



CỬA\_TÂY

**Vinamilk**<sup>®</sup>  
EST 1976

# EARNINGS PRESENTATION

For 12 months ended December 31<sup>st</sup>, 2023 (“2023”)

VINAMILK.  
**GREEN  
FARM**

VINAMILK.  
SỮA TƯƠI  
TIẾT TRUNG  
chứa  
**TỎ YẾN**

VINAMILK.  
**Susu**  
IQA

*Love*  
**Yagurt**

TWIN COWS  
Premium Ice Cream

VINAMILK  
**probi**

**NHÔC  
KEM**

ペディア 日本  
**PEDIA  
KENJI**

**Ông Thọ**

**Vfresh**

# DISCLAIMER

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Certain statements in this Presentation may constitute “forward-looking statements”, including forward-looking financial information. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Vietnam Dairy Products JSC (“Vinamilk” or “The Company”), or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding Vinamilk’s present and future business strategies and the environment in which Vinamilk will operate in the future. Because these statements and financial information reflect Vinamilk’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

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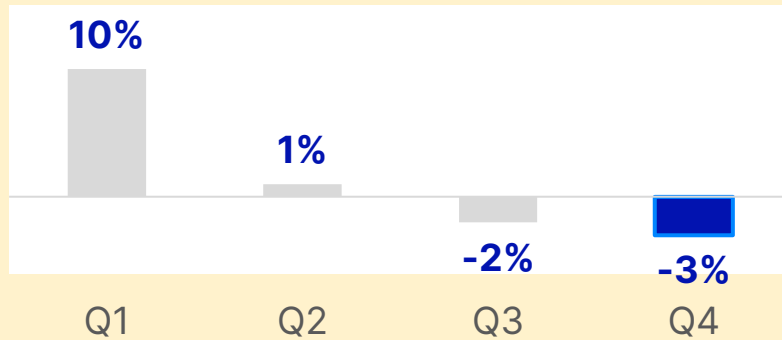
This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While Vinamilk has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, Vinamilk has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.



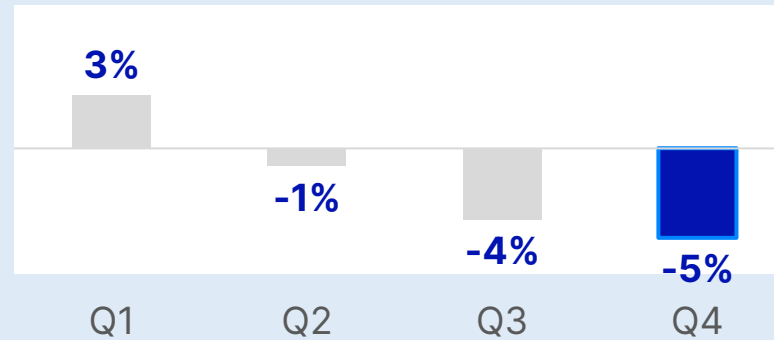
# MACRO UPDATE

Macro headwind indicated a hit in both FMCG and dairy consumption

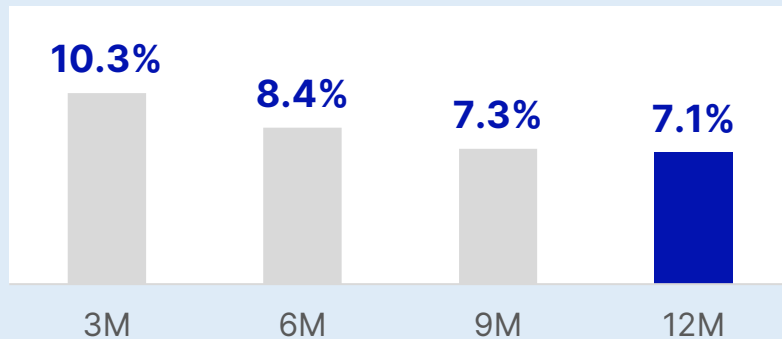
## FMCG Sector



## Dairy Sector



## Retail Sales and Services<sup>(1)</sup>



## SMP (\$/ton)



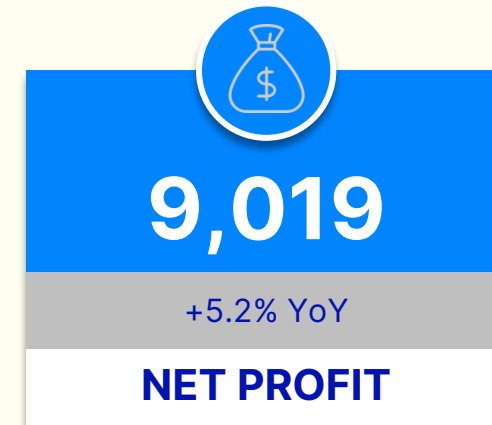
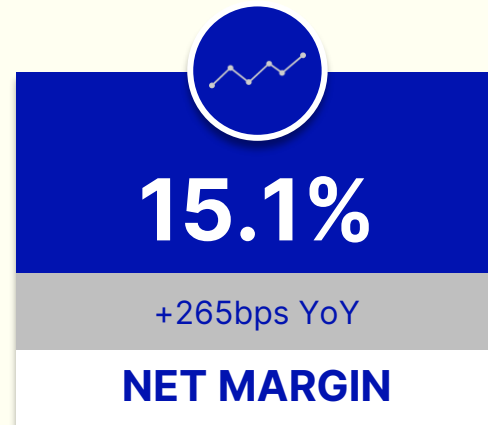
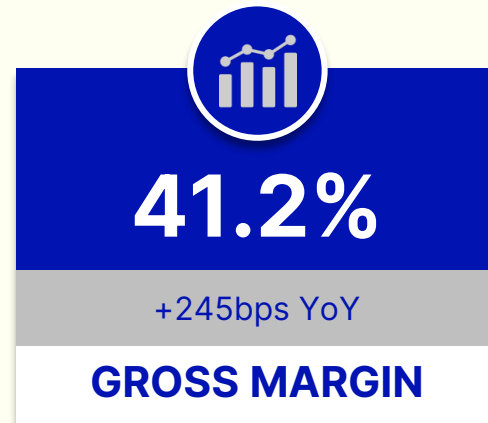
## Key takeaways:

- **FMCG sector recorded a YoY decline in 4Q23**, occurred across 5 out of 8 monitored industry groups, including the dairy sector.
- **Vietnam economy** was affected by global economic situation.
- **Adaptive consumer behaviors:** (1) Prioritizing products or shopping channels with attractive promotional programs, (2) downtrading for alternatives with more suitable prices, (3) Choosing larger packaging to save costs.

# PERFORMANCE HIGHLIGHTS

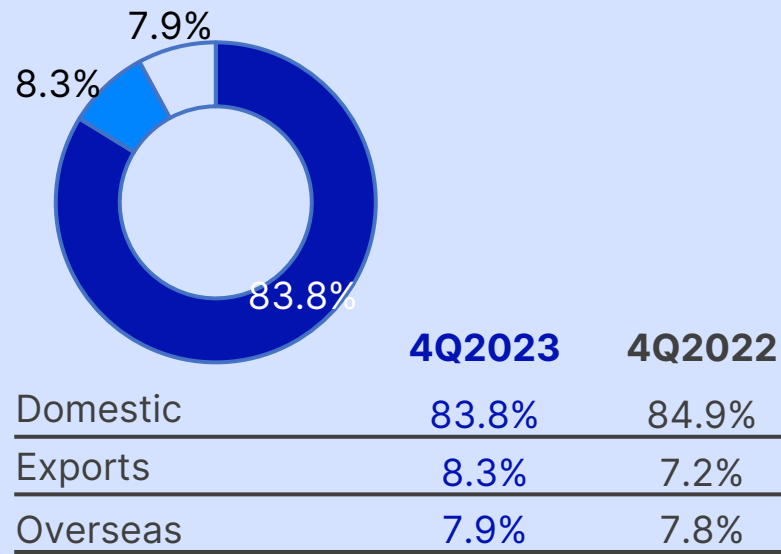
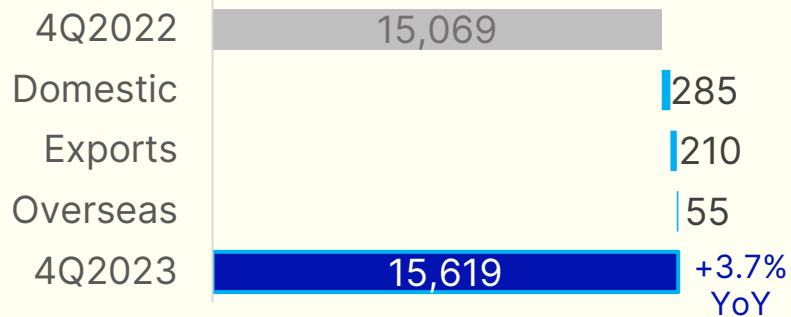
Consolidated results – 4Q2023

2023



# PERFORMANCE ANALYSIS

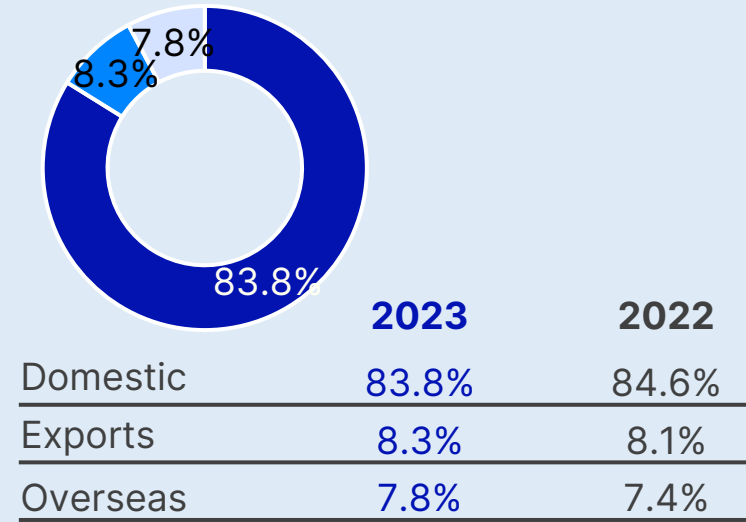
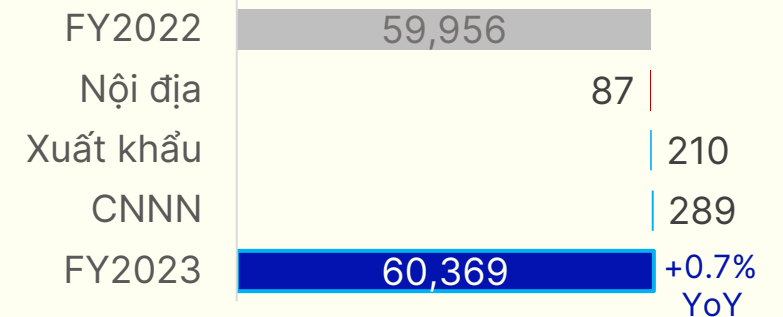
4Q2023 consolidated net sales reached VND 15,619bn



## Key takeaways:

- The consolidated net sales in 4Q2023 reached VND 15,619bn (+3.7% YoY).
- Domestic and international sales contributed VND13,085 bn (+2.2%) và VND2,534 bn (+11.7%).
- Accumulated in 2023, the consolidated net sales were VND 60,369bn, +1% YoY, completed 95.2% of yearend guidance.

2023

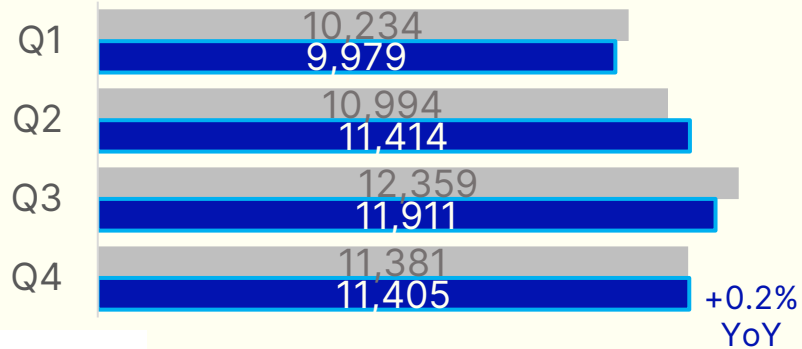


# PERFORMANCE ANALYSIS

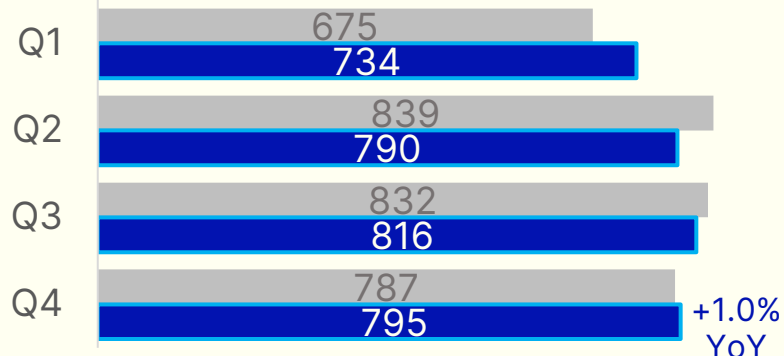
**Domestic business:** The Parent Company recorded a 0.2% increase YoY, amidst an industry-wide decline, attributed to the positive performance of condensed milk and yogurt. Market share remained stable across all categories vs. Q3

**Vinamilk**  
EST 1976

■ 2022 ■ 2023



**MỘC CHÂU**  
MILK



## Key takeaways:

- **Products Innovation:** Introduced and re-launched a total of 11 products, including the re-branding packaging for liquid milk in Q3/2023, Vinamilk **launched a series of marketing campaigns** in Q4 to project the youthful and dynamic image of the new brand identity. **Green Farm achieved an impressive 50% YoY revenue growth**
- **Distribution Network:** Vinamilk introduced a completely new appearance for the flagship store and changed the name to “Vinamilk” so the consumers can remember more easily. In 2023, the store channel achieved a revenue growth of 13% YoY. **Expanding presence on e-commerce platforms**, Vinamilk’s online sales revenue doubled YoY in 2023.
- **MCM:** maintained its Top-of-Mind recognition YoY while purchasing power in Northern and North Central regions is facing challenges.
- Vinamilk is running **653 stores** and MCM is running **63 stores**.

## Packaging in New Identity



As of December 31<sup>st</sup> 2023



# A NEW LOOK FOR VINAMILK STORE



As of December 31<sup>st</sup> 2023



# THE FIRST DAIRY INTERACTIVE EXHIBITION IN VIETNAM



As of December 31<sup>st</sup> 2023



# THE FIRST DAIRY INTERACTIVE EXHIBITION IN VIETNAM



38,000  
Sample giveaways



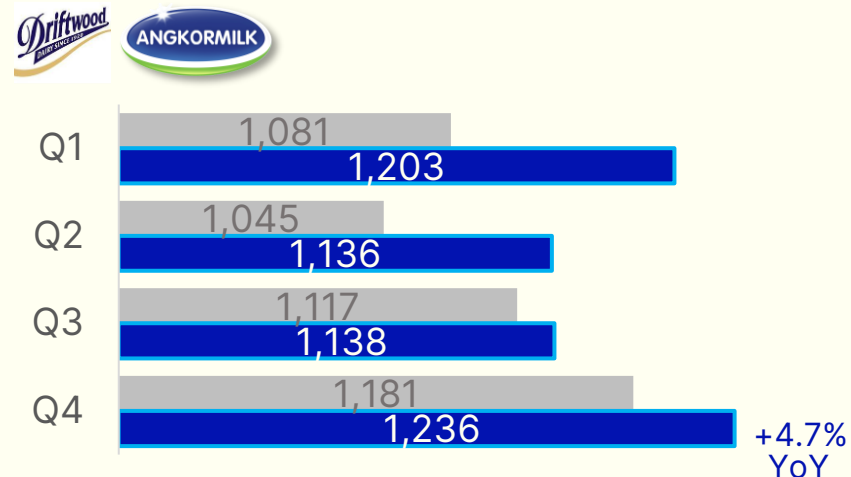
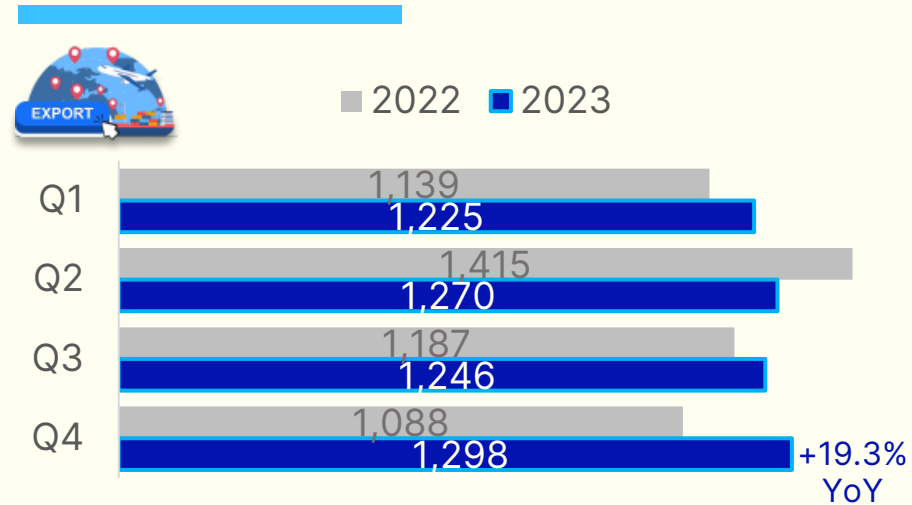
7,000  
Guest visits



TOP10  
Social discussion

# PERFORMANCE ANALYSIS

International markets: Export delivered strong rebound, overseas subsidiaries continued solid growth.



## Key takeaways:

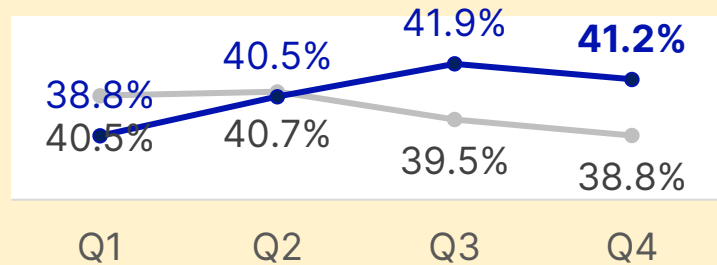
- **Net export revenue** experienced a robust breakthrough with a growth rate of 19.3% compared to the low base of the same period. For the entire year, net export revenue reached VND 5,039 billion, showing a 4.4% increase YoY.
- **Net sales of overseas subsidiaries** maintained resilient growth compared to the high base last year. In 2023, net revenue achieved VND 4,713 billion in 2023, equivalent to 6.5 YoY growth rate.
  - **Driftwood** maintained slight revenue growth and recorded the first-ever profit exceeding USD 2 million thanks to successful school milk bidding, reasonable cost calculations, and cost-saving efforts in operations;
  - **AKM** achieved impressive YoY growth in both revenue (6%) and profit (27%) in 2023 thanks to intensified activation programs in schools, markets, supermarkets.



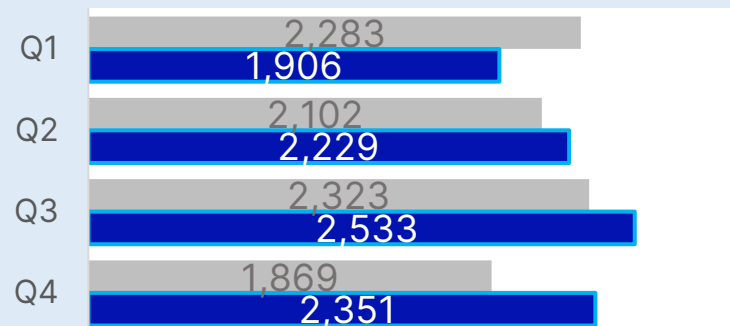
# PERFORMANCE ANALYSIS

4Q2023 gross margin achieved 41.2% on the premise of topline growth and favorable input cost variation.

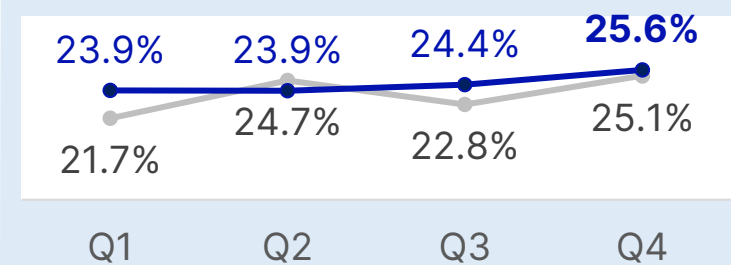
— 2022 — 2023



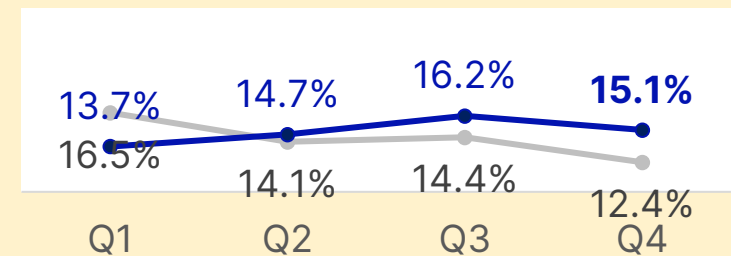
The **GPM in Q4** is slightly lower than Q3 mainly due to seasonal factors.



**NPAT** showed a robust increase of 25.8% on the low base, attributed GPM improvement, stringent cost control.

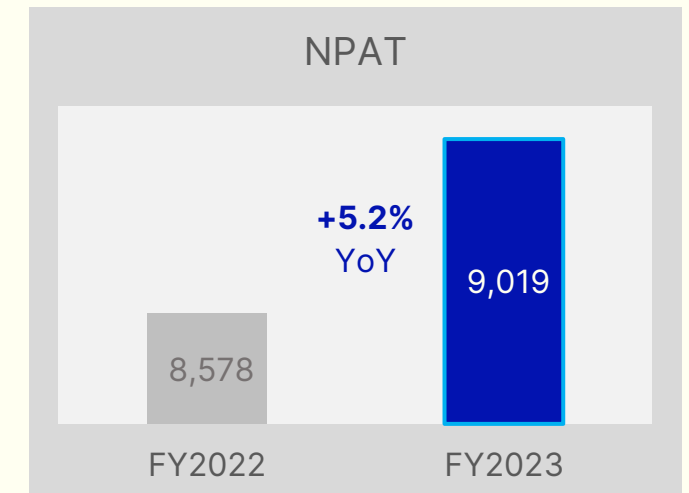
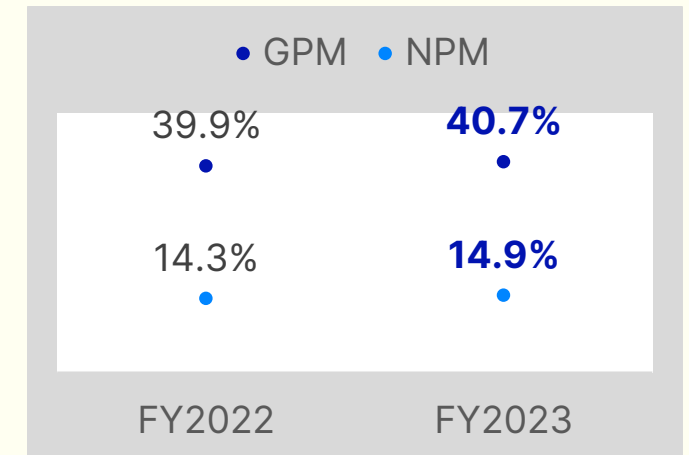


**SG&A Margin** +49bps YoY and +120bps QoQ to increase investments in festive marketing activities.



**NPM** increased by 265 bps YoY.

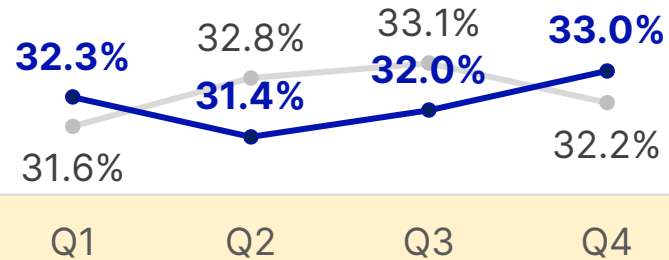
## 2023



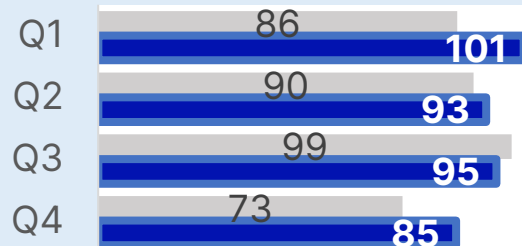
# PERFORMANCE ANALYSIS

## Mocchau Milk (MCM)

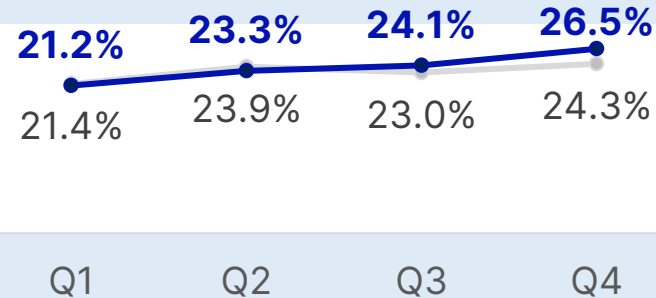
— 2022 — 2023



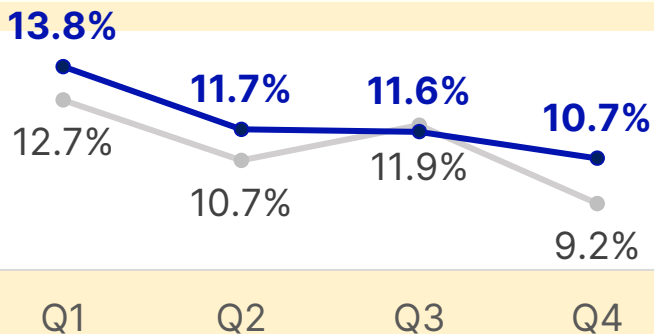
**GPM** +73bps QoQ and + 94bps YoY.



**Net profit** increased by 17.6% YoY backed by effective cost management.



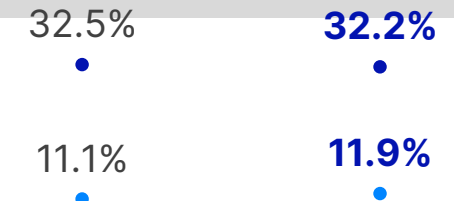
**SG&A** margin elevated by 215 bps YoY to enhance distribution capability.



**Net margin** +152bps YoY but -90bps QoQ.

## 2023

• GPM • NPM



FY2022

FY2023

NPAT

+8.0%  
YoY

347  
FY2022

374  
FY2023

# BALANCE SHEET HIGHLIGHTS

As of December 31<sup>st</sup>, 2023



52,673

**TOTAL ASSETS**



17,648

**TOTAL LIABILITIES**



35,026

**TOTAL EQUITY**

Cash & term deposits	23,049
Other current assets	12,887
Non-current assets	16,737

Debts	8,456
Other current liabilities	8,921
Other non-current liabilities	270

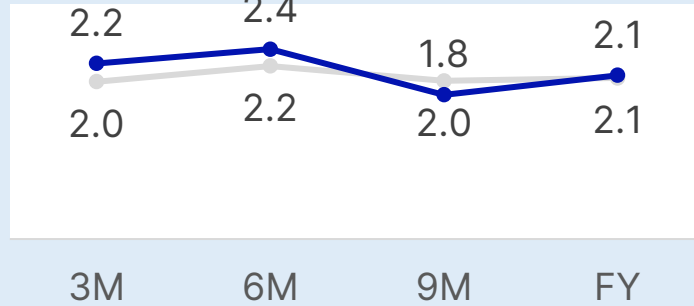
Common Equity & Funds	27,771
Retained Earnings	3,926
Minority Interest	3,329



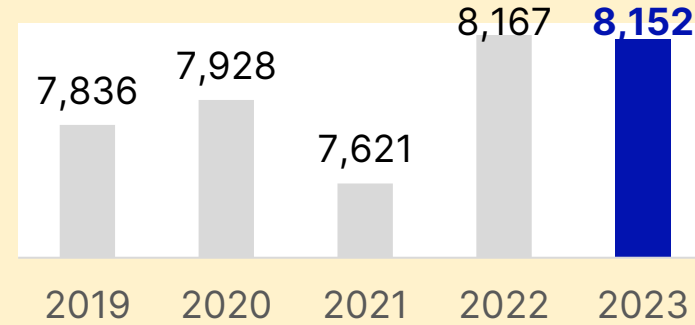
# LIQUIDITY AND CAPITAL STRUCTURE

As of December 31<sup>st</sup>, 2023

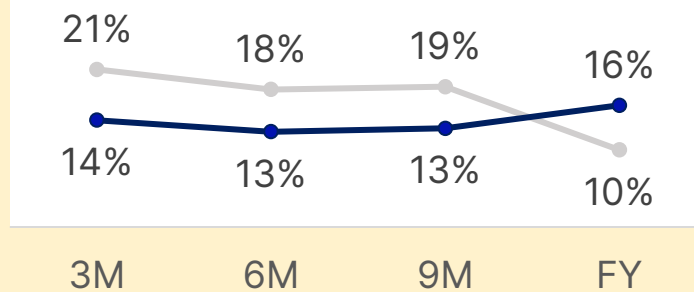
— 2022 — 2023



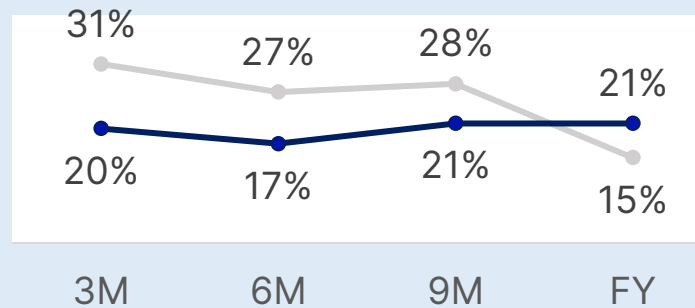
**Current ratio** have been fluctuating around acceptable magnitude.



**Paid dividend** amounted at high level



**Debt-to-assets** level has been aligned with interest environment.



**Debt-to-equity** ratio signaled no significant change.

• Trailing CFO/NPAT

1.0x

0.9x

FY2022

FY2023

Net Cash

14,781

14,593

FY2022

FY2023





# CORPORATE DEVELOPMENT

12 months ended December 31<sup>st</sup>, 2023



- Ông Thọ Condensed Milk and SuperNut Plant based milk were honored at the **Vietnam Creative Advertising Awards 2023** for ingenious content and favorite ambassador.

# CREATIVE ADVERTISING AWARDS 2023





# DTC Strategy



- Vinamilk has implemented **Direct-to-Consumer (DTC)** strategy since the beginning of 2023, aimed at clearly identifying the target customer demographic and their consumption preferences.
  - The program has awarded over **373 thousand gifts at 1,165 stores across 63 provinces and cities.**
- In Q4/2023, **Vinamilk Rewards** program was also introduced, enabling consumers to accumulate points through direct purchases with Vinamilk and redeeming them for attractive rewards.

# FINANCIAL SUMMARY

	4Q2023	4Q2022	FY 2023	FY 2022
<b>Total sales</b>	<b>15,630</b>	<b>15,081</b>	<b>60,479</b>	<b>60,075</b>
<b>Net sales</b>	<b>15,619</b>	<b>15,069</b>	<b>60,369</b>	<b>59,956</b>
<i>Domestic</i>	<i>13,085</i>	<i>12,800</i>	<i>50,617</i>	<i>50,704</i>
<i>International</i>	<i>2,534</i>	<i>2,268</i>	<i>9,751</i>	<i>9,252</i>
<b>Gross profit</b>	<b>6,442</b>	<b>5,846</b>	<b>24,545</b>	<b>23,897</b>
<i>Domestic</i>	<i>5,455</i>	<i>5,027</i>	<i>20,894</i>	<i>20,556</i>
<i>International</i>	<i>986</i>	<i>819</i>	<i>3,651</i>	<i>3,342</i>
SG&A expenses	3,998	3,784	14,774	14,144
Other profit/(loss) excluding depreciation & interest expense	1,024	805	3,607	3,004
<b>EBITDA</b>	<b>3,468</b>	<b>2,867</b>	<b>13,378</b>	<b>12,757</b>
Depreciation	520	518	2,056	2,095
Interest expense	96	53	354	166
<b>Profit after tax</b>	<b>2,351</b>	<b>1,869</b>	<b>9,019</b>	<b>8,578</b>
<b>EPS (VND)</b>	<b>999</b>	<b>797</b>	<b>3,796</b>	<b>3,632</b>





### Contact

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