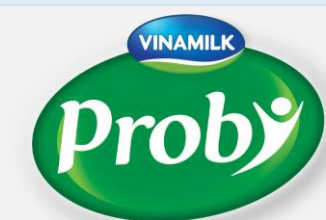




VIETNAM DAIRY PRODUCTS JSC

CORPORATE PROFILE

Q2-2023



Important Notice

Certain statements in this Presentation 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 (“VNM”), 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 VNM’s present and future business strategies and the environment in which VNM will operate in the future. Because these statements and financial information reflect VNM’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.

VNM expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement or financial information contained in this Presentation to reflect any change in VNM’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement or information is based, subject to compliance with all applicable laws and regulations and/or the rules of the Ho Chi Minh City Stock Exchange and/or any other regulatory or supervisory body or agency.

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 VNM has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, VNM has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.



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1

About Vinamilk & Dairy Industry in Vietnam



Mdm. Mai Kieu Lien
CEO

“ To manufacture one of the leading products in the market, we must be always innovative. **Innovation is a vital element!** ”

Vinamilk In A Glance

1976

Established,
formerly
100% State-
owned
Enterprise

2003-2006

IPO in 2003
& Listed on
HOSE in
2006

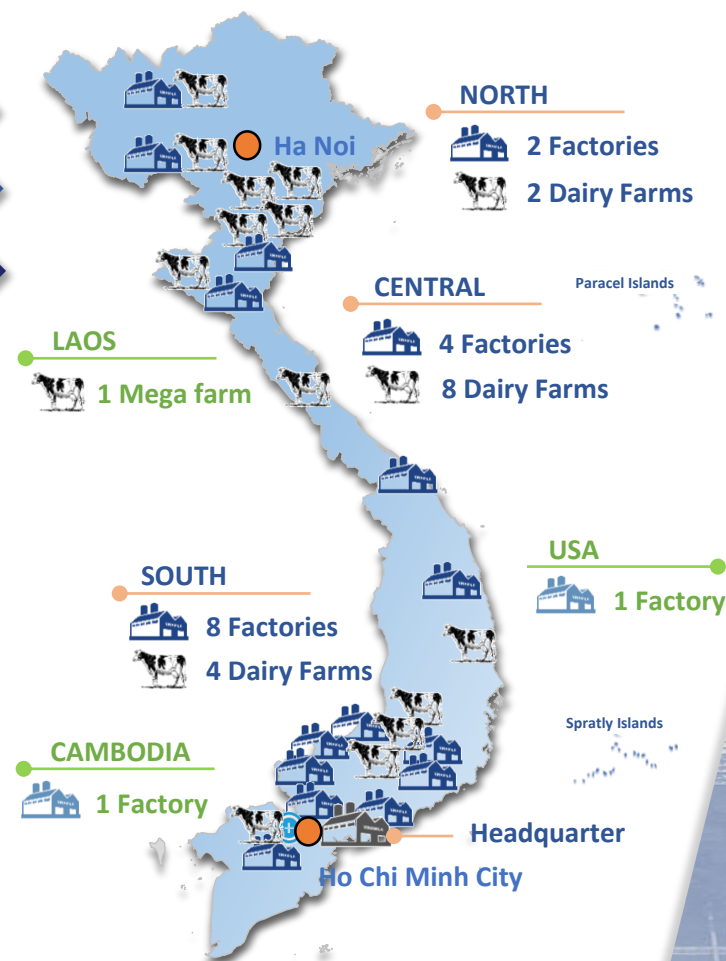
Today

\$7B Market cap – Largest listed F&B on HOSE

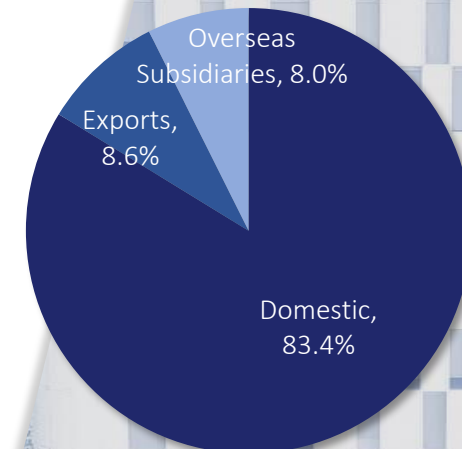
\$2.8B Brand value – Forbes Vietnam

No.1 dairy company in Vietnam in terms of market share², backed by:

- Herd size (**140K** cows and **15** farms)
- Production facilities (**16** factories)
- Product portfolio (**250** SKUs)
- Nationwide distribution (**200K** POS)
- Ranked **36th** in global dairy producers by revenue



Revenue by region¹



Product category

Position²

Liquid milk

1

Formula milk

2

Yogurt

1

Condensed milk

1

High Liquidity & Diversified Shareholder Base

1

No Foreign Ownership Limit¹

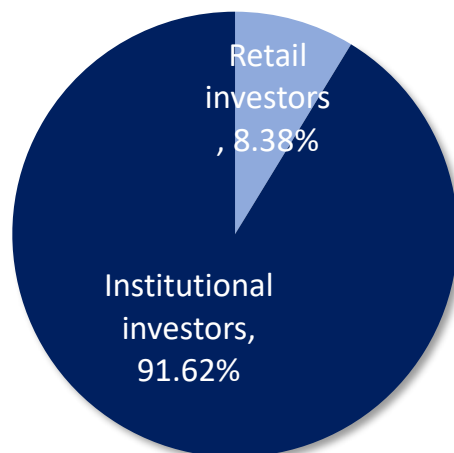
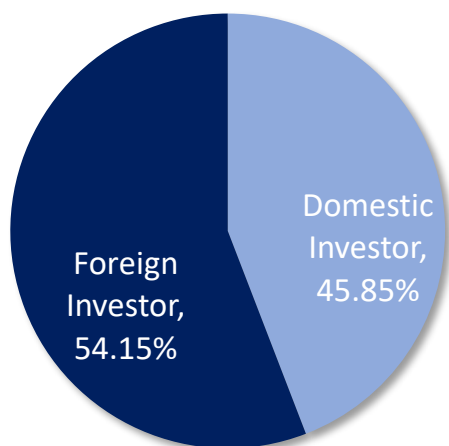
2

\$2.5bn of free-float shares²

3

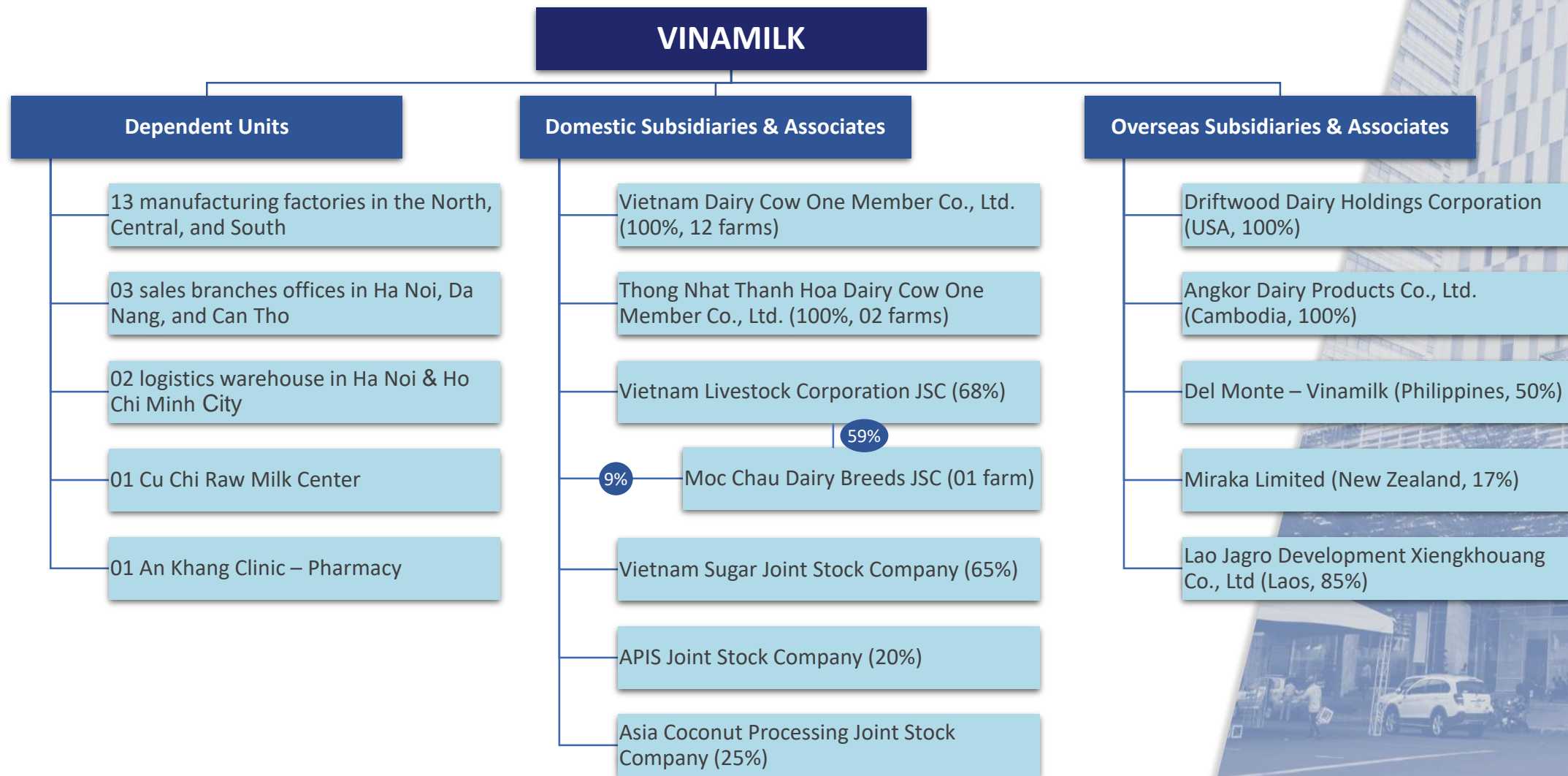
\$15m of daily trading value³

Ownership by type of investors⁴



No.	Top 20 shareholders ⁴	Ownership (%)
1	SCIC	36.00%
2	F&N DAIRY INVESTMENTS PTE LTD	17.69%
3	PLATINUM VICTORY PTE.LTD.	10.62%
4	F&NBEV MANUFACTURING PTE. LTD.	2.70%
5	EMPLOYEES PROVIDENT FUND BOARD	1.27%
6	SCHRODER INTERNATIONAL SELECTION FUND	1.07%
7	FUBON FTSE VIETNAM ETF	1.04%
8	FIRST SENTIER INVESTORS GLOBAL UMBRELLA FUND PLC - FSSA ASIAN EQUITY PLUS FUND	0.95%
9	CITIGROUP GLOBAL MARKETS LIMITED	0.90%
10	MATTHEWS PACIFIC TIGER FUND	0.88%
11	BL	0.86%
12	Vanguard International Value Fund	0.80%
13	Prudential Vietnam	0.69%
14	MAWER GLOBAL SMALL CAP FUND	0.68%
15	MERRILL LYNCH INTERNATIONAL	0.67%
16	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	0.64%
17	Federated Hermes Investment Funds PLC – Federated Hermes Asia ex-Japan Equity Fund	0.45%
18	Manulife Vietnam	0.41%
19	VANECK VIETNAM ETF	0.41%
20	J.P.MORGAN SECURITIES PLC	0.38%

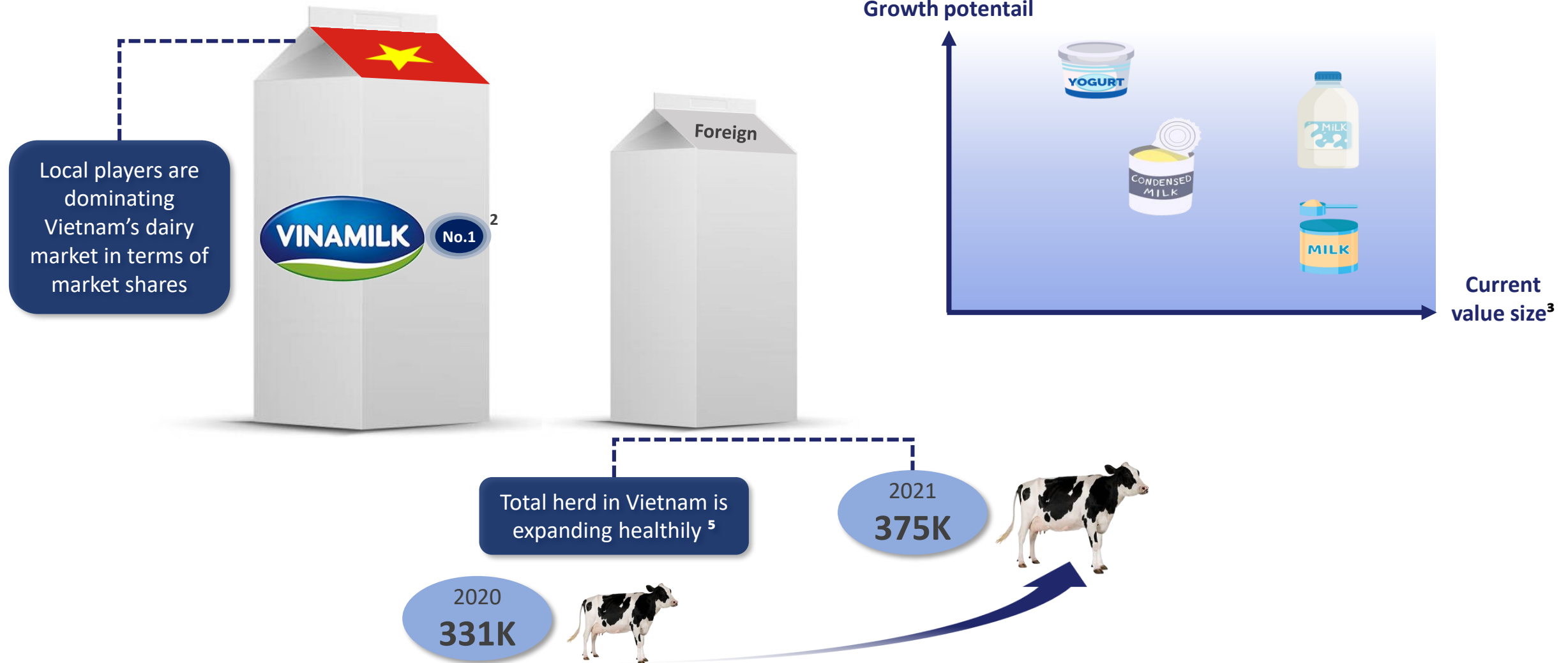
Well-Established Corporate Structure



Note: Percentages (%) are Vinamilk's direct and indirect ownerships at the corresponding entities.

1

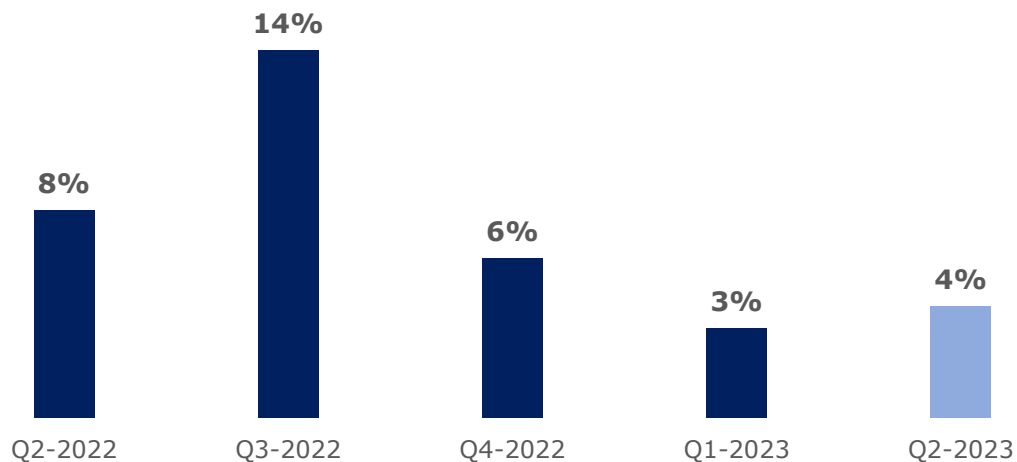
Dairy Industry in Vietnam

A Dynamic Industry That Is Worth \$5 billion¹

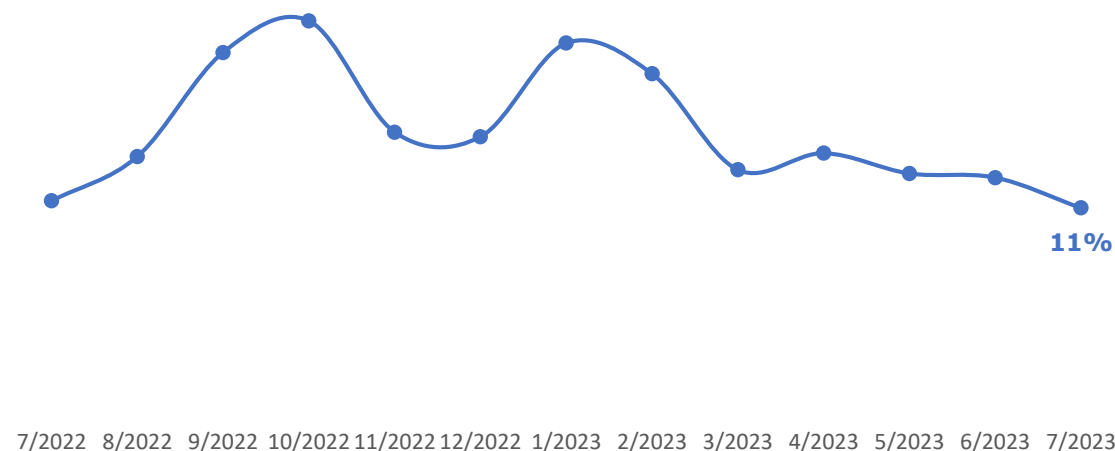
Note: 1. VNM estimates referring to Euromonitor data, applied for total dairy in Vietnam; 2. 2022 market share data by AC Nielsen for total dairy; 3. VNM estimates; Liquid milk includes UHT reconstituted milk, UHT fresh milk, plant-based milk; Yogurt includes drinkable and spoon yogurt; Formula milk includes powder and ready-to-drink formula for baby and adults; 3. General Statistics Office of Vietnam

Consumer Trend & Macro Updates

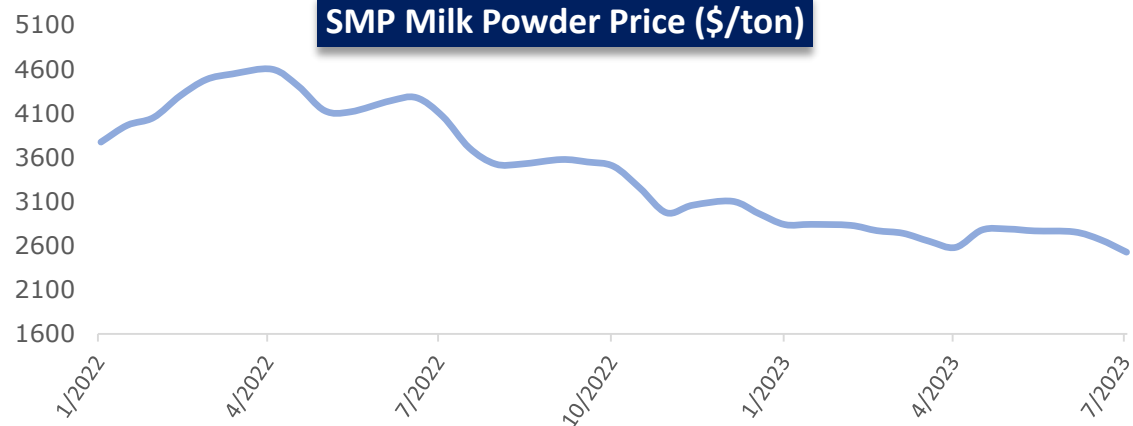
Vietnam GDP Growth



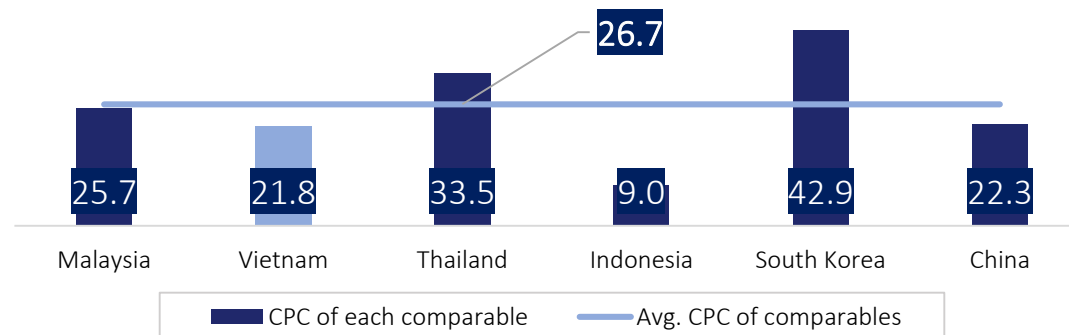
Vietnam Retail and Services Sales Growth



SMP Milk Powder Price (\$/ton)



Vietnam dairy consumption per capita in 2019 was 21.8kg – a 18% lower than regional average – implying sizable upside (kg per person)





2

Key Competitive Advantages

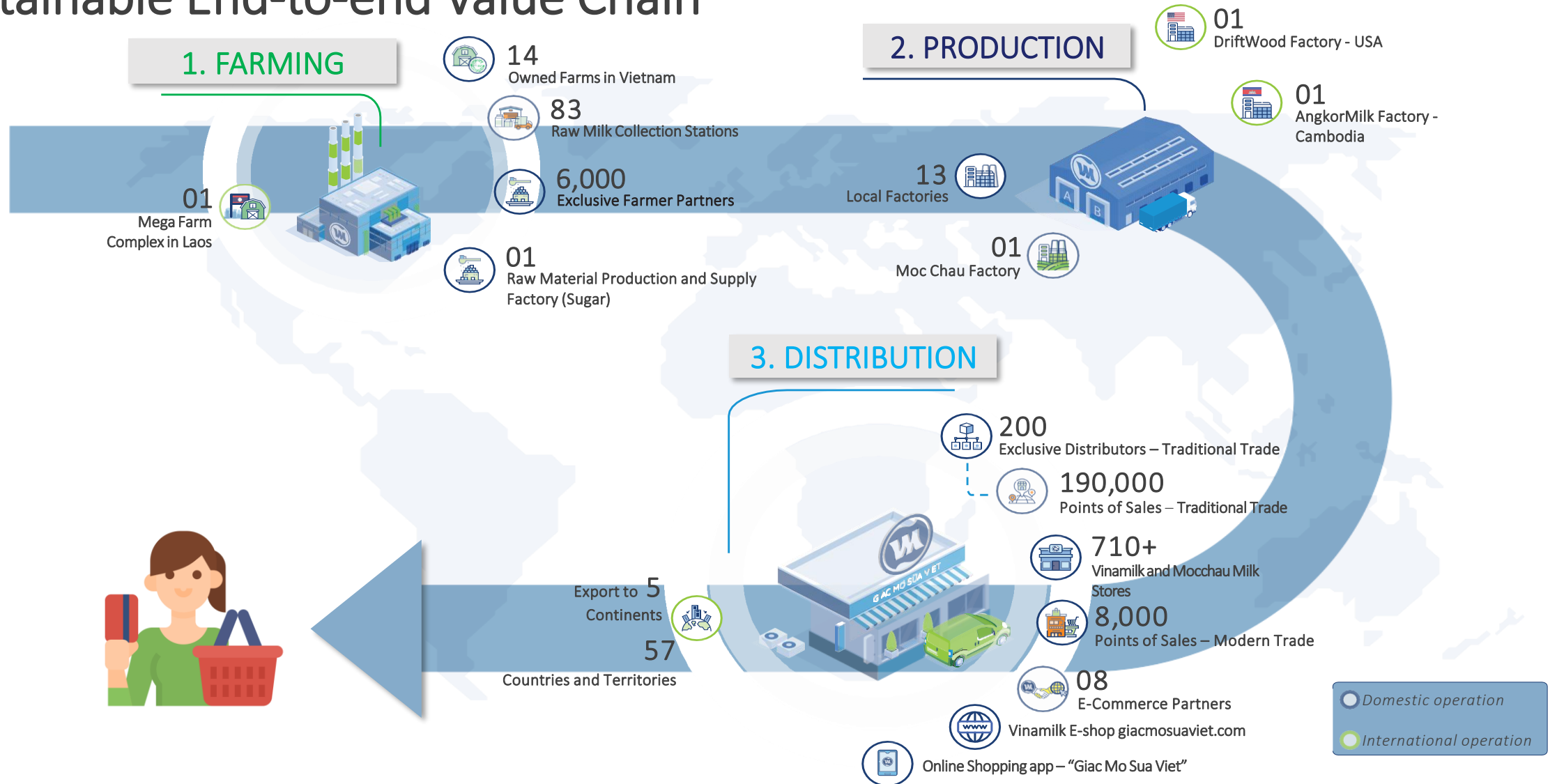
Sustainable End-to-end Value Chain

Domestic Champion With Strong
Brand Heritage & Unrivalled Portfolio

International Footprints In More
Than 50 Countries

Solid Leadership With Award-
Winning Corporate Governance

Sustainable End-to-end Value Chain



Sustainable End-to-end Value Chain

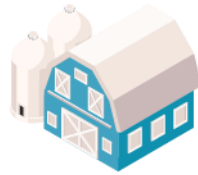
STRONG-TIE RELATIONSHIPS WITH MATERIAL SUPPLIERS

LOCAL RAW MILK

Vietnam's
largest dairy
herd

14

Owned farms
in Vietnam



40,000
cows



50%¹

Supply of
local raw
milk



6,000

Exclusive
farmer
partners



100,000
cows



50%

Supply of
local raw
milk

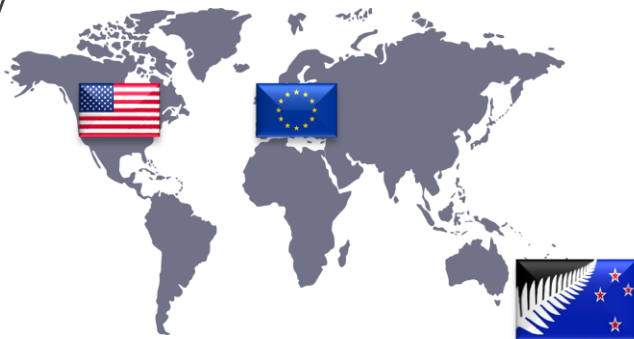


FRESH MILK



IMPORTED MILK POWDER

Internationally
sourcing of
materials



Whole Milk
Powder



Skim Milk
Powder



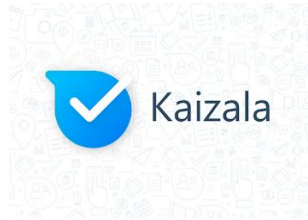
Anhydrous
Milk Fat

RECONSTITUTED & POWDER MILK



Sustainable End-to-end Value Chain

HIGH TECH-DRIVEN FARMING TO IMPROVE PRODUCTIVITY AND INCREASE SELF-SUFFICIENCY



FARMER SUPPORT - Kaizala software: notifying milk quality and milk price in order to increase the efficiency of information exchange, support households to update information quickly and promptly, so as to promptly take measures to improve milk quality, selling price, income etc.



RATION MANAGEMENT SYSTEM - DTM Daily TMR Manager Software Advanced: Measure and ensure feed quality according to the age and development stage of the cows



MAINTENANCE SOFTWARE SYSTEM: Effectively manage and plan the operation of more than 60 motor vehicles and more than 300 machines and equipment on the farm



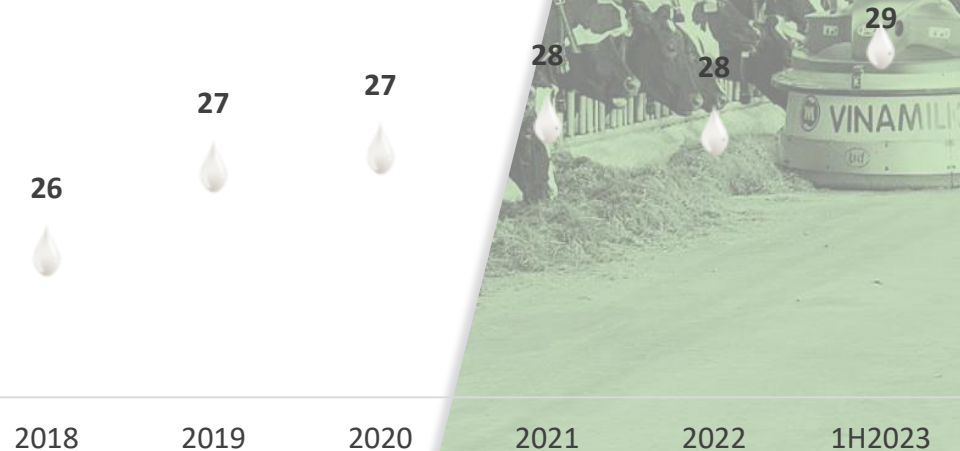
LARGE-SCALE MILKING SYSTEM & HEALTH AND ACTIVITY CONTROL SYSTEM - Electronic Chip. Data identification, collection and management are conducted



AUTOMATIC FEED PUSHER - Lely Juno: automatically programed to push feed and play music for cows to relax while eating

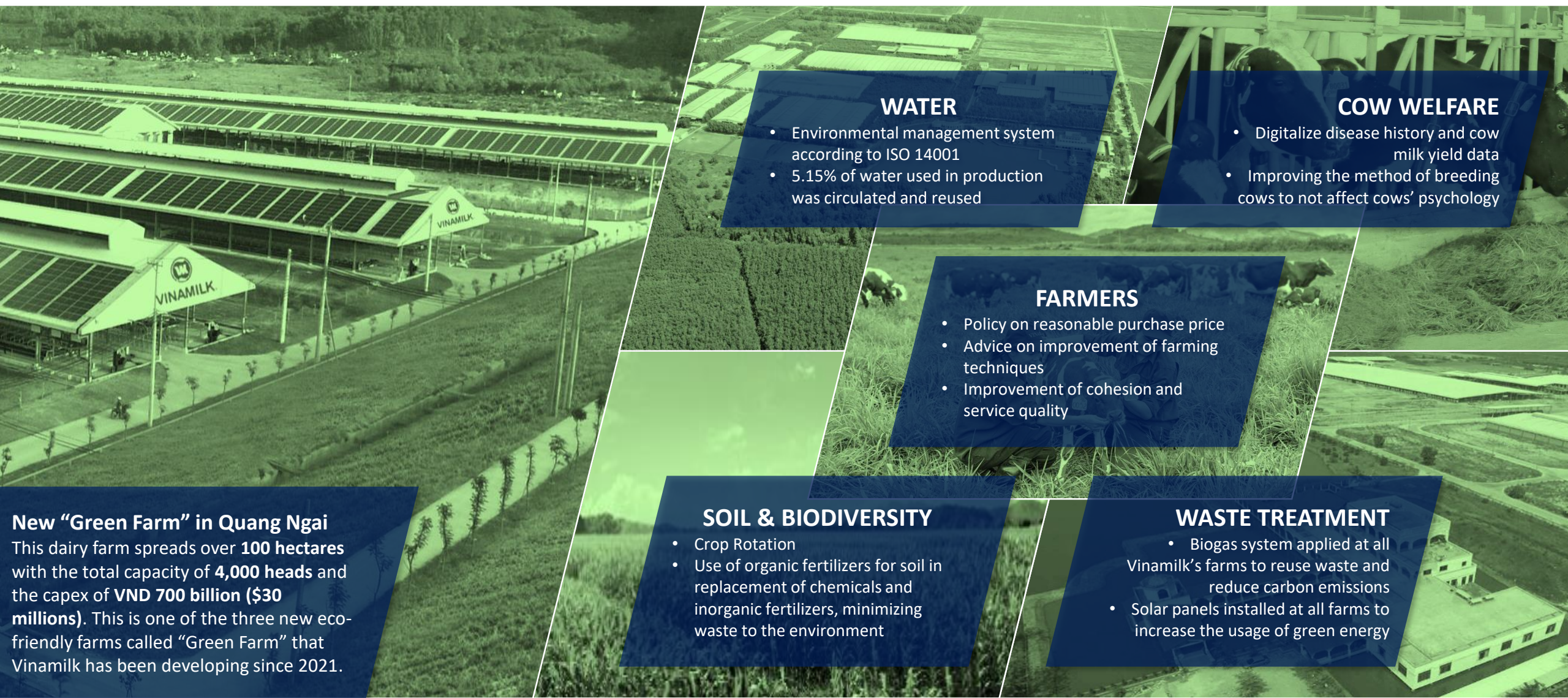


Average milk yield at VNM's owned farms has been improving (liters/head/day)



Sustainable End-to-end Value Chain

HIGH ENVIROMENTAL AWARENESS IN EVERYTHING WE DO



WATER

- Environmental management system according to ISO 14001
- 5.15% of water used in production was circulated and reused

COW WELFARE

- Digitalize disease history and cow milk yield data
- Improving the method of breeding cows to not affect cows' psychology

FARMERS

- Policy on reasonable purchase price
- Advice on improvement of farming techniques
- Improvement of cohesion and service quality

SOIL & BIODIVERSITY

- Crop Rotation
- Use of organic fertilizers for soil in replacement of chemicals and inorganic fertilizers, minimizing waste to the environment

WASTE TREATMENT

- Biogas system applied at all Vinamilk's farms to reuse waste and reduce carbon emissions
- Solar panels installed at all farms to increase the usage of green energy

New "Green Farm" in Quang Ngai

This dairy farm spreads over **100 hectares** with the total capacity of **4,000 heads** and the capex of **VND 700 billion (\$30 millions)**. This is one of the three new eco-friendly farms called "Green Farm" that Vinamilk has been developing since 2021.



VINAMILK GREEN FARM

PIONEERING SUSTAINABLE DAIRY IN VIETNAM AND SEA



Sustainable End-to-end Value Chain

AUTOMATED PRODUCTIONS FOR QUALITY ASSURANCE AND COST OPTIMIZATION

- **Automated farming** (feeding, scratching, cooling, milking etc.) using Israeli technologies
- **Implanted sensors** on each cow to monitor yield and animal wealthfare

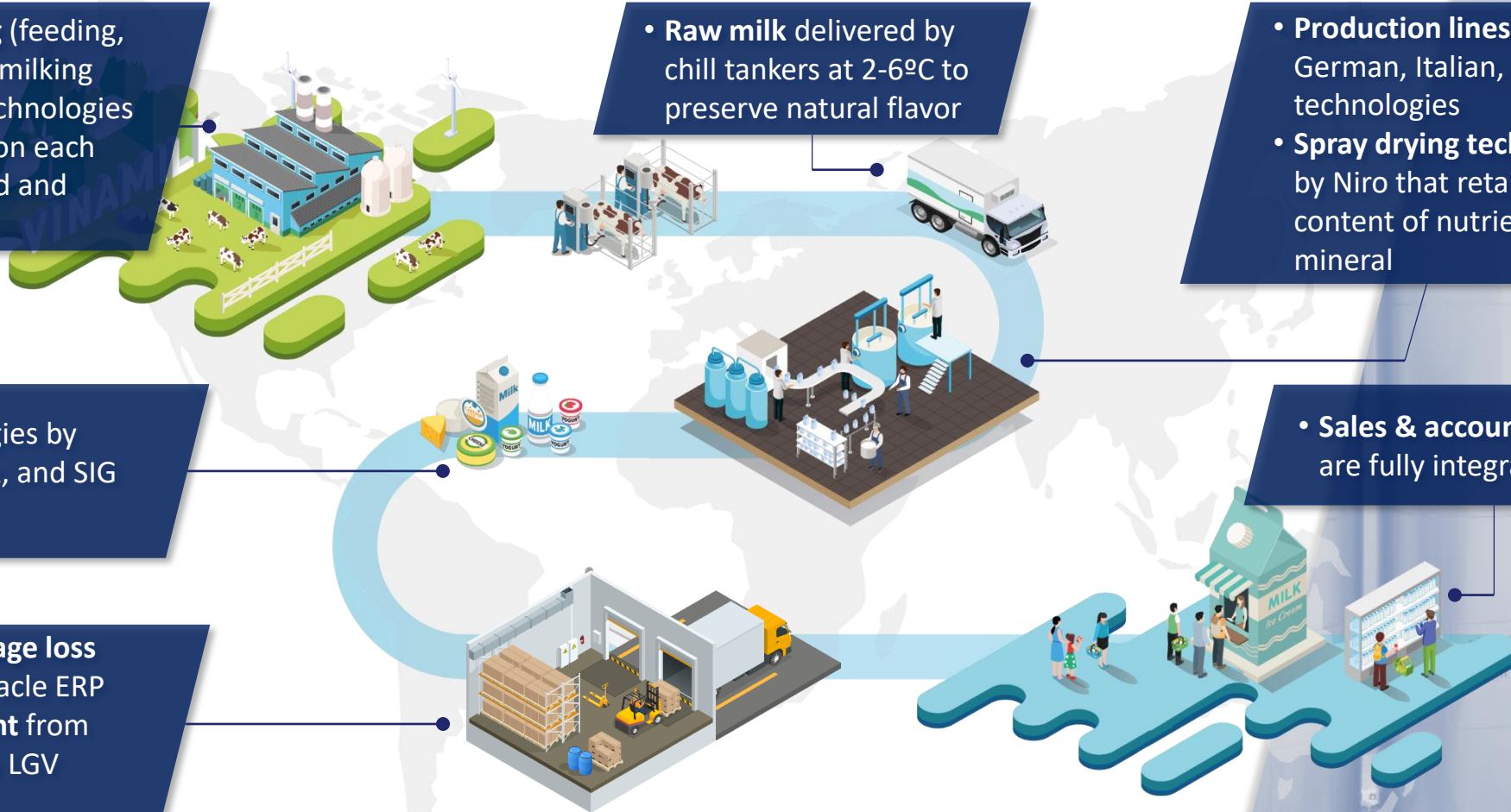
- **Raw milk** delivered by chill tankers at 2-6°C to preserve natural flavor

- **Production lines** using German, Italian, and Swiss technologies
- **Spray drying technology** by Niro that retains high content of nutrients and mineral

- **Packaging technologies** by Tetrapak, Bencopack, and SIG Combibloc

- **Inventory and spoilage loss** are controlled by Oracle ERP
- **Automated shipment** from smart warehouse by LGV robots

- **Sales & accounting system** are fully integrated



Key Competitive Advantages

Sustainable End-to-end Value Chain

THE LARGEST DISTRIBUTION FOR DAIRY PRODUCTS IN VIETNAM ACROSS MULTIPLE CHANNELS

Traditional Trade

200

exclusive distributors

190,000

point-of-sale (mom-pop stores, wet markets)

Modern Trade

8,000

point-of-sale
(supermarket, CVS)

VNM/MCM stores
&
e-commerce

710+
stores

08
e-shops

Key Accounts



Domestic Champion With Strong Brand Heritage & Unrivalled Portfolio

47

years in the business

9/10

households using 1 VNM product¹

250

SKUs in all segments

0

quality issue in the history

Mass segment winner penetrating into premium

3-NO product policy

NO use of growth hormone for cows

NO residue of antibiotics & pesticides

NO preservatives

Liquid milk (#1)



ÍT ĐƯỜNG THANH NHẸ

khỏe đẹp mỗi ngày



Yogurt (#2)



Formula milk (#3)



Condensed milk (#4)

International Footprints In More Than 50 Countries

DIRECT EXPORT

- Contribute **~9%** of total revenue
- Exporting to more than **50** countries
- Key export market: **Middle East and Southeast Asia**
- Primary export products: **Formula milk, Condensed milk**

ANGKOR MILK Cambodia

- Contribute **~3%** of total revenue
- Competitive advantage: **top dairy producer¹** in Cambodia
- Primary products: **Liquid milk, Yogurt, Condensed milk**

DRIFTWOOD USA

- Contribute **~5%** of total revenue
- Competitive advantage: more than **100 years** brand heritage in South California, USA
- Primary clients: **Schools, HORECA**

Solid Leadership With Award-Winning Corporate Governance

Board of Directors



Mr. Nguyen Hanh Phuc
Chairman, Independent
BOD member

More than 40 years of
experience at managerial
roles in the government

Mdm. Mai Kieu Lien
BOD member, CEO

Mr. Le Thanh Liem
BOD member, CFO

Mr. Alain Xavier Cany
Non-executive BOD
member

Mr. Michael Chye Hin Fah
Non-executive BOD member

Mr. Lee Meng Tat
Non-executive BOD
member

Mr. Hoang Ngoc Thach
Non-executive BOD
member

Ms. Dang Thi Thu Ha
Non-executive BOD
member

Mr. Do Le Hung
Independent BOD
member

Ms. Tieu Yen Trinh
Independent BOD member

Board of Management



Mdm. Mai Kieu Lien
CEO , 46 yrs at Vinamilk

- Bachelor degree in Milk & Dairy Products Processing
- Asia's 50 Most Powerful Businesswomen in 2012-13-14 by Forbes

Ms. Bui Thi Huong
• Executive Director of HR, Admin & PR
• 17 yrs at Vinamilk

Mr. Le Thanh Liem
• Executive Director of Finance (CFO)
• 28 yrs at Vinamilk

Mr. Le Hoang Minh
• Executive Director of Production
• 21 yrs at Vinamilk

Mr. Nguyen Quoc Khanh
• Executive Director of R&D
• 34 yrs at Vinamilk

Mr. Nguyen Quang Tri
• Executive Director of Marketing (CMO)
• 8 yrs at Vinamilk

Mr. Doan Quoc Khanh
• Executive Director of Dairy Development
• 24 yrs at Vinamilk

3/10

BOD members are
independent

04

Functional committees
under the BOD

190+

Collective years of
experience of the BOM

**7
CONSECUTIVE
YEARS**
having the Corporate
Governance Report
in the Top 5

**9
CONSECUTIVE
YEARS**
having the Sustainable
Development Report
in the Top 3

**14
CONSECUTIVE
YEARS**
having the
Annual Report
in the Top 20



[See our Annual Reports](#)



Dairy for the Better



3

New Ventures Update

DEL MONTE-VINAMILK

The Partnership Of Strengths In Philippines

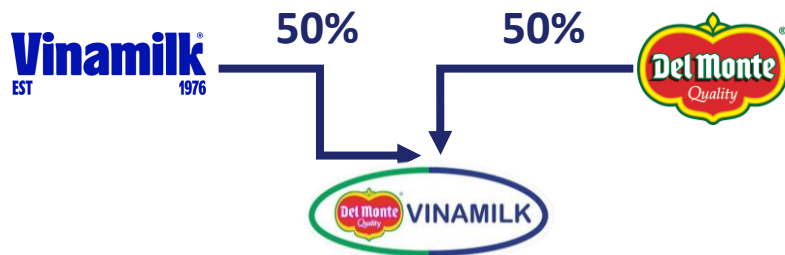
Official product launch

October 2021

Competitive advantages

Vinamilk's large-scale production, Del Monte's nationwide distribution (100K POS) and brand awareness in Philippines

Ownership structure



Key product

Dairy products

Total committed capital

\$6 million

Estimated market size

\$4 billion



JAPAN VIETNAM LIVESTOCK (JVL)

Disrupting The Beef Industry In Vietnam

Estimated official product launch

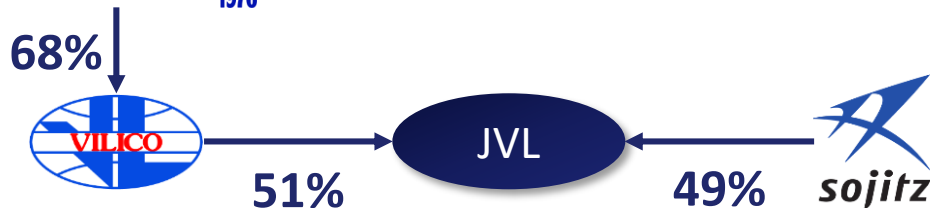
2024

Competitive advantages

Vilico's sizable land bank, High quality input cows from Vinamilk's dairy farm, Sojitz's expertise in beef farming

Ownership structure

Vinamilk
EST 1976



Key product

Chilled packaged beef

Total committed capital

~VND 3.000 billion

Estimated market size

\$2 billion



Develop excellent products and provide superior consumer experiences

- Restructure product portfolio based on long-term rebranding
- Review quality of entire product portfolio and optimize the process to relaunch innovative products
- Improve cost structure, packaging in line with sales channel and region to match products and market demand with potential growth
- Prepare R&D capacity for product portfolio expansion

Create new business opportunities

- Expand direct-to-consumer multi-channel distribution services
- Building strategic cooperation with potential partners for product portfolio expansion opportunities;
- Strengthen trade promotion activities to find new export customers. Promote sales support to help customers overcome difficulty period to maintain business with Vinamilk;
- Take advantage of potential markets through joint venture, M&A; Seeking opportunities to expand production and business activities in existing markets such as the US, Cambodia, and the Philippines.

Note: Currency unit is Vietnam Dong.

Promote the application of technology in sustainable agriculture

- Restructure business model
- Restructure distribution organization
- Build a foundation of technology mastery, in which sales and digital marketing led the transformation.

Being the destination for talents

- Build employer brand and prepare foundation for organizational restructuring.

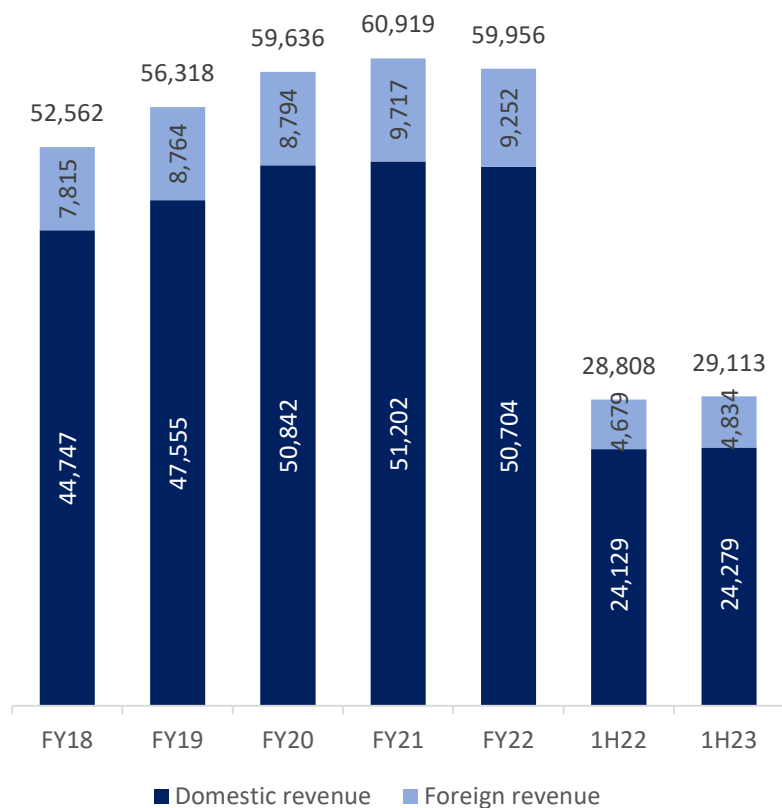




Financial Highlights

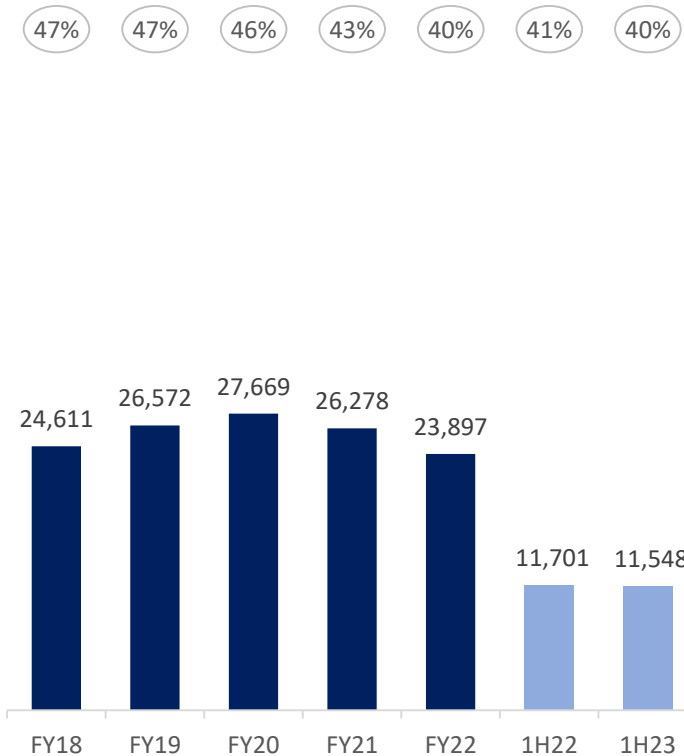
Income Statement Highlights

Resilient top-line amid macro challenges (bn VND)



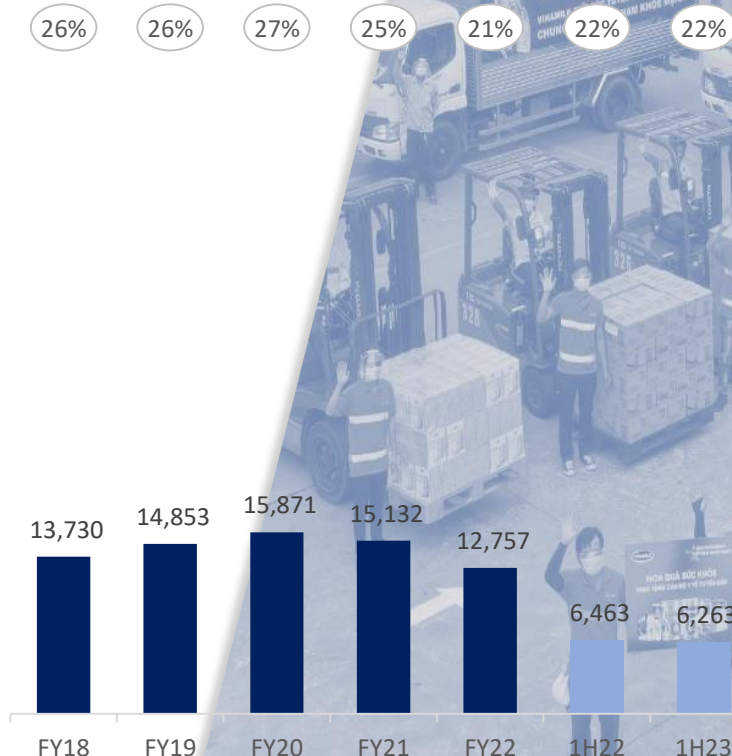
Best-in-class profitability (billion VND)

Gross profit



(%) Gross profit margin

EBITDA

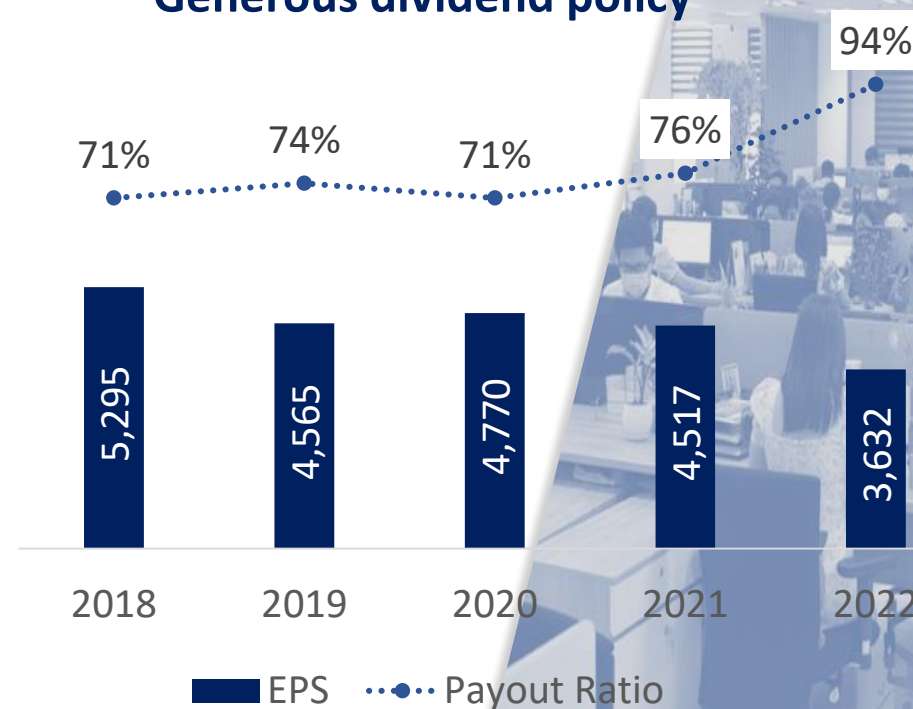


(%) EBITDA margin

Financial Ratios

Indicator	2021	2022	1H2023
ROE	29.7%	26.1%	22.7%
ROA	19.9%	17.7%	16.3%
ROIC	29.3%	25.9%	22.4%
EBITDA Margin	20.5%	21.3%	21.5%
Net cash/Total assets	26.1%	30.5%	28.0%
Asset turnover	1.2x	1.2x	1.1x
Equity turnover	1.8x	1.7x	1.6x

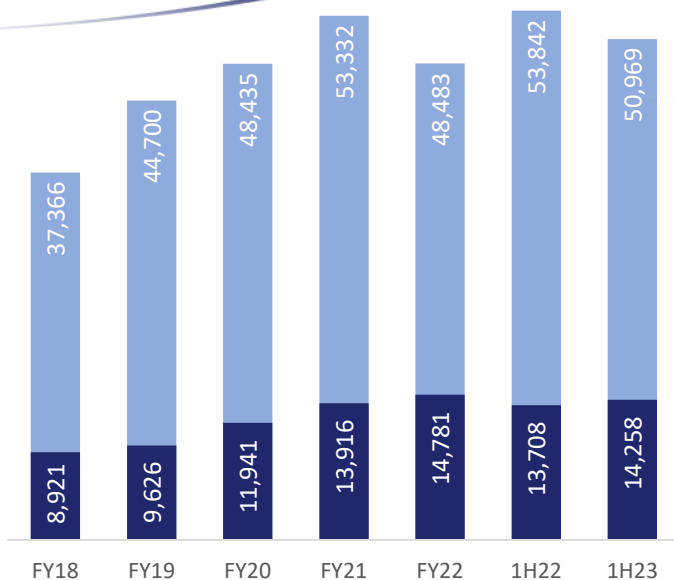
Generous dividend policy



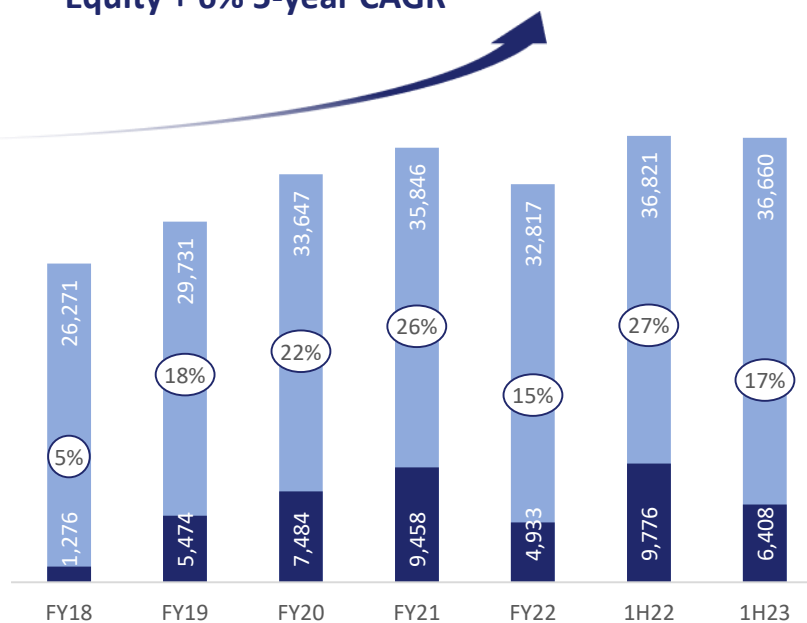
Balance Sheet & Cashflow Highlights

24% 22% 25% 26% 30% 25% 28%

Total assets +7%
5-year CAGR

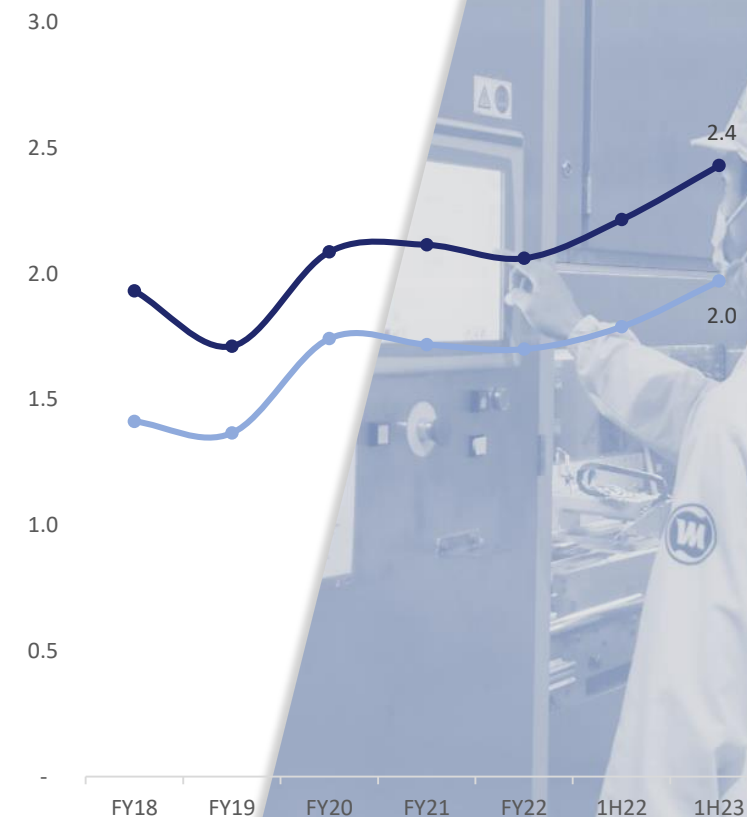


Equity + 6% 5-year CAGR



Total Assets Net cash % Net Cash/Total Asset

Equity Debt % Gearing Ratio



Current ratio Quick ratio

IN 2020 & 2021, VINAMILK PROVIDED SUPPORTS WORTH VND 100 BILLION FOR THE COMMUNITY TO OVERCOME THE PANDEMIC

- Delivered 1.1 million products for the frontline forces including 60 hospitals and 10.000 doctors & nurses
- Funded VND 10 billion to buy vaccines for children 12-18 years old
- Provided 1 million milk boxes for children in difficult circumstance

STAND TALL VIETNAM MILK FUND

- Provided 40.6 million milk boxes worth more than VND 190 billion
- Served 500.000 beneficiary children in the past 15 years

SCHOOL MILK

- Have presence in 26 provinces and cities
- Served 4 million beneficiary children in the past 15 years

A MILLION GREEN TREES FUND

- A part of Vinamilk's journey for a green Vietnam
- Planted 1.1 million trees in 56 locations in 20 provinces and cities

NET ZERO 2050 PATHWAY

- 02 Factory and Farm achieved carbon neutrality
- Guide to cut 15% emission by 2027 and 55% emission by 2035

CDP SUBMISSION

- Reported environmental performance and sustainability practices to join CDP assessment, expected results in 2024.





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