

Audit Practising Licence No.  
2713-2023-006-1

Report reference number: HCM13596  
Ho Chi Minh City, 30 March 2023



## 6.4 CONSOLIDATED BALANCE SHEET

As at 31 December

Code	ASSETS	Note	2022 (VND)	2021 (VND)
<b>100</b>	<b>CURRENT ASSETS</b>		<b>7,640,362,198,885</b>	<b>5,542,588,932,391</b>
110	Cash and cash equivalents	3	553,169,450,129	195,219,000,716
111	Cash		547,926,416,529	156,564,000,716
112	Cash equivalents		5,243,033,600	38,655,000,000
<b>120</b>	<b>Short-term investments</b>		<b>1,767,893,738,828</b>	<b>1,271,745,955,341</b>
121	Trading securities	4(a)	179,319,459,356	79,896,536,481
122	Provision for diminution in value of trading securities	4(a)	(76,598,519,158)	–
123	Investments held-to-maturity	4(b)	1,665,172,798,630	1,191,849,418,860
<b>130</b>	<b>Short-term receivables</b>		<b>2,329,996,350,480</b>	<b>2,132,101,053,721</b>
131	Short-term trade accounts receivable	5	2,122,108,318,405	1,930,166,593,018
132	Short-term prepayments to suppliers	6	75,607,605,215	149,295,543,737
136	Other short-term receivables	7	138,604,670,779	56,608,800,917
137	Provision for doubtful debts – short term		(6,324,180,919)	(3,969,883,951)
<b>140</b>	<b>Inventories</b>	8	<b>2,817,541,576,840</b>	<b>1,793,087,467,337</b>
141	Inventories		3,213,870,934,143	1,880,088,835,576
149	Provision for decline in value of inventories		(396,329,357,303)	(87,001,368,239)
<b>150</b>	<b>Other current assets</b>		<b>171,761,082,608</b>	<b>150,435,455,276</b>
151	Short-term prepaid expenses		13,852,226,222	9,457,859,044
152	Value added tax ("VAT") to be reclaimed		156,726,180,072	140,977,596,232
153	Tax and other receivables from the State		1,182,676,314	–
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>3,942,927,504,034</b>	<b>3,195,038,089,541</b>
210	Long-term receivables		2,854,856,075	2,367,400,875
216	Other long-term receivables		2,854,856,075	2,367,400,875
<b>220</b>	<b>Fixed assets</b>		<b>2,823,506,405,053</b>	<b>2,066,688,835,574</b>
221	Tangible fixed assets	10(a)	2,522,138,127,539	1,773,880,955,155
222	Historical cost		4,218,094,974,379	3,240,456,824,990
223	Accumulated depreciation		(1,695,956,846,840)	(1,466,575,869,835)
227	Intangible fixed assets	10(b)	301,368,277,514	292,807,880,419
228	Historical cost		348,486,485,342	328,636,165,750
229	Accumulated amortisation		(47,118,207,828)	(35,828,285,331)
<b>240</b>	<b>Long-term assets in progress</b>		<b>565,780,626,128</b>	<b>561,046,843,032</b>
242	Construction in progress	11	565,780,626,128	561,046,843,032
<b>250</b>	<b>Long-term investments</b>		<b>66,442,257,667</b>	<b>66,219,741,730</b>
252	Investments in associates	4(c)	10,499,827,689	10,277,311,752
253	Investments in other entities		5,942,429,978	5,942,429,978
255	Investments held-to-maturity	4(b)	50,000,000,000	50,000,000,000
<b>260</b>	<b>Other long-term assets</b>		<b>484,343,359,111</b>	<b>498,715,268,330</b>
261	Long-term prepaid expenses	9	221,285,820,282	199,483,517,769
262	Deferred income tax assets	19(a)	2,467,879,995	3,525,412,060
269	Goodwill	12	260,589,658,834	295,706,338,501
<b>270</b>	<b>TOTAL ASSETS</b>		<b>11,583,289,702,919</b>	<b>8,737,627,021,932</b>

As at 31 December

Code	RESOURCES	Note	2022 (VND)	2021 (VND)
<b>300</b>	<b>LIABILITIES</b>		<b>3,888,901,503,932</b>	<b>2,853,677,750,684</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>3,698,134,021,801</b>	<b>2,680,066,010,105</b>
311	Short-term trade accounts payable	13	447,799,962,296	339,620,207,049
312	Short-term advances from customers		22,850,420,951	38,106,418,275
313	Tax and other payables to the State	14	281,305,798,482	50,155,194,192
314	Payables to employees	15	572,450,013,706	265,182,888,348
315	Short-term accrued expenses		32,381,020,015	27,789,854,921
319	Other short-term payables	16	92,763,161,053	161,749,444,044
320	Short-term borrowings	17(a)	2,213,546,608,238	1,735,010,180,545
322	Bonus and welfare funds	20	35,037,037,060	62,451,822,731
<b>330</b>	<b>Long-term liabilities</b>		<b>190,767,482,131</b>	<b>173,611,740,579</b>
337	Other long-term payables		–	30,000,000
338	Long-term borrowings	17(b)	174,909,254,819	156,425,010,023
341	Deferred income tax liabilities	19(b)	5,983,734,121	630,783,350
342	Provision for long-term liabilities	18	9,531,036,416	10,088,990,024
343	Fund for scientific and technological development		343,456,775	6,436,957,182
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>7,694,388,198,987</b>	<b>5,883,949,271,248</b>
<b>410</b>	<b>Capital and reserves</b>		<b>7,694,388,198,987</b>	<b>5,883,949,271,248</b>
411	Owners' capital	21, 22	1,833,769,560,000	1,833,769,560,000
411a	- Ordinary shares with voting rights		1,833,769,560,000	1,833,769,560,000
412	Share premium	22	263,561,289,678	223,774,789,900
415	Treasury shares	22	–	(114,215,880,222)
417	Foreign exchange differences	22	197,824,481	(72,750,100)
421	Undistributed earnings	22	5,425,873,335,830	3,838,331,619,521
421a	- Undistributed post-tax profits of previous years		3,451,577,707,521	2,864,520,110,202
421b	- Post-tax profits of current year		1,974,295,628,309	973,811,509,319
429	Non-controlling interests		170,986,188,998	102,361,932,149
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>11,583,289,702,919</b>	<b>8,737,627,021,932</b>



Ha Thi Phuong Thuy Hong Nhung  
Preparer and Chief Accountant



Trương Thị Lê Khanh  
Chairwoman  
30 March 2023

## 6.5 CONSOLIDATED INCOME STATEMENT

Year ended 31 December

Code	Note	2022 (VND)	2021 (VND)
01	Revenue from sales of goods and rendering of services	13,463,916,114,123	9,060,328,594,014
02	Less deductions	(233,115,927,204)	(6,079,676,255)
10	Net revenue from sales of goods and rendering of services 25	13,230,800,186,919	9,054,248,917,759
11	Cost of goods sold and services rendered 26	(10,254,865,119,471)	(7,298,428,758,127)
20	Gross profit from sales of goods and rendering of services	2,975,935,067,448	1,755,820,159,632
21	Financial income 27	434,061,627,900	195,334,519,754
22	Financial expenses 28	(369,571,269,616)	(106,722,262,272)
23	- Including: Interest expense 28	(97,120,949,614)	(34,702,485,314)
24	Shares of profits/(losses) from associates 4(c)	222,515,937	(437,566,418)
25	Selling expenses 29	(349,389,329,477)	(343,526,224,004)
26	General and administration expenses 30	(372,098,136,496)	(213,089,480,647)
30	Net operating profit	2,319,160,475,696	1,287,379,146,045
31	Other income	33,544,169,927	19,082,084,079
32	Other expenses	(29,786,982,755)	(26,906,364,031)
40	Net other income/(expenses)	3,757,187,172	(7,824,279,952)
50	Net accounting profit before tax	2,322,917,662,868	1,279,554,866,093
51	Business income tax ("BIT") - current 31	(303,587,294,874)	(178,086,534,812)
52	BIT - deferred 19,31	(6,410,482,836)	5,085,626,416
60	Net profit after tax	2,012,919,885,158	1,106,553,957,697
Attributable to:			
61	Shareholders of the Company	1,975,232,341,240	1,098,959,364,238
62	Non-controlling interests	37,687,543,918	7,594,593,459
70	Basic earnings per share 23	10,266	5,903
71	Diluted earnings per share 23	10,266	5,903



Ha Thi Phuong Thuy Hong Nhung  
Preparer and Chief Accountant



Trương Thị Lê Khanh  
Chairwoman  
30 March 2023

## 6.6 CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

Year ended 31 December

Code	Note	2022 (VND)	2021 (VND)
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	2,322,917,662,868	1,279,554,866,093
Adjustments for:			
02	Depreciation, amortisation of fixed assets and allocation of goodwill 10,12	326,932,321,590	284,991,616,859
03	Provisions/(reversal of provision)	387,722,851,582	(20,428,214,577)
04	Unrealised foreign exchange losses/(gains) 28,27	5,954,816,513	(5,244,981,471)
05	Profits from investing activities	(77,054,209,632)	(73,731,037,413)
06	Interest expense 28	97,120,949,614	34,702,485,314
08	Operating profit before changes in working capital	3,063,594,392,535	1,499,844,734,805
09	Increase in receivables	(199,768,902,581)	(331,131,681,549)
10	Increase in inventories	(1,264,945,855,830)	(219,304,267,294)
11	Increase/(decrease) in payables	333,538,831,232	(270,415,223,042)
12	Increase in prepaid expenses	(23,207,851,205)	(18,295,576,479)
13	Increase in trading securities	(99,422,922,875)	(70,886,973,689)
14	Interest paid	(95,288,758,122)	(33,110,787,630)
15	BIT paid 14	(62,980,286,480)	(204,175,149,713)
17	Other payments on operating activities 20	(47,414,785,671)	(20,628,882,142)
20	Net cash inflows from operating activities	1,604,103,861,003	331,896,193,267
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(1,131,261,912,019)	(587,975,469,063)
22	Proceeds from disposals of fixed assets and long-term assets	9,538,016,019	4,613,819,545
23	Cash disbursed for term deposits at banks	(2,265,170,758,755)	(1,433,946,864,970)
24	Collection of term deposits at banks	1,791,847,378,985	1,606,597,000,000
25	Investments in a subsidiary and other entities	-	(501,668,847,390)
27	Dividends and interest received	66,595,247,366	69,818,910,430
30	Net cash outflows from investing activities	(1,528,452,028,404)	(842,561,451,448)
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from reissuance of treasury share 22	154,002,380,000	-
33	Proceeds from borrowings 17	10,279,382,867,571	5,837,256,808,799
34	Repayments of borrowings 17	(9,782,362,195,082)	(5,171,868,737,552)
36	Dividends paid	(366,734,364,800)	-
40	Net cash inflows from financing activities	284,288,687,689	665,388,071,247
50	Net increase in cash	359,940,520,288	154,722,813,066
60	Cash and cash equivalents at beginning of year 3	195,219,000,716	40,754,357,119
61	Effect of foreign exchange differences	(1,990,070,875)	(258,169,469)
70	Cash and cash equivalents at end of year 3	553,169,450,129	195,219,000,716

Major non-cash transactions related to the consolidated cash flow statement in the year ended 31 December 2022 are presented in Note 34.



Ha Thi Phuong Thuy Hong Nhung  
Preparer and Chief Accountant



Trương Thị Lê Khanh  
Chairwoman  
30 March 2023



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Form B 09 – DN/HN

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. GENERAL INFORMATION

Vinh Hoan Corporation ("the Company") is a joint stock company which was transformed from Vinh Hoan Co., Ltd. established in SR Vietnam pursuant to the initial Enterprise registration certificate No. 1400112623 issued by the Department of Planning and Investment of Dong Thap Province on 17 April 2007 with the latest amendment dated 5 July 2022.

The Company's shares were registered to be traded on Ho Chi Minh Stock Exchange on 24 December 2007 in accordance with Decision No. 179/QĐ-SGDHCM issued by Ho Chi Minh Stock Exchange with the ticker symbol "VHC".

- growing domestic aquaculture; processing and preserving aquatic products and products making from aquatic products; trading aquatic products, materials serving the production and processing of aquatic products and processing of aquatic feed;
- extracting and manufacturing of hydrolized collagen and gelatin for medicine, cosmetics and food; and
- producing and trading food: shrimp-chips, noodles, rice noodles; and
- process and preserve vegetables.

The normal business cycle of the Group is within 12 months.

As at 31 December 2022, the Company had 8 subsidiaries and 1 associate. Details are presented below:

	Principal activities	Address of registered office	2022		2021	
			Ownership rights (%)	Voting rights (%)	Ownership rights (%)	Voting rights (%)
Subsidiaries						
Vinh Phuoc Food Co., Ltd	Manufacturing and trading aquatic products	An Phu Hamlet, An Nhon Commune, Chau Thanh District, Dong Thap Province	100%	100%	100%	100%
Vinh Hoan Collagen Co.,Ltd.	Extracting and manufacturing of collagen and gelatin	National Highway 30, Ward 11, Cao Lanh City, Dong Thap Province	100%	100%	100%	100%
Thanh Binh Dong Thap One Member Co., Ltd	Thanh Binh Dong Thap One Member Co., Ltd	Industrial Cluster Thanh Binh, Binh Thanh Commune, Thanh Binh District, Dong Thap Province	100%	100%	100%	100%
Vinh Hoan Fish Hatchery Co., Ltd (*)	Fish hatchery	Vinh Buong Hamlet, Vinh Hoa Commune, Thanh Binh District, Dong Thap Province	98.57%	98.57%	98%	98%

Form B 09 – DN/HN

Company Name	Principal activities	Address of registered office	2022		2021	
			Ownership rights (%)	Voting rights (%)	Ownership rights (%)	Voting rights (%)
SUBSIDIARIES						
Feed One Company Limited (**)	Manufacturing aquatic feed	Industrial Cluster My Hiep, My Hiep Commune, Cao Lanh District, Dong Thap Province	75%	75%	43.47%	75%
Sa Giang Import Export Corporation	Manufacturing shrimp chips, rice products and drinking water	Lot CII-3, Industrial Park C, Sa Dec City, Dong Thap Province	76.72%	76.72%	76.72%	76.72%
Vinh Technology Pte Ltd	Import and export trading of seafood products, and functional foods	1 Scotts Road #24-10, Shaw Center, Singapore	100%	100%	100%	100%
Thanh Ngoc Agriculture Food Company Limited (***)	Producing juice from fruits	An Phu Hamlet, An Nhon Commune, Chau Thanh District, Dong Thap Province	87.27%	87.27%	70%	70%
Associates						
Mai Thien Thanh Company Limited	Processing and disposing non-hazardous waste	No. 139 No.3 Street, My Phu Ward, Cao Lanh City, Dong Thap Province	27.5%	27.5%	27.5%	27.5%

(\*) Pursuant to the Resolution of the Board of Directors dated 4 July 2022, the Board of Directors approved a capital commitment increase of VND50,000,000,000 in Vinh Hoan Fish Hatchery Company Limited. Total capital after the additional capital contribution commitment would be VND148,000,000,000 accounting for 98.66% of the charter capital. As at 31 December 2022, the Company had contributed VND138,000,000,000 to this subsidiary, accounting for 98.57% of its charter capital.

(\*\*) Pursuant to the Resolution of the Board of Directors on 20 October 2021, the Board of Directors approved a decision to increase capital contribution at Feed One Company Limited to VND195,000,000,000, equivalent to a 75% ownership. As at 31 December 2022, the Company had fully contributed VND163,700,000,000 by cash and VND31,300,000,000 by revalued land use rights and properties associated with the land in My Hiep Commune, Cao Lanh District, Dong Thap Province.

(\*\*\*) Pursuant to the Resolution of the Board of Directors dated 15 February 2022, the Board of Directors approved a decision to increase the capital contribution of Vinh Phuoc Food Company Limited ("Vinh Phuoc") to the Agricultural Products Co., Ltd. Thanh Ngoc Food ("Thanh Ngoc") to VND41,865,566,400. This increase would be implemented by transferring the land use rights at An Phu Hamlet, An Nhon Commune, Chau Thanh District, Dong Thap Province.

Pursuant to the Resolution of the Board of Directors dated 15 November 2022, the Board of Directors approved a decision to increase capital in Thanh Ngoc to VND228,134,433,600, equivalent to 76.04% of its charter capital. As at 31 December 2022, the Company and Vinh Phuoc have contributed VND163,900,000,000 in cash and VND41,865,566,400 in land use rights. The total direct and indirect ownership of the Company in Thanh Ngoc after the capital increase is 87.27%. As at these financial statements' date, the capital of Thanh Ngoc amounting to VND228,134,433,600 was fully contributed in accordance with the above mentioned resolution.

**2.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention except for investments in associates and business combinations as presented in Note 2.5.

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam's. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in the Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in the English language have been translated from the Vietnamese version.

**2.2 FISCAL YEAR**

The Company's fiscal year is from 1 January to 31 December.

**2.4 CURRENCY**

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"), which is the Company's accounting currency. The Company and its subsidiaries and associate determine their accounting currencies based on the currencies which are mainly used in sales of goods and rendering of services, which have a significant impact on selling prices of goods and services, which are normally used to list selling prices and receive payments; which are mainly used in purchases of goods or services, which have a significant impact on costs of labor, materials and other production or operating costs and which is normally used as payments for those costs.

On consolidating, if the currencies used on financial statements of its subsidiaries and associate are different from that of the Company, the Company is required to translate those financial statements into the currency used in the Company's consolidated financial statements under the following principles:

- Assets, liabilities and goodwill incurred on acquisition of overseas subsidiaries is translated at actual exchange rate at the year end;
- Undistributed earnings or losses incurred after capital contribution date are translated based on the translation of income and expenses in the income statement;
- Items of the income statement and the cash flow statement are translated at the average exchange rate of the accounting period if it approximates the actual rate at the time of the transaction (with the difference not exceeding 2%); and
- The cumulative amount of exchange differences is presented in a separate component of equity. Accumulated exchange differences arising from translation and attributable to the Company are presented in "Foreign exchange differences". Those arising from translation and attributable to non-controlling interests are allocated to "Non-controlling interests". Accumulated exchange differences arising from translation of unamortised goodwill are attributable to the Company.

**2.4 EXCHANGE RATES**

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised as income or expenses in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial bank with which the Group regularly trades. Foreign currencies deposited in banks at the consolidated balance sheet date are translated at the buying exchange rate of the commercial bank where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

**2.5 BASIS OF CONSOLIDATION****SUBSIDIARIES**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**2.5 BASIS OF CONSOLIDATION (CONTINUED)****NON-CONTROLLING TRANSACTIONS AND INTERESTS**

The Group applies a policy for transactions with non-controlling interests as transactions with external parties to the Group.

Non-controlling interests (“NCI”) are measured at their proportionate share of the acquiree’s identifiable net assets at date of acquisition.

A divestment of the Group’s interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group’s share of net assets of the subsidiary and any consideration paid or received from divestment of the Group’s interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group’s interest in a subsidiary that results in a loss of control, the difference between the Group’s share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

**ASSOCIATES**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group’s investment in joint ventures and associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group’s share of its the post-acquisition profits or losses of its its associates is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group’s share of losses in a joint venture or associate equals or exceeds its interest in the joint venture or associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associate.

Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group’s interest in the joint ventures and associates.

**2.6 GOODWILL**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated period of benefit but not exceeding a period of 10 years.

On disposal of subsidiaries, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation and is tested annually for impairment. If there is evidence that the impairment during the year is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting period.

**2.7 CASH AND CASH EQUIVALENT**

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

**2.8 RECEIVABLES**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Bad debts are written off when identified.

Receivables are classified into short-term and long-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

**2.9 INVENTORIES**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

**2.10 INVESTMENTS****(A) TRADING SECURITIES**

Trading securities are securities which the Group holds for sale and holds for the main purpose of trading to earn profits.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the cost of acquisition. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end. The provision for diminution in value of trading securities is made when their carrying value is higher than their market value. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

The Group recognises trading securities when it has ownership of the assets, specifically as follows:

- Listed securities are recognised at the time of order matching; and
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the consolidated income statement. The costs of trading securities disposed of are determined by using the moving weighted average method.

**(B) INVESTMENTS HELD-TO-MATURITY**

Investments held-to-maturity are investments which the Group has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits and other investments held to maturity. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held-to-maturity are classified into short-term and long-term investments held-to-maturity on the consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

**(C) INVESTMENTS IN ASSOCIATES**

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements (Note 2.5).

**(D) INVESTMENTS IN OTHER ENTITIES**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. It is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.11 FIXED ASSETS

TANGIBLE AND INTANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred.

DEPRECIATION AND AMORTISATION

Fixed assets are depreciated and amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each assets class are as follows:

Buildings and structures	5 – 25 years
Machinery and equipment	3 – 10 years
Motor vehicles	4 – 10 years
Office equipment	3 – 6 years
Computer software	4 – 5 years

Land use rights comprise of land use rights granted by the State for which land use fees are collected, land use rights acquired in a legitimate transfer, and prepaid land use rights obtained under land rental contracts which are effective before the effective date of land law 2003 (ie. 1 July 2004) and which land use rights certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consist of their purchase prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

Indefinite land use rights are stated at costs and not amortised.

DISPOSALS

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in consolidated income statement.

CONSTRUCTION IN PROGRESS

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; compensation and resettlement costs; project management expenditure; construction consulting expenditure; and capitalised borrowing costs for qualifying in accordance with the Company’s accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.12 LEASED ASSETS

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.13 PREPAID EXPENSES

Prepaid expenses include short-term and long-term prepayments on the balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in 2.11 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.



**2.14 PAYABLES**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and not related to purchase of goods and services.

Payables are classified into short-term and long-term payables on the consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

**2.15 BORROWINGS**

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term based on the consolidated balance sheet based on their remaining terms from the consolidated balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

**2.16 ACCRUED EXPENSES**

Accrued expenses include liabilities for goods and services received; salaries and bonus payable to employees which were approved by the Board of Management in the year but not yet paid for due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

**2.17 PROVISIONS**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.

**2.18 FUND FOR SCIENCE AND TECHNOLOGY DEVELOPMENT**

Fund for science and technology development is appropriated for the Group's purpose of scientific and technological development activities. The fund is set up on the basis of maximum 10% of profit before tax and charged to expenses when appropriated.

**2.19 PROVISION FOR SEVERANCE ALLOWANCES**

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Group less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting year on the basis that each employee is entitled half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee contract's average salary for the six-month period prior to the consolidated balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

**2.20 CAPITAL AND RESERVES**

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

**TREASURY SHARES**

Treasury shares brought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Company and bought back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.

Treasury shares brought after 1 January 2021 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Group's results after BIT at the reporting date.

2.21

**APPROPRIATION OF NET PROFIT****DIVIDENDS**

The Group's dividends are recognised as a liability in the Company's consolidated financial statements in the period in which the dividends are approved by the General Meeting of shareholders

Net profit after BIT could be distributed to shareholders after approval at a General Meeting of shareholders, and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations.

**BONUS AND WELFARE FUND**

The bonus and welfare fund are appropriated from the Group's profit after BIT and subject to shareholders' approval at the General Meeting. This fund is presented as a liability on the consolidated balance sheet. This fund is set aside for the purpose of rewarding, encouragement, increasing common benefits and improvement of the employees' welfare and is recognised as a liability item in the consolidated balance sheet.

2.22

**REVENUE RECOGNITION****(A) REVENUE FROM SALES OF GOODS**

Revenue from sale of goods is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation. If the Group gives promotional goods to customers associated with their purchases, the Group allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the consolidated income statement.

**(B) REVENUE FROM RENDERING OF SERVICES**

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendering, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(C) INTEREST INCOME**

Interest income is recognised on an earned basis.

**(D) DIVIDEND INCOME**

Income from dividend is recognised when the Group has established the receiving right from investees.

2.23

**SALES DEDUCTIONS**

Sales deductions include sales returns and allowances. Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year.

Sales deductions for sales of products, goods or rendering of services which are sold in the year but are incurred after the consolidated balance sheet date but before the issuance of the consolidated financial statements are recorded as a deduction from the revenue of the year.

2.24

**COST OF GOODS SOLD AND SERVICES RENDERED**

Cost of goods sold and services rendered are the cost of finished goods, merchandise, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudent basis.

2.25

**FINANCIAL EXPENSES**

Finance expenses are expenses incurred in the year for financial activities mainly including interest expenses, provision for diminution in value of investments, losses from foreign exchange differences and other financial expenses.

2.26

**SELLING EXPENSES**

Selling expenses represent expenses that are incurred in the process of selling products, goods and providing services.

2.27 GENERAL AND ADMINISTRATION EXPENSES

General and administration expenses represent expenses for administrative purposes.

2.28 CURRENT AND DEFERRED INCOME TAX

Income taxes includes all income taxes which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.29 RELATED PARTIES

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including directors of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationship not merely the legal form.

2.30 SEGMENT REPORTING

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services (“business segment”), or sales of goods or rendering of services within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group’s business segment or the Group’s geographical segment.

2.31 CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the consolidated financial statements of the Group and that are assessed by the Board of Management to be reasonable under the circumstances.

3. CASH AND CASH EQUIVALENTS

	2022 VND	2021 VND
Cash on hand	645,199,223	2,853,029,076
Cash at bank	547,281,217,306	113,710,971,640
Cash in transit	–	40,000,000,000
Cash equivalents (*)	5,243,033,600	38,655,000,000
	553,169,450,129	195,219,000,716

(\*) Cash equivalents include term deposits at commercial banks with original maturity of less than three months.

## 4. INVESTMENTS

Form B 09 – DN/HN

### (A) TRADING SECURITIES

	2022			2021		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
<b>Shares</b>						
Nam Long Investment Corporation (NLG)	76,328,871,413	50,601,300,000	(25,727,571,413)	24,118,043,950	25,359,000,000	–
Dat Xanh Real Estate Services JSC (DXS)	58,203,781,919	21,592,905,600	(36,610,876,319)	53,209,774,800	63,644,990,000	–
Kinh Bac City Development Holding Corporation (KBC)	29,954,271,089	22,273,680,000	(7,680,591,089)	–	–	–
Others	14,832,534,935	8,253,054,598	(6,579,480,337)	2,568,717,731	2,568,717,731	–
	<b>179,319,459,356</b>	<b>102,720,940,198</b>	<b>(76,598,519,158)</b>	<b>79,896,536,481</b>	<b>91,572,707,731</b>	<b>–</b>

### (B) INVESTMENTS HELD-TO-MATURITY

	2022		2021	
	Cost VND	Book value VND	Cost VND	Book value VND
I. SHORT-TERM Term deposits at banks (*)	1,665,172,798,630	1,665,172,798,630	1,191,849,418,860	1,191,849,418,860
II. LONG-TERM Bonds (**)	50,000,000,000	50,000,000,000	50,000,000,000	50,000,000,000

## 4. INVESTMENTS (CONTINUED)

Form B 09 – DN/HN

### (B) INVESTMENTS HELD-TO-MATURITY (CONTINUED)

(\*) Including bank deposits with maturity of more than three months and less than one year and earning interest at fixed interest rates in Vietnamese Dong.

(\*\*) Including bonds with a term of 7 years from the date of issuance with floating interest rates denominated in VND.

### INVESTMENTS IN ASSOCIATES

	2022			2021		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Mai Thien Thanh Co., Ltd.	10,499,827,689	(*)	–	10,277,311,752	(*)	–

(\*) As at 31 December 2022 and 31 December 2021, the Group did not determine the fair value of this investment for disclosure in the consolidated financial statements because it does not have listed prices and Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements do not provide detailed guidance on the methods to determine fair value. The fair value of this investment may be different from its book value.

Movements of the investments in associates during the year are as follows:

	Amount VND
As at 1 January 2021	10,714,878,170
Share of losses	(437,566,418)
As at 31 December 2021	10,277,311,752
Share of profits	222,515,937
As at 31 December 2022	10,499,827,689

## 5. SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2022 VND	2021 VND
Third parties	596,842,540,398	567,985,352,168
Related parties (Note 35(b))	1,525,265,778,007	1,362,181,240,850
	<b>2,122,108,318,405</b>	<b>1,930,166,593,018</b>

As at 31 December 2022 and 31 December 2021, there were no third-party customers who had a balance accounting for 10% or more of the total balance of short-term trade accounts receivable.

As at 31 December 2022, trade accounts receivable of USD10,000,000 (equivalent to VND234,100,000,000 as translated using the exchange rate as at 31 December 2022) (as at 31 December 2021: equivalent VND226,400,000,000) was pledged to ANZ Bank (Vietnam) Ltd. ("ANZ Bank") – Ho Chi Minh Branch as security for a credit facility (Note 17(iii)).

As at 31 December 2022, trade accounts receivable of VND377,000,000,000 (as at 31 December 2021: VND300,000,000,000) was pledged to HSBC Bank (Vietnam) Ltd. ("HSBC Bank") as security for a credit facility (Note 17(ii)).

As at 31 December 2022, the balance of short-term trade accounts receivables which were past due amounted to VND13,387,470,162 (as at 31 December 2021: VND4,103,040,069).

## 6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2022 VND	2021 VND
Third parties (*)	73,069,005,175	144,941,051,437
Related parties (Note 35(b))	2,538,600,040	4,354,492,300
	<b>75,607,605,215</b>	<b>149,295,543,737</b>

(\*) Details of suppliers accounting for 10% or more of the total balance as follows:

	2022 VND	2021 VND
Ms. Tran My Hiep	20,000,000,000	3,200,000,000
Refrigeration Equipment Co., Ltd. and TST Insulation	10,420,891,424	–

## 7. OTHER SHORT-TERM RECEIVABLES

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	2022 VND	2021 VND
Interest receivables from bank deposits	35,188,945,993	19,324,285,399
Advances to employee (*)	101,350,645,691	5,187,717,679
Others	2,049,939,929	32,046,960,469
Related parties (Note 35(b))	15,076,166	49,837,370
	<b>138,604,607,779</b>	<b>56,608,800,917</b>

(\*) As at 31 December 2022, the balance includes advances to employees for a total of VND97,542,050,740. The advances are secured by the employees with land use rights in Binh Phu Commune, Tan Hong District, Dong Thap Province.

As at 31 December 2022 and 31 December 2021, there was no balance of other short-term receivables that was past due or not past due but doubtful.

## 8. INVENTORIES

	2022		2021	
	Cost VND	Provision VND	Cost VND	Provision VND
Work in progress	1,154,765,764,459	–	927,315,335,894	–
Finished goods	1,468,098,975,135	(396,329,357,303)	699,734,351,889	(87,001,368,239)
Raw materials	354,559,797,180	–	188,860,299,366	–
Properties for sales	93,719,729,384	–	24,883,486,647	–
Tools and supplies	16,325,369,584	–	10,795,490,308	–
Goods in transit	106,807,466,063	–	–	–
Merchandises	15,617,451,693	–	19,737,021,393	–
Goods on consignment	3,976,380,645	–	8,762,850,079	–
	<b>3,213,870,934,143</b>	<b>(396,329,357,303)</b>	<b>1,880,088,835,576</b>	<b>(87,001,368,239)</b>

As at 31 December 2022 and 31 December 2021, inventories amounting to USD4,000,000 (equivalent to VND93,640,000,000 and VND90,560,000,000 as translated using the exchange rate as at 31 December 2022 and 31 December 2021, respectively) were pledged to ANZ Bank (Vietnam) Ltd. – Ho Chi Minh Branch as security for a credit facility (Note 17(iii)).

As at 31 December 2022 and 31 December 2021, inventories amounting to VND206,500,000,000 were pledged to HSBC Bank (Vietnam) Ltd. as security for a credit facility (Note 17(ii)).

Movements in the provision for decline in value of inventories during the year were as follows:

	2022 VND	2021 VND
Beginning of year	87,001,368,239	106,803,410,524
Increase/(reversal) of provision (Note 26)	309,327,989,064	(19,802,042,285)
<b>End of year</b>	<b>396,329,357,303</b>	<b>87,001,368,239</b>

## 9. LONG-TERM PREPAID EXPENSES

	2022 VND	2021 VND
Fishpond construction and fishery reinforcement	121,382,712,453	105,208,853,490
Compensation costs for land lease	16,481,368,725	41,020,183,267
Tools and supplies	20,822,279,581	9,890,856,467
Professional fees	12,894,065,791	17,665,585,462
Renovations	21,966,019,546	14,167,899,253
Others	27,739,374,186	11,530,139,830
	<b>221,285,820,282</b>	<b>199,483,517,769</b>

## (A) TANGIBLE FIXED ASSETS

	Plants and structures VND	Machinery and equipment VND	Motor vehicles VND		Others VND	Total VND
<b>Historical cost</b>						
As at 1 January 2022	1,289,638,096,050	1,828,033,891,033	85,424,040,057		–	3,240,456,824,990
New purchases	6,837,546,358	40,054,164,400	4,100,820,537		134,068,225	52,980,182,611
Transfers from construction in progress (Note 11)	435,024,704,999	546,548,891,382	10,096,730,012		1,437,039,844	993,651,401,037
Disposals	(10,209,070,911)	(56,465,103,750)	(2,241,538,438)		–	(68,993,434,259)
<b>As at 31 December 2022</b>	<b>1,721,291,276,496</b>	<b>2,358,171,843,065</b>	<b>97,380,082,168</b>		1,571,108,069	<b>4,218,094,974,379</b>
<b>Accumulated depreciation</b>						
As at 1 January 2022	495,112,038,372	912,884,690,424	43,346,902,181		–	1,466,575,869,835
Charge for the year	94,904,145,916	171,251,194,354	7,942,380,284		417,929,626	280,525,719,426
Disposals	(7,241,009,314)	(41,862,098,511)	(1,963,913,436)		–	(51,144,742,421)
<b>As at 31 December 2022</b>	<b>582,775,174,974</b>	<b>1,042,273,786,267</b>	<b>49,325,369,029</b>		417,929,626	<b>1,695,956,846,840</b>
<b>Net book value</b>						
As at 1 January 2022	794,526,057,678	915,149,200,609	42,077,167,876		–	1,773,880,955,155
<b>As at 31 December 2022</b>	<b>1,138,516,101,522</b>	<b>1,315,898,056,798</b>	<b>48,054,713,139</b>		1,153,178,443	<b>2,522,138,127,539</b>

As at 31 December 2022, the Group's tangible fixed assets with a carrying value of VND280,594,996,140 (as at 31 December 2021: VND220,465,210,064) were pledged to banks as security for borrowings granted to the Group (Note 17).

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2022 was VND642,184,764,316 (as at 31 December 2021: VND604,137,280,464).

## 10. FIXED ASSETS (CONTINUED)

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### (B) INTANGIBLE FIXED ASSETS

	Computer software VND	Land use rights VND	Total VND
<b>Historical cost</b>			
As at 1 January 2022	6,839,217,091	321,796,948,659	<b>328,636,165,750</b>
New purchases	586,805,500	–	<b>586,805,500</b>
Transfers from construction in progress (Note 11)	1,493,300,000	22,917,674,040	<b>24,410,974,040</b>
Disposals	–	(3,185,773,448)	<b>(3,185,773,448)</b>
Others	–	(1,961,686,500)	<b>(1,961,686,500)</b>
<b>As at 31 December 2022</b>	<b>8,919,322,591</b>	<b>339,567,162,751</b>	<b>348,486,485,342</b>
<b>Accumulated amortisation</b>			
As at 1 January 2022	3,224,363,291	32,603,922,040	<b>35,828,285,331</b>
Charge for the year	1,340,476,697	9,949,445,800	<b>11,289,922,497</b>
<b>As at 31 December 2022</b>	<b>4,564,839,988</b>	<b>42,553,367,840</b>	<b>47,118,207,828</b>
<b>Net book value</b>			
As at 1 January 2022	3,614,853,800	289,193,026,619	<b>292,807,880,419</b>
<b>As at 31 December 2022</b>	<b>4,354,482,603</b>	<b>297,013,794,911</b>	<b>301,368,277,514</b>

As at 31 December 2022, the Group's land use rights with carrying value of VND39,807,348,559 (as at 31 December 2021: VND40,912,456,063) were pledged to banks as security for borrowings granted to the Group (Note 17).

The historical cost of fully amortised intangible fixed assets as at 31 December 2022 was VND2,283,503,411 (as at 31 December 2021: VND1,245,868,933).

## 11. CONSTRUCTION IN PROGRESS

Details of construction in progress by project were as follows:

	2022 VND	2021 VND
Construction of factories and offices	249,767,264,267	169,802,779,542
Fixed assets not ready to use	213,516,675,304	266,121,378,738
Expenses related to fishponds	27,424,495,630	31,562,591,060
House for employees	64,593,933,682	54,940,101,010
Others	10,478,257,245	38,619,992,682
	<b>565,780,626,128</b>	<b>561,046,843,032</b>

## 11.CONSTRUCTION IN PROGRESS

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Details of construction in progress by project were as follows:

	2022 VND	2021 VND
Beginning of year	561,046,843,032	384,173,639,519
Purchases	1,094,621,219,396	590,959,433,308
Increases from business combinations	–	6,654,602,382
Transfers to tangible fixed assets (Note 10(a))	(993,651,401,037)	(385,088,004,810)
Transfers to intangible fixed assets (Note 10(b))	(24,410,974,040)	(605,058,500)
Transfers to inventories	(68,836,242,737)	–
Others	(2,988,818,486)	(35,047,768,867)
<b>End of year</b>	<b>565,780,626,128</b>	<b>561,046,843,032</b>

## 12. GOODWILL

	2022 VND	2021 VND
Beginning of year	295,706,338,501	34,192,900,620
Increase	–	294,178,628,973
Amortisation (Note 30)	(35,116,679,667)	(32,665,191,092)
<b>End of year</b>	<b>260,589,658,834</b>	<b>295,706,338,501</b>

## 13. SHORT-TERM TRADE ACCOUNTS PAYABLE

	2022		2021	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties (*)	420,327,121,546	420,327,121,546	338,634,825,449	338,634,825,449
Related parties (Note 35(b))	27,472,840,750	27,472,840,750	985,381,600	985,381,600
	<b>447,799,962,296</b>	<b>447,799,962,296</b>	<b>339,620,207,049</b>	<b>339,620,207,049</b>

(\*) Details for suppliers accounting for 10% or more of the total balance are as follows:

	2022 VND	2021 VND
Mr. William H. Barringer	71,190,000,000	–

## 14. TAX AND OTHER PAYABLE TO THE STATE

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Movements in tax and other payables to the State during the year were as follows:

	As at 1.1.2022 VND	Payable during the year VND	Net-off during the year VND	Net-off during the year VND	As at 31.12.2022 VND
BIT	31,094,688,950	303,587,294,874	(62,980,286,480)	1,182,676,314	272,884,373,658
VAT – domestic sales	5,802,731,540	95,029,040,782	(56,594,953,263)	(37,092,047,980)	7,144,771,079
Personal income tax	13,215,944,744	24,540,243,113	(36,512,845,272)	–	1,243,342,585
Others	41,828,958	18,981,335,133	(18,989,852,931)	–	33,311,160
	<b>50,155,194,192</b>	<b>442,137,913,902</b>	<b>(175,077,937,946)</b>	<b>(35,909,371,666)</b>	<b>281,305,798,482</b>

## 15. PAYABLES TO EMPLOYEES

As at 31 December 2022 and 31 December 2021, the balance respectively represents the December salary and 13th month salary of 2022 and 2021 payable to the Group's employees.

## 16. OTHER SHORT-TERM PAYABLES

	2022 VND	2021 VND
Related parties (Note 35(b))	19,259,599,729	76,441,275,864
<b>Third parties</b>		
Union fees	35,891,201,252	31,190,380,309
Dividend payable	234,468,375	214,921,175
Other payables	37,377,891,697	53,902,866,696
	<b>92,763,161,053</b>	<b>161,749,444,044</b>

## 17. BORROWINGS

### (A) SHORT-TERM BORROWINGS

	As at 1.1.2022 VND	Increases VND	Decrease VND	As at 31.12.2022 VND
Bank loans	1,723,323,829,771	10,249,298,622,775	(9,770,675,844,308)	2,201,946,608,238
Current portion of long-term loans (Note 17(b))	11,686,350,774	11,600,000,000	(11,686,350,774)	11,600,000,000
	<b>1,735,010,180,545</b>	<b>10,260,898,622,775</b>	<b>(9,782,362,195,082)</b>	<b>2,213,546,608,238</b>

## 17. BORROWINGS (CONTINUED)

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Details of short-term borrowings are as follows:

	2022 VND	2021 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch (I)	613,885,776,470	341,040,338,046
HSBC Bank (Vietnam) Limited ) (II)	855,233,755,012	647,010,252,100
ANZ Bank (Vietnam) Limited – Ho Chi Minh City Branch (III)	619,454,269,834	541,241,774,874
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Dong Thap Branch (IV)	113,372,806,922	118,747,074,285
Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") – Tien Giang Province Branch	–	75,284,390,466
	<b>2,201,946,608,238</b>	<b>1,723,323,829,771</b>

(I) The balance represents borrowings in VND with applicable interest rates being specified for each drawdown to finance the Group's working capital. The borrowings are secured by land use rights including the Group's factory workshops 1, 2 and 3 (Note 10).

(II) The balance represents borrowings in VND. Interest rates are specified for each drawdown. The borrowings are secured by short-term trade accounts receivable (Note 5) and inventories (Note 8).

(III) The balance represents borrowings in VND. Interest rates are specified for each drawdown. The borrowings are secured by short-term trade accounts receivable (Note 5) and inventories (Note 8).

(IV) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the Group's working capital. The borrowings are secured by the assets of the Group (Note 10).

### (B) LONG-TERM BORROWINGS

	As at 1.1.2022 VND	Increases VND	Decrease VND	Transfer to short-term VND	As at 31.12.2022 VND
Vietcombank – Ho Chi Minh Branch (V)	156,425,010,023	–	–	(11,600,000,000)	144,825,010,023
Vietcombank – Ho Chi Minh Branch (VI)	–	30,084,244,796	–	–	30,084,244,796
	<b>156,425,010,023</b>	<b>30,084,244,796</b>	<b>–</b>	<b>(11,600,000,000)</b>	<b>174,909,254,819</b>

(V) The balance represents the loan for the expansion of the project to increase the capacity of the collagen and gelatin factory. The loan is secured by machinery and equipment of the Group.

(VI) The balance represents borrowings in VND. Interest rates are specified for each drawdown.

## 18. PROVISION FOR LONG-TERM LIABILITIES

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The balance represents the provision for severance allowances.

## 19. DEFERRED INCOME TAX

The gross movement in the deferred income tax without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

### (A) DEFERRED TAX ASSETS

	2022 VND	2021 VND
Beginning of year	3,525,412,060	2,306,183,890
Increases from business consolidations	–	717,258,675
Consolidated income statement (credit)/charge	(1,057,532,065)	501,969,495
<b>End of year</b>	<b>2,467,879,995</b>	<b>3,525,412,060</b>

Deferred income tax assets mainly come from provision for severance allowance and temporary differences due to foreign currency translation at year-end.

### (B) DEFERRED TAX LIABILITIES

	2022 VND	2021 VND
Beginning of year	630,783,350	5,214,440,271
Consolidated income statement charge/(credit)	5,352,950,771	(4,583,656,921)
<b>End of year</b>	<b>5,983,734,121</b>	<b>630,783,350</b>

Deferred income tax liabilities mainly come from provision for diminution in value of investments in subsidiaries.

The Group uses a tax rate of 15% for the year ended 31 December 2022 for determining deferred tax assets and deferred tax liabilities (2021: 15%).

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

## 20. BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the year were as follows:

	2022 VND	2021 VND
Beginning of year	62,451,822,731	77,618,743,843
Increases from business combinations	–	4,661,961,030
Appropriation (Note 22)	20,000,000,000	800,000,000
Utilisation	(47,414,785,671)	(20,628,882,142)
<b>End of year</b>	<b>35,037,037,060</b>	<b>62,451,822,731</b>

## 21. OWNERS' CAPITAL

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### (A) NUMBER OF SHARES

	2022		2021	
	Ordinary shares	Preference shares	Preference shares	Ordinary shares
Number of shares registered	183,376,956	–	183,376,956	–
Number of shares issued	183,376,956	–	183,376,956	–
Number of shares repurchased	–	–	1,430,930	–
Re-issuance of treasury shares	1,430,930	–	–	–
Number of existing shares in circulation	183,376,956	–	181,946,026	–

### (B) MOVEMENT OF SHARE CAPITAL

	Number of shares	Ordinary shares VND	Treasury shares VND	Total VND
As at 1 January 2021 and as at 31 December 2021	181,946,026	1,833,769,560,000	(114,215,880,222)	1,719,553,679,778
Re-issuance of treasury shares	1,430,930	–	114,215,880	114,215,880,222
<b>As at 31 December 2022</b>	<b>183,376,956</b>	<b>1,833,769,560,000</b>	<b>–</b>	<b>1,833,769,560,000</b>

Par value per share: VND10,000.



## 22. MOVEMENTS IN OWNERS' EQUITY

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	Owners' capital VND	Share premium VND	Treasury shares VND	Foreign exchange differences VND	Undistributed earnings VND	Non-controlling interests VND	Total VND
As at 1 January 2021	1,833,769,560	223,774,789,900	(114,215,880,222)	–	3,228,412,162,202	3,990,400,570	5,175,731,032,450
Capital increased during the year	–	–	–	–	–	63,000,000,000	63,000,000,000
Net profit for the year	–	–	–	–	1,098,959,364,238	7,594,593,459	1,106,553,957,697
Cancellation of dividend payment by shares of 2019	–	–	–	–	4,643,781,821	4,410,189,363	9,053,971,184
Appropriation to bonus and welfare fund	–	–	–	–	(613,760,000)	(186,240,000)	(800,000,000)
Acquisition of Sa Giang Import Export Corporation	–	–	–	–	–	59,751,349,913	59,751,349,913
Change in ownership in subsidiaries without loss of control	–	–	–	–	(129,177,876,740)	(34,534,108,156)	(163,711,984,896)
Exchange differences arising from translation	–	–	–	(72,750,100)	–	–	(72,750,100)
2021 interim dividends declared	–	–	–	–	(363,892,052,000)	(1,664,253,000)	(365,556,305,000)
As at 31 December 2021	1,833,769,560,000	223,774,789,900	(114,215,880,222)	(72,750,100)	3,838,331,619,000	102,361,932,149	5,883,949,271,248
Capital increased during the year	–	–	–	–	–	30,000,000,000	30,000,000,000
Net profit for the year	–	–	–	–	1,975,232,341,240	37,687,543,918	2,012,919,885,158
Re-issuance of treasury shares (*)	–	39,786,499,778	114,215,880,222	–	–	–	154,002,380,000
Appropriation to bonus and welfare fund (**)	–	–	–	–	(20,000,000,000)	–	(20,000,000,000)
Change in ownership in subsidiaries without loss of control	–	–	–	–	(936,712,931)	936,712,931	–
Exchange differences arising from translation	–	–	–	270,574,581	–	–	270,574,581
2022 interim dividends declared	–	–	–	–	(366,753,912,000)	–	(366,753,912,000)
As at 31 December 2022	1,833,769,560,000	263,561,289,678	–	197,824,481	5,425,873,335,830	170,986,188,998	7,694,388,198,987

(\*) According to the Resolution of Board of Directors No. 2903-22/NQ22 dated 28 March 2022, the Board of Directors approved the sale of 1,430,930 treasury shares of the Company for the purpose of financing the Company's working capital. In accordance with results report on trading of treasury shares No. 085/CV-VHC2022 dated 14 June 2022, the Company sold 1,430,930 treasury shares between 30 May 2022 and 14 June 2022 at an average price of VND107,624 per share.

(\*\*) According to the Resolution No. 01/HDCD/NQ/22 dated 20 April 2022, the Annual General Meeting of Shareholders approved the decision of rewarding the Board of Management of the Company an amount of VND20,000,000,000.

(\*\*\*) In accordance with the Resolution of the Board of Directors number 0710-22/NQ-VHC22 on 7 October 2022, the Board of Directors approved the interim dividend payment with a ratio of 20% of par value.

## 23. EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

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### (A) BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Group and held as treasury shares:

	2022	2021(*)
Net profit attributable to shareholders (VND)	1,975,232,341,240	1,098,959,364,238
Less amount allocated to bonus and welfare funds (VND) (**)	(98,761,617,062)	(20,000,000,000)
	1,876,470,724,178	1,078,959,364,238
Weighted average number of ordinary shares in issue (shares)	182,790,509	182,790,509
Basic earnings per share (VND)	10,266	5,903

(\*) Basic earnings per share of the year 2021 were recalculated as per Circular 200 as follows:

	For the year ended 31.12.2021		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	1,098,959,364,238	(20,000,000,000)	1,078,959,364,238
Weighted average number of ordinary shares in issue (shares)	181,946,026	844,483	182,790,509
Basic earnings per share (VND)	6,040	–	5,903

(\*\*) According to the Resolution No. 01/HDCD/NQ/22 dated 20 April 2022, the Annual General Meeting of Shareholders approved a appropriation of bonus and welfare fund equivalent to 5% of profit after tax of the year 2022.

### (B) DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The Group did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

## 24. OFF BALANCE SHEET ITEMS

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### (A) OPERATING LEASES COMMITMENTS

The future minimum lease payments under non-cancellable operating leases are presented in Note 36. .

### (B) FOREIGN CURRENCIES

	2022	2021
United States Dollar ("USD")	22,901,304	1,726,042
Euro ("EUR")	3,159	4,344
Chinese Yuan Renminbi ("CNY")	2,566	2,753
Singapore Dollar ("SGD")	690	1,471
Australian Dollar ("AUD")	100	100

## 25. NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2022 VND	2021 VND
<b>Revenue</b>		
Revenue from sales of finished goods	10,080,442,858,178	6,277,948,569,688
Revenue from sales of by-products	2,164,850,654,347	1,672,379,170,331
Revenue from sales of merchandise	949,696,966,908	1,020,725,801,952
Revenue from sales of raw materials	205,630,990,766	50,196,126,031
Revenue from rendering of services	63,294,643,924	39,078,926,012
	<b>13,463,916,114,123</b>	<b>9,060,328,594,014</b>
<b>Sales deductions</b>		
Sales allowances	(200,593,194,125)	(387,466,173)
Trade discounts	(16,275,835,056)	(1,900,819,352)
Sales returns	(16,246,898,023)	(3,791,390,730)
	<b>(233,115,927,204)</b>	<b>(6,079,676,255)</b>
<b>Net revenue from sales of goods and rendering of services</b>	<b>13,230,800,186,919</b>	<b>9,054,248,917,759</b>

## 26. COST OF GOODS SOLD AND SERVICES RENDERED

Form B 09 – DN/HN

	2022 VND	2021 VND
Cost of finished goods sold	6,929,048,344,295	4,740,291,904,318
Cost of by-products sold	1,884,760,432,750	1,522,235,188,038
Cost of merchandise sold	887,229,746,756	974,705,940,645
Cost of raw materials sold	171,747,061,956	57,540,336,161
Cost of services rendered	72,751,544,650	23,457,431,250
Provision/(reversal of provision) for decline in value of inventories (Note 8)	309,327,989,064	(19,802,042,285)
	<b>10,254,865,119,471</b>	<b>7,298,428,758,127</b>

## 27. FINANCIAL INCOME

	2022 VND	2021 VND
Interest income from deposits	81,365,201,467	68,705,719,627
Realised foreign exchange gains	338,400,687,530	80,680,476,767
Interest income on the advances for purchases of raw materials	5,868,235,002	–
Dividend received	1,317,222,430	147,858,000
Net gain from foreign currency translation at year-end	–	5,244,981,471
Income from trading securities	–	36,208,417,103
Revaluation of investment in business combination	–	320,000,000
Others	7,110,281,471	4,027,066,786
	<b>434,061,627,900</b>	<b>195,334,519,754</b>

## 28. FINANCIAL EXPENSES

	2022 VND	2021 VND
Interest expenses	97,120,949,614	34,702,485,314
Realised foreign exchange losses	180,525,627,725	72,019,776,958
Provision for diminution in value of trading securities	76,598,519,158	–
Loss from trading securities	9,047,687,176	–
Net loss from foreign currency translation at year-end	5,954,816,513	–
Others	323,669,430	–
	<b>369,571,269,616</b>	<b>106,722,262,272</b>

## 29. SELLING EXPENSES

Form B 09 – DN/HN

	2022 VND	2021 VND
Transportation, storage and other outsourced service expenses	258,554,225,527	300,815,811,619
Staff costs	23,620,121,127	16,769,397,391
Others	67,214,982,823	25,941,014,994
	<b>349,389,329,477</b>	<b>343,526,224,004</b>

## 30. GENERAL AND ADMINISTRATION EXPENSES

	2022 VND	2021 VND
Staff costs and welfare	135,537,501,966	95,132,803,248
Depreciation and amortisation	10,978,701,489	11,572,329,875
Tools and supplies	9,008,842,134	2,081,714,765
Legal consulting fee	87,855,582,896	12,162,880,772
Amortisation of goodwill	35,116,679,667	32,665,191,092
Others	93,600,828,344	59,474,560,895
	<b>372,098,136,496</b>	<b>213,089,480,647</b>



### 31. BUSINESS INCOME TAX (“BIT”)

Form B 09 – DN/HN

The Group’s subsidiaries are entitled to BIT tax rate base on its industries and according to its Investment registration certificate.

The tax on the Group’s profit before tax differs from the theoretical amount that would arise using the applicable tax rate (20%) as follows:

	2022 VND	2021 VND
<b>Net accounting profit before tax</b>	<b>2,322,917,662,868</b>	<b>1,279,554,866,093</b>
<b>Tax calculated at a rate of 20%</b>	<b>464,583,532,574</b>	<b>255,910,973,219</b>
<b>Effect of:</b>		
Income not subject to tax	(263,444,486)	(29,571,600)
Expenses not deductible for tax purposes	2,698,334,682	2,295,549,451
Temporary different with no deferred income tax was recognised	1,889,688,944	(662,224,190)
Tax losses for which no deferred income tax asset was recognised	2,402,660,410	644,332,604
Tax incentive	(161,352,900,896)	(85,196,794,703)
Under-provision in previous years	39,906,482	38,643,615
<b>BIT charge (*)</b>	<b>309,997,777,710</b>	<b>173,000,908,396</b>
<b>Charged to consolidated income statement:</b>		
BIT – current	303,587,294,874	178,086,534,812
BIT – deferred	6,410,482,836	(5,085,626,416)
	<b>309,997,777,710</b>	<b>173,000,908,396</b>

(\*) The BIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

### 32. COST OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Group’s operating activities, excluding cost of merchandise for trading activities. The details are as follows:

	2022 VND	2021 VND
Raw materials	9,420,982,047,381	6,721,032,609,678
Outsourced service expenses	1,816,849,227,804	1,197,820,543,422
Labour costs	1,551,518,598,600	1,146,967,936,511
Depreciation, amortisation and allocation of goodwill	326,932,321,590	284,991,616,859
Other cash expenses	799,800,436,286	359,603,394,004
	<b>13,916,082,631,661</b>	<b>9,710,416,100,474</b>

### 33. SEGMENT REPORTING

Form B 09 – DN/HN

The Group’s activities are mainly segmented by export and domestic activities. The Group does not monitor its operation results, fixed assets, other non-current assets or non-cash major expenses by the geographical areas of customers.

#### Geographical segments:

	2022 VND	2021 VND
Export sales	10,271,461,102,363	7,511,940,611,268
Domestic sales	2,959,339,084,556	1,542,308,306,491
Net sales	13,230,800,186,919	9,054,248,917,759

#### Business activity segments:

Growing, processing and trading aquatic products are the main activities that generate revenue and profit for the Group, while the other revenue streams only account for a small portion of the Group’s total revenue; therefore, the Board of Management has determined that the Group has operated in only one business segment.

### 34. ADDITIONAL INFORMATION FOR THE ITEMS OF THE CASH FLOW STATEMENT

#### Non-cash transactions affecting the consolidated statement of cash flows

	Year ended 31 December	
	2022 VND	2021 VND
Purchase of fixed assets and other long-term assets that have not been settled	16,926,295,488	88,498,600,891
Transfers from construction in progress to inventories	68,836,242,737	–

## 35. RELATED PARTY DISCLOSURES

Form B 09 – DN/HN

The Company has transactions and balances with below related parties:

Name	Relationship
Coast Beacon Inc.	Related company of member of Board of Supervision
Phu Si Packaging Company Limited	Related company of Chairwoman
Van Duc Tien Giang Food Export Co., Ltd.	Related company of Chairwoman
Van Duc Food Co., Ltd.	Related company of Chairwoman
Mai Thien Thanh Co., Ltd	Associate
Individuals	Shareholders and other individuals related to Chairwoman

### (A) RELATED PARTY TRANSACTIONS

During the year, the following major transactions were carried out with related parties:

I. Sales of goods and services	2022 VND	2021 VND
Coast Beacon Inc.	5,731,296,888,625	3,778,214,781,374
Van Duc Tien Giang Food Export Co., Ltd	52,356,917,592	32,076,535,495
Van Duc Food Co., Ltd.	4,706,037,179	5,778,414,222
Mai Thien Thanh Co., Ltd	944,836,910	377,496,773
Individuals	59,600,750,000	290,224,000
	<b>5,848,905,430,306</b>	<b>3,816,737,451,864</b>
II. Purchases of goods and services		
Van Duc Tien Giang Food Export Co., Ltd.	40,645,970,418	30,751,888,642
Mai Thien Thanh Co., Ltd	16,073,177,200	12,560,506,000
Individuals	92,364,731,920	76,997,902,080
	<b>149,083,879,538</b>	<b>120,310,296,722</b>
III. Purchases of fixed assets		
Van Duc Food Co., Ltd.	–	1,000,000,000
Van Duc Tien Giang Food Export Co., Ltd.	551,296,296	210,000,000
	<b>551,296,296</b>	<b>1,210,000,000</b>
IV. Compensation of key management		
Gross salaries and other benefits	34,885,315,752	38,745,435,066

## 35. RELATED PARTY DISCLOSURES (CONTINUED)

Form B 09 – DN/HN

### (B) YEAR END BALANCES WITH RELATED PARTIES

Short-term trade accounts receivable (Note 5)	2022 VND	2021 VND
Coast Beacon Inc,	1,508,411,579,218	1,342,372,547,210
Van Duc Tien Giang Food Export Co., Ltd,	11,775,982,042	18,275,306,463
Van Duc Food Co., Ltd,	409,102,747	1,312,365,277
Mai Thien Thanh Co., Ltd	171,864,000	221,021,900
Individuals	4,497,250,000	–
	<b>1,525,265,778,007</b>	<b>1,362,181,240,850</b>

### Prepayments to suppliers (Note 6)

Mai Thien Thanh Co., Ltd	2,538,600,040	4,354,492,300
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### Other short-term receivables (Note 7)

Board of Management and Board of Directors	15,076,166	49,837,370
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### Short-term trade accounts payable (Note 13)

Van Duc Tien Giang Food Export Company	1,106,226,000	703,098,000
Mai Thien Thanh Co., Ltd,	987,975,360	282,283,600
Phu Si Packaging Company Limited	1,187,000,460	–
Individuals	24,191,638,930	–
	<b>27,472,840,750</b>	<b>985,381,600</b>

### Other short-term payables (Note 16)

Van Duc Tien Giang Food Export Co., Ltd,	3,417,263,329	45,618,746,364
Van Duc Food Co., Ltd,	15,796,586,400	30,822,529,500
Mai Thien Thanh Co., Ltd,	45,750,000	–
	<b>19,259,599,729</b>	<b>76,441,275,864</b>

36. COMMITMENTS

(A) COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

	2022 VND	2021 VND
Within one year	9,732,684,378	11,225,672,501
Between one and five years	29,858,907,173	32,591,228,666
Over five years	99,920,317,363	84,971,967,718
	139,511,908,914	128,788,868,885

(B) CAPITAL COMMITMENTS

As at 31 December 2022, the Group had capital expenditure commitments to build factory and purchase machinery at Feed One Company Limited and Vinh Hoan Collagen Company Limited which contracted for at the consolidated balance sheet date but not recognised in the consolidated financial statements with the total amount of VND21,057,415,876.

As at 31 December 2022, the Group had commitments to contribute capital to Vinh Hoan Fish Hatchery Company Limited as presented in Note 1 of this consolidated financial statement.

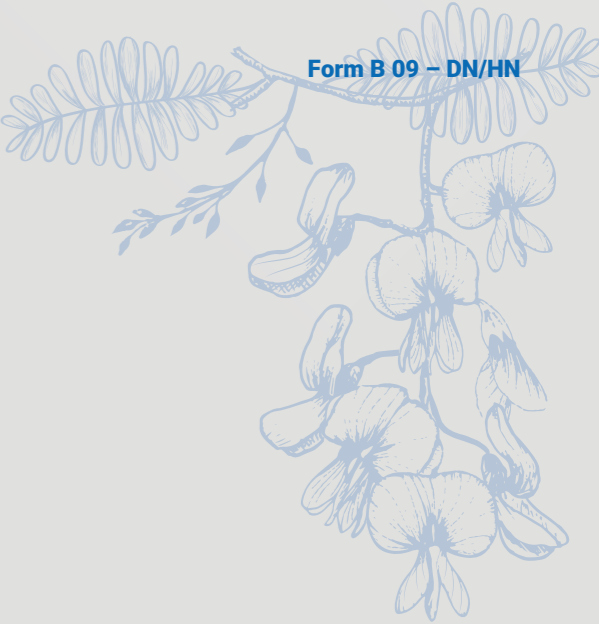
The consolidated financial statements were approved by the Board of Management on 30 March 2023.



Ha Thi Phuong Thuy Hong Nhung  
Preparer and Chief Accountant



Truong Thi Le Khanh  
Chairwoman



# COMPANY INFORMATION

Trang 148- 159

## PRINCIPAL BUSINESS

- 7.1 Company Structure
- 7.2 Organization Chart
- 7.3 Shareholder Structure and Changes in Owners' Equity
- 7.4 Report on Internal Shareholders' Transactions
- 7.5 Shares Information

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## BUSINESS LOCATIONS

**Our main export markets include:** USA, Canada, Latin America, UK, China, Japan, Australia, European countries...



## PRINCIPAL BUSINESS:

- ▶ Inland aquaculture.
- ▶ Processing and preserving aquatic products.
- ▶ Trading of raw agricultural products and preprocessing materials in the aquatic products and aquatic feed industries.
- ▶ Trading of aquatic products and related husbandry products used in producing and processing of aquatic products.
- ▶ Trading of chemicals used in producing and processing aquatic products.
- ▶ Trading of machines, equipment, and supplies used in producing and processing aquatic products and aquatic feeds.

- ▶ Producing fish meal.
- ▶ Producing oil and fat from animals and plants.
- ▶ Extracting and producing gelatin and hydrolyzed collagen.
- ▶ Exporting and importing of gelatin, hydrolyzed collagen, and pharmaceutical ingredients; importing chemicals and materials used in producing gelatin, hydrolyzed collagen, cosmetics and supplements.
- ▶ Producing vegetable juice; processing and preserving other fruits and vegetables; producing frozen, freeze-dried fruits, etc.



## COMPANY STRUCTURE



VINH HOAN  
EU code: DL 26

### VINH PHUOC FOOD CO., LTD.

- ▶ Business Registration Certificate No. 1402103399 dated 04 September 2018, and the latest amended dated 14 September 2020 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 450,000,000,000; fully held by Vinh Hoan Corporation.
- ▶ Principal business: Aquaculture, processing, preserving and trading of fish and other fishery products.



### VINH HOAN COLLAGEN ONE MEMBER CO., LTD.

- ▶ Business Registration Certificate No. 1401587429 dated 02 December 2011, and the latest amended dated 2 March 2018 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 100,000,000,000; fully contributed by Vinh Hoan Corporation.
- ▶ Principal business: Extracting and manufacturing of hydrolyzed collagen and gelatin.



### THANH NGOC AGRICULTURE FOODS CO., LTD.

- ▶ Business Registration Certificate No. 1402157958 dated 19 February 2021 and the latest amended dated 21 June 2022 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 300,000,000,000; 87.27% held by Vinh Hoan Corporation.
- ▶ Principal business: Processing and preserving vegetables, planting fruit trees, and other annual crops.



VINH HOAN  
EU code: DL 847

### THANH BINH DONG THAP ONE MEMBER CO., LTD.

- ▶ Business Registration Certificate No. 1402054046 dated 8 November 2016, and the latest amended dated 25 November 2022 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 233,143,345,033; fully held by Vinh Hoan Corporation.
- ▶ Principal business: Aquaculture, processing, preserving and trading of fish and other fishery products.



### FEED ONE AQUATIC FEED ONE MEMBER CO., LTD.

- ▶ Business Registration Certificate No. 140171196 dated 05 April 2012, and the latest amended dated 5 November 2022 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 260,000,000,000; of which Vinh Hoan contributed VND 195,000,000,000, equivalent to 75%.
- ▶ Principal business: Producing feed for cattle, poultry and fish.



### MAI THIEN THANH CO., LTD.

- ▶ Business Registration Certificate No. 140209072 dated 21 March 2018, and the latest amended dated 02 November 2021 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 40,000,00,000; 27.5% held by Vinh Hoan Collagen.
- ▶ Principal business: Fertilizer production, non-toxic waste treatment and destruction.



VINH HOAN

### VINH HOAN FISH HATCHERY CO., LTD.

- ▶ Business Registration Certificate No. 1602091937 dated 12 January 2019, and the latest amended dated 30 May 2020 by the Department of Planning and Investment of An Giang province.
- ▶ VCharter capital as of 31 December 2022: VND 140,000,000,000; 98% held by Vinh Hoan Corporation.
- ▶ Principal business: Freshwater aquaculture with operation of domestic freshwater fish hatcheries.



### SA GIANG JOINT STOCK COMPANY

- ▶ Business Registration Certificate No. 1400469817 dated 02 July 2004, and the latest amended dated 14 December 2022 by the Department of Planning and Investment of Dong Thap province.
- ▶ Charter capital as of 31 December 2022: VND 71,475,800,000; 76.72% held by Vinh Hoan Corporation;
- ▶ Principal business: Production of shrimp chips and rice-based products.



### VINH TECHNOLOGY CO., LTD.

- ▶ Enterprise Registration No. 202034498H issued on 28 October 2020 by the Singapore Accounting and Corporate Regulatory Authority.
- ▶ Charter capital as of 31 December 2022: USD 150,000; fully held by Vinh Hoan Corporation.
- ▶ Principal business: Investment and import-export trading.

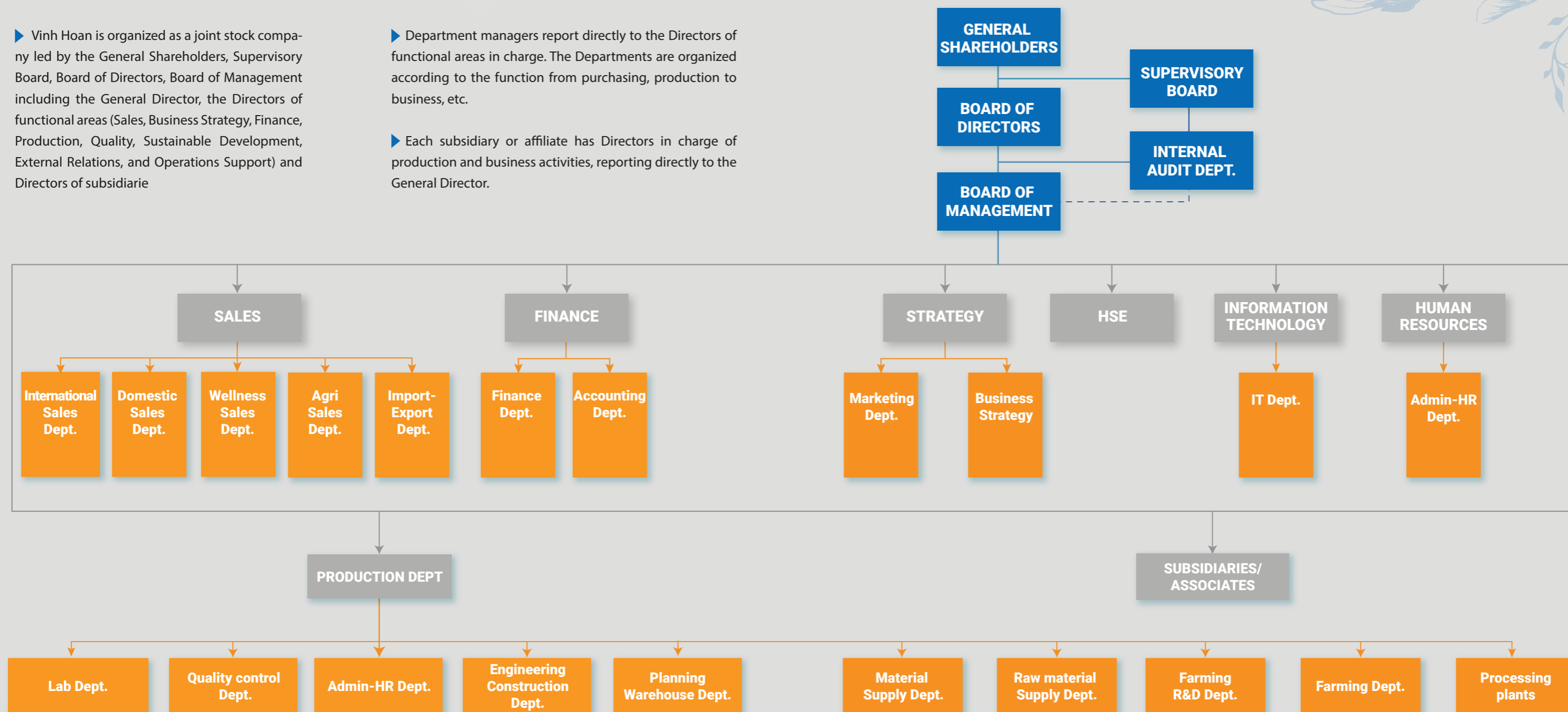
# 7.2

## ORGANIZATIONAL CHART

► Vinh Hoan is organized as a joint stock company led by the General Shareholders, Supervisory Board, Board of Directors, Board of Management including the General Director, the Directors of functional areas (Sales, Business Strategy, Finance, Production, Quality, Sustainable Development, External Relations, and Operations Support) and Directors of subsidiaries

► Department managers report directly to the Directors of functional areas in charge. The Departments are organized according to the function from purchasing, production to business, etc.

► Each subsidiary or affiliate has Directors in charge of production and business activities, reporting directly to the General Director.





## SHAREHOLDERS' STRUCTURE, OWNER'S INVESTMENT CHANGE, AND TREASURY SHARE CHANGE IN 2022

### SHAREHOLDERS' STRUCTURE

(According to the LIST OF FINAL SHAREHOLDERS on October 21, 2022)

#### SITUATION OF CHANGES IN INVESTMENT CAPITAL OF OWNER'S INVESTMENT

In 2022, there is no change in the owner's investment capital.

No	Subject	Volume of stocks	Ownership rate (%)	Number of shareholders	Shareholder structure	
					Organization	Individual
1	State Shareholders	0	0.00%	0	0	0
2	Major Shareholders	111,658,416	60.89%	5	1	3
	Domestic	90,066,116	49.12%	3	0	3
	Foreign	21,592,300	11.77%	2	1	0
3	Corporate Union	29,622	0.02%	1	1	-
	Domestic	29,622	0.02%	1	1	0
	Foreign	0	0.00%	0	0	0
4	Treasury	0	0.00%	0	0	0
5	Shareholders owning preferred shares (if any)	0	0.00%	0	0	0
6	Other shareholders	71,688,918	39.09%	6,301	130	6,171
	Domestic	41,127,673	22.43%	6,012	56	5,956
	Foreign	30,561,245	16.67%	289	74	215
	<b>TOTAL</b>	<b>183,376,956</b>	<b>100.00%</b>	<b>6,307</b>	<b>132</b>	<b>6,171</b>
	In which					
	Domestic	131,223,411	71.57%	6,016	57	5,959
	Foreign	52,153,545	28.44%	291	75	215



## REPORT ON INTERNAL SHAREHOLDERS' TRANSACTIONS

### 1. TREASURY STOCK TRADING REPORT

In 2022, transactions related to treasury shares occurred as follows:

Stock Code	VHC
Denomination	10,000VND/shares
Number of treasury shares as of January 1, 2022	1,430,930 shares
Increase in treasury shares	0 shares
Decrease in treasury shares (There was a transaction of selling treasury shares, performed from May 30, 2022 to June 14, 2022, the average transaction price of 106,624 VND/share)	1,430,930 shares
Number of treasury shares as of December 31, 2022	0 shares

### 2. STOCK TRADING REPORT OF INTERNAL SHAREHOLDERS IN 2022

No	The person executing the transaction	Internal relations	Number of shares owned at the beginning of the period	Number of shares owned at the end of the period	Reason for increase/decrease (buy, sell, convert, reward)
1	Nguyen Thi Kim Dao	Chief Finance Officer	2,006	6	Sold
2	Dang Thi Thuong	Director of Thanh Ngoc Agriculture Food Co., Ltd.	1,000	0	Sold
3	Truong Tuyet Hoa	BOD Member – Director of Sales	5,814	14	Sold
4	Ta Khanh Toan	Related party of Huynh Thi Hong Diem – Deputy Director of Production	190	90	Sold
5	Huynh Thi Hong Diem	Deputy Director of Productio	3,424	3.624	Purchased



# SHARES INFORMATION

## SHARES (AS OF OCTOBER 21/10/2022)

Total number of shares (Shares)	183,376,956
Par value of one share (VND/share)	10,000
Number of treasury shares (shares)	0 shares
Number of shares outstanding (shares)	183,376,956
Number of shares restricted from transfer according to regulations of provisions of the stock ownership program for employees in the company (ESOP 2) (shares)	1,782
Number of freely transferable shares (shares)	183,375,174



## CAUTIONARY NOTE REGARDING FORWARD - LOOKING STATEMENTS



All statements contained in this report that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms, such as “anticipate”, “believe”, “can”, “could”, “estimate”, “anticipate”, “project”, “expect”, “intend”, “may”, “plan”, “aim”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), planned projects and other matters discussed in this document regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this report involve known and unknown risks, uncertainties and other factors that may cause our actual financial results, performance or achievements to be materially different from any future financial results, performance or achievements expressed or implied by such forwardlooking statements or other projections.

Forward-looking statements are based on our beliefs and assumptions, which in turn are based on currently available information. Our outlook is predominantly based on our interpretation of what we consider to be the key economic factors affecting our business, the global economy and the sectors we operate in. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors, many of which are beyond our control. Accordingly, investors are cautioned not to place undue reliance on the forward-looking statements in this report. These statements speak only as of the date of this report or the respective dates indicated in this report, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.



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