

**Vinamilk®**  
EST 1976



**KHÔNG ĐƯỜNG**



**CỎ ĐƯỜNG**



**ÍT ĐƯỜNG**



**HƯƠNG DÂU**



**SÔCÔLA**

# CORPORATE PROFILE

SỮA TƯƠI TIẾT TRÙNG  
Updated 3Q2023

VINAMILK®  
**GREEN FARM**

VINAMILK®  
SỮA TƯƠI  
TIẾT TRÙNG  
chứa  
**TỎ YẾN**

VINAMILK®  
**Susu**  
IQA

*Love*  
yagurt

Twin Cows  
Premium Ice Cream

VINAMILK®  
**probi**

**NHÔC KEM**

ペディア  
**PEDIA KENJI**

**Ông Thọ**

**Vfresh**

# 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.



1

**About Vinamilk &  
Dairy Industry in Vietnam**

2

**Key Competitive  
Advantages**

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**Our ESG approach**



## 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  
Ho Chi  
Minh city  
Stock  
Exchange  
(HOSE) in  
2006

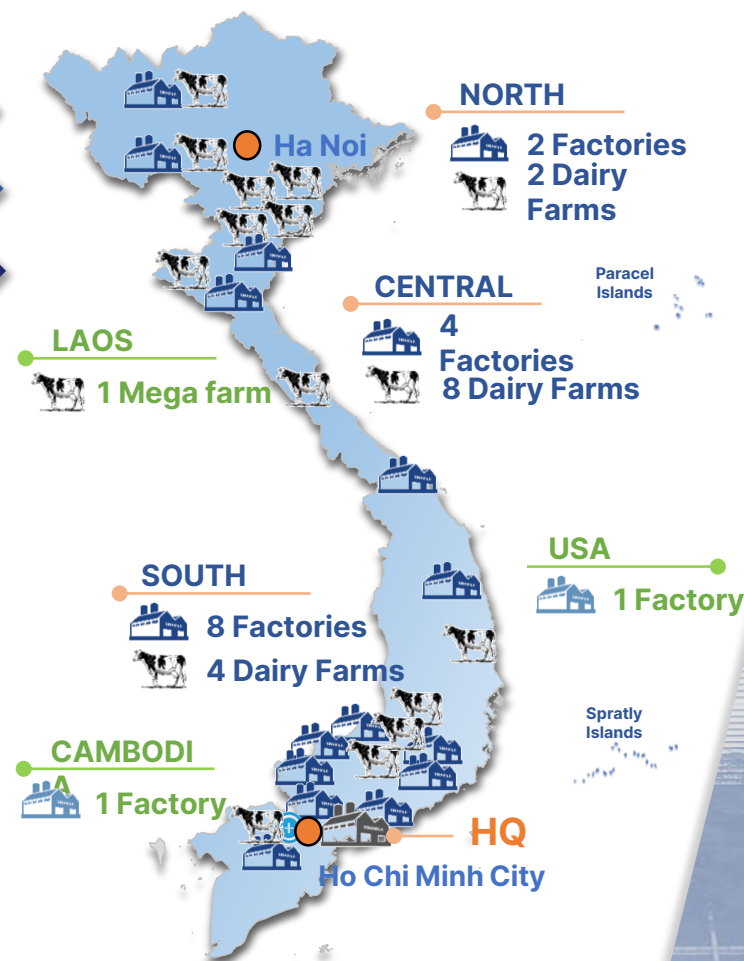
Today

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

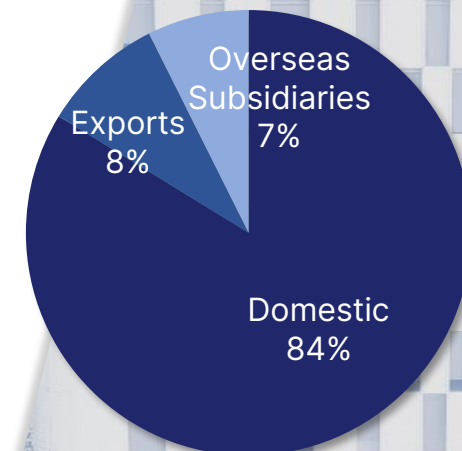
**\$3B** Brand value – Forbes Vietnam

**No.1** dairy company in **Vietnam**  
in terms of market share<sup>2</sup>, backed by:

- **140K** cows and **15** farms
- **16** factories
- **250** SKUs in product portfolio
- **200K** POS across the country
- **Globally**, ranked **36<sup>th</sup>** by  
revenue among dairy companies with  
**superior profitability**



## Revenue by region<sup>1</sup>



## Product category

## Position<sup>2</sup>

Liquid milk

1

Formula milk

2

Yogurt

1

Condensed milk

1

## High Liquidity & Diversified Shareholder Base

1

No Foreign Ownership Limit<sup>1</sup>

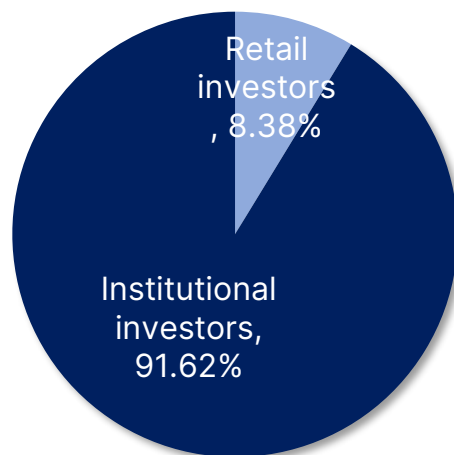
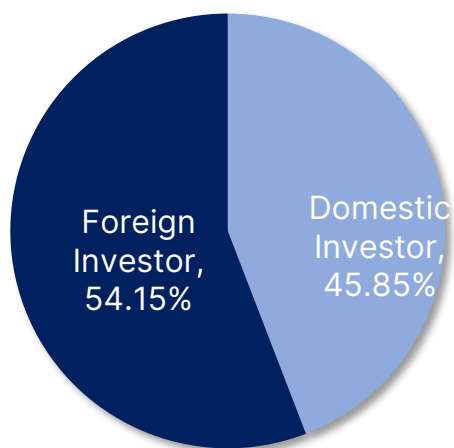
2

\$2.5bn worth of free-float shares<sup>2</sup>

3

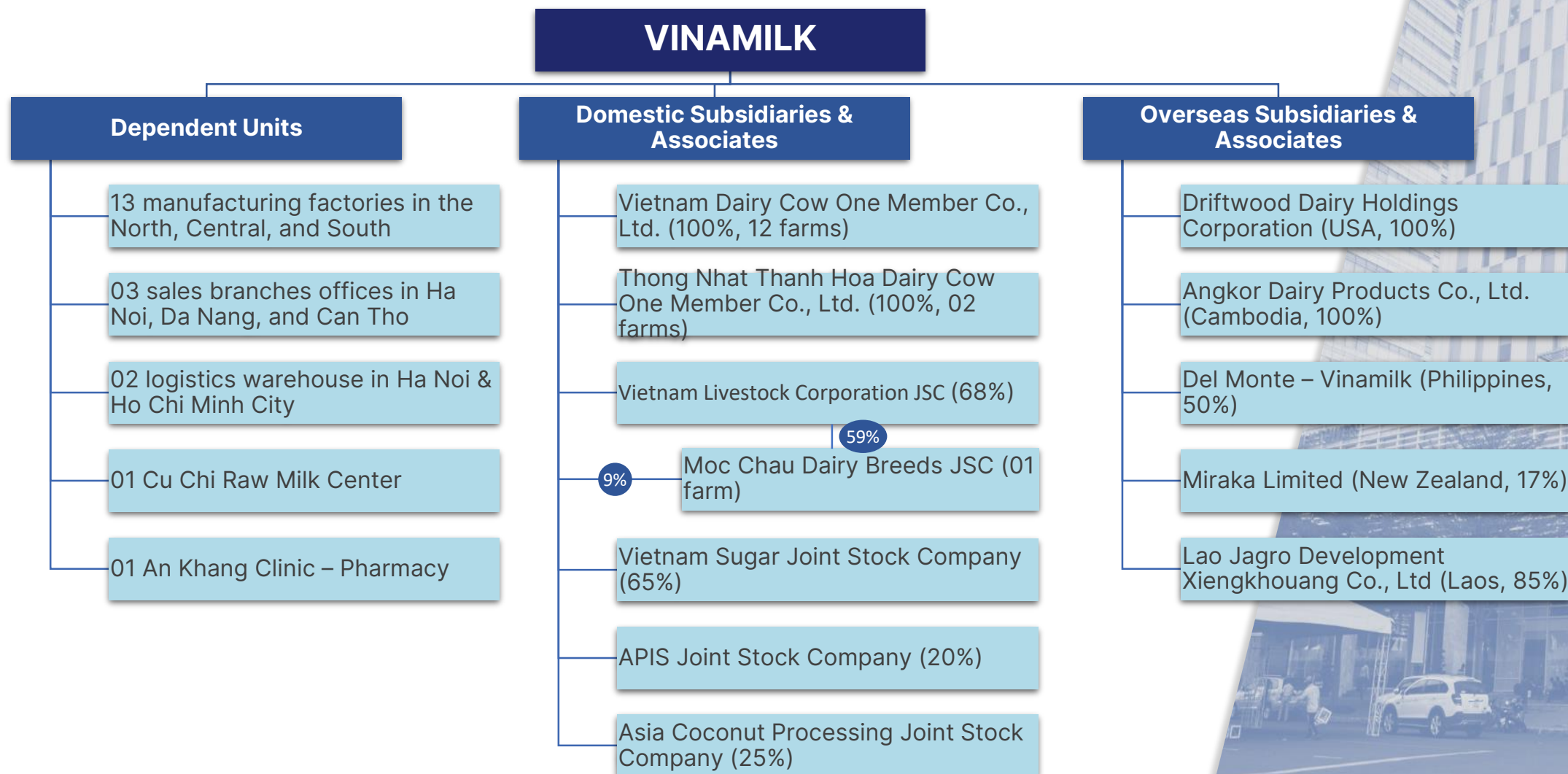
\$15m of daily trading value<sup>3</sup>

### Ownership by type of investors<sup>4</sup>



No.	Top 20 shareholders <sup>4</sup>	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%

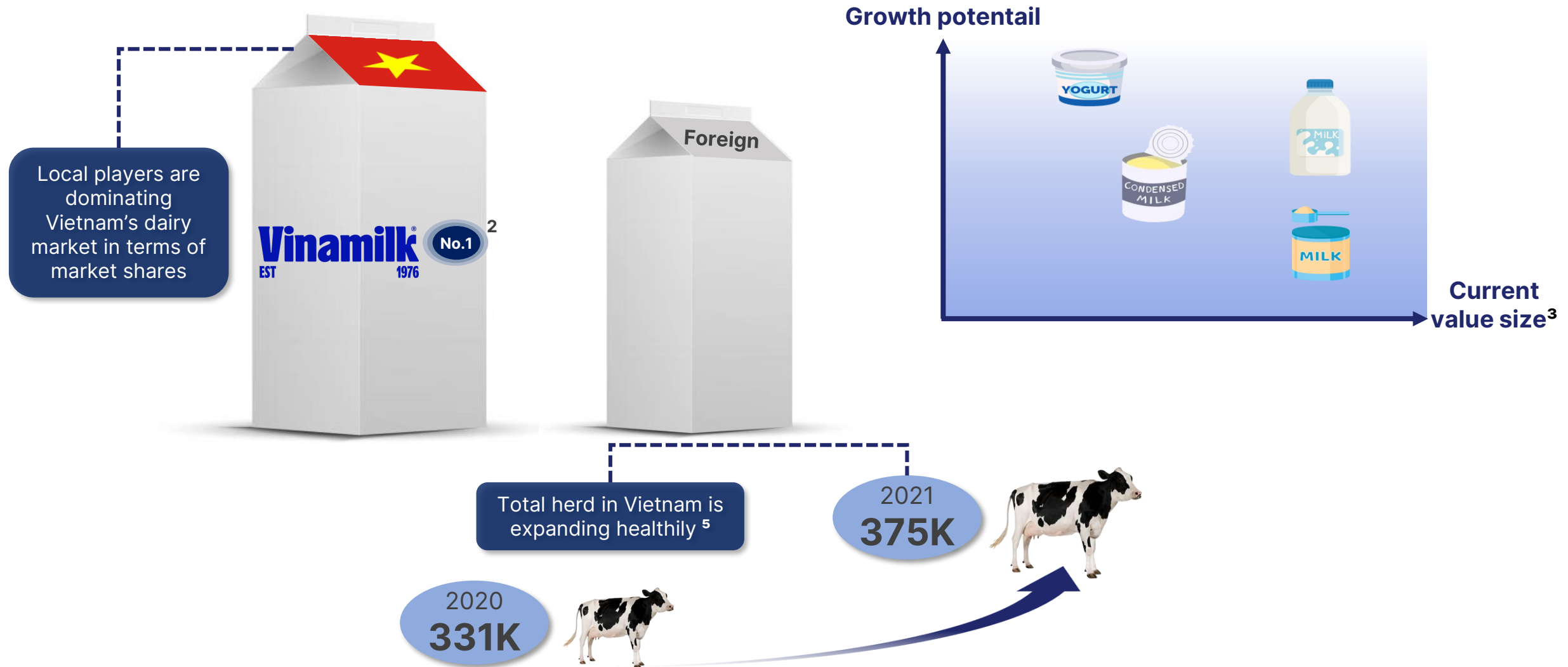
# Well-Established Corporate Structure



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

1

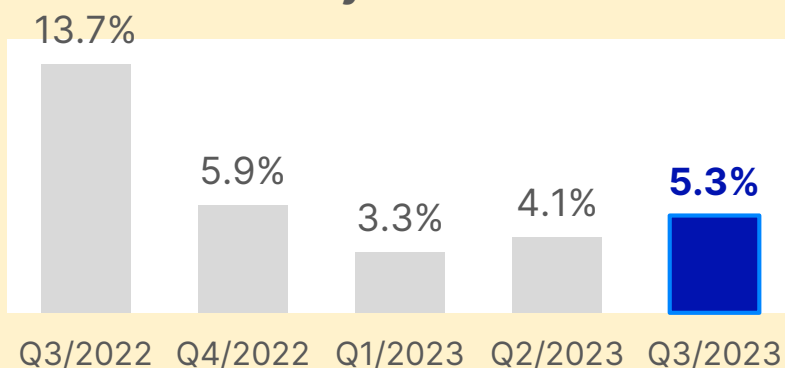
## Dairy Industry in Vietnam

A Dynamic Industry That Is Worth \$5 billion<sup>1</sup>

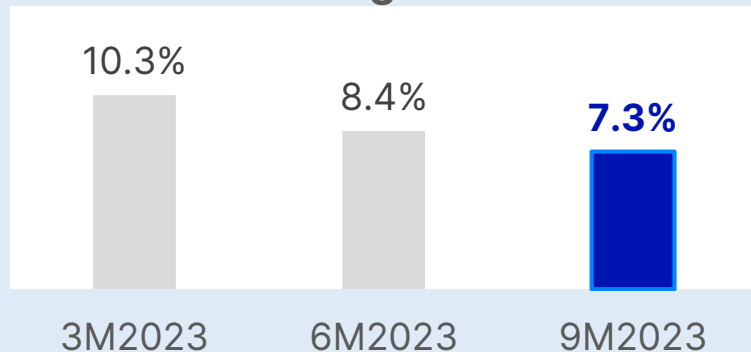
Note: 1. VNM estimates referring to Euromonitor data, applied for total dairy in Vietnam; 2. 2022 market share data by AC Nielsen for total dairy; 3. VNM estimates; Liquid milk includes UHT reconstituted milk, UHT fresh milk, plant-based milk; Yogurt includes drinkable and spoon yogurt; Formula milk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

## Challenges & Opportunities Amidst Short-term Headwinds

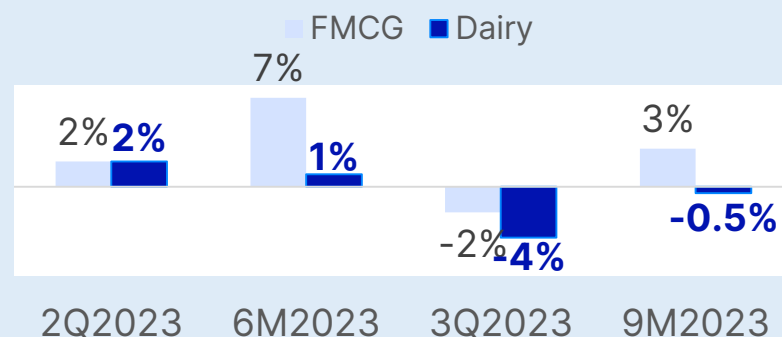
### Quarterly GDP Growth



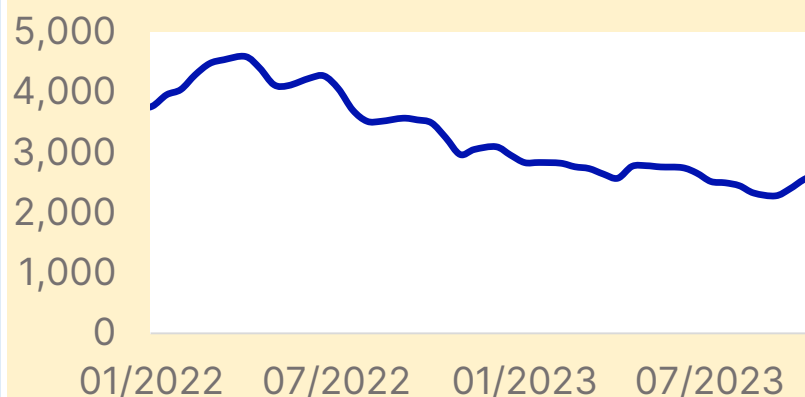
### Vietnam's retail and services sales growth



### Industry value growth



### SMP price (\$/ton)



### 3Q2023 key takeaways.

- **FMCG industry** -2% YoY and **dairy industry** -4% YoY in value in 3Q2023 (AC Nielsen).
- **Primary reasons:** 1) The decreased growth of purchasing power for consumer goods and services; 2) There was no longer as much support from pricing factors (Vinamilk).
- Milk powder prices are picking up slightly in the most recent auctions, but still on the downtrend versus last year.



2

## Key Competitive Advantages

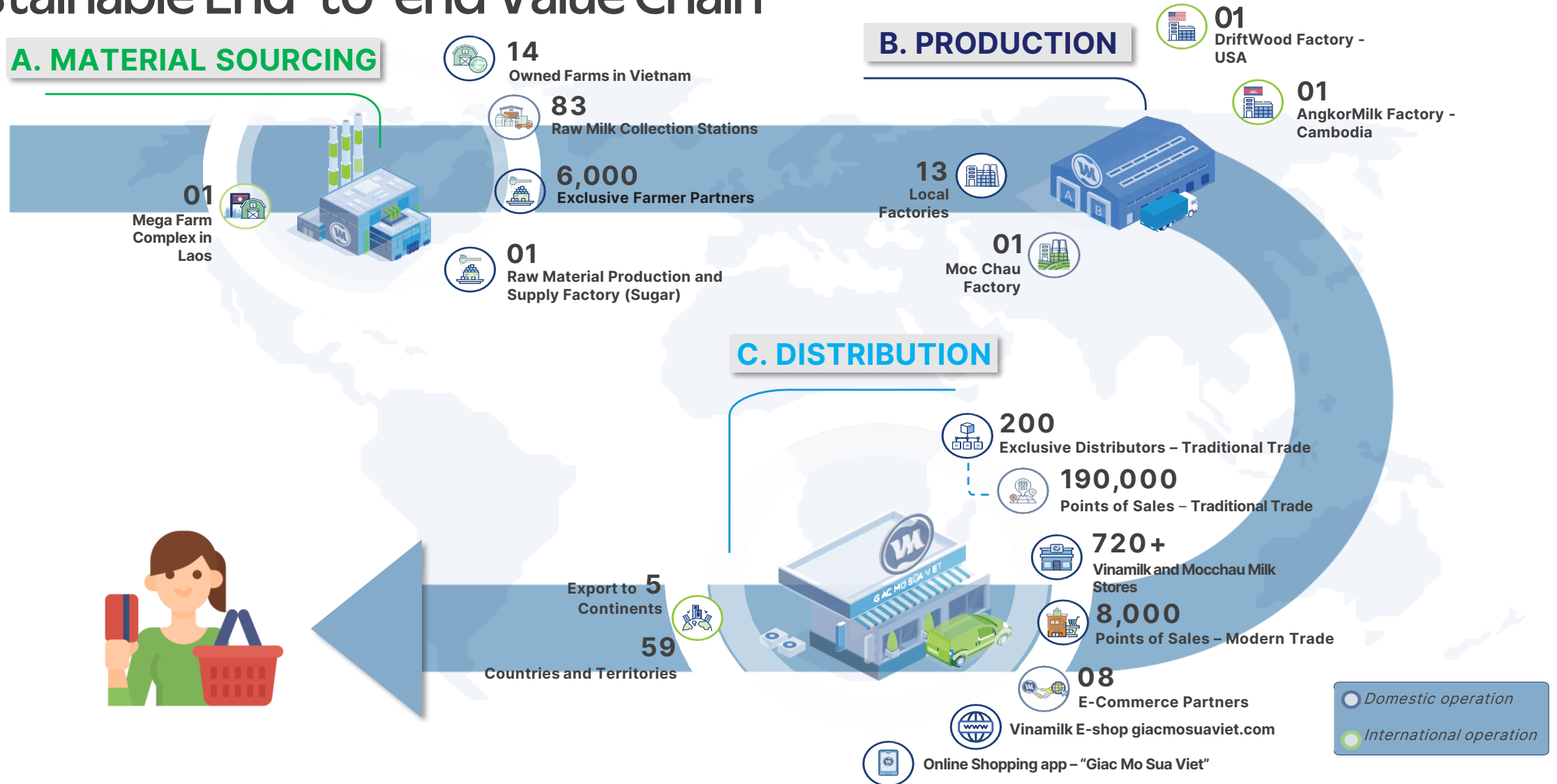
Sustainable End-to-end Value Chain

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



## 2

## Key Competitive Advantages

## Sustainable End-to-end Value Chain

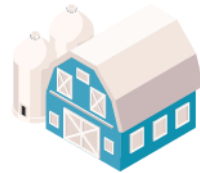
## A. MATERIAL SOURCING: PARTIALLY SELF-SUFFICIENT AND STRONG SUPPLIER RELATIONS

## LOCAL RAW MILK

Vietnam's  
largest dairy  
herd

**14**

Owned farms in Vietnam  
**6,000**  
Exclusive farmer partners



**40,000**  
cows



**100,000**  
cows



**50%<sup>1</sup>**  
Supply of local raw milk  
**50%**  
Supply of local raw milk

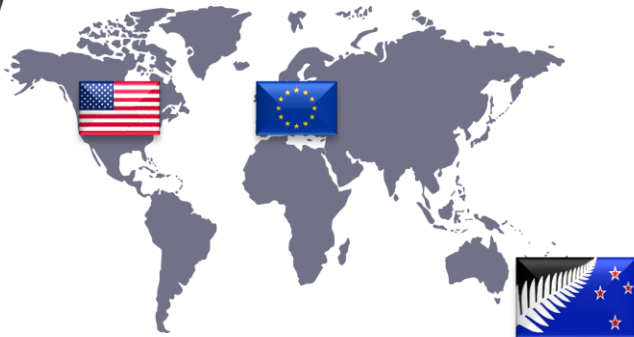


## FRESH MILK



## IMPORTED MILK POWDER

Internationally  
sourcing of  
materials



Whole Milk Powder   Skim Milk Powder   Anhydrous Milk Fat

## RECONSTITUTED &amp; POWDER MILK



## Sustainable End-to-end Value Chain

## B. PRODUCTION: HIGHLY-AUTOMATED 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 welfare

- **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

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

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



## 2

## Key Competitive Advantages

Sustainable End-to-end Value Chain

C. DISTRIBUTION: THE LARGEST NETWORK FOR DAIRY PRODUCTS IN VIETNAM

## 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

720+ stores  
08 e-shops

Key Accounts



## Domestic Champion With Unrivalled Portfolio

47

years in the industry

9/10

households using 1 VNM product<sup>1</sup>

250

SKUs in all segments

0

quality issue in the history

Mass segment winner penetrating into premium

3-NO product policy

Liquid milk (#1)



**NO** use of growth hormone for cows

**NO** residue of antibiotics & pesticides

**NO** preservatives



Yogurt (#2)



Formula milk (#3)



Condensed milk (#4)

Note: 1. 2021 survey by Kantar Worldpanel

## Continuous Brand and Product Optimization

Before

After (since July-23)

New logo



New packaging



## 2

## Key Competitive Advantages

Increase Royalty By Raising The Bar For Both Quality And Taste



**14**  
products



**32**  
products



**4**  
products



**8**  
products

## 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 producer<sup>1</sup>** in Cambodia
- Primary products: **Liquid milk, Yogurt, Condensed milk**

Note: 1. VNM estimates; 100% owned by Vinamilk

### DRIFTWOOD USA

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

Note: 100% owned by Vinamilk

# 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](#)



## New Ventures

## DEL MONTE-VINAMILK

### The Partnership Of Strengths In Philippines

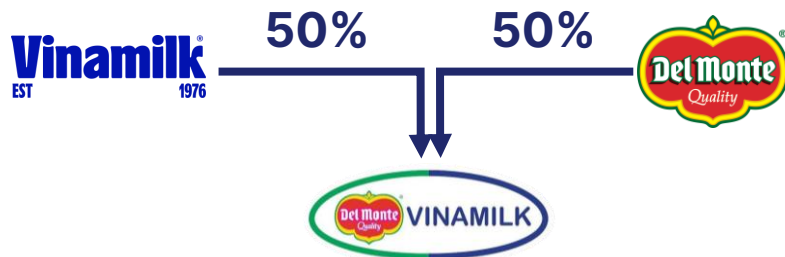
Official product launch

**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**



Note: Del Monte Philippines, Inc. markets and distributes packaged foods and beverages. The Company produces and grows pineapples, as well as provides desserts, condiments, juices, sauce, pasta, and food service packs.

## JAPAN VIETNAM LIVESTOCK (JVL)

### Disrupting The Beef Industry In Vietnam

Estimated official product launch

**End-2024**

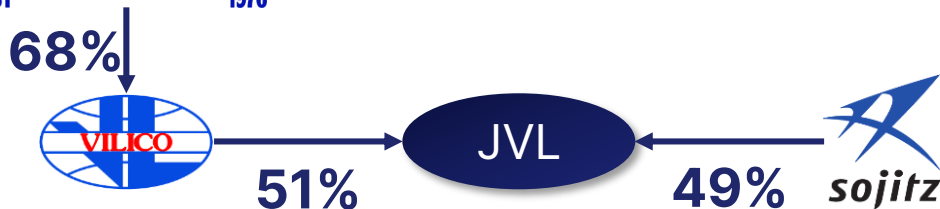
(farm & factory have been under construction since 1Q23)

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**

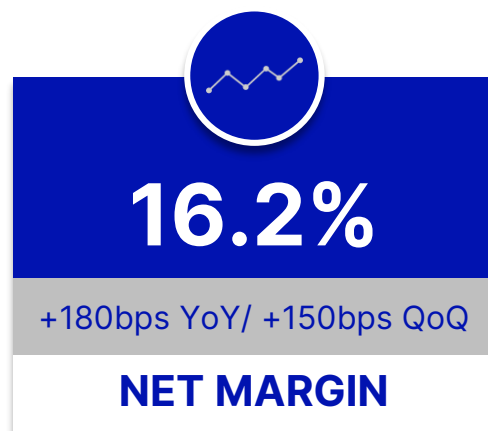
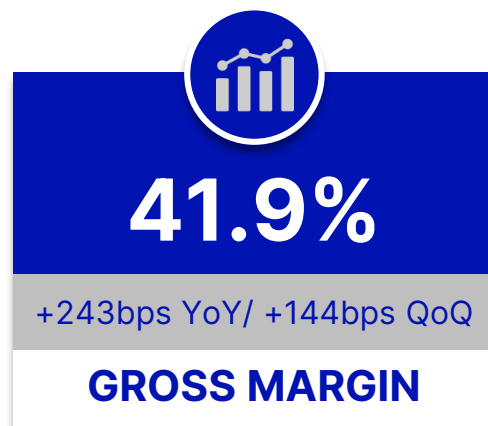
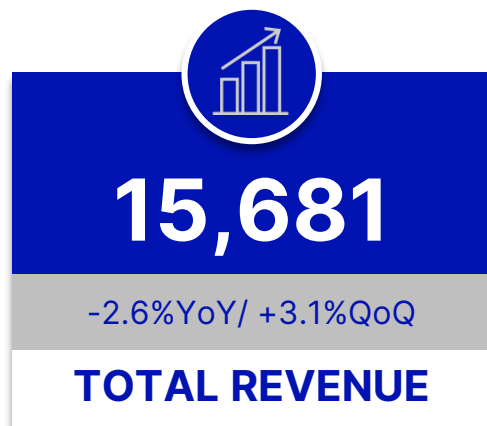


Note: Sojitz Corporation is a conglomerate based in Tokyo, Japan. It is engaged in a wide range of businesses globally, including buying, selling, importing, and exporting goods, manufacturing and selling products, providing

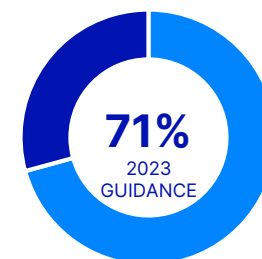
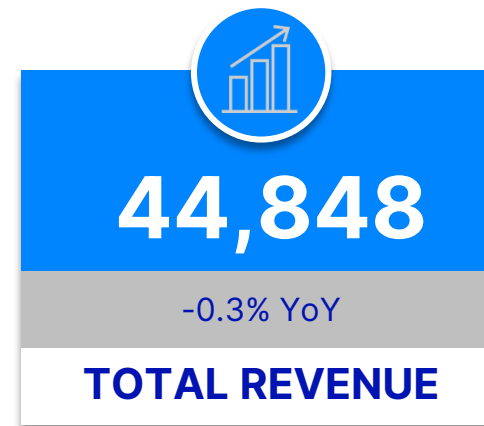


## Financial Highlights

## 3Q2023 Results Strengthen Fundamental Turnaround



## 9M2023

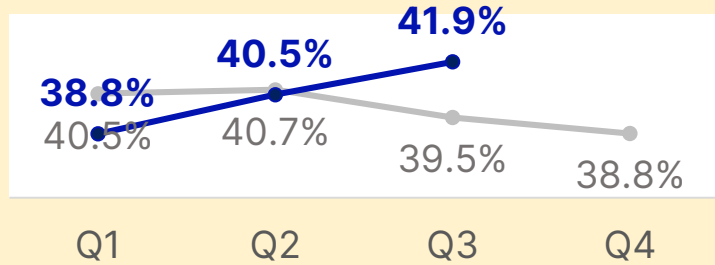


## 4

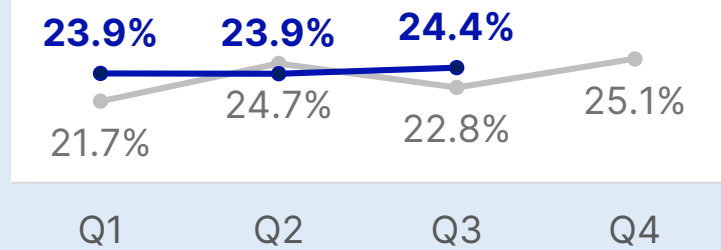
## Financial Highlights

Margin Expansion Is Expected To Continue Thanks To The Correction Of Imported Material Prices And The Effective Operating Cost Control

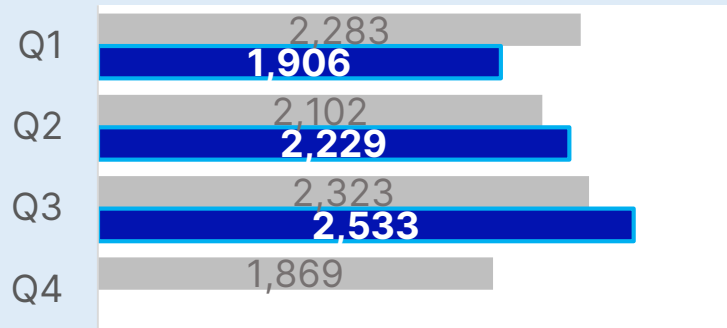
— 2022 — 2023



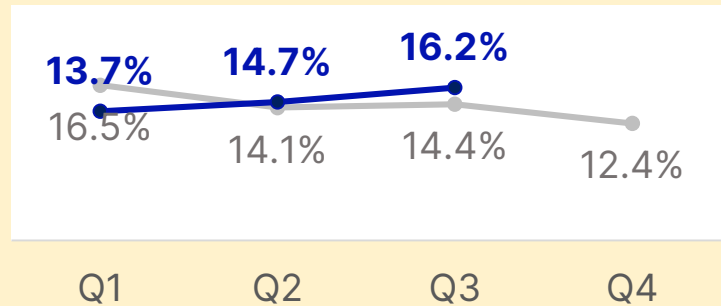
**GPM shows consistent improvement**, expanded by 243 bps YoY and 144 bps QoQ to the highest peak after Covid.



**SG&A Margin** +162bps YoY and +50bps QoQ to enhance marketing for market regain.

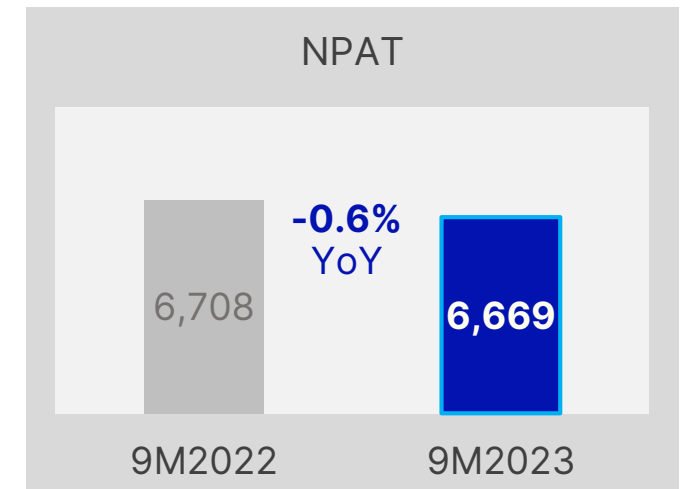
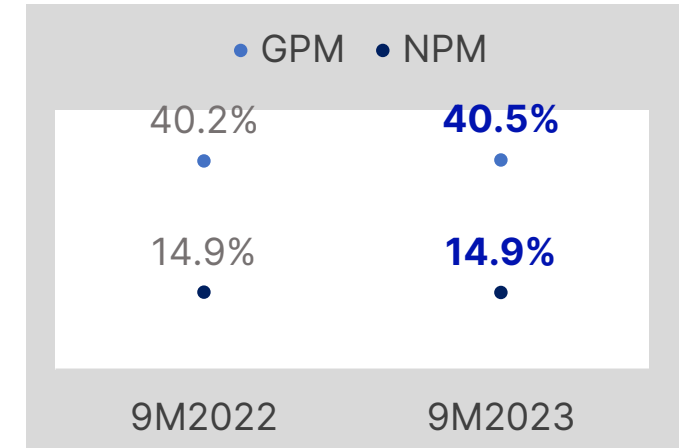


**NPAT** significantly increased by 9.1% YoY to the highest since Q3/2021.



**NPM** +175 bps YoY and +150 bps QoQ thanks to GPM expansion and critical SG&A expenses management.

## 9M2023



## Solid Balance Sheet With Strong Cash Position



# 54,967

### TOTAL ASSETS



# 20,964

### TOTAL LIABILITIES



# 34,003

### TOTAL EQUITY

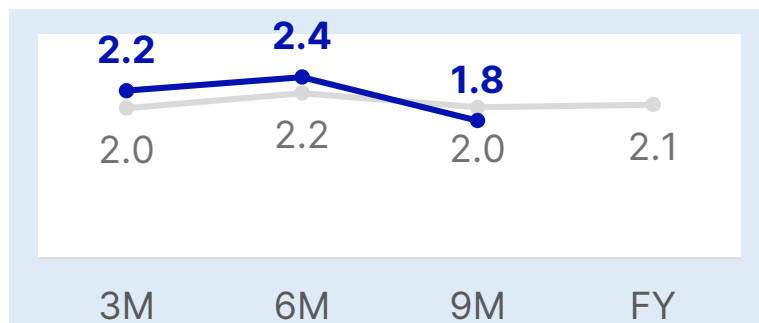
Cash & term deposits	25,888
Other current assets	11,772
Non-current assets	17,287

Debts	7,157
Other current liabilities	13,525
Other non-current liabilities	282

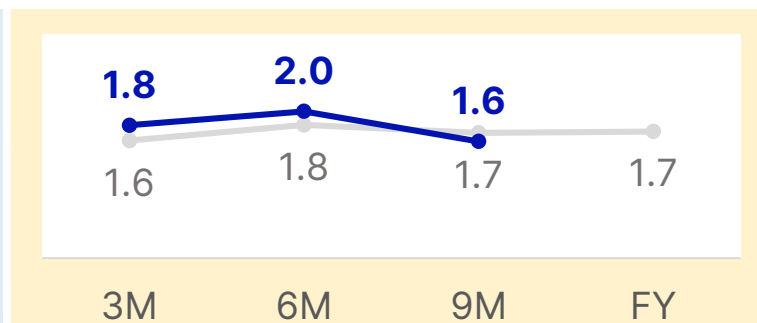
Common Equity & Funds	27,244
Retained earnings	3,411
Minority Interest	3,347

## High Liquidity And Generous Dividend Policy

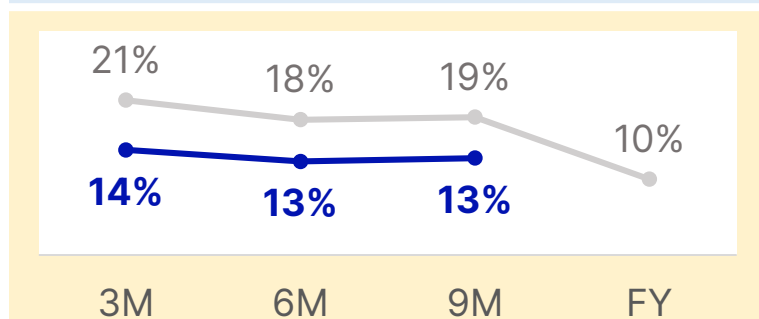
— 2022 — 2023



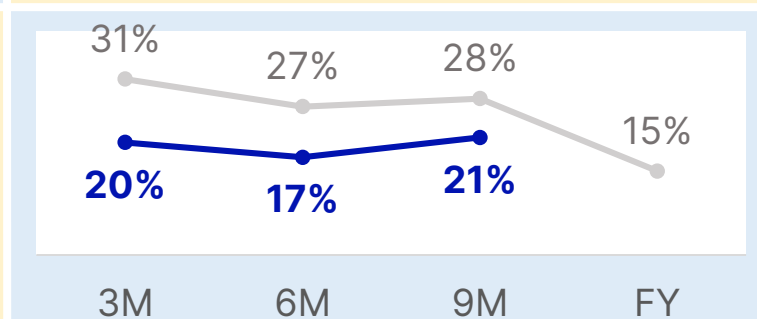
**Current ratio** have been fluctuating around acceptable magnitude.



**Quick ratio** also remained at prudent level.

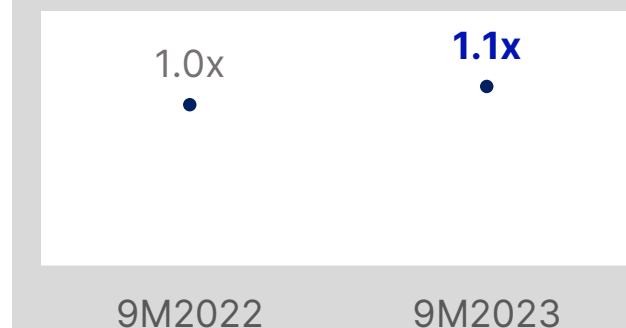


**Debt-to-assets** level has been flat YoY still.

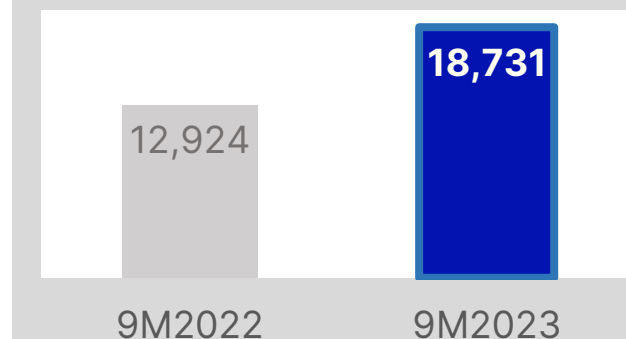


**Debt-to-equity** ratio signaled no significant change.

• Trailing CFO/NPAT

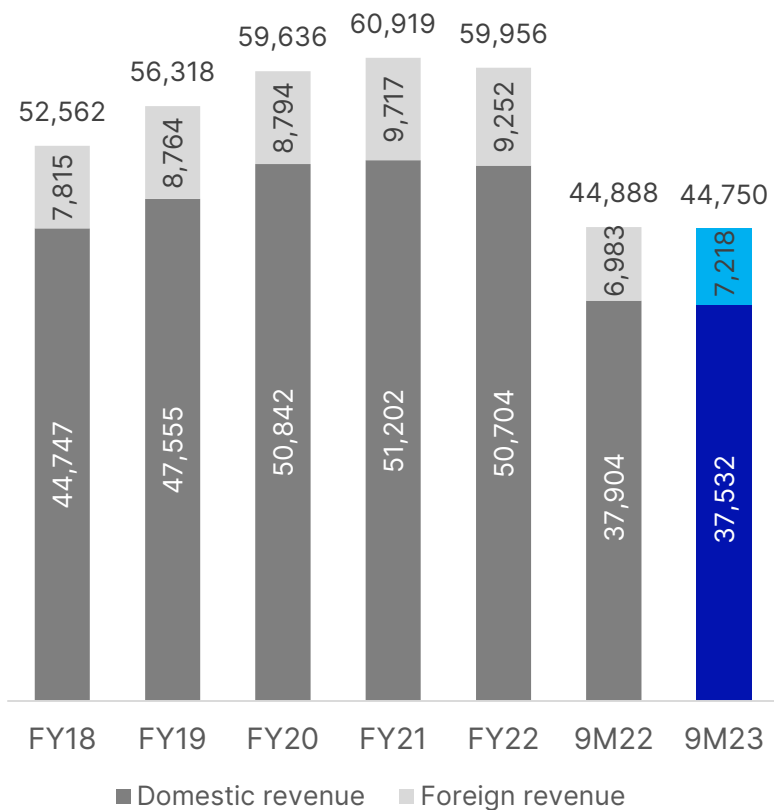


Net Cash



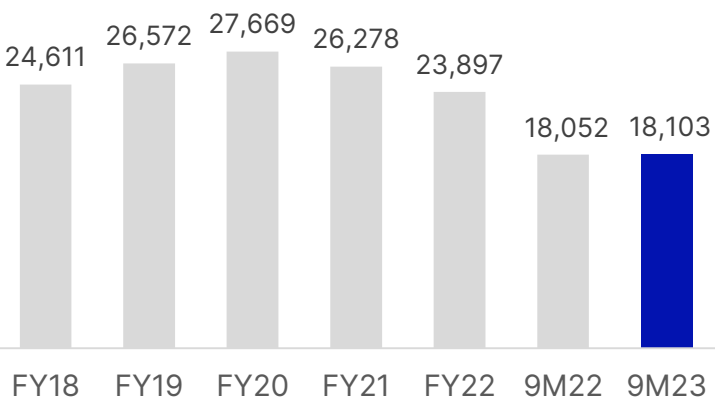
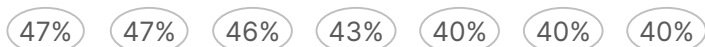
# Income Statement Highlights

Resilient top-line amid macro challenges (bn VND)



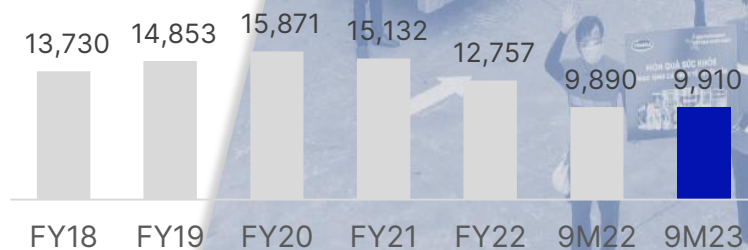
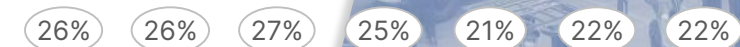
Best-in-class profitability (billion VND)

Gross profit



(%) Gross profit margin

EBITDA

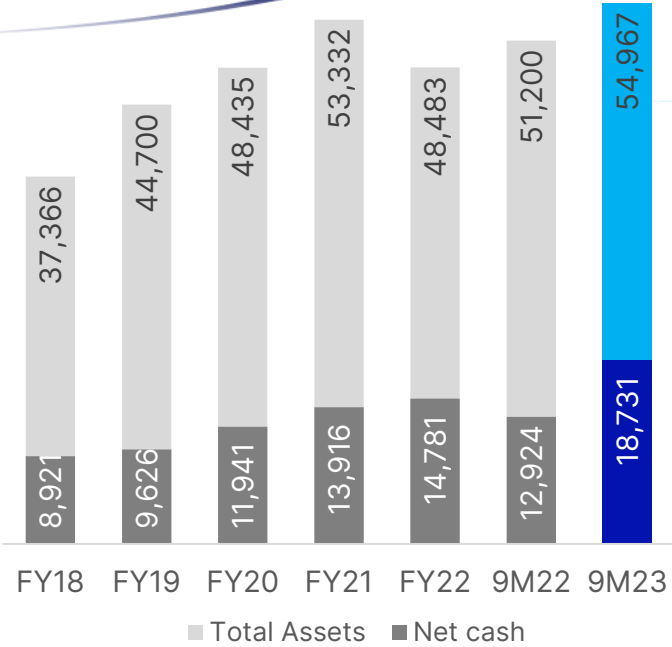


(%) EBITDA margin

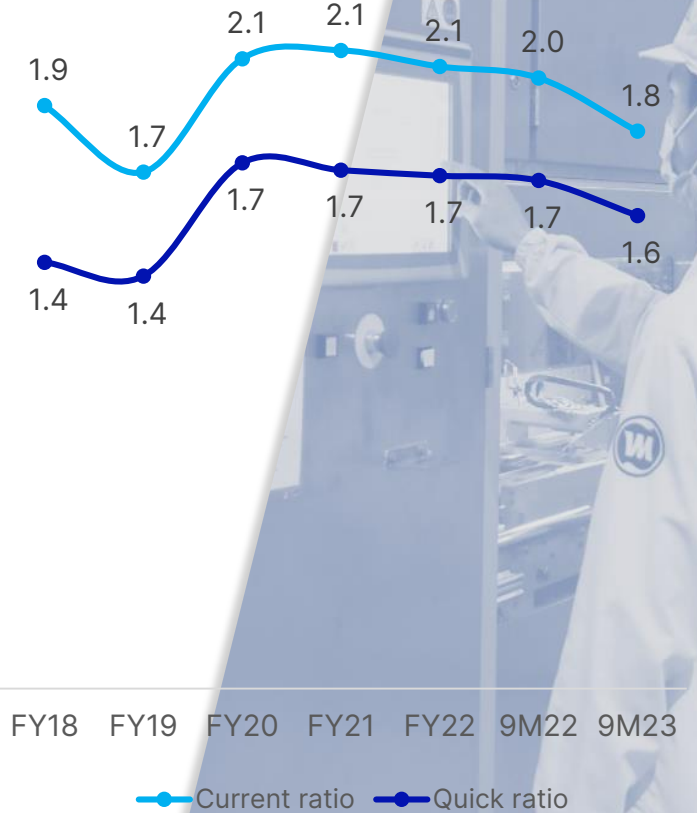
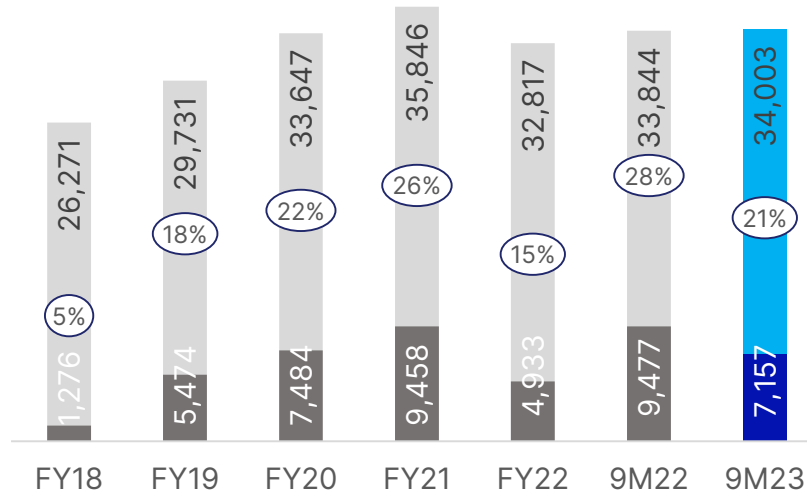
# Balance Sheet & Cashflow Highlights

24% 22% 25% 26% 30% 25% 34%

Total assets +7%  
5-year CAGR



Equity + 6% 5-year CAGR



### 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.





## Contact

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