



# ANNUAL REPORT 2014



**10** NĂM  
ĐỔI MỚI &  
PHÁT TRIỂN

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# The journey 10 YEARS Innovation & Development (2004 - 2014)

Vinaseed successfully established a close chain of business from research, selection, production, sales, export and import varieties of seeds. Passing the journey of 10 years, the company has brought to shareholders, partners, and farmers sustainable outcomes.

## Revenue from high-tech products at 52%

3. In 5 years (2010 - 2014), the company has successfully researched, selected, and transferred 30 new varieties of seed, increasing revenue of technical and scientific products from 0% to 52%.

## Increased to 750 billion VND

4. Total M&A and capital investment increased to 750 billion VND.

## Subsidiaries and Affiliates increase to 07 units

5. Members increased from 8 to 15 units, including 12 affiliates, 03 subsidiaries.



## Revenue increased 11,9 times Tax increased 28,3 times

1. Revenue increased 11.9 times from 60 billion VND in 2004 to 719 billion VND. Profit after tax increased 28.3 times after 10 years of innovation.

## Total assets reached 953 billion VNĐ 40-fold increase

2. Total assets reached 953 billion VND, equity reached 745 billion, a 40-fold increase compared with the equitization 2004.

## Network of customers 1,200 agencies nationwide

6. Vinaseed is proud to have a high volume and wide-range of varieties in Vietnam. The company has a sustainable network of customers, with 1,200 agencies nationwide and exports to Laos, Cambodia, and South China.

## Achievements:

- The Third-Class Labor Award granted by President of Social Republic of Vietnam, for the outstanding achievements and contribution to Socialism development and National defense during the period 2004 - 2008.
- Certification of Merit granted by the Prime Minister of Vietnam for achievements in the period 2004 - 2006.
- Certificate of Merit awarded by Minister of Agriculture and Rural development of Vietnam.
- TOP 50 Vietnam Best Growth Companies 2009 - 2014.
- Selected by Forbes Asia as one of Asia' 200 best companies with revenue under 1 billion in 2013.

"Each product bearing the Vinaseed brand is earned as a process of motherland nutrient, in harmony with the breath of nature, cherishing farmers' work and combining with technology to serve the ultimate goal of improving living standard for community and society."

"EACH PRODUCT BEARING THE VINASEED BRAND IS EARNED AS A PROCESS OF MOTHERLAND NUTRIENT, IN HARMONY WITH THE BREATH OF NATURE, CHERISHING FARMERS' WORK AND COMBINING WITH TECHNOLOGY TO SERVE THE ULTIMATE GOAL OF IMPROVING LIVING STANDARD FOR COMMUNITY AND SOCIETY."

## Chairwoman's message

Dear Fellow Stakeholders!

2014 marked the 10th year anniversary of VINASEED. This is the first year that the company implemented the strategic business plan period 2014 - 2016 with comprehensive changes in administration, investment, technology and market under a consistent goal, which builds VINASEED to the leading enterprise in business scale, market and branding in Vietnam's seed industry. 2014 also marked a tremendous growth of VINASEED in both width and depth (About capital and business scale, market share, technology and facilities).

Dear Friends and Colleagues!

2014 remains many difficulties to corporate community. The purchasing from general population, especially rural population severely reduced, even agricultural products witnessed recovery with total exporting estimation of 30.8 billion USD, increasing 11.2% compared to 2013. However with the dynamic, creativeness and capability to change, in 2014 the company completed a comprehensive targets, which are committed to shareholders: Parent company's revenue reached 719 billion VND, increasing 11.9 times compared to 2004; profit after tax reached 124 billion VND, increasing 29% compared to 2013 and equivalent to 106% of the plan; Earnings per share (EPS) reached 9,411 VND/share, cash dividend was 30%, total assets in 2014 increased 217% compared to 2013 and equity increased 231% compared to 2013 and reached 745 billion, increasing 40 times compared to 2004.

In 2014, VINASEED focused on modernizing facilities, industrializing processing, preserving seeds in the direction of automation, improving seed productivity and quality with regional and international standards; improving working environment for employees. Especially, the processing and preservation industrial zone at Duy Tien, Ha Nam with area of 3.5 ha, processing capability of 10,000 ton/year for seed, and a rice

processing plan in accordance to hygiene and safe food with productivity of 18,000 ton/year, applying modern technology from Japan and Federal Republic of Germany, this is the most advanced processing plan in Vietnam, which is invested comprehensively with total budget of nearly 130 billion VND, equivalent to 6 million USD. It is expected to come into operation in June 2015.

Along with investing in technical facilities, 2014 was also the successful year of M&A activities with total capital of 379 billion VND, creating opportunities for the company to expand business scale, opening the potential of partnership companies to serve the development of VINASEED. Additionally, R&D activities also create a breakthrough in the commercialization of Thien Uu 8 rice seed, which can be the best in the market and suitable for global climate change. Together with business development and technical research, the company continues to restructure the organization towards professionalization, improving administration quality and human resource training in order to enhance the competitiveness.

The efforts and accomplishments of Vinaseed in 2013 were highly appreciated by many national and international organizations. Forbes Asia honored Vinaseed as one of the top 200 companies in Asia among those with revenue under \$1 billion; Top 50 Vietnam Best Growth Companies 2009 - 2014 (Top 50 fastest growth in Vietnam 2009 2014); Top 50 most effective business in Vietnam 2014. Particularly, 2014 with outstanding contributions to Vietnam's agriculture, VINASEED honored to receive Certification of Merit granted by the Prime Minister of Vietnam for achievements 2014.

Dear Friends and Colleagues!

In 2015, it is expected to have many signals of economic recovery with varieties of comprehensive supporting policies for agriculture, rural and technology application research, especially the new rural policies and agricultural restructure in the direction of goods manufacturing and added - value. Along with a strong international integration such as the ASEAN Economic Community (AEC), Agreement on the Trans - Pacific Partnership (TPP), late 2015 and early 2016 offers tremendous opportunities for seed sector in general and particular VINASEED. As a result, 2015's strategic message "ACCELERATION" - is a challenging mission that VINASEED is heading towards and all staff agreed on and committed to successfully achieve it. We will maintain the growth as we are doing. We believe that with the right strategic direction, human resource with qualified technology skills and professional working environment, with desire to contribute to the development of Vietnam's agriculture with competitive advantages, VINASEED will continue to achieve sustainable development, increasing added-value for investors and improving quality of community life.

Finally, I would like to thank the efforts and dedication of Vinaseed staff members who always nurture the desire to develop the company sustainably. I would like to give special thanks to Shareholders, Customers and Partners who believe in us and go together with us in both prosperous and troubled times. Your trust and companionship is the motivation for us to conquer new peaks, to implement commitments with Shareholders, to build a more prosperous society and to bring good values to our community.

Hanoi, 22/4/2015



Chairwoman cum CEO  
Tran Kim Lien





# Overview

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Vinaseed - Vietnam National Seed Joint Stock Company is a scientific and technological corporate engaged in research, breeding, production and business of crop seed, and service transfer for agro-forestry techniques. The company has continued providing the market for high-quality and productive crop seed and taking transfer of scientific and technological services to bring satisfaction to customers in all parts of the country as well as practical contributions to the development of Vietnam agriculture and society.

Over 10 years of development and innovation, Vinaseed is proud to be the first companies in Vietnam to industrialize the seed industry, a necessary trend to enhance the competitiveness in the agricultural integration process.

Professional and transparent administration according to International standards, which is appreciated by investors in the financial market, recognized ISO 9001-2008.

## Vision

Vinaseed do the best to become the leading group in providing agricultural development solutions in Vietnam.

## Mission

With all responsibilities and emotions to human life and society, Vinaseed commits to provide every solution for sustainable development of agriculture so as to realize farmer dream for their income and living conditions improvement.

## Core Value



## Dynamics

When integration becomes an indispensable trend and science and technology are dynamics to promote the development of society, we continue our great effort to make different in products and services in order to adapt with social changes and to improve the basic competitive capacity of the company.

## Creativeness

Understanding creativeness as a driving force for the company development, we always encourage employees and create an environment where they can offer creative and breakthrough solutions, continuously experience new unique ideas that helps developing a high technology-driven sustainable agriculture and increasing the crop seed value under the direction of technological integration and innovation.

## Professionalism

By the slogan "Leading by professionalism", we keep our great effort to optimize all activities of the company by focusing on the main lines of business; completing quality and working performance; building an administrative system with publicity, transparency, synchronization and consistency in compliance to international standards; and directing staff to work in the industrial, scientific and disciplinary manner as well as to strive constantly for knowledge, sense of responsibility and spirit of cooperation.



## Milestones in Company history

1968



National Seed Company Level 1 was established directly under Ministry of Agriculture and Rural Development.

1978



Renamed the National Seed Company.

1989



National Seed Company No.1 was established based on splitting National Seed Company into two companies: National Seed Company No.1 and National Seed Company No.2 (Southern Seed Jsc. - SSC).

2003



National Seed Company No.1 changed to Vietnam National Seed Corporation (Follow Decision 5029/QĐ/TCCB/BNN issued on 10/11/2003). Charter capital was 13.500.000.000 VND. Unit members: 8 units n.

2006



Became a public company, official listed on Ho Chi Minh Stock Exchange with stock code NSC.

2011



The company was officially recognized as a Science and Technology Enterprise (The first science and technology enterprise in the seed industry of Vietnam).

2014



The company increased charter capital to 152,950,000VND, with 12 unit members and 3 subsidiaries. Total assets reached 953 billion, equity reached 745 billion, increasing 40 - fold compared to equitization in 2004.



## Business area

Main business activities that takes Vinaseed to achieve significant revenue and profit as follows:

Research, select, produce and trade seed, transfer high-tech agricultural technical services and import agricultural and forestry seeds.

Produce, trade, import and export agricultural products and materials.

Doing business and real-estate.

### Product lines :

- Crop seeds
- Organic farm produce
- Agricultural materials and services







## Outstanding achievements in 2011

### Outstanding achievements in 2014:

1. Excellent Emulation Flag by the Vietnamese Government for the outstanding achievements in 2014
2. Top 50 Vietnam Best Growth Companies - Top best performing companies in Vietnam from 2009 - 2014.
3. Top "50 Best Listed Companies in Vietnam" ranked by Forbes Vietnam to recognize businesses with high and sustainable growth in revenue and profits, return on capital and earnings per share, generating more jobs and contributing positive to the national development and social value. TOP 500 doanh nghiệp tăng trưởng nhanh nhất Việt Nam 2014 (FAST 500).
4. One of Vietnam's top 500 businesses with the fastest growth rates in 2014 (FAST 500).
5. Top 30 companies with the best annual report in 2014 (Vietnam Annual report award 2014) selected by Hochiminh Stock Exchange. This is the first time Vinaseed attends the award, however, it is highly recognized by transparent content, high aspiration and humanity in impressive design, as well as consistency in presentation.

### Other awards:

6. The Third-Class Labor Award granted by President of Social Republic of Vietnam, for the outstanding achievements and contribution to Socialism development and National defense during the period 2004 - 2008.
7. Excellent Emulation Flag by the Vietnamese Government for the outstanding achievements in 2011.
8. Certification of Merit granted by the Prime Minister of Vietnam for achievements in the period 2004 - 2006
9. Certificate of Merit awarded by Minister of Agriculture and Rural development of Vietnam, Minister of Finance of Vietnam.
10. Excellent labour collective award in 2012, presented by the Minister of Agriculture and Rural development of Vietnam.
11. Selected by Forbes Asia as one of Asia' 200 best companies with revenue under 1 billion in 2013.

12. One of Vietnam's top 500 businesses with the fastest growth rates in 2012 and 2013 (Fast 500). The award is conducted by Vietnam Report and Vietnamnet.
13. Ranked 14th in the top 50 efficient corporations in Vietnam for the period 2010 - 2012, conducted by Nhip cau dau tu magazine and Thien Viet Security company.
14. Vietnam Gold Star Award 2013 - Top 100 Vietnamese trademarks. The award is founded by the Youth Union and the Young Entrepreneurs Association.
15. The International Economic Integration Award in 2010 - Top 20 outstanding businesses, granted by Vietnam National Committee for International Economic Cooperation Office, Ministry of Industry & Commerce, Central Committee of Emulation and Rewards.
16. "Asean Famous trademark" in 2013, granted by Ministry of Information, Culture and Tourism of Laos, Ministry of Industry & Commerce of Laos, Ministry of Industry & Commerce of Vietnam, Voice of Vietnam and Vietnam - Lao - Cambodia Association For Economic Cooperation Development.
17. Cultural Business Award, granted by The Ministry of Culture sports & Tourism of Vietnam in 2009.
18. One of the top 20 outstanding companies in Vietnam's stock exchange market in 2009, selected by the State Bank of Vietnam and the U.S. credit information firm Dun & Bradstreet (D&B).
19. Golden Cup awards for Prestigious Securities Trademarks for the period 2007 - 2012.
20. The Vietnam Golden Rice Award in 2007, 2008, 2009, 2010, granted by the Ministry of Agriculture and Rural Development of Vietnam. The first Vietnam Golden Rice Award in 2013, granted by the Ministry of Agriculture and Rural development of Vietnam.
21. Friend of Vietnamese Farmer Awards from 2005 - 2007, granted by the Ministry of Agriculture and Rural Development of Vietnam.

**And many other honourable awards.**



## Development goals

Meeting the development trend of the world, as well as understanding the domestic consumption, Vinaseed builds target to development of high-quality product lines adaptive with the global climate change and increment of seed value towards the combination of technological integration and mining

of product value chains as well as development of agriculture under high technology-driven.

Intense training of the human resource and modernization for technical facilities and industrialization for the crop seed industry.

## Goals to 2016 (Parent company)

### Market goals:

- Dominating the North and Northern Central markets.
- Expanding markets in the South, Central & Western Highlands, Coastal Southern Central and Eastern South.
- Boosting up corn seed exportation to the regional countries and focusing on markets in Laos and Cambodia.
- Exporting the tropical vegetable seed to the South China market such as Guangxi, Guangzhou and Yunnan.

### Business goals:

- Maintaining the growth rate in profit-after-tax of 25% per year.
- Targeting the consolidated market share for about 18% of the total market share of the industry.
- Reaching 1 trillion VND of revenue for the parent company Vinaseed.
- Preserving the share dividend value in cash from 30% to 50% per year.



# Organization chart and Key personel

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# Organization Chart





# Board of Director



**MS. TRAN KIM LIEN**  
CHAIRWOMAN CUM  
CHIEF EXECUTIVE OFFICER

**Qualifications:** Bachelor of Economy, Bachelor of Laws  
Political level: Senior  
**1980 - 1982:** Lecturer of the National Economics University in Hanoi  
**1982 - 1995:** Assistant to Director of Dong Giao farm  
**1995 - 1996:** Head of Business Department, Dong Giao Industrial Agriculture enterprise  
**1996 - 1997:** Deputy Director of Dong Giao Industrial Agriculture enterprise  
**1997 - 1998:** Deputy Director of Dong Giao Food exporting company  
**1998 - 2000:** Deputy Director of Import & Export company - Vietnam Vegetable Corporation  
**2000 - 2004:** Deputy Director of Vietnam National Seed Jsc. I  
**2004 - Present:** Chairwoman cum Chief Executive Officer of Vietnam National Seed Jsc.



**MS. LE THI LE HANG**  
VICE CHAIRMAN

**Qualifications:** Master of Finance  
**1999 - 2007:** Senior Analyst at W.P.Stewart Fund management company, New York, USA  
**2007 - 2010:** Head of Analysis and Investment Advisor Department, Assistant to Chairman of Saigon Securities Inc.  
**2010 - present:** CEO of SSI Asset Management (SSIAM), Assistant to Chairman of Saigon Securities Inc., Board member of An Phu Irradiation Jsc.; Board member of Binh Thanh Imp-Exp production and trade Jsc.; Board member of Long An Food processing export Jsc.  
**3/2012 - present:** Vice chairman of Vietnam National Seed Jsc.



**Mr. MICHAEL LOUIS ROSEN**  
MEMBER

**Qualifications:** PhD, Master of Administration  
**1983 - 1988:** Lecturer at Stern School of Business, New York University- USA  
**1988 - 1996:** Chairman, of Ground Ltd. - USA; Chairman, Park Square Associates - USA; Chairman, Iron Straw Construction Inc. - USA  
**1996 - 2001:** Chairman cum Director General, Oscar Gruss and Son Incorporated - USA  
**1998 - 2001:** General Director of Continental Information Systems - USA (NASDAQ:CISC).  
**2004 - now:** Founder and Chairman of East Village Community Coalition USA  
**2013 - now:** General Director of PAN Pacific



**MR. DO BA VONG**  
MEMBER, DEPUTY CEO

**Qualifications:** Agronomy Engineer  
**1993 - 1994:** Deputy Director of Chau Giang - Hung Yen National Seed Farm  
**1994 - 2001:** Director of Chau Giang - Hung Yen National Seed Farm  
**2001 - 2004:** Director of Dong Van - Ha Nam National Seed Farm  
**2004 - present:** Deputy CEO of Vietnam National Seed Jsc.



**MR. NGUYEN KHAC HAI**  
MEMBER

**Qualifications:** Master of Laws, Bachelor of Business Administration  
**2001 - 2004:** Senior executive of Legal Department, JSC Bank for Foreign Trade of Vietnam  
**2007 - 2010:** Member of Establishing SSI Asset Management Limited Company Project - Saigon Securities Inc., Director of Law and Risk Management department, SSI AM  
**2010 - present:** Deputy General Director of SSI Asset Management  
**3/2012 - present:** Board member of Vietnam National Seed Jsc.



**MR. TRAN DINH LONG**  
MEMBER

**Qualifications:** Professor, Graduate Institute, Doctor of Science  
**1967 - 1968:** Lecturer in Agricultural University I - Hanoi  
**1968 - 1981:** Lecturer in Agricultural University II - Hanoi  
**1981 - 1983:** Internship in Russia  
**1983 - 1993:** Director, Vietnam Russia Seed center  
**1993 - 2002:** Deputy Head of Vietnam Agricultural Science Institute  
**2002 - 2003:** Director of Beans experimental center - Vietnam Agricultural Science Institute  
**2003 - present:** Chairman of Vietnam Seed Trade Association; Vice Chairman of Scientific Council of Agricultural Science Institute of Vietnam; Members of National Steering Committee of Vietnam Global Environment Fund GEF-UNDP; Member of Science and Technology council of Field Crops Research Institute; Agriculture and Forestry Science Institute in Northern Mountains; National Research Vegetables Institute; Plant Resources Center; Member of Vietnam Fatherland Front.  
**2004 - present:** Board member of Vietnam National Seed Jsc.



**MS. NGUYEN THI TRA MY**  
MEMBER

**Qualifications:** Master of Business Administration  
**1993 - 1995:** Assistant to CEO at International Business Advisor company  
**1995 - 2012:** Chief Financial Officer and Deputy CEO of Biomin Vietnam  
**2007 - present:** Chairman and CEO of CSC Vietnam  
**2012 - present:** Senior Advisor of Biomin Vietnam  
**3/2013 - present:** Board member of Vietnam National Seed Jsc.



## Board of Management



### Mr. PHAM NGOC LY BOARD MEMBER AND DEPUTY CEO

**Qualifications:** Master of Finance and Accounting  
**1981 - 1985:** Officer of Accounting & Finance Department - Ministry of Agriculture and Rural Development  
**1985 - 1992:** Chief Accountant of Supplying Marterial & Transport enterprise  
**1992 - 2003:** Officer of Vietnam National Seed Jsc.  
**2003 - 2/2010:** Chief Accountant, Head of Finance & Accounting - Vietnam National Seed Jsc.  
**2004 - 4/2015:** Board member of Vietnam National Seed Jsc.  
**2010 - Present:** Deputy CEO of Vietnam National Seed Jsc.

### Ms. TRAN KIM LIEN CHAIRWOMAN CUM CHIEF EXECUTIVE OFFICER

**Qualifications:** Bachelor of Economy, Bachelor of Laws -Political level: Senior  
**1980 - 1982:** Lecturer of the National Economics University in Hanoi  
**1982 - 1995:** Assistant to Director of Dong Giao farm  
**1995 - 1996:** Head of Business Department, Dong Giao Industrial Agriculture enterprise  
**1996 - 1997:** Deputy Director of Dong Giao Industrial Agriculture enterprise  
**1997 - 1998:** Deputy Director of Dong Giao Food exporting company  
**1998 - 2000:** Deputy Director of Import & Export company - Vietnam Vegetable Corporation  
**2000 - 2004:** Deputy Director of Vietnam National Seed Jsc.  
**2004 - Present:** Chairwoman cum Chief Executive Officer of Vietnam National Seed Jsc.

### Mr. NGUYEN HAI THO DEPUTY CEO

**Qualifications:** Agricultural Engineer  
**1984 - 1996:** Directing Officer of National Seed Farm Thuong Tin, Ha Noi  
**1996 - 2003:** Deputy Director of National Seed Farm Thuong Tin, Ha Noi  
**2004 - 2007:** Deputy head of Business Department, Vietnam National Seed at Dong Quang, Ba Vi, Ha Noi  
**2007 - 2010:** Head of Product Development Department, Vietnam National Seed at Dong Quang, Ba Vi, Ha Noi  
**2010 - 2011:** Director of Ba Vi Enterprise  
**2011 - present:** Deputy Director of Vietnam National Seed Jsc., Director of Ba Vi Enterprise

### Mr. DO BA VONG BOARD MEMBER AND DEPUTY CEO

**Qualifications:** Agronomy Engineer  
**1993 - 1994:** Deputy Director of Chau Giang - Hung Yen National Seed Farm  
**1994 - 2001:** Director of Chau Giang - Hung Yen National Seed Farm  
**2001 - 2004:** Director of Dong Van - Ha Nam National Seed Farm  
**2004 - present:** Deputy CEO of Vietnam National Seed Jsc.

## Supervisor Board



### Mr. CAO DUY HA HEAD OF SUPERVISORY BOARD

(Submitted resignation from 04/04/2015)  
**Qualifications:** Bachelor of Economics  
**2007 - 2008:** Assistant Professor at New South Wales University - Australia  
**2008 - 4/2014:** Executive officer of Investment Analyst Department IV, State Capital Investment Corp.- SCIC  
**2009 - present:** Head of Supervisory Board of Vietnam National Seed Jsc.; Member of Supervisory Board of FPT Telecom; Board member of Sundries and Labour protection Jsc.  
**4/2014 - present:** Deputy Head of Planning and Strategy - State Capital Investment Corp.- SCIC

### Mr. DO TIEN SY MEMBER

**Qualifications:** Master of Economics  
**5/2000 - 7/2000:** Deputy Director of National Seed Farm Ba Vi  
**8/2000 to 3/2001:** Deputy head of Business Department, Vietnam National Seed 1 Jsc.  
**2001 - 2004:** Head of Business Department, Vietnam National Seed 1 Jsc.  
**2004 - 2010:** Board Member, Head of Import- Export Department of Vietnam National Seed Jsc.  
**2010-2012:** Board Member, Head of the Union, Sales Director of Vietnam National Seed Jsc.  
**2012 - present:** Member of Supervisory Board, Head of the Union, Sales Director of Vietnam National Seed Jsc.

### Mr. NGUYEN KHANH QUYNH MEMBER

**Qualifications:** Master of Business Administration  
**2001 - 2002:** Sales agent of Joint Stock Company of Sunhouse Group  
**2002 - 2004:** In charge of purchasing exporting agricultural products in Southern Vietnam - OLAM Limited Company  
**2004 - 2006:** Senior Executive of Import Export Trading - Mizuho Corporate Bank, Hanoi Branch.  
**2008 - 2010:** Investment Analyst of SSI Asset Management (SSIAM)  
**2010 - present:** Associate Investment Director - SSI Asset Management (SSIAM)



## Branches

### 2. NATIONAL SEED ENTERPRISE IN BA VI

Address: Dong Quang commune, Ba Vi ward, Hanoi  
Tel: (04) 3386 3091 - Fax: 04-3386 4185

### 3. NATIONAL SEED ENTERPRISE IN DONG VAN- HA NAM

Địa chỉ: Dong Van town, Duy Tien ward, Ha Nam province  
Tel: (0351) 3835 463 - Fax: (0351) 383 5061

### 4. NATIONAL SEED ENTERPRISE IN THANH HOA

Address: Dinh Tuong commune, Yen Dinh ward, Thanh Hoa province  
Tel/Fax: (037) 3869 251

### 5. NATIONAL SEED JOINT STOCK COMPANY BRANCH IN THAI BINH

Address: Dong Hop commune, Dong Hung ward, Thai Binh province  
Tel: (036) 385 1265 - Fax: (036) 355 0684

### 6. NATIONAL SEED JOINT STOCK COMPANY BRANCH IN VINH - NGHE AN

Address: 11 Tran Nhat Duat, Doi Cung ward, Vinh city, Nghe An province  
Tel: (038) 353 1822 - Fax: (038) 384 4937

### 7. NATIONAL SEED JOINT STOCK COMPANY BRANCH IN CENTRAL VIETNAM - TAY NGUYEN

Address: : Km940, 1A Highway, Hoa Phuong commune, Hoa Vang ward, Da Nang province  
Tel/Fax: (0510) 3869 255

### 8. RESEARCHING, APPLYING AND TRANSFERING TECHNOLOGY CENTER OF VIETNAM NATIONAL SEED JSC

Address: Dong Quang commune, Ba Vi ward, Hanoi  
Tel - Fax: (04) 6673 6717

### 9. NATIONAL SEED PROCESSING PLANT IN THUONG TIN

Address: 350 Tran Phu, Thuong Tin Commune, Hanoi  
Tel/Fax: (04) 3385 3239

### 10. KHOAI CHAU EXPERIMENT STATION

Address: Tan Dan ward, Khoai Chau district, Hung Yen province  
Tel/Fax: (0321) 3910 348

### 11. TAY NINH REPRESENTATIVE OFFICE

Address: No. 3677, hamlet 1, commune 4, Bau Don ward, Go Dau district, Tay Ninh province

### 12. UDOMXAY REPRESENTATIVE OFFICE, LAOS

Address: Lao People's Democratic Republic  
Tel - Fax: (0085) 6812 12554  
SUBSIDIARIES

### 13. HA TAY SEED JOINT STOCK COMPANY

Address: Phu Lam ward, Ha Dong district, Hanoi  
Tel: 0433535401  
Fax: 0433530355

### 14. QUANG NAM AGRICULTURAL SEED JOINT STOCK COMPANY

Address: Km943, National road 1A, Dien Thang Bac, Dien Ban, Quang Nam  
Tel: 0433535401  
Fax: 0433530355

### 15. SOUTHERN SEED COMPANY

Address: 282 Le Van Sy, Wart 1, Tan Binh District, Hochiminh City  
Tel: 0838442414  
Fax: 0838442387

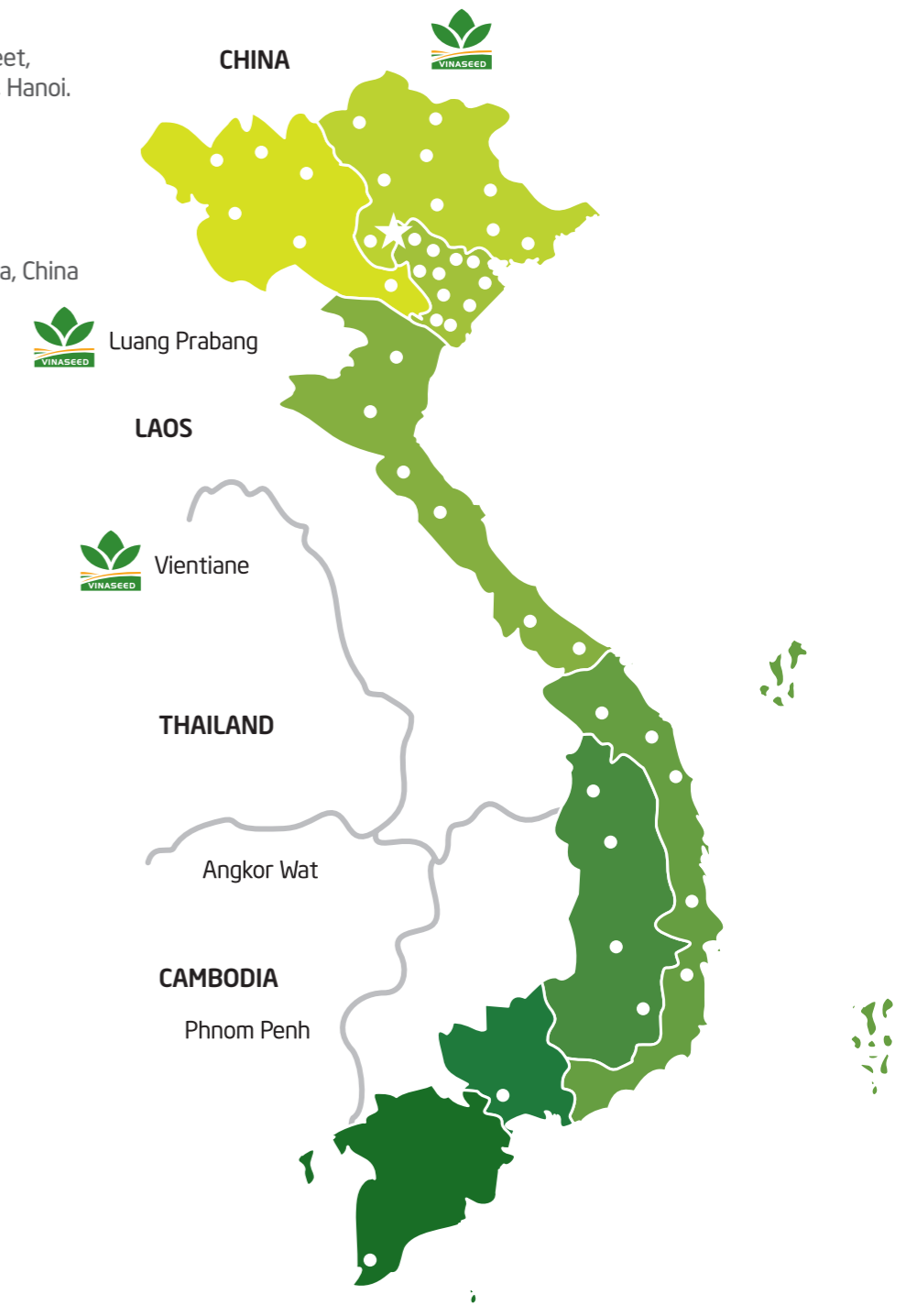
## Network

### 1. HEAD OFFICES

Address: No.1 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi.  
Tel: (04)3852 3294  
Fax: (04)3852 7996

### Operation areas:

- Nationwide
- Overseas markets: Laos, Cambodia, China



- NORTH CENTRAL
- NORTH WESTERN
- NORTH EASTER
- RED RIVER DELTA
- SOUTH CENTRAL
- CENTRAL HIGHLAND
- SOUTH EASTERN
- MEKONG RIVER DELTA





# Strategy

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## Strategy and sustainable development targets

### Targeting to become market leader in prestige, quality and products in Vietnam's agricultural seed market, Vinaseed makes all resources with the focused strategic direction in the period 2014 - 2016:

1. Focus resources to develop advantage sectors, which are producing and trading agricultural and forestry seeds, develop high - yield and high quality varieties with short growth time, adapting to global climate change, resistance to pest and disease, ensuring sustainability and bring economic benefits to farmers. Combine the trading of crop seeds and agricultural products to a supply chain (rice value chain) to exploit national market as well as export. Develop high technology into agricultural business and supply high technology agricultural techniques.
2. Modernize the materials for the seed industrialization, increasing crop seeds to meet the regional and international requirements.

3. Concentrate all resources into developing the production and commercialization of agricultural varieties, focusing on rice, corn, tropical vegetables, beans and silvicultural varieties; develop varieties that have high productivity and quality, rapid growth, resistance to climate changes. From Government macroeconomic direction of restructuring Vietnam cultivation towards moving part of paddy areas to other goods for import, Vinaseed also adjusts business strategy and product development, concentrating research on seeds (corn and soybean) serving for animal feed production. Specifically, developing short-term corn for Winter crop in the Red River Delta area, the Northern mountains, Highland; and provide long-term corn with higher yield, quality alternative to imported varieties in the Mekong Delta.

## SWOT Analysis



### Development prospect for cultivation and opportunities for Vinaseed

Crop varieties are the sector of manufacturing and supplying materials and play the main role in restructuring the agriculture in the direction of increasing value-added per product. As a result, with the forecast that market size is expanding, opportunities for seed companies are increasing. As a leading company in Vietnam crop seed market, VINASEED has remarkable advantages as followings:

A understanding of the climate, soil conditions and local cooperation mechanisms. In addition, there is a plentiful indigenous source of genes that favor the creation of varieties best suited to local conditions in Vietnam

There is a network of affiliated members, the centralized production areas with large scale and stable in different ecological zones.

Possession of agriculture land leases and land use rights which will keep costs down, resulting in lower prices and improved competitiveness, especially in the case of the seed of tropical varieties.

### Challenges of the industry

- Limited research capacity, resources and advanced materials that can be used to create varieties, low ability to adapt and integrate or compete internationally.
- Existing technical facilities, and particularly research facilities, are obsolete and financial resources are very limited with the top 90% of the plant varieties companies in Vietnam having less than 10 billion VND in capital.
- Competitiveness in the premium segment, such as research and production of F1 hybrid varieties and GMO products, is dominated by multinational corporations such as Monsanto, CP, and Syngenta while Vinaseed's experience and ability regarding product development is limited.
- Industry management (including strategic management, risk management and change management) is not good. A lack of awareness of the value chain and seed quality is generally accepted as normal and quality processing and storage, as well as the use of modern technology to increase the value of seeds is not commonplace.





### Opportunities for Vinaseed

The integration into the world economy, particularly the ASEAN Economic Community (AEC), Agreement on the Trans - Pacific Partnership (TPP), which create more opportunities to access, exchange freely in the agricultural market as well as updating science and technology progress.

Vinaseed is the scientific and technological enterprise, which involves directly to the program of Ministry of Agriculture and Rural Development. This is the opportunity for Vinaseed to transfer scientific and technological progresses to serve farmers in their production.

Recently, the government issued macroeconomic policies that enhance the development of large-scale agriculture. These policies include:

- Resolution No. 26 NQ/TW promulgated during the 7th Central Conference, Session X, on agriculture, rural areas and farmers, along with a range of policies on science and technology. Preferential policies issued that would encourage businesses to invest in agriculture and rural area were Decree 210/2013/ND-CP signed on 19/12/2013, a policy to encourage investment in agriculture and rural areas;
- Decision 2194/QĐ -TTG promulgated by the Prime Minister approving development schemes for

agricultural crops, forestry and live stock breeding and aquaculture until 2020;

- Decision 1244/QĐ -TTG by the Prime Minister approving a direction, target and mission of science and technology;
- Decrees No.80 and No.96 of the government that applies to science and technology firms and programs of national key products; and a program of scientific and technological innovation that provides for incentives and support for companies which would develop plant varieties.

In order to succeed in the current plant varieties industry, Vinaseed has put together an experienced team which is well-trained, adaptable and dedicated to the company. Vinaseed has also built a reputation and brand that is recognized by both domestic and international customers and participated in and received investment support in research programs and the transference of new agricultural technologies.

Vinaseed was selected by the Ministry of Agriculture and Rural Development to participate in the New Rural program in which the key products of the company would be commercialized. This is a fundamental advantage the company has to transfer research, science and technology advancement.

## Strategy and sustainable development targets

Targeting to become market leader in prestige, quality and products in Vietnam's agricultural seed market, Vinaseed makes all resources with the focused strategic direction in the period 2014 - 2016:

1. Focus resources to develop advantage sectors, which are producing and trading agricultural and forestry seeds, develop high - yield and high quality varieties with short growth time, adapting to global climate change, resistance to pest and disease, ensuring sustainability and bring economic benefits to farmers. Combine the trading of crop seeds and agricultural products to a supply chain (rice value chain) to exploit national market as well as export. Develop high technology into agricultural business and supply high technology agricultural techniques.
2. Continue to expand the company both in width and depth through M&A investment. Expand and dominate the market share to enhance the company's position, increasing investment efficiency

3. Modernize the materials for the seed industrialization, increasing crop seeds to meet the regional and international requirements.

4. Concentrate all resources into developing the production and commercialization of agricultural varieties, focusing on rice, corn, tropical vegetables, beans and sylvicultural varieties; develop varieties that have high productivity and quality, rapid growth, resistance to climate changes. From Government macroeconomic direction of restructuring Vietnam cultivation towards moving part of paddy areas to other goods for import, Vinaseed also adjusts business strategy and product development, concentrating research on seeds (corn and soybean) serving for animal feed production. Specifically, developing short-term corn for Winter crop in the Red River Delta area, the Northern mountains, Highland; and provide long-term corn with higher yield, quality alternative to imported varieties in the Mekong Delta.



# Business report 2014

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## Market analysis 2014

In 2014, despite the difficult economic context, the Board of Directors managed to lead the company to complete all of the objectives as stated in the resolution of the Annual General Meeting of Shareholders, to maintain a high growth rate, to build a strong base for the company position, to increase the accumulated value to ensure benefits and high efficiency for investors.

### Evaluating development trend in the industry

Cultivation in Vietnam is following the updated development trend as follows:

- Increased production of goods, with increasingly greater added value per unit of production with production having a competitive advantage in the area of tropical agricultural products.
- Increasing the total value of rice produced while decreasing the size of the growing area, growing a higher proportion of high quality rice, lowering

post-harvest loss and eliminating middlemen in the marketing chain.

- Increasing the land area on which is grown corn, vegetables, and soybeans in order to reduce the dependency on imports and provide the raw materials needed by local animal feed processors
- Increasing the use of technology in agriculture to encourage specialization and a division of labor in agriculture, and applying the value chain approach in agriculture production tying research to final product, increasing the processing of agricultural products
- Encourage large companies to buyout small farmers and encourage small companies to merge and form large corporations to expand their scale of operations, improve their financial capacity and their use of land resources and technical infrastructure systems, all of which would increase their competitiveness in this sector.



## Overview Operation & Business Results in 2014

In 2014, BOD and the Company Executives managed and frequently directed business measures in the spirit of proactivity and creativity to take advantage of opportunities and overcome difficulties to complete the tasks assigned by the Annual General Meeting of Shareholders.

### Business Results in 2014:

In 2014, the company continues to fulfill targets proposed at Annual General Meeting of Shareholders including scale and efficiency, maintaining high growth:

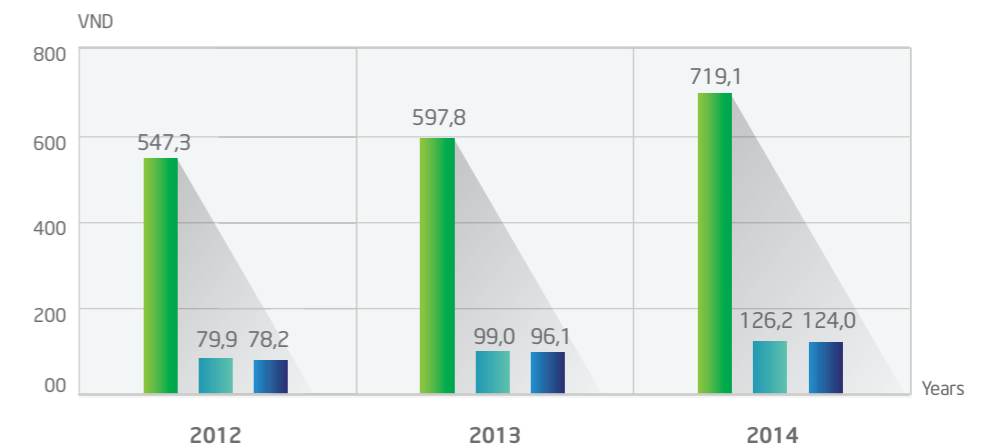
- Revenue is 111% plan and is 120% as the same period.
- Profit after tax is 108% plan, which is 129% as the same period.
- Cash dividend: 30%
- Although the charter capital is increased to 100.3 billion VND to 152.95 billion VND to serve investment from 30/06/2014, ROA, ROE, EPS maintains high level compared to the same period.
- Cash flow is well managed for business, and make sure not incur bad debt.



## Financial highlight 2014

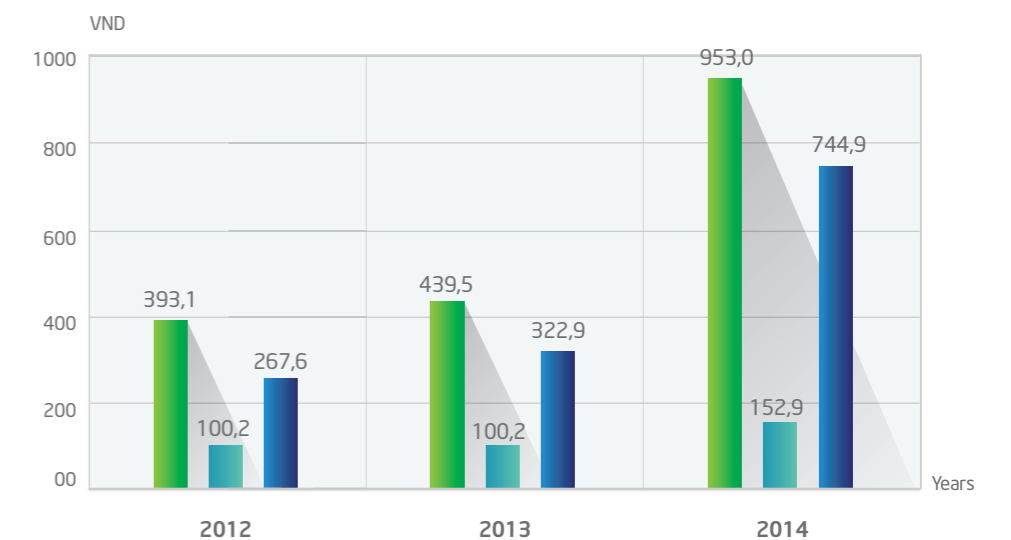
### Income Statement

- Total sales
- Profit before tax
- Profit after tax



### Balance Sheet

- Total assets
- Charter capital
- Total equity



### Others

STT		UNIT	2012	2013	2014
1	Short-term assets/ Total assets	%	76.60%	79.00%	49.42%
2	Long-term assets/ Total assets	%	23.40%	21.00%	50.58%
3	Total liabilities/ Total assets	%	30.90%	25.60%	21.23%
4	Owners' equity/ Total assets	%	68.10%	73.50%	78.17%





### Profit Ratios

No.		UNIT	2012	2013	2014
1	Profit after tax/ Total assets (ROA)	%	19.90%	21.90%	17.81%
2	Profit after tax/ Total equity (ROE)	%	29.20%	29.80%	23.23%
3	Profit after tax/ Net revenue (ROS)	%	14.30%	16.10%	17.25%
4	Earnings per share (EPS)	VND	7,737	9,518	9,411

	GROWTH RATE	GROWTH AFTER 10 YEARS		
		2004	2014	2014/2004 (time)
Revenue		60.643	719.136	11,9
Differences of price		13.914	287.323	20,6
Profit after tax		4.390	124.028	28,3
Total asset growth		45.024	953.008	21,2
Equity growth		18.410	744.946	40,5

### Growth rate

No.		UNIT	TĂNG TRƯỞNG 2014/2013	GROWTH IN 5 YEARS FROM 2010 - 2014			GROWTH IN 10 YEARS CPH		
				2010	2014	2014/2010	2004	2014	2014/2004 (time)
1	Revenue	%	120.3%	390,888,716,207	719,135,930,797	184.0%	60,643,071,799	719,135,930,797	11.9
2	Gross profit	%	122.0%	125,078,369,789	287,322,736,304	229.7%	13,913,786,357	287,322,736,304	20.7
3	Profit from operation	%	122.6%	56,874,890,679	119,143,768,633	209.5%	4,333,275,792	119,143,768,633	27.5
4	Profit after tax	%	129.0%	43,213,372,125	124,028,429,501	287.0%	4,389,802,947	124,028,429,501	28.3
5	EPS Growth	%	98.9%	5376	9411	175.1%	3131.0782	9,411	3.0
6	Growth in total assets	%	216.8%	302,986,345,111	953,007,833,160	314.5%	45,024,456,574	953,007,833,160	21.2
7	Equity growth	%	230.6%	205,466,072,197	744,945,670,425	362.6%	18,409,902,947	744,945,670,425	40.5





## Board of Directors' Report

### Business result of 2014

In 2014, BOD and the Company Executives managed and frequently directed business measures in the spirit of proactivity and creativity to take advantage of opportunities and overcome difficulties to complete the tasks assigned by the Annual General Meeting of Shareholders.

With these efforts, Vinaseed achieved the following business results in 2014:

- Turnover of 719,1 billion VND, and completion of 111% of the set plan and equivalent to 120% as the same period.
- Profit after tax was 124,0 billion VND, a 108% completion of the set plan and equivalent to 129% as the same period.
- The return on assets (ROA) was 17,8%. ROE: 23,2%, EPS: 9411 đồng/CP. Company plans to pay cash dividends at 30%.
- Total assets at 31/12/2014: 953,0 billion VND, equivalent to 217% as the same period (2013: 439,5 billion VND).

### Research activity along with science and technology application and transfer in 2014

The Vietnam National Seed Corporation is operating in the field of science and technology and its products are science and technology products as well. Therefore, the development of science and technology is the key to the development strategy and is defined as an objective and motivation for the development of the company. In 2014, the company achieved the following successes in research, application and transfer of science and technology:

#### Research in 2014:

- Official recognition of the rice seed Thien Uu 8, Thuy Huong 308, CNR6206. Thien Uu 8 with high productivity, superior quality is the best short-term rice seed in the Middle North area, which is replacing Khang Dan 18.
- Breeding: In 2014, 9 combinations of glutinous corns, 6 combinations of hybrid sticky corns, 5 combinations of hybrid paddies, 6 lines of prospect pure paddies.
- Select and maintain the quality seeds such as VS6, VS8, J05, DS3, QJ1,...
- Basic testing of new products such as sugar sticky corn, flower sugar corn.
- Successful transfer new melon seed, cantaloupe with high quality by new technology.

## Financial investment activities and capital construction in 2014

### 1. Financial investment in 2014

Apply the fund plan according to Resolution No. 35/NQ-ĐHĐCĐBT at the irregular Shareholders meeting on 21/12/2013, total capital for M&A: 379,9 billion VND, in which issued capital was: 329,2 billion VND, company's capital: 50,7 billion VND. Including:

- Increase ownership at Quang Nam Seed Agriculture and Forestry Company (QSC) from 60,24% to 85,8%.
- Invest in Thai Binh Seed JSC (TSC): 6,24%.
- Invest in Southern Seed Company (SSC): 40,16%.

### 2. Capital construction investment in 2014

#### a) Head Office construction at No. 01 Luong Dinh Cua, Phuong Mai, Dong Da, Hanoi:

Land area: 326m<sup>2</sup>

Construction area: 1820m<sup>2</sup>, 7th floor and 1 basement.

Approved budget: 24.710 million VND.

Contract value after negotiation, bidding: 20,987 million VND, reducing 3,732 million VND due to discount negotiation. The project is mainly completed the construction and on the settlement process. The company has officially moved to the new office on 14/02/2015.

#### b) Construction project of Seed Processing and Preservation Dong Van National Plant at Duy Tien, Dong Van, Ha Nam:

Area: 3 ha

Processing capability: 10,000 ton/year for seed, 18,000 ton/year for rice. Warehouse storage capability: 10,000 ton.

Approved budget: 101,324 million VND. Contract value after negotiation, bidding: 91,113 million VND due to discount negotiation.

The project is invested fully facilities from office, seed laboratory with national standard, system for seed processing, preservation, rice with international standard is produced by modern and automatic equipment, which is imported from Germany, Denmark, and Japan.

The project is in the completion processing of workshop and facilities installation. It is expected to start operation from June 2015 to meet the production and business of the company

**c) Project of upgrading Khoai Chau Experiment Station - Tan Dau, Khoai Chau, Hung Yen:** newly build 2 floor office, investing facilities for research, etc. Total investment of 1,503 million dong. The project was completed and become the second center of researching, applying and transferring science and technology of the company.

INVESTMENT ITEMS	APPROVED BUDGET	CONTRACT VALUE	PROCESSING	REMAINS	INCREASE/ DECREASE COMPARED TO THE PLAN
1. Head Office construction	24.710	20.978	11.090	9.888	-3.732
2. Dong Van Plant	101.324	91.113	19.147	71.966	-10.211
3. Khoai Chau Project	1.503	1.503	1.503	0	0
4. Internal road, water drainage for Ba Vi storage	709	709	709	0	0
Others	511	511	511		
Total (Mil.VND)	128.756	114.814	32.960	81.854	-13.942

**Note: Contract value decreased 13.9 billion VND due to discount negotiation.**

In 2014, investment activities, capital construction, major repairs and equipment purchases were performed by the company, complying with the procedures prescribed in the tendering, procurement of equipment and competitive offer, supervision rent, construction progress and quality assurance laws.

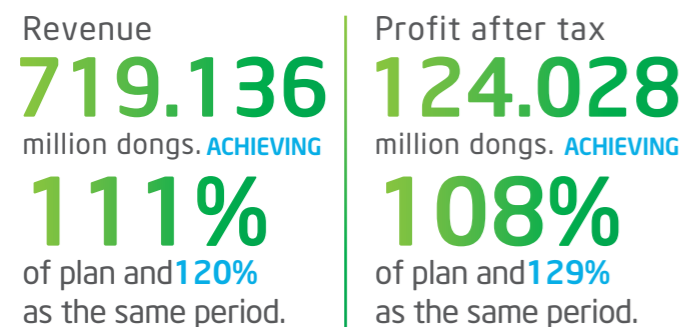




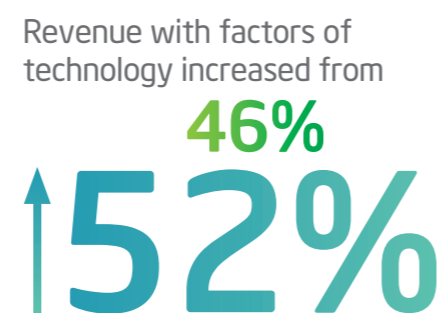
## The performance of the Board of Directors

In 2014, The Executive Board reported on the operations to the BOD so that they would have timely orientation and could adjust direction promptly. Due to the monitoring, the BOD could ascertain that in 2014, the General Director and the management staff members complied with and followed the Resolutions

of the Shareholders' Meeting, the Resolutions of the BOD, the company's charters and current laws and regulations. A proper orientation of the BOD and effective administration of General Director have enabled Vinaseed to comprehensively reach its 2014 business targets:



In 2014, beside the business objectives, the company has to undertake the target of financial investment, capital investment. The BOD directed and monitored regularly, quarterly, and semi-annually the Executive Directors and other managers as per Annual General Meeting of Shareholders' resolution and decision of the Board.



## Board of Management's Report

In 2014, the Executive Board of Vinaseed completed the goal set at the Shareholders' meeting including the business scale and efficiency, and maintenance of growth rate, as follows:

### Business Operation results in 2014

NO.	CRITERIA	UNIT	PLAN 2014	ACTUAL 2014	PLAN 2013	PLAN/ACTUAL	COMPARE 2014/2013
1	REVENUE	Mil.VND	650.000	719.136	597.814	111%	120%
	Revenue from high-tech products	%		52%	46%		113%
2	Differences of price	Mil.VND		287.323	235.480		122%
3	Profit after tax	Mil.VND	15.000	124.028	96.110	108%	129%
4	ROS (LN/T)	%		17,25%	16,08%		107%

### Operation Efficiency

NO.	CRITERIA	UNIT	PLAN 2014	ACTUAL 2014	PLAN 2013	PLAN/ACTUAL	COMPARE 2014/2013
1	EBIT	TRD		126.843	99.086		128%
2	ROA	%		17,81%	21,87%		81%
3	ROE	%		23,23%	29,76%		78%
4	EPS	Đ/CP		9.411	9.518		99%
5	Dividend in cash		30%	30%	30%		100%
6	Admin expenses/ Revenue	%		9,44%	9,62%		98%
7	Selling expenses/ Revenue	%		14,17%	14,37%		99%

Cost factors reduce compared to the same period leading to increasing business efficiency





### Liquidity Ratios:

CRITERIA	2014	2013	2014/2013
Current ratio	2,33	3,09	75%
Quick ratio	1,20	1,68	71%
Cash ratio	0,50	0,48	104%

### Asset Management Efficiency:

Unit: Mil VND

CRITERIA	T 2014	CK 2013	2014/2013
Total assets	953.008	439.523	217%
Equity	744.946	322.997	231%
Market capitalization (31/12/2014)	1.223.600	842.506	145%
Inventory turnover ratio	1,9	2,3	83%
Account receivable turnover ratio	5,8	4,5	129%
Asset turnover ratio	0,8	1,4	55%

### Growth rate

GROWTH RATE	2014/2013
Revenue	120%
Gross profit	122%
Profit after tax	129%
ROS (LN/DT)	107%
Total assets	217
Total equity	231%

### BUSINESS RESULT IN 2014

#### Production Activity:

In 2014, the company experienced a sizeable growth of manufacturing in compared to the same period last year: manufacturing scale reached 161%, and manufacturing output reached 135%. The company managed to set up a sustainable production area, whose focus was to combine with consolidated rice field and organize secured production

of crossbreed plants, yielding 4.014 tons of crossbreed seeds, equal to 160% compared to the same period last year. Resources of the company were directed to cross-season and technology-rich products to timely satisfy market demand. However, the amount of outsourced and collected products was still great, resulting in considerable negative effect on competitive ability as well as business efficiency of the company.

CRITERIA	UNIT	PRODUCTION RESULT IN 2014				
		KH	TH	CK	TH/KH	TH/CK
Manufacturing scale	Ha	9.628	8.458	5.252	88%	161%
Output	Tấn	30.554	23.394	17.344	77%	135%
Hybrid seeds	Tấn	3.202	4.014	2.472	125%	162%

#### Application research and technology transfer activity:

As a company whose main products are results of implementation of high technology and vigorous scientific research, Vinaseed realizes that science and technology are essential leverage of the company to accomplish its missions of researching, selecting, producing and selling of crop seeds, and transferring agricultural technology.

(Thiên Ưu 8, RVT, Trân Châu Hương, VS1 rice breed, HN88, HN68 hybrid waxy corn, hybrid fruit and vegetable product line,...)

- Margin of product of science and high technology in output : from 38% to 42%

- Margin of product of science and high technology in revenue: from 46% to 52%

#### Results of research and technology transfer activities in 2014:

- Official recognition of the rice seed Thien Uu 8, Thuy Huong 308, CNR6206. Thien Uu 8 with high productivity, superior quality is the best short-term rice seed in the Middle North area, which is replacing Khang Dan 18.

- Breeding: In 2014, 9 combinations of glutinous corns, 6 combinations of hybrid sticky corns, 5 combinations of hybrid paddies, 6 lines of prospect pure paddies.

- Select and maintain the quality seeds such as VS6, VS8, J05, DS3, QJ1,....

- Basic testing of new products such as suger sticky corn, flower suger corn.

- Successful transfer new melon seed, cantaloupe with high quality by new technology.

Reform and innovation in market building, market restructuring, market strategy building, and professional executing of such order managed to deploy combined power of the company, rejuvenate the learning spirit and spread the successful experience among the company personel.

#### Financial Statement and Capital Construction in 2014

##### Financial Statement:

- Following Resolution 35/NQ-ĐHC ĐBT of Irregular General Meeting of Shareholder on 21/12/2013, the company successfully carried out new share issuance to raise charter capital from VND 100.3 billion to VND 152.95 billion.

- Performing 2014-2016 strategic goal, the company business expands to include agricultural product sale. The company consulted shareholder opinion with "Văn bản bổ sung ngành nghề kinh doanh" and supplement content in business certificate (11th revision, 04/11/2014).

#### New development activities

The company has successfully developed competitive product set whose exceptional quality offers great economic benefit



**M&A Investment:**

In 2014, to perform the capital employment project in Resolution 35/NQ-ĐHC ĐBT from irregular general meeting of shareholder on 21/12/2013, the company successfully carried out investment in these holdings:

- NSC successfully increased ownership in QSC from 24% to 85.8%. NSC officially became parent company of QSC.
- Increased ownership to 6.24% to become large shareholder in Thai Binh seeds Joint Stock Company TSC.
- Increased ownership in SSC to 40.16% (5.996.940 shares - by 31/12/2014). By 13/4/2015, ownership at SSC is 61.4%. SSC has officially become a subsidiary of NSC.

**M&A investment budget in 2014:**

M&A	INNITAL SHARE HOLDING		PURCHASED SHARED			OWNED SHARED	
	SHARES	%	SHARES	PRICE BQ/CP	COST	SHARES	%
QSC	301.180	60.24%	127.680	15.000	1.915.200.000	428.860	85,80%
TSC			62.126	133.569	8.298.080.000	62.126	6,24%
SSC			5.996.940	61.652	369.721.221.103	5.996.940	40,16%
TOTAL					379.934.501.103		

(Trong đó sử dụng vốn phát hành: 329,2 tỷ đồng, vốn tự có của công ty: 50,73 tỷ đồng).

**Capital construction in 2014:**

INVESTMENT ITEMS	APPROVED BUDGET	CONTRACT VALUE	PROCESSING	REMAINS	INCREAS/ DECREASE COMPARED TO THE PLAN
1. Head Office construction	24.710	20.978	11.090	9.888	-3.732
2. Dong Van Plant	101.324	91.113	19.147	71.966	-10.211
3. Khoai Chau Project	1.503	1.503	1.503	0	0
4. Internal road, water drainage for Ba Vi storage	709	709	709	0	0
Others	511	511	511		
Total (Mil.VND)	128.756	114.814	32.960	81.854	-13.942

Note: The contract value decreased by VND 13.9 billion thanks to company price negotiation

In addition, the company commenced 2 National Storage project with VND35 billion of government fund.

In 2014, investments, construction, reparation, equipment procurement were performed in accordance with the law of tendering, procurement offers are subjected to competition, consultant, supervisors and constructor performed in timely manner and satisfy quality requirement.

**Administrative Activities:**

1. The production department was restructured. Production area was reorganized and sustainable production cooperation was developed at ecozone. Business organization of MTTN branch and Quang Nam Company has been perfected.

2. Restructure of marketing in the company:

- Reorganized market of all the subsidiaries and branches of the company.

- Reform in marketing strategy building: from detailed market development plan, target market organization, combined operation throughout the company had brought about great results in the last 6 months of 2014.

- Issuance of Work control protocol/regulations for sales executive.

3. Commencement of The effective ideas and solutions contest among the company personel. 200 ideas, solutions were submitted, among which 12 ideas were immediately applied in management, production and sale. The most outstanding ideas are: smart debt management system, bar code application in stock management, newsletter marketing email, customer management with Google Map, enhanced sales personnel management by daily reports, image library,...

4. Occupational skill of personnel has been enhanced by training programs of the company.

5. Risk management: in 2014, no risk was incurred.

6. Regulation system management: the regulations were completed with Management organization regulation, administrative regulation, sales personnel control process regulation, market plan development process, etc. Enhanced supervision of regulations obedience.



## Our Subsidiaries

### COMPANY NAME: HA TAY SEED JOINT STOCK COMPANY

Business Registration Certificate No. 0500437239 issued by the Hanoi Department of Planning and Investment on 15/11/2010 (9th version)

**Address:** Ba La, Phu Lam Ward, Ha Dong District, Hanoi.

**Tel:**(043) 3 530 655

**Fax:** (043) 3 535 421

**Chartered capital (at 31/12/2013)** is 5,688,900,000 VND (Five billion, six hundred and eighty-eight million, nine hundred thousand Vietnam dong).

Vietnam National Seed Corp. is the parent company of Ha Tay Seed JSC with 53.8% ownership.

#### Company History:

**1996:** Ha Tay Seed Company was established following Decision No. 997/QD/UB on 17/12/1996 issued by the People's Committee of Ha Tay Province (merged with Sericulture Company).

**2003:** Ha Tay Seed Company was equitized following Decision No. 272/QD-UB on 11/3/2003 issued by the People's Committee of Ha Tay Province with name changed to Ha Tay Seed Company JSC.

#### Business area

- Production, trade, import and export of seed, agricultural products and materials (vegetable seed, agricultural machinery, fertilizer)
- Production, trade, import and export of animal feed
- Trade in machines and equipment
- General Trade Services
- Domestic Travel
- Eco-tourism and other tourism services
- Freight Services

#### Subsidiaries

- Phu Luu Te Sericulture and Seed Farm  
Address: Phu Luu Te Ward, My Duc District, Hanoi
- Phuong Bang Sericulture and Seed Farm  
Address: Song Phuong Ward, Hoai Duc District, Hanoi

#### Financial Status 2014

CRITERIAL	ĐVT	PLAN 2014	ACTUAL 2014	ACUTAL 2013	ACTUAL/ PLAN	2014/2013 (%)
SALES VOLUME	Ton	1.215	814,8	1.132	67%	72%
REVENUE	Mil	26.000	25.700	24.100	99%	107%
DIFFERENCES OF PRICE	Mil	7.000	7.800	6.760	111,4%	115,4%
PROFIT AFTER TAX	Mil		2.580	1.892	103%	136%
TOTAL ASSETS	Mil		14.415	12.541		115%
TOTAL EQUITY	Mil		9.995	9.107		110%
CHARTER CAPITAL	Mil		5.689	5.689		100%

### COMPANY NAME: QUANG NAM SEED AGRICULTURE AND FORESTRY JOINT STOCK COMPANY (QSC)

Certificate of business registration codes Corporation 4000107543 issued by the Business Registration - Department of Planning and Investment dated 17/02/2006 Quang Nam Province, change registration 2nd Day 06/9 / in 2013.

**Address:** Km 943 1A Highway, Dien Thang Bac Commune, Dien Ban District, Quang Nam Province

**Tel:** 0510.3869455

**Fax:** 0510.3869253

**E-mail:** giongquangnam@gmail.com

**Chartered capital (31/12/2013):** 5,000,000,000 VND NSC, the major shareholder of QSC, is now in the process of increasing ownership from 60.24% to 85.8%

#### Company History:

**2002:** Quang Nam Seed Agriculture and Forestry Company was established following Decision 479/2002/QD-UB dated on 21/02/2002 issued by the Quang Nam People's Committee, merging the Chien Dan Farm (established in 1979) with the BinhTrung Seed Agriculture Experimental Farm (under the Quang Nam Seed Agriculture and Forestry Experimental Center) and the Center National Seed Farm (under the NSC).

#### Financial Status 2014

CRITERIAL	ĐVT	PLAN 2014	ACTUAL 2014	ACUTAL 2013	ACTUAL/ PLAN	2014/2013 (%)
SALES VOLUME	Ton	3.083	1.762	1.320	57%	133%
REVENUE	Mil. VND	39.277	29.069	27.296	74%	106%
DIFFERENCES OF PRICE	Mil. VND	9.707	6.599	4.491	68%	149%
PROFIT AFTER TAX	Mil. VND	1.685	1.295	(605)	76%	
TOTAL ASSETS	Mil. VND		16.331	14.967		109%
TOTAL EQUITY	Mil. VND		7.070	5.676		124%
CHARTER CAPITAL	Mil. VND		5.000	5.000		

**2005:** Quang Nam Seed Agriculture and Forestry JSC was equitized following Decision No. 3595/QD-UB on 26/09/2005 by the People's Committee of Quang Nam Province.

#### Business area

- Research and production of agricultural and forestry seed
- Trade in agricultural and forestry seed
- Trade in agricultural materials, wholesale and retail
- Process agricultural products

#### Subsidiaries

- Chien Dan Agriculture and Forestry Seed Enterprise, Dan Tam Commune, Phu Ninh District, Quang Nam Province
- Binh Trung Agricultural Seed Enterprise, Binh Trung Commune, Thang Binh District, Quang Nam Province





# Corporate Governance

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## Board of Directors' Activities

### 1. Organizing BOD's meetings in 2014

#### 1.1 Quarterly meeting: 7 meetings

TT	MEMBER	POSITION	ATTENDING MEETING	%	REASON
1	Ms. Tran Kim Lien	Chairman - Managing Director	7	100%	
2	Ms. Le Thi Le Hang	Vice Chairman	7	100%	
3	Mr. Pham Ngoc Ly	Member - Deputy Managing Director	7	100%	
4	Mr. Do Ba Vong	Member - Deputy Managing Director	7	100%	
5	Mr. Nguyen Khac Hai	Member	7	100%	
6	Mr. Tran Dinh Long	Member	7	100%	
7	Ms. Nguyen Thi Tra My	Member	6	85.7%	On business

Both the Supervisory Board and the Executive Board of the company attended and contributed ideas in these meetings.

#### 1.2. Collecting written suggestions: 7 times.

**1.3. Resolutions:** 14 resolutions and decisions about strategic issues, a medium term development plan and business plan, and to make important decisions related to company's activities under the jurisdiction of the BOD. Resolutions are published under many forms: sending hard copy to the Stock exchange, Securities commissions, updating on website and disclosure on software of Securities commissions in accordance with the provisions of the content and duration of HCM Stock exchange's regulations. As followings:

STT	RESOLUTION NO	DATE	CONTENT
1	06/NQ-HĐQT-CTG	10/01/2014	<ul style="list-style-type: none"> <li>- Approve operating result report for 2013, operating direction in 2014.</li> <li>- Approve profile design - Total budget for head office construction. Approve bidding documents for head office construction; approve bidding offer No.1 - Construction of head office.</li> <li>- Approve master plan for Construction project of Seed Processing and Preservation Dong Van National Plant.</li> <li>- Approve the charter capital increasing plan under resolution No. 35/NQ-ĐHĐCĐBT.</li> <li>- Approve the share insurance for employees (ESOP program 2014).</li> <li>- Assign Investment Department to implement the plan to raise ownership of target companies under resolution No. 35/NQ-ĐHĐCĐBT.</li> <li>- Unify the date for Annual Shareholders Meeting 2014.</li> </ul>
2	07/NQ-HĐQT-CTG	13/01/2014	<ul style="list-style-type: none"> <li>- Approve the the account changing of ESOP share purchasing from entire employees as treasury shares.</li> </ul>
3	47/NQ-HĐQT-CTG	17/02/2014	<ul style="list-style-type: none"> <li>- Approve the date, location, and content for Annual Shareholders Meeting 2014.</li> <li>- Unify the content and progress of the dividend payment to finalise the dividend payment list.</li> <li>BOD approved the investment plan following the report No. 50/TTr-CTG dated 10/02/2014.</li> <li>- Thông qua Phương án phát hành cổ phiếu cho cán bộ nhân viên (Chương trình ESOP 2014).</li> <li>- Unify the final acceptance and payment to contractor following report No. 67/BQL-CTG.</li> </ul>
4	51/NQ-HĐQT-CTG	01/4/2014	<ul style="list-style-type: none"> <li>- Approve the plan and time for cash dividend.</li> <li>- Approve the plan and finalise the time of issuing additional shares to public</li> </ul>
5	57/NQ-HĐQT-CTG	10/4/2014	<ul style="list-style-type: none"> <li>- Announce the operating results of the 1st Quarter, plan for the 2nd Quarter and the first 6 months of 2014.</li> <li>- Approve the implementation of the design and make budget plan for the construction of Seed Processing and Preservation Dong Van National Plant.</li> <li>- Approve the procurement plan of Dong Van.</li> <li>- Ms. Nguyen Thi Tra My - member of BOD was assigned to Department of Investment.</li> <li>- Allow the company to use Investment Fund for research, pilot production, and approve budget plan for research and pilot production of Research Center in 2014.</li> <li>- Assign Department of Investment to make detailed plan for issued capital under Resolution No. 35/NQ-ĐHĐCĐBT on 21/12/2013.</li> <li>- Add documents for Annual Shareholders Meeting 2014.</li> </ul>



STT	RESOLUTION NO	DATE	CONTENT
6	62/NQ-HĐQT-CTG	08/5/2014	- Agree on the PAN Pacific Corp to do the public offering of NSC.
7	70/NQ-HĐQT-CTG	21/5/2014	- Approve the investment plan and capital usage to the target companies.
8	71/NQ-HĐQT-CTG	21/5/2014	- Assign the sales of shares from shares ESOP 2009, 2010, 2011 in the issuance of ESOP which is approved under Resolution No. 47/NQ-HĐQT-CTG on 17/02/2014.
9	77/NQ-HĐQT-CTG	05/6/2014	- Approve the distribution plan of individual stocks, stocks of existing shareholders, which is not exercised in accordance with Resolution No. 35/NQ-DH-CĐBT on 21/12/2013. - Approve the cost estimate of backfill for Seed Processing and Preservation Dong Van National Plant
10	80/NQ-HĐQT-CTG	11/6/2014	- Approve the edited content for registration and additional listing for shares under share offering certificate by Securities Commission. - Approve the result report of the IPO.
11	85/NQ-HĐQT-CTG	13/7/2014	- Approve the result of operation, investment, - Approve M&A direction plan in target companies 6 TCN 2014. - Approve the construction scale, total area design for Seed Processing and Preservation Dong Van National Plant. - Approve the salaries fund for senior officers.
12	93 /NQ-HĐQT-CTG	15/9/2014	- Approve the construction design, scale and total cost estimate for Seed Processing and Preservation Dong Van National Plant. - Approve the funding for Seed Processing and Preservation Dong Van National Plant. - Approve the procurement plan for Dong Van construction project (remainings). Approve the bidding phase 1 for drying system. - Assign Mr. Nguyen Quang Truong - Director of Project Investment and Management to member of Investment Committee of BOD. - Establish project management committee for Seed Processing and. - Approve short-term credit bank. - BOD agreed to collect written opinions from shareholders on adding business in the business registration certificate. - BOD agreed on publically purchasing shares of Southern Seed Company JSC. - BOD agreed to assign Investment Department the approved rice trading plan.

STT	RESOLUTION NO	DATE	CONTENT
13	100/NQ-HĐQT-CTG	13/11/2014	- Approve the report on operation result, investment and capital construction 3rd Quarter and the first 9 months of 2014, guideline for 4th Quarter and production plan for Winter - Spring 2014 - 2015. - Approve the technology distribution plan, equipment, cost estimate and procurement plan of rice processing system for Seed Processing and Preservation Dong Van National Plant.
14	102/NQ-HĐQT-CTG	04/12/2014	- Approve the first interim dividend in cash in 2014.

## 2. Monitoring activities of BOD to Board of Management:

- BOD held quarterly meetings to request General Director to report fully the company's operation from manufacturing, trading, finance, planning.
- Investment and projects are directed examined, evaluated and approved.
- Board of Supervisor examines every 6 months, 9 months, and 1 year full operation, making recommendations to Board of Management.
- As a result of monitoring, the BOD determined that the Board of Management complied and executed with the resolutions of Annual Shareholder Meeting, guidelines of BOD, timely overcome from recommendations of Board of Supervisor, working under right function of management, compliance with regular reporting on business activities.

## Determination of Board of Supervisor:

- The company strictly implemented rules on disclosure.
- The financial statements are prepared timely, completely and accurately in accordance with the accounting standards and corporate accounting regime.
- Investment and capital construction are complied with competence; the provisions of the Investment Law, construction law, projects are ensured the progress and quality.
- The company's regulations and operations are fully implemented and closely supervised by the functional departments. The operational risks are minimized. In operational risk management: the company did not happen any risks, no bad debt liabilities.



## ACTIVITIES OF SUBCOMMITTEES DIRECTLY UNDER THE BOARD

### ADMINISTRATION AND HUMAN RESOURCES SUBCOMMITTEE:

- Participating on HR training, proposing salary fund for senior officers, proposing compensation ESOP 2014 under Article 2, Resolution 35/NQ-ĐHCĐBT at irregular Shareholder Meeting on 21/12/2013.
- Legal advice for increasing capital, merger and acquisition, disclosure.
- Assisting the organization of Annual Shareholders Meeting 2014, collecting written opinions of shareholders on adding business in the business registration certificate.

### INVESTMENT SUBCOMMITTEE:

- In 2014, under the Resolution 35/NQ-ĐHCĐBT at irregular Shareholder Meeting on 21/12/2013, Resolution 59/NQ-ĐHCĐ on 15/4/2014 of Annual Shareholders Meeting 2014, Investment Subcommittee guideline Board of Management to implement the followings:
- Evaluating and monitoring (Dong Van project and Head Office project).
  - Establish and implement M&A plan. Establish plan for additional issued capital under the Resolution of irregular Shareholders Meeting on 21/12/2013.
  - In order to enhance management to capital construction, BOD agreed to add more human resources from 10/4/2014:
    - Ms. Nguyen Thi Tra My - member of BOD was assigned to Department of Investment, members of this Department is 4.
    - Mr. Nguyen Quang Truong - Director of Project Investment and Management to member of Investment Committee of BOD.

### SCIENCE AND TECHNOLOGY SUBCOMMITTEE:

- Consult and do orientation for products development strategy, human resources strategy to serve the research. Selecting partners serves for research and development.
- Advising on equipment purchasing.
- BOD approves budget plan for research and pilot production of Research Center in 2014.

## REMUNERATION AND REWARD:

- Remuneration of BOD is attached to the results and business performance. The BOD must take effective business management, ensuring the implementation of business plan and profit plan.

- In 2014, Company paid remuneration and rewards totaling 900,601,155 VND to the company's BOD members for reaching the 2013 profit target. Details of the remuneration and rewards to BOD members are as follows:

STT	NAME	REMUNERATION IN 2014	REWARD(REACHING 2013 PROFIT TARGET)	TOTAL
1	Tran Kim Lien	60,000,000	125,659,059	185,659,059
2	Pham Ngoc Ly	60,000,000	59,439,048	119,439,048
3	Do Ba Vong	60,000,000	59,439,048	119,439,048
4	Le Thi Le Hang	60,000,000	59,016,000	119,016,000
5	Nguyen Khac Hai	60,000,000	59,016,000	119,016,000
6	Tran Dinh Long	60,000,000	59,016,000	119,016,000
7	Nguyen Thi Tra My	60,000,000	59,016,000	119,016,000
<b>TOTAL</b>				<b>900,601,155</b>





## Supervisory Board's Activities

### Implementation of business plan:

Review the implementation plan for revenue, expenses, profits in 2014 (parent company) as follows:

TT	CRITERIA	UNIT	PLAN 2014	ACTUAL 2014	SAME PERIOD 2013	ACTUAL/ PLAN	ACTUAL/ SAME PERIOD
1	Revenue	Mil.VND	650.000	719.136	597.814	111%	120%
3	Profit after tax	Mil.VND	115.000	124.028	96.110	108%	129%
4	ROS (LN/DT)	%		17,25%	16,08%		107%

Criteria are exceeded the plan proposed at Annual Shareholders Meeting 2014, and performed at good growth rate compared to the same period. In which, the profit grew of 29%, higher than revenue (20%), above the target from 1% - 6% of each criteria. It determines that the planning is in line with actual business situation.

### 1. Financial Statement:

- The financial statements are prepared accurately in accordance with the accounting standards and corporate accounting regime and related legal regulations. Expenses, provisioning debts, inventories, bad debts are implemented in accordance with guidelines of Ministry of Finance and company's management regulations.

- The company fully complied with the provisions on disclosure, auditing and financial statement review in accordance with the provisions of securities law and listed companies.

- However, the accounting software has not met the requirement of the development trend.

### 2. The implementation of Resolutions:

2.1 Exceed the targets for business and production proposed by Annual Shareholders Meeting and BOD in 2014.

2.2 Investment, capital construction and equipment purchasing have been deployed in accordance with schedule and cost estimate approved by Annual Shareholders Meeting and BOD. As follows:

o Implement the project Seed Processing and Preservation Dong Van National Plant, total budget 101 billion VND (rounding), implemented budget in 2014: 19,1 billion VND.

o Implement the project Head Office construction, total budget 24,7 billion VND, ), implemented budget in 2014: 11,09 billion VND.

o Implement the project National Preservation Storage in Dong Van and Ba Vi , total budget 35 billion VND, implemented budget in 2014 16 billion VND.

2.3 M&A investment in seed industry has been implemented in accordance with guidelines of Annual Shareholders Meeting and BOD:

o Publically purchasing shares of Southern Seed Company JSC of 40.2 % chartered capital in 2014.

o Invest in Thai Binh Seed JSC (TSC): 6,24%.

o Invest in Southern Seed Company (SSC): 40,16%.

### 3. Implementation of regulations at units:

- Basically, units, branches and head office has seriously complied with regulations, procedures on production, processing, sales, transportation and other activities.

- However, there are some branches, facilities not completely implementing the construction, updating the debt limit at the early trading season.

### III- CONCLUSION AND IMPLEMENTATION

- In 2014, BOD and Board of Management has exceeded the major targets proposed at the Annual Shareholders Meeting, maintaining high growth in business performance, investment. BOD and Board of Management work with full functions assigned under provisions of the Enterprise Law, Company's regulations and Annual Shareholders Meeting.

- Proposing the Board of Management to upgrading accounting software to better support the administrative work, tracking customers' debt situation, recording customers over years, establishing credit limit debt with actual context, which can help alert risks due to debt.

On the issue of remuneration for the Supervisory Board in 2014, the company spent a total amount of 150,000,000 VND. Specific levels of remuneration for each member are presented below

STT	NAME	REMUNERATION 2014	REWARD (REACHING 2013 PROFIT TARGET)	TOTAL
				UNIT : VND
II	<b>Supervisory Board</b>			<b>150.000.000</b>
1	Mr. Cao Duy Ha	50.000.000		50.000.000
2	Mr. Nguyen Khanh Quynh	50.000.000		50.000.000
3	Mr. Do Tien Sy	50.000.000		50.000.000





## Risk Management Report

CONFRONTED WITH MARKET FLUCTUATIONS, VINASEED FOCUSES ON PREVENTING POTENTIAL RISK IN BUSINESS. VINASEED SYSTEMATICALLY COMPLIES WITH REGULATION TO IMPROVE THE WORKFLOW AND ENHANCE THE OPERATIONAL EFFICIENCY OF THE COMPANY. VINASEED ALSO HAS IDENTIFIED AND GIVEN OUT RESOLUTION FOR ALL RISK THAT CAN BE HAPPENED.

### I. CREDIT RISK

This kind of risk usually refers to the act of default or failure to make timely payment by a client of Vinaseed.

To prevent the risk, Vinaseed keeps a list of its customers, grouping them into risk categories. For customer in the 'poor reliability' category, we require Act of Security payment, which requires either full payment upon delivery or collateral (e.g. certificate of land use rights or other valuable papers, etc.).

Additionally, credit risks may affect investing deposits. Vinaseed actively prevents this by making their deposits at a bank with good credit such as Vietinbank, Agribank and MB.

### II. LIQUIDITY RISK

This kind of risk refers to the inability of the company to perform its payment obligations or trade a given security/ asset to cover a loss.

This is kind of risk is considered to be low for Vinaseed because the company carries out efficient capital management and has not had a liquidity problem since 2004.

### III. OPERATIONAL RISK

This kind of risk refers to the inaccurate presentation of processes or systems of a company and/or the company is affected by objective external events.

As a nation-wide group of 14 enterprises, branches and associated companies, Vinaseed, in every activity and transaction, is always experiences operational risk related to Legislation



compliance risk, Human Resource Management risk, Systems and Information Security risk.

- Legislation compliance risk refers to the failure in complying with legislative acts, laws or contractual agreements.

- Human resource management risk refers to company personnel skill mismatch or a lack of key personnel in the workforce.

- Functional risk refers to workflow errors, abuse of power, internal fraud, external theft, or inefficient management by a third party.

- System and information security risk refers to information leakage or loss by a company.

Supervisory commission of the board of directors consists of the deputy director and four irregular members who carry out unscheduled inspections of performance of the whole company and its branches. In order to minimize operational risk, Vinaseed have been continuously building and updating task descriptions and processes for every working position in the company.

#### IV. LEGAL RISK

The business activities of the National Seed Corporation are governed primarily by the Enterprise Law, Securities Law, tax laws and other regulations and legal decrees of Vietnam.

Currently, the Vietnamese legal framework and legislation are in the process of being built and changed, and this has not kept pace with economic growth. Therefore, any legal change, interpretation or instruction could have unexpected consequences and have an adverse effect on the business activities of the company.

Although Vinaseed has not encountered undue difficulties in this area, legal risk prevention has always been our top priority. In 2013, we established a legal department which is to obtain to review and update legal documents.

#### V. LEGAL RISK

##### Market risk

Market risk refers to the loss of available markets or the inability to penetrate into target markets due to external conditions or uncompetitive products and policies.

In fact, although seed and plant quality is an important part of national agriculture, the field of plant breeding has existed for

only 20 years in Vietnam as farmers begin to purchase seed of high capacity, quality and resistance instead of merely keeping the seeds from previous seasons and avoid the expenditure on new seed.

However, the seed sector in Vietnam is growing and there now are scattered markets and more than 260 enterprises operating nation-wide, the 5 largest being the Southern Seed Company, Vinaseed, the Thái Bình Seed Corporation, Cần Thơ Techno-Agricultural Supply JSC and the An Giang SD Seed Co., Ltd., all of which have invested in seed research and supply and together holding about 30% of the national seed market. The remaining enterprises are mainly trade and import companies that meet local short-term demand. At present, domestic seeds have to compete with the exotic and each locality has its own set of breeds most of which are uncompetitive and of uneven quality.

Vinaseed frequently does surveys to assess and analyze market demand, focusing on research and technology transfer on short-term breeds with high yield and better resistance, such as RVT and HN88, that have been positively received and appreciated. In addition, Vinaseed suggests discount methods and offers free technical training to farmers in order to help improve their planting efficiency.

##### Weather risk

Weather is an important risk factor that affects our manufacturing operations as well as cultivation, thereby impacting the company's seed quality and consumption.

Our production is concentrated in Tây Nguyên and Central Vietnam, places with increasingly harsh weather. The frequent storms and drought in these areas have had an adverse impact on Vinaseed product quality and capacity.

To cope with this risk, we have expanded production to other areas in order to ensure good supply. Simultaneously, Vinaseed has also built warehouses to protect products in times of natural disasters. Vinaseed also does research to develop products that can withstand drought, cold weather and insects in different ecological zones.

##### Farmland area risk

Farmland is an important resource for national socio-economic development, and good farmland helps ensure food security and sustainable livelihoods. However, the farmland area of

Vietnam is highly fragmented and scattered due to the peculiar conditions of terrain, population density, land distribution and cultural and historical factors. On average, each household owns 5-7 different plots; and the distance between the farmers' home and his fields is 4.7 kilometers (according to a report on household resources done by the Institute of Policy and Strategy for agriculture and rural development in 2010).

In addition, the farmland area of Vietnam is being diminished by the process of urbanization, industrialization desertification and erosion. At a Workshop on land use planning and long-term strategy building for land resources management for Vietnam held on 10/1/2013, the VUPDA said that, at the current rate of urbanization, by 2015, Vietnam will have 870 urban areas, with this rising to 1000 by 2025, which will remove 335,000 and 400,000 ha from farm production, respectively. In addition, if there is a sea level rises 75cm by 2100, 18.8% of the Mekong Delta or 758,000 ha of farmland will be under sea water.

The above-mentioned factors have a direct impact on the development of agriculture in general and plant breeding in particular.

To cope with these risks, we cooperate with local authorities to restructure plant breeding as well as the plant breeding land area in order to increase income for farmers. In addition, we work with food companies to build a rice value chain, helping farmers find outlets for their products.

##### Investment risk

To limit investment risk, Vinaseed have established an Investment commission of the Board of directors that is in charge of evaluating the effectiveness of the company's investment activities. The company also holds frequent training courses for its staff members to raise the quality of its human resources, ensuring the ability of the Company to meet its expansion needs.

##### Other risks

In addition to those things mentioned above, there are a number of other risks of force majeure such as natural disasters, war and large-scale epidemics. Although these are rare, when they do occur, they do have serious consequences which would have a direct impact on the business operations and development of the Company.



# Sustainable Development

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**“ENVIRONMENTAL PROTECTION IS NOT JUST A PLAN, BUT BECOME THE PRINCIPAL OF ACTION OF VINASEED.”**

## Sustainable development overview

“Environmental protection and improving living standard for community is the prior objective, which leading all of our activities in Vinaseed”.

Vietnam is one of top 10 countries affected the most from climate change, natural disasters. Therefore, crop failure occurs frequently, the percentage of poor farmers remains high. Running business in the field of supplying seeds, we need to develop sustainably by combining goals of economic growth with social development and environmental protection to ensure benefits of all stakeholders and contribute to community development.

Vinaseed has awared the importance of sustainable development and set it as key element of business strategy. We believe that it will contribute to add value and create our following success.

This report was developed following the Global Reporting Initiative (GRI) guidelines and sustainable development report guideline of IFC to mention full impact of the sustainable development model, which is the harmonous combination of three key factors: Business- Social - Environment.

## Strategy and important method ensuring sustainable development

Sustainable development is integrated into our standards, procedures, control and management.

Standard: All branches, departments, projects under control of Vinaseed have to comply with General Principle, Rules of Practices and Standards of Health, Safety, Security and Environment.

Procedures: Vinaseed considers environmental, social factors before any investment decisions and planning for new

projects. Sustainable development is the criteria to determine bonuses.

Management: To ensure effectiveness as scheduled, besides management responsibility and direction of Board of Directors, Vinaseed calls the joining hands of all employees.





## Sustainability Management Structure

LEVEL	MAIN RESPONSIBILITY
Board of Directors	Provide a sustainable development strategy to implement in throughout the company.
Executive Board	Integrate the sustainable development issue into the company's practical activities, by establishing specific targets for every Departments, Branches and Subsidiaries.
Branches and Subsidiaries	Implementing the activities integrated with sustainable development; Supervising the implementation and reporting the results to the parent company.
Department	Implementing activities follow sustainable development goals and targets planned from the beginning of the year.

## Engagement of NSC

Ensuring benefits as well as impacts on stakeholders, business standards. Moreover, our attention to feedback from stakeholders helps us to understand their concerns and expectation regarding the business activities, marketing and promotion campaigns of our enterprise.

TARGET	COMMITMENT
Customer	Considering the customer as the key to good business, Vinaseed carries out research & investigating activities in order to optimize our products and satisfy customer demand.
Shareholder	Vinaseed commits to guarantee the rights of investors under current laws and abides by the company's charter and related regulations. We are aware of our responsibility to provide complete and transparent information to shareholders and investors and implement various means to carry out optimal communication with shareholders.
Business Partner	Vinaseed highly values its business partners and hopes to maintain the relationships harmonizing benefits for all stakeholders.
Government	Vinaseed commits to comply with all provisions of current laws and run the business effectively, publicly and transparently.
Employees	Vinaseed highly appreciates the human element and considers our human resources as a key to our success. Therefore, we seek to build a dynamic and professional working environment and ensure competitive remuneration.
Community	Vinaseed volunteers to contribute to society and collaborate with other organizations and agencies to develop the community feeling a sense of responsibility for human life and society.



# Contribution to economic development

During the past years, the company has maintained the revenue growth rate and profitability highly and stably at average 20-30% per year, well implementing all planned goals of General Meeting of Shareholders, preserving regularly the average payment of dividends of 30% in cash and actively announcing the transparent information to guarantee the shareholder's rights and benefits.

The company has been ranked TOP 50 Vietnam Best Growth Companies - Top best performing companies in Vietnam from 2009 - 2014 and at 14th in TOP 50 Vietnam best efficient business enterprises in the stage 2010 - 2013, 2014.

Supplying quality seed grown on more than 1 million hectares which is able to resist disease and climate change, helping farmers increase their yields and improve their living condition.

Building teams of experts in the field of seeds and establishing high-tech villages to increase farmers' ability create employment for more than twenty thousand farmer households and support a new rural movement.

Building sustainable relationships with investors, maximizing the value of the company by implementing appropriate

economic activities. The company has always had the interests of its shareholders in mind in all of its activity guidelines. The company has maintained a steady growth rate of 20% in revenue and profit for many years, it regularly pays a 30% dividend on shares and it takes the initiative to publish information in the media.

## ENVIRONMENTAL PROTECTION

Vinaseed is clearly aware that environmental protection is to ensure the sustainable development of the corporate. All operations of Vinaseed are directed the responsibility towards the environment. The responsibility is expressed through environmental preservation at working place, habitat of the residence community around the company, optimal using and saving of clean fuels and recycled materials in goods storage, processing and packing steps.

With many efforts, Vinaseed has got successes in development orientation to lines of green products and the products capable to resist to pests, possibly grow and develop in the regions with harsh climate and farming conditions. Processes of sustainable organic production using fewer chemical fertilizers or plant protection chemicals combined with processes of synthetic cultivation and water-saving irrigations will reduce impacts to the environment during production and creation of the safe and clean product lines for the consumer health.

## SOCIAL CONTRIBUTIONS

Vinaseed supported Ha Tinh province 200 million dongs sourced from the contribution of staff for the Central people. Also within the activity, Vinaseed coordinated with the local

government to help 10 million dongs for particularly difficult families of Huong Son district, Ha Tinh.

Vinaseed organized donating collection of essential clothing, books and items with a worth over 100 million dongs to help and encourage pupils in Lao Cai broading Ethnic School, organized the program "warm coats for you" for poor children and pupils in Cao Bang province.

Supports to poor households and activities of gratitude to the families of Invalids and Matyrs: Vinaseed combined with Tay Ninh and Quang Nam local governments to build 6 houses for families of matyrs and poor households in the provinces with a worth over 350 million dongs.

Participating together with the local governments to conduct the programs of poverty reduction and famine eradication such as the new rural development, poverty reduction and famine eradication for Northern provinces. Poor households had been granted production credits without interest and especially, the production insurance program for hybrid grain production that helped to restrict risks and many farmers to have opportunities to approach the advanced science.

Collecting salary to support the victims suffered from floods; Participating together with the National Front in provinces Ha Tinh, Lao Cao, Quang Nam, Tay Ninh in other programs such as buiding gratitude houses, presenting warm coats....

Through associated seed production forms for the company, farmers are being trained and free transferred technologies to help themselves with active production and stable job and income, to change small-scaled and self-sufficiency production modes into large-scaled and commodities organizational modes as well as to build the technological villages.

## VINASEED CULTURE

We are proud to be a company with a success-linked culture. Our culture has been built with the establishment and development of the company. Everything we and the experts have owned and been doing together in Vinaseed is our faith in a bright future and passion to devote restlessly to the development of the best products and services in the market.

Doing business in any regions, we always take our responsibility to care about the living community and creating a prosperous and better society.

With a decisive mind to build a long-lasting centurial company, we keep striving daily to create a professional working environment, to encourage creativeness, responsibility and to strengthen adherence between employees and the company so as to bring benefits for the customer and every member in VINASEED FAMILY.



# Financial Report in 2014

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# Independent Auditor's Report

## To Shareholders

### Vietnam National Seed Corporation

We have audited the accompanying consolidated financial statements of Vietnam National Seed Corporation (herein called as the "Corporation"), which comprise the consolidated balance sheet as at 31 December 2013, and the consolidated statement of income and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements"), prepared on 26-03-2015 as set out from page 5 to page 41.

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on these 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 requirements and plan and perform the audit to obtain reasonable assurance about 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 The 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 Corporation's preparation 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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

## OPINION

In our opinion, the accompanying consolidated financial statements give a true and fair view of, in all material respects, the financial position of the Corporation as at 31 December 2014, and its financial performance and its year then ended in accordance with Vietnamese Accounting Standards, accounting regime for regulations relating to financial reporting.

## OTHERS

Consolidated Financial Statements of the Company for the year ended December 31, 2013 were audited by other audit firms and audit firms have given full opinion on the financial statements in this audit report March 17, 2014.

### KPMG LIMITED

Vietnam

Investment Certificate No: 011043000345


Financial Statement No.: 14-02-120-1d

Công ty TNHH KPMG  
Việt Nam  
Giấy chứng nhận đầu tư số: 011043000345  
Báo cáo kiểm toán số: 14-02-120-1d



Đàm Xuân Lâm  
Giấy chứng nhận đăng ký hành nghề  
kiểm toán số: 0861-2013-007-1  
Phó Tổng Giám đốc

Hà Nội, 26-03-2015



Nguyễn Tâm Anh  
Giấy chứng nhận đăng ký hành nghề  
kiểm toán số: 0651-2013-007-1



# AUDITED CONSOLIDATED FINANCIAL STATEMENTS

as of 31st December 2014

Unit VND

ASSETS	No.	Note	31/12/2014	31/12/2013
<b>Current Assets</b>				
	<b>100</b>		<b>470.989.107.352</b>	<b>347.080.557.892</b>
<b>(100 = 110 + 120 + 130 + 140 + 150)</b>				
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>99.023.212.818</b>	<b>54.122.278.528</b>
Cash	111		78.423.212.818	24.803.774.980
Cash equivalents	112		20.600.000.000	29.318.503.548
<b>Short-term Financial Statement</b>	<b>120</b>	<b>11</b>	<b>2.386.660.700</b>	<b>-</b>
Short-term investment	121		3.944.000.000	-
Diminution in value	129		(1.557.339.300)	-
<b>Short-term receivables</b>	<b>130</b>		<b>124.638.072.405</b>	<b>133.931.947.388</b>
Customer receivables	131		113.501.026.773	129.985.760.207
Advanced payment to suppliers	132		13.306.510.090	3.338.851.604
Other receivables	135		1.601.890.593	3.266.344.352
Provision for bad debts	139		(3.771.355.051)	(2.659.008.775)
<b>Inventories</b>	<b>140</b>	<b>6</b>	<b>224.677.968.327</b>	<b>157.261.771.278</b>
Inventories	141		228.349.336.304	158.657.902.071
Diminution in value of inventories	149		(3.671.367.977)	(1.396.130.793)
<b>Other short-term assets</b>	<b>150</b>		<b>20.263.193.102</b>	<b>1.764.560.698</b>
Short-term prepaid expense	151		1.828.287.862	1.109.348.198
Deductible VAT	152		7.400.000	-
Other short-term assets	158	7	18.427.505.240	655.212.500
<b>Long-term assets</b> (200 = 220 + 250 + 260 + 269)	<b>200</b>		<b>482.018.725.808</b>	<b>92.442.804.101</b>
<b>Fixed Assets</b>	<b>220</b>		<b>84.494.247.208</b>	<b>66.631.302.682</b>
Tangible Fixed Assets	221	8	51.650.313.468	55.258.926.351

Unit VND

ASSETS	No.	Note	31/12/2014	31/12/2013
<i>Cost</i>	222		103.135.721.404	95.584.250.460
<i>Accumulated depreciation</i>	223		(51.485.407.936)	(40.325.324.109)
<b>Intangible Fixed Assets</b>	<b>227</b>	<b>9</b>	<b>6.023.770.335</b>	<b>5.737.453.667</b>
<i>Cost</i>	228		10.978.387.000	9.066.787.000
<i>Accumulated depreciation</i>	229		(4.954.616.665)	(3.329.333.333)
Capital construction in progress	230	10	26.820.163.405	5.634.922.664
<b>Long-term Financial Investment</b>	<b>250</b>	<b>11</b>	<b>379.712.637.822</b>	<b>5.501.123.166</b>
Investment in affiliated companies	252		371.414.557.822	2.567.797.166
Others	258		8.298.080.000	3.944.000.000
Provision for long-term financial investment	259		-	(1.010.674.000)
<b>Other Long-term Investment</b>	<b>260</b>		<b>107.276.119</b>	<b>1.720.417.157</b>
Long-term prepaid expenses	261		107.276.119	1.720.417.157
Goodwill	269	12	17.704.564.659	18.589.961.096
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>953.007.833.160</b>	<b>439.523.361.993</b>



# AUDITED CONSOLIDATED FINANCIAL STATEMENTS

as of 31st December 2014

Unit VND

RESOURCES	No.	Note	31/12/2014	31/12/2013
<b>LIABILITES (300 = 310 + 330)</b>	<b>300</b>		<b>202.336.568.425</b>	<b>112.319.344.688</b>
<b>Short-term Liabilities</b>	<b>310</b>		<b>202.297.816.425</b>	<b>112.238.020.688</b>
Short-term borrowings	311	13	25.424.000.000	-
Liabilities to suppliers	312		90.499.209.984	55.073.922.728
Deferred revenue	313		17.569.562.855	8.598.225.285
Taxes and payable to State budget	314	14	2.980.775.433	3.753.812.673
Payable to employees	315		31.557.582.847	24.250.073.965
Accruals	316		649.463.428	805.930.040
Other short-term accruals	319	15	15.992.893.341	5.216.330.414
Welfare and Reward Fund	323	16	17.624.328.537	14.539.725.583
<b>Long-term Liabilities</b>	<b>330</b>		<b>38.752.000</b>	<b>81.324.000</b>
Other long-term liabilities	333		38.752.000	32.500.000
Unrealized turn-over	338		-	48.824.000
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>744.945.670.425</b>	<b>322.996.555.453</b>
Equity capital	411	18	152.950.000.000	100.298.380.000
Share premium	412	18	331.245.527.850	54.797.592.850
Investment & Development fund	417	20	123.109.451.671	77.136.109.555
Financial reserve fund	418	20	17.823.890.859	13.013.067.593
Undistributed earnings	420		119.816.800.045	77.489.277.455
Capital construction fund	421		-	262.128.000
<b>MINORITIES INTEREST</b>	<b>439</b>		<b>5.725.594.310</b>	<b>4.207.461.852</b>
<b>TOTAL RESOURCES (440 = 300 + 400 + 439)</b>	<b>440</b>		<b>953.007.833.160</b>	<b>439.523.361.993</b>





## CONSOLIDATED INCOME STATEMENT SUMMARY

of the year ended on 31st December, 2014

Unit VND

	No.	Note	2014	2013
<b>Gross Revenue</b>	01	21	762.033.468.300	635.919.097.904
<b>Deductions</b>	02	21	42.897.537.503	38.104.736.522
<b>Net Revenue (10 = 01 - 02)</b>	10	21	719.135.930.797	597.814.361.382
<b>Cost of sales</b>	11		431.813.194.493	362.334.793.316
<b>Gross Profit (20 = 10 - 11)</b>	20		287.322.736.304	235.479.568.066
Financial income	21	22	5.245.912.569	4.736.857.040
Financial expenses	22	23	3.646.380.792	(407.635.663)
<i>In which: Interest expense</i>	23		638.436.191	6.801.044
Selling expenses	24		101.907.111.167	85.914.503.372
Administration expenses	25		67.871.388.281	57.489.581.195
<b>Operating Profit {30 = 20 + (21 - 22) - (24 + 25)}</b>	30		119.143.768.633	97.219.976.202
Other income	31		1.659.912.274	2.138.925.791
Other expenses	32		692.500.357	213.429.808
<b>Profit from other activities (40 = 31 - 32)</b>	40		967.411.917	1.925.495.983
<b>Profit/(Loss) from associates</b>	45		6.093.545.936	(66.285.011)
<b>Profit before tax (50 = 30 + 40 + 45)</b>	50		126.204.726.486	99.079.187.174
Current corporate income tax expense	51	24	2.176.296.985	2.969.551.146
<b>Net profit after corporate income tax (60 = 50 - 51)</b>	60		124.028.429.501	96.109.636.028

Unit VND

	No.	Note	2014	2013
<b>Attribution:</b>				
Minority interests	61		1.270.361.059	649.409.722
Equity holders	62		122.758.068.442	95.460.226.306
<b>Earnings per share</b>		25		
Basic Earning per share	70		9.411	9.518



## CONSOLIDATED CASH FLOW STATEMENT SUMMARY

ending on 31st December 2014 (Direct method)

Unit VND

CASH FLOW FROM OPERATING ACTIVITIES	No.	2014	2013
Cash inflow from sales, service providers and others	01	723.115.089.052	554.251.241.262
Cash paid to suppliers of goods and services	02	(507.967.971.866)	(423.791.896.652)
Cash paid to employees	03	(63.055.197.064)	(53.584.151.716)
Interest paid	04	(530.069.969)	(6.801.044)
Corporate income tax paid	05	(1.870.569.425)	(3.642.571.538)
Other cash inflows	06	39.192.110.921	26.110.846.178
Other cash outflows	07	(80.298.106.580)	(63.875.714.520)
<b>Net cash from operating activities</b>	<b>20</b>	<b>108.585.285.069</b>	<b>35.460.951.970</b>

Unit VND

CASH FLOW FROM INVESTING ACTIVITIES	No.	2014	2013
Construction of fixed assets and other long-term assets	21	(32.702.404.864)	(8.012.845.150)
Proceeds from sale, disposal of fixed assets and other long-term assets	22	140.000	1.818.182
Cash outflow from lending and trading debt instruments of other entities	23	-	(1.785.750.500)
Cash inflow from lending and trading debt instruments of other entities	24	236.749.895	5.400.780.500
Cash outflow from investing in other entities	25	(374.546.421.110)	(1.006.325.000)
Interest earned and dividend	27	4.881.379.139	4.789.815.010
Acquisition (minus cash balances of purchased subsidiaries)		1.907.191.517	-
<b>Net cash flow from investing activities</b>	<b>30</b>	<b>(400.223.365.423)</b>	<b>(612.506.958)</b>

Unit VND

CASH FLOW FROM FINANCING ACTIVITIES	No.	2014	2013
Proceeds from issuing stocks	31	329.231.825.000	-
Proceeds from issued shares	32	(102.270.000)	-
Short-term and Long-term loans	33	182.865.963.833	-
Repayment of borrowings	34	(160.041.963.833)	(186.968.000)
Dividends paid	36	(15.423.108.000)	(30.103.563.500)
<b>Net cash flow from financial activities</b>	<b>40</b>	<b>336.530.447.000</b>	<b>(30.290.531.500)</b>
<b>Net increase/decreased in cash (50 = 20 + 30 + 40)</b>	<b>50</b>	<b>44.892.366.646</b>	<b>4.557.913.512</b>
Cash and cash equivalents at the beginning of the year	60	54.122.278.528	49.657.164.227
Effects of changes in exchange rates for converting foreign currency	61	8.567.644	(92.799.211)
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>99.023.212.818</b>	<b>54.122.278.528</b>





# 2015 Business Plan

128 *Business Plan in 2015*

128 *Investment Plan in 2015*



## BUSINESS PLAN IN 2015

### 2015 Business Goal Of Parent Company (excluding consolidated subsidiaries):

NO.	CONTENT	UNIT	ACTUAL 2014	PLAN 2015
1	Revenue	VNĐ	680.924.646.738	780.000.000.000
2	Profit after tax	VNĐ	121.333.538.099	150.000.000.000
3	EPS	VNĐ/share	9.411	10.000

### 2015 Consolidated Business Goal:

NO.	CONTENT	UNIT	ACTUAL 2014	PLAN 2015
1	Revenue	VNĐ	719.135.930.797	1.200.000.000.000
2	Profit after tax	VNĐ	124.028.429.501	170.000.000.000
3	Cash dividend	%	30%	30%
3	EPS	VNĐ/share	9.411	11.100

## INVESTMENT PLAN IN 2015

### Investment And Construction Basic Plan In 2015

CAPITAL CONSTRUCTION PLAN	TOTAL INVESTMENT	REMAINS	PLAN 2015	SOURCE OF CAPITAL
Dong Van project	101.323.830.568	71.966.173.560	71.966.173.560	Company fund and Loan
Head Office construction project	20.978.148.000	9.887.772.000	9.887.772.000	Company fund and Loan
National Stock construction project (at Dong Van and Ba Bi)	35.184.041.000	16.273.904.000	16.273.904.000	National fund
<b>TOTAL</b>	<b>157,486,019,568</b>	<b>98.127.849.560</b>	<b>98.127.849.560</b>	

Total Construction Basic Fund in 2015: 98.127.849.560 VNĐ.

M&A in 2015:

Increasing the ownership percentage at SSC to 61.4% to become a subsidiary of NSC. Implemented capital to invest in

SSC: 189.407.346.000 VNĐ

Transportation purchasing: 1.300.000.000 VNĐ

**INVESTMENT TOTAL: 288.835.195.560 VNĐ**

Including:

- National fund: 16.273.904.000 VNĐ

- Company fund: 272.561.291.560 VNĐ

In order to active in investment, procurement, enabling the company to expand scale, business capacity, the investment and construction activities are authorized to Board of Directors, CEO to comply with Company's regulations, State's regulations on construction, ensuring the right purpose and effectiveness of fund usage.





# Other Information

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136 *Corporate Information*





# Shareholder Information and Management Level

## MEMBERS OF BOD, BOS, BOARD OF MANAGEMENT (BOM) AND EMPLOYEES WITH A CORPORATE GOVERNANCE CERTIFICATE:

NO.	NAME	POSITION	CERTIFICATE NUMBER	DATE OF ISSUANCE
1	Nguyễn Quang Trường	Investment director and Project Manager	17/QTCT312/QĐ-TTNC	09/12/2013
2	Phạm Trung Dũng	Secretary of BOD	02/QTCT3112/QĐ-TTNC	09/12/2013

## STOCK AND SHAREHOLDER INFORMATION

Stock Information	
The first day trading	21/12/2006
Type of shares	Common shares
Price	10,000 VND per share
Number of Common Shares (as at 31/12/2014)	15.295.000 shares
Number of treasury shares (as at 31/12/2014)	0 shares
Number of restricted transferring shares (as at 31/12/2014)	620.610 shares
Market price (closing price 31/12/2013)	80.000 đ/share

2014 Cash Dividend	
Total cash dividend 2014 (expected)	30%
Including:	
Cash dividend in advance for the 1st time	15%
Execution date	20/01/2015
Ex-dividend date	24/12/2014
Cash dividend for the 2nd time	Expected in 2015

The stocks of Vietnam National Seeds Corp. are listed in the Ho Chi Minh Stock Exchange - HOSE with the ticker NSC.

Shareholder structure: The shareholder structure and percentage of ownership of internal shareholders are presented in Appendix 2 of this Annual Report. The information was updated in accordance with the final list of shareholding provided by the Vietnam Securities Depository as of 17/3/2014.

## APPENDIX 1: TRANSACTIONS TO AND FROM INTERNAL AND MAJOR SHAREHOLDERS, AND RELATED PARTIES:

NO.	INTERNAL/ MAJOR SHAREHOLDERS	RELATIONSHIP	NO. OF SHARES OWNED AT THE BEGINNING OF THE YEAR		NO. OF SHARES OWNED AT THE END OF THE YEAR		Lý do tăng, giảm (mua, bán, chuyển đổi, thưởng...)
			NO. OF SHARES	RATE	NO. OF SHARES	RATE	
<b>ORGANIZATION</b>							
<b>I</b>							
1	SSI Asset Management (SSIAM)	Major shareholder	2.424.258	15.9%	0	0%	Mua bán
2	Pan Pacific Corp	Major shareholder	3.504.980	22.9%	8.666.495	56.66%	Mua bán
3	Vietnam Holding Fund	Major shareholder	1.435.515	9.4%	1.240.515	8.11%	
<b>II INDIVIDUAL</b>							
1	Ông. Nguyễn Hải Thọ	Internal shareholder	29.165	0.19%	23.165	0.15%	Bán

Other transactions (from and to internal and major shareholders, and related parties): Not available



## APPENDIX 2: SHAREHOLDER STRUCTURE AND PERCENTAGE OWNERSHIP AS AT 12/3/2014:

Updated in accordance with the list of shareholders finalized by Vietnam Securities Depository as of 12/3/2014 (with charter capital of 100,298,380,000 VND)

### Ownership Structure

NO.	INDIVIDUALS/ORGANIZATION	VALUE	PERCENTAGE %
	TOTAL	10,029,838	100.0%
I	LOCAL	6,704,846	66.8%
1	LOCAL INDIVIDUALS	1,481,926	14.8%
	Including:		
	STAFF OF COMPANY	623,629	6.2%
2	LOCAL ORGANIZATIONS	5,222,920	52.1%
II	FOREIGN	3,324,992	33.2%
1	FOREIGN INDIVIDUALS	187,409	1.9%
2	FOREIGN ORGANIZATIONS	3,137,583	31.3%

## PERCENTAGE OF SHAREHOLDING OF MAJOR AND INTERNAL SHAREHOLDERS 2015 (AS AT: 18/3/2015)

No.	Name	Position	No. of share holding	
			No. of share at the end of the year	%
I	RELEVANT INDIVIDUALS			
1	Ms. Tran Kim Lien	Chairwoman, CEO	112.273	0.73%
2	Ms. Le Thi Le Hang	Vice Chairman	4.000	0.03%
3	Mr. Nguyen Khac Hai	Board member	4.000	0.03%
4	Mr. Tran Dinh Long	Board member	24.016	0.16%
5	Mr. Do Ba Vong	Board member	56.639	0.37%
6	Mr. Pham Ngoc Ly	Board member	40.820	0.27%
7	Ms. Nguyen Thi Tra My	Board member	4.000	0.03%
8	Mr. Nguyen Khanh Quynh	Member of Supervisory Board	4.000	0.03%
9	Mr. Do Tien Sy	Member of Supervisory Board	59.812	0.39%
10	Mr. Nguyen Hai Tho	Deputy CEO	23.165	0.15%
11	Mr. Phan The Ty	Chief Accountant	16,652	0.11%
II	RELEVANT ORGANIZATION, MAJOR SHAREHOLDERS			
1	Pan Pacific Corp	Major shareholder, relevant organization	8,849,493	57.9%
2	Vietnam Holding Fund	Major shareholder	1,240,515	8.11%

1. Ben Tre Import Export JSC sold 904,500 on 14/04/2014. Number of owned shares after trading: 0 share, not be a major shareholder.

2. State Capital Investment Corporation on 08/4/2014 sold 1,105,416 shares. Number of owned shares after trading: 0 share, not be a major shareholder.

3. Sunway Investment Corp on 20/06/2014 purchased and sold shares, number of shares after trading: 589,685 shares (3.86%), not be a major shareholder. Now, Sunway Investment Corp is not shareholder of the company.

4. Saigon Securities Inc on 18/04/2014 purchased shares and number of shares after trading: 788,701 (7.87%) to become major shareholder. On 23/04/2014, SSI sold 589,685 (3.86%), not be a major shareholder.

5. SSI Asset Management on 28/7/2014 sold 2,424,258 shares. Number of owned shares after trading: 0 share, not be a major shareholder.



# Corporate Information

- Company name in Vietnamese: CÔNG TY CỔ PHẦN GIỐNG CÂY TRỒNG TRUNG ƯƠNG
- Company name in English: VIETNAM NATIONAL SEED CORPORATION (In short VINASEED)
- Number of business registration: 0101449271 issued by Hanoi Department of Planning and Investment for the first time on 06/02/2004, 11th change on 04/11/2014.
- Charter capital (as at 31/12/2014): 152.950.000.000 VNĐ (One hundred fifty two billion, nine hundred fifty million dong).
- Total equity (as at 31/12/2014): 744.945.670.425 VNĐ (Seven hundred forty four billion, nine hundred forty five million, six hundred seventy thousand, four hundred and twenty five dong).
- Total employees: 335 staff
- Address: No 01 Luong Dinh Cua Street, Phuong Mai ward, Dong Da district, Hanoi.
- Tel: (84) 4 38523294  
Fax: (84) 4 38527996
- Website: [www.vinaseed.com.vn](http://www.vinaseed.com.vn).
- Stock code: NSC.





