



ANNUAL REPORT 2021



SPARK THE PROSPERITY

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A woman with short dark hair, wearing glasses, a teal dress, and a white scarf with green polka dots and a pink floral pattern, stands with her arms crossed in front of a window with wooden blinds. The background is softly blurred, showing the window and some greenery.

THE YEAR 2022 ALSO MARKS THE START OF THE NEW TERM 2022-2026, WHICH BUILDS ON THE ACCOMPLISHMENTS OF THE PREVIOUS TERM, WHICH RAN FROM 2017 TO 2021. VINASEED WILL CONTINUE TO FLOURISH AND LEAD THE WAY IN THE USE OF TECHNOLOGY IN PRODUCTION AND CORPORATE GOVERNANCE, ASSISTING IN THE RESTRUCTURING OF VIETNAM'S AGRICULTURAL INDUSTRY AND DELIVERING ECONOMIC EFFICIENCY AND SOCIAL PURPOSE TO THE COMMUNITIES WHERE VINASEED OPERATES.

CHAIRWOMAN'S MESSAGE

Dear fellow shareholders!

2021 is a particularly rough year for domestic businesses. The 2.58 percent GDP growth rate is the lowest in ten years and 119,800 businesses have exited the market. With operations spread across the country, VINASEED faced numerous difficulties in production and business as a result of lockdowns and social distancing measures, combined with high material and transportation costs, and restricted goods movement, which drove product prices up while export produce prices fell sharply. Faced with these difficulties, with unremitting efforts, the Group took advantage of every opportunity to run safe operational activities in the midst of the pandemic and social distancing. VINASEED continued to affirm its position as the agricultural group with the largest scale and market share in the Vietnam's seed industry via the following business results in 2021:

Production output: 113,000 tons, growing by 6.8% and accounting for 21% of Vietnam's seed market share

Revenue: VND 1,929 billion, increasing by 18.0%

Profit before tax: VND 249 billion, increasing by 16.3% over the same period

In 2021, VINASEED was honored to be in the TOP 50 listed companies with the best competitiveness in Vietnam. VINASEED has affirmed its position as an agricultural group with the largest scale and market share in the Vietnam's seed industry after 5 years of development (2017 - 2021). Production output exceeded 100,000 tons, accounting for 21% of the country's market share. 2021 revenue was at an all-time high, approaching VND 2,000 billion, a 1.4-fold rise in 5 years. Especially, VINASEED was honored to receive the First-class Labor Medal awarded by the President of Vietnam for excellent achievements over the past 5 years.

Dear fellow shareholders!

In 2022, VINASEED completely revamped its business model with the primary plant seed line, which uses cutting-edge science and technology. The Group encouraged management model innovation to

increase flexibility and creativity, as well as the ability to swiftly respond to changes in markets and clients. The Group has made digital transformation a top priority, with the goal of transforming and improving all aspects of operations, including business model, customer service, work efficiency, human resources optimization and operational cost reduction. Given the IT application, the change of business model has resulted in a change in the organizational structure and the formation of a new culture in the Group. VINASEED will become the first company in Vietnam's seed industry to apply data digitization for business administration and management.

The year 2022 also marks the start of the new term 2022-2026, which builds on the accomplishments of the previous term, which ran from 2017 to 2021. VINASEED will continue to flourish and lead the way in the use of technology in production and corporate governance, assisting in the restructuring of Vietnam's agricultural industry and delivering economic efficiency and social purpose to the communities where VINASEED operates.

On behalf of the Board of Directors and employees of Vinaseed, we would like to express our sincere thanks to our shareholders, investors, clients and partners for supporting, trusting and accompanying the Company throughout our development journey.

We wish you health, happiness and success.

Chairwoman



Tran Kim Lien

TYPICAL ACHIEVEMENTS IN 2021

MAINTAIN THE LEADING POSITION IN VIETNAM SEED INDUSTRY

PRODUCTION OUTPUT

113.000 TONS

growing by 6.8% and accounting for 21% of Vietnam's seed market share.

REVENUE

1.929 BILLION VND

increasing by 18.0%

PROFIT BEFORE TAX

249 BILLION VND

increasing by 16.3% over the same period.

AWARD

**THE FIRST-CLASS
TLABOR MEDAL**

In 2021, the Group has received a number of valuable certificates and awards, particularly including the First-class Labor Medal awarded by the President of Vietnam for excellent achievements over the past 5 years.

TOP 50

listed enterprises with the best competitiveness in Vietnam in 2021

**RESEARCH AND
DEVELOPMENT (R&D)****08** NEW RICE
VARIETIES

Conducted scientific research, application, technology transfer

HIGHLIGHTS OF ACHIEVEMENTS 2017-2021

ACHIEVEMENT 1

SUCCESSFULLY REALIZED THE STRATEGIC OBJECTIVE TO BE THE COMPANY WITH THE LARGEST SCALE AND MARKET SHARE IN THE SEED SECTOR IN VIETNAM

VINASEED has affirmed its position as an agricultural group with the largest scale and market share in the Vietnam's seed industry after 5 years of development (2017 - 2021). Production output exceeded 100,000 tons, accounting for 21% of the country's market share. 2021 revenue was at an all-time high, approaching VND 2,000 billion, a 1.4-fold rise in 5 years. Especially, VINASEED was honored to receive the First-class Labor Medal awarded by the President of Vietnam for excellent achievements over the past 5 years.



Market Share 2016



Market Share 2021



Production output exceeded

100.000

tons/year

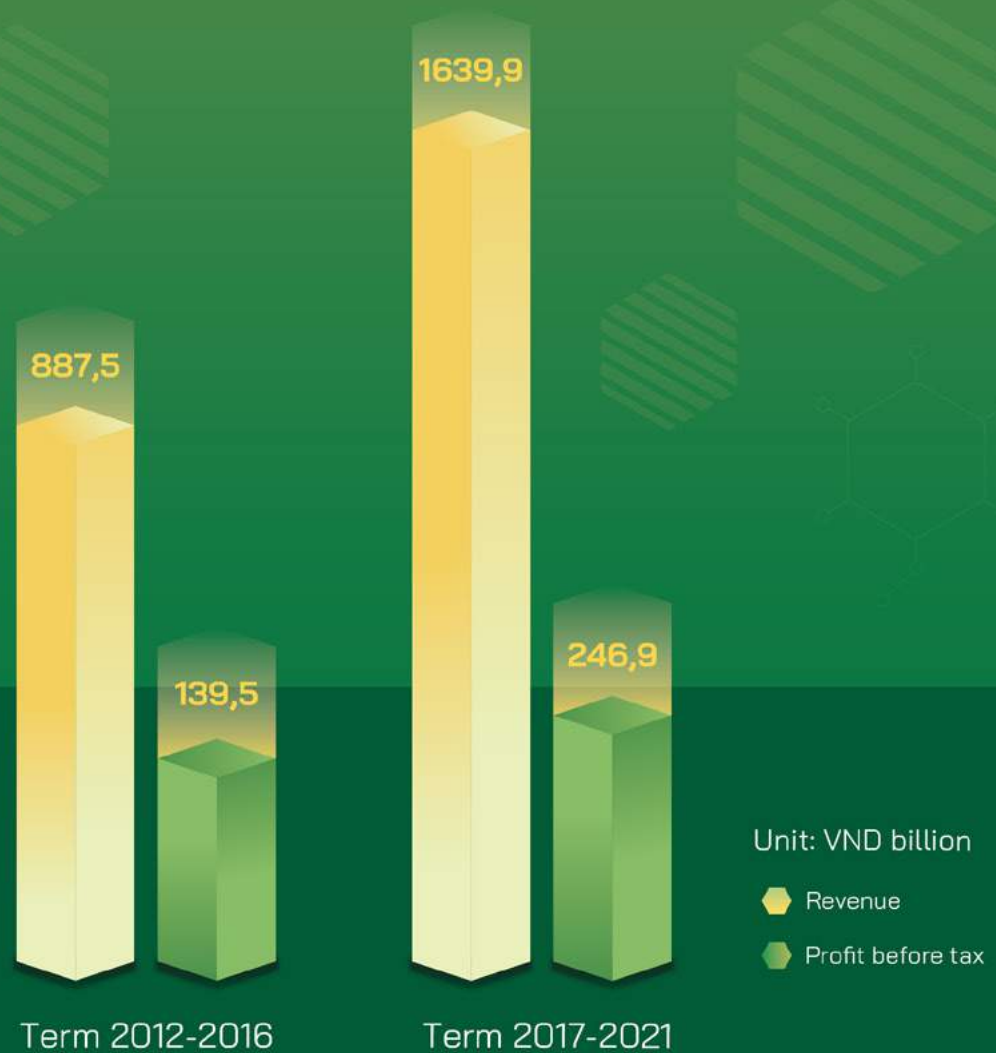


the average annual production
growth rate was

48%/YEARS

In 5 years

Revenue and Profit before tax 2012 - 2021



Revenue and profit increased 1,8 times

1,8TIMES

HIGHLIGHTS OF ACHIEVEMENTS 2017-2021

ACHIEVEMENT 2

SUCCESSFULLY IMPLEMENTED THE INVESTMENT STRATEGY TO EXPAND THE COMPANY'S SCALE, MODERNIZED THE FACILITIES TO INDUSTRIALIZE THE SEED SECTOR IN VIETNAM, AND IMPROVED THE COMPANY'S COMPETITIVENESS. TOTAL INVESTMENT (2017 – 2021): VND 759.6 BILLION.

Capital construction
investment

479,8

Billion VND

M&A Investment

279,8

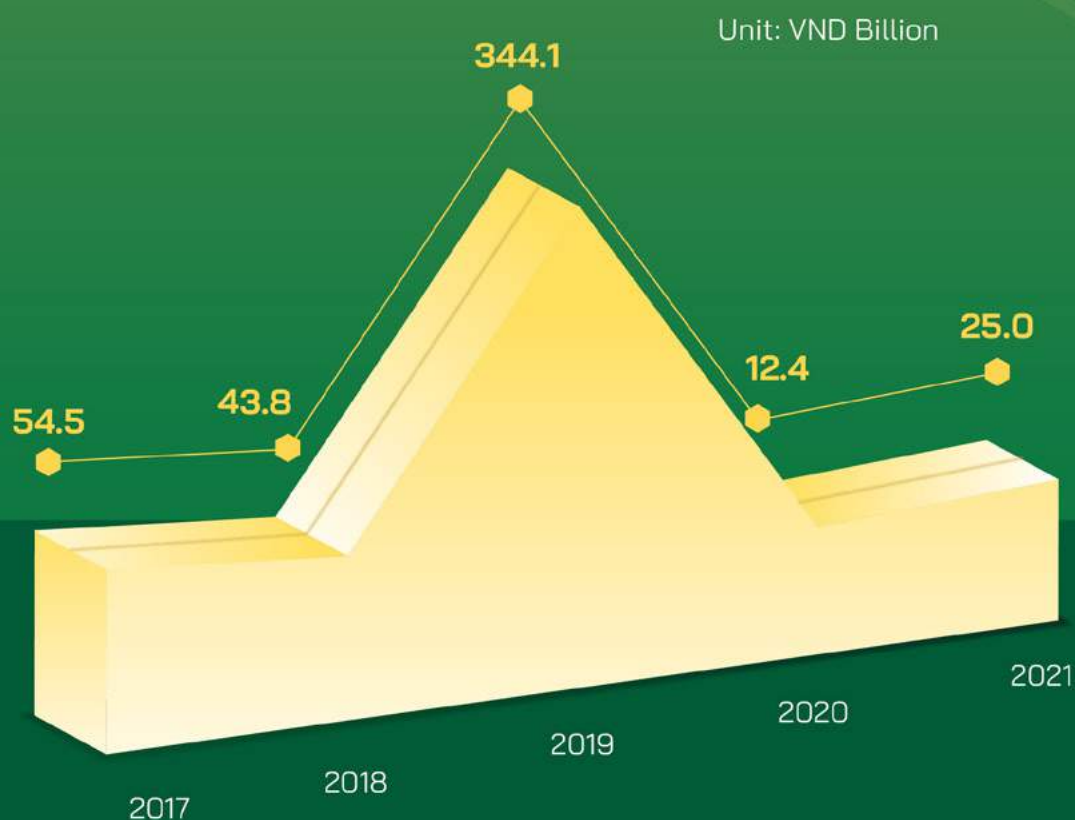
Billion VND

Total investment
(2017 – 2021)

759,6

Billion VND

Total capital construction investment in the 2017 – 2021 term



Total capital construction investment:

479,8 Billion VND

Projects are carried out in compliance with the provisions of the Law on Investment and Construction. Construction work is proceeding according to plan, with quality assurance.

HIGHLIGHTS OF ACHIEVEMENTS 2017-2021

ACHIEVEMENT 3

SUCCESSFULLY DEVELOPED THE RICE SECTOR, COMPLETED THE RICE VALUE CHAIN, OPENED UP OPPORTUNITIES FOR VINASEED TO ENTER THE GLOBAL COMMODITY EXPORT CHAIN.



Rice sales volume
(in 2021)

22.744 Tons

compare with
year 2016 up :

8,5 Times

Building and developing an ecosystem to expand the business, supporting cultivar development as the key business area, and also successfully organizing a self-contained rice production chain, allowing Vinaseed to participate in the global rice supply chain.





ABBREVIATION

SSC Vietnam:	State Securities Commission of Vietnam
HOSE:	Ho Chi Minh City Stock Exchange
HNX:	Hanoi Stock Exchange
JSC:	Joint Stock Company
VINASEED:	Vietnam National Seed Group Joint Stock Company
GMoS:	General Meeting of Shareholders
BOM:	Board of Management
BOS:	Board of Supervisors
BOD:	Board of Directors
CBTT:	Công bố thông tin
GCNĐKKD:	Giấy chứng nhận Đăng ký kinh doanh
BCTC:	Báo cáo tài chính
SXKD:	Sản xuất kinh doanh
XDCB:	Xây dựng cơ bản
ROA:	Return on assets (Net income/Total Assets)
ROE:	Return on equity (Net income/Shareholder's Equity)
ROS:	Return on sales (Net profit/Net sales)
CBNV:	Cán bộ nhân viên
VRDC:	Branch of Vietnam National Seed Group Joint Stock Company – Research and Development Centre
SSC:	Southern Seed Corporation
VINARICE:	Vietnam Rice Company Limited
HSC:	Ha Tay Seed Joint Stock Company
QSC:	Quang Nam National Seed Joint Stock Company
HANAM HITECH:	Ha Nam High Tech Agricultural Development And Investment Joint Stock Company

CHAPTER

01

Company overview

VINASEED

Overview

Establishment and development process

Vision, mission and core values

Corporate governance model and organizational structure

Branches and subsidiaries

Key personnel

. Business lines

Location of business and market share

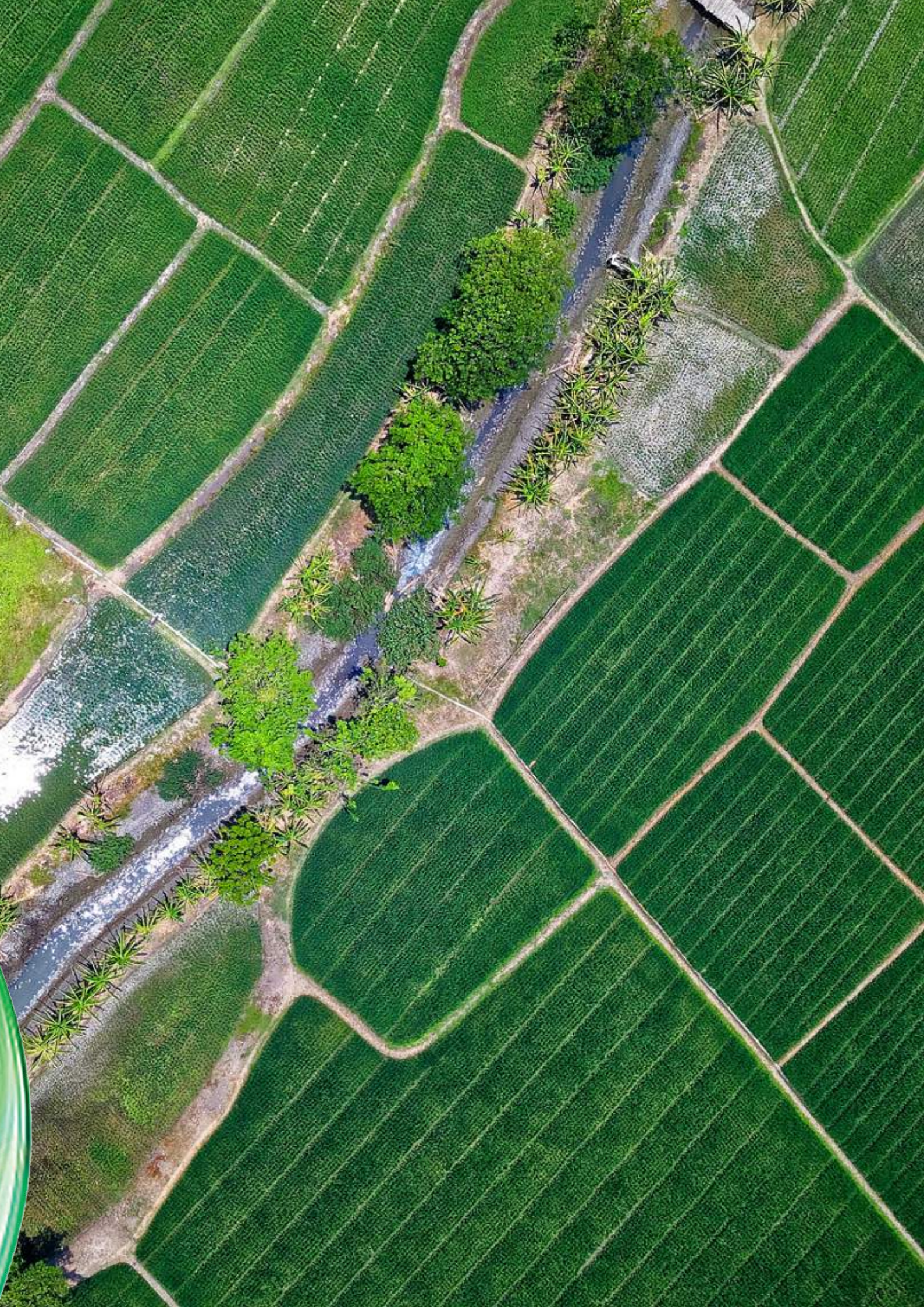
Awards

Human resources

Technology highlights

Risk management







OVERVIEW

VIETNAM NATIONAL SEED GROUP JOINT STOCK COMPANY

Name: Vietnam National Seed Group JSC.

Abbreviated company name: VINASEED

Trading Code: NSC (listed on HOSE since 21st December 2006)

Legal representative: Ms. Tran Kim Lien - Chairwoman

Head office: No. 1 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi, Vietnam



Telephone:	(84) 24 38523294
Fax:	(84) 24 38527996
Website:	www.vinaseed.com.vn
Business Registration Certificate (and tax number):	0101449271
Charter capital:	VND 175,869,880,000
Equity (as of 31st December 2021):	VND 1,304,632,514,233

ESTABLISHMENT AND DEVELOPMENT PROCESS

1968

Established Rice Seed Station Level 1 - Under Ministry of Agriculture and Rural Development

1978

Established National Seed Company

1989

Established National Seed Company I after separating National Seed Company to National Seed Company I and National Seed Company II (now Southern Seed Corporation)

2. DEVELOPMENT PROCESS ALONG WITH VIETNAM'S AGRICULTURAL SECTOR

Established as Rice Seed Station Level 1 - Under Ministry of Agriculture and Rural Development in 1968, Vinaseed was one of the first established company and along with the development of the Vietnam's seed sector.

The period when state-owned enterprises were funded from budget and planned according to government guidelines. The Company has been in a difficult time with the country's agriculture throughout its time of operating on a small scale with underdeveloped science and technology and major products of inbred rice varieties. This is a phase of incubation for essential human resource training as well as the Company's vision of science and technology for the seed sector.

On 10th November 2003, the Company officially changed its ownership form to a joint stock company under Decision 5029/QĐ-BNN issued by the Ministry of Agriculture and

Rural

Development. The first steps on the path of innovation are fraught with problems and hurdles, with an initial charter capital of only VND 13.5 billion and obsolete facilities. Following the equitization, the Company focused on consolidating the organizational apparatus and corporate governance, as well as developing a qualified, disciplined and aim-for-the-highest team dedicated to delivering modern scientific and technological knowledge to improve farmers' lives and income.

As a company trading in science and technology infused products, the Company has determined that applied research and technology transfer are key driving forces for development, and has invested all resources in them. From a company that mainly traded in common rice varieties, the Company currently produces and markets over 100,000 tons of seeds each year, equivalent to over 2 million

1. MILESTONES

Established in 1968, Vinaseed was one of the first established company and along with the development of the Vietnam's seed sector.

2003

Changed National Seed Company I to National Seed JSC.

2006

Listed on Ho Chi Minh Stock Exchange,

2019

Restructured to Group model and changed company name to Vietnam National Seed Group JSC. with 31 branches and subsidiaries within Vietnam.

hectares planted, accounting for 21% of the country's seed market share. Up to now, the Company's scope has grown significantly with total assets of VND 1,949 billion, equity of VND 1,304 billion, and an increasing number of members from 8 to 31 across the country.

After more than 50 years of establishment and development, especially with a strong progress since equitization in 2004, the Company affirmed its position as the company with the largest scale and market share in the Vietnam's seed sector. The Company has improved the lives of farmers by consuming products of tens of

thousands of households across the country; production households have received vocational training, technology transfer, stable jobs with increasing income and changed production thinking from self-sufficiency to large-scale commodity production to form technological villages in a new rural development.



VISION

Vinaseed strives to become the leading corporation in providing sustainable agricultural development solutions in Vietnam, realize the goal of improving income and living condition for farmers.



MISSION

With all responsibilities and connection to people, life and society, Vinaseed commits to provide sustainable agricultural development solutions, realize the goal of improving income and living condition for farmers in Vietnam.



CORE VALUES

Dynamics

Creativity

Professionalism

CORPORATE GOVERNANCE MODEL

ORGANIZATIONAL STRUCTURE



BRANCHES AND SUBSIDIARIES

1. Head Office:

Address: No. 1 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi.

2. Vinaseed Ba Vi

Address: Dong Quang ward, Ba Vi district, Hanoi.

3. Vinaseed Ha Nam

Address: Dong Van 1 Industrial Park, Dong Van ward, Duy Tien district, Ha Nam province.

4. Vinaseed Thai Binh

Address: Dong Hop ward, Dong Hung district, Thai Binh province.

5. Vinaseed Thanh Hoa

Address: Dinh Tuong ward, Yen Dinh district, Thanh Hoa province.

6. Vinaseed – Central region

Address: No. 11 Tran Nhat Duat street, Doi Cung ward, Vinh city, Nghe An province.

7. Vinaseed – Central Highlands

Address: Group 4, Eatu ward, Buon Me Thuot city, Dak Lak province.

8. Vinaseed – Agribusiness

Address: Dong Van Industrial Park, Dong Van ward, Duy Tien district, Ha Nam province.

9. Branch of Vietnam National Seed Group Joint Stock Company – Research and Development Centre (VRDC)

Address: No. 21 Ba Thien road, Group 5, Pham Van Coi ward, Cu Chi district, HCM city.

10. Vinaseed Thuong Tin

Address: 350 Tran Phu street, Thuong Tin ward, Thuong Tin district, Hanoi.

11. Udomxay Representative Office - Lao People's Democratic Republic

Address: Udomxay province, Lao PDR.

12. Vietnam Rice Company Limited (Vinarice)

Address: Truong Xuan Industrial Cluster, Thap Muoi District, Dong Thap province.

13. Southern Seed Corporation (SSC)

Address: 282 Le Van Sy Street, Ward 1, Tan Binh district, HCM city.

14. Quang Nam National Seed Joint Stock Company (QSC)

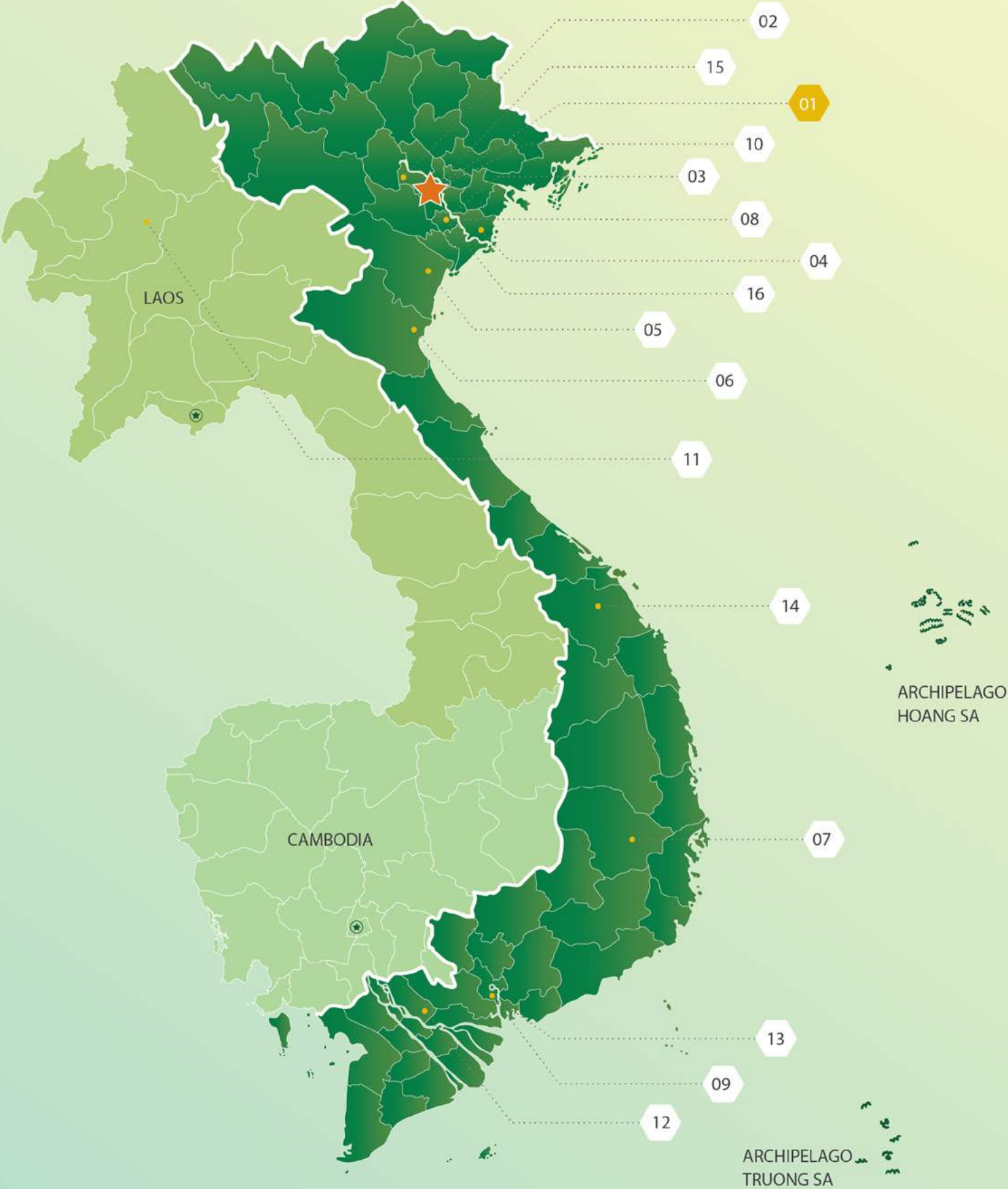
Address: Km 943, National Highway 1A, Dien Thang Bac Commune, Dien Ban Town, Quang Nam Province.

15. Ha Tay Seed Joint Stock Company (HSC)

Address: Phu Lam ward, Ha Dong district, Hanoi.

16. Ha Nam High Tech Agricultural Development And Investment Joint Stock Company (Hanam Hitech)

Address: Group 2, Nhan Khang ward, Ly Nhan district, Ha Nam province.



KEY PERSONNEL

BOARD OF DIRECTORS FOR 2017 – 2021 TERM

Ms. Tran Kim Lien

Chairwoman

Qualification: Bachelor of Economy,
Bachelor of Laws



Curriculum vitae:

1980 - 1982: Lecturer of the National Economics University in Hanoi..

1982 - 1995: Assistant to Director of Dong Giao Farm.

1995 - 1996: Head of Sales 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: Director of Import & Export company - Vietnam Vegetable Corporation.

2000 - 2004: Deputy Director of Vietnam National Seed 1 JSC.

2015 – 2020: Vice Chairwoman of Southern Seed Corporation (SSC).

2004 - 2020: Chairwoman cum Chief Executive Officer of Vinaseed.

2020 – nay: Chairwoman of Vinaseed, SSC and Vinarice.



MS. NGUYEN THI TRA MY

Member of the Board of Directors

Qualification: Master of Business Administration

Curriculum vitae:

1993 - 1995: Assistant to CEO at International Business Advisor company.

1995 - 2012: Chief Financial Officer cum Deputy CEO of Biomin Vietnam.

2007 - now: Chairman cum CEO of CSC Vietnam.

2013 - now: Vice Chairwoman cum Co-founder cum CEO of the PAN Group JSC.

2016 - now: Chairwoman of PAN Farm JSC, Chairwoman of PAN – Hulic JSC.; Vice Chairwoman of Sao Ta Foods JSC.; Member of the Board of Directors of Vinaseed.



MS. LE THI LE HANG

Vice Chairwoman

Qualification: Master of Finance

Curriculum vitae:

1999 - 2007: Senior Analyst at W.P.Stewart Fund Management Company, New York, USA

2007 - 2010: Head of Analysis and Investment Advisor Department cum Assistant to Chairman of Saigon Securities Inc.

2010 - now: CEO of SSI Asset Management (SSIAM)

2015 - 2020: Chairwoman of SSC

2012 - now: Vice chairwoman of Vinaseed.

KEY PERSONNEL



MR. NGUYEN QUANG TRUONG

CEO cum Member of the Board of Directors
Qualification: Master of Finance

Curriculum vitae:

2011 - 2012: Financial analyst of FPT Capital.
2012 - 2013: Specialist for institutional clients of VietinBank
2013 - 2017: Director of Planning & Investment of Vinaseed.
2016 - now: Member of the Board of Directors of Pan Farm, Chairman of Hanam Hitech.
4/2017 - 6/2020: Member of the Board of Directors of cum Deputy Director of Vinaseed.
2019 – now: Member of the Board of Members of Vinarice.
7/2020 - now: Member of the Board of Directors of cum CEO of Vinaseed, Chairman of QSC.



MR. TRAN DINH LONG

Member of the Board of Directors
Qualification: Professor, Graduate Institute, Doctor of Science.

Curriculum vitae:

1967 - 1981: Lecturer in Agricultural University I and Agricultural University II – Hanoi.
1981 - 1983: Internship in Russia.
1983 - 1993: Director of Vietnam Russia Seed center.
1993 - 2002: Deputy Head of Institute of Agricultural Sciences of Vietnam.
2002 - 2003: Director of Beans experimental center.
2003 - now: Chairman of Vietnam Seed Association (VSA); Member of the Central Committee of the Vietnam Fatherland Front; Member of the Advice Council of Science – Education - Environment, the Central Committee of the Vietnam Fatherland Front; Member of the Board of Fund Management of Aid for social protection program foundation Vietnam (AFV); Member of the Science and Technology council of Vietnam Academy of Agriculture Sciences (VAAS); Member of the Science and Technology council of Field Crops Research Institute, Plant Resources Center; Chairman of Community Learning Centre (CLC); Head of Institute For Agriculture Environment ECO; Member of the Board of Directors of Pan Farm.
2004 - now: Member of the Board of Directors of Vinaseed.



MR. DO BA VONG

Member of the Board of Directors (resigned since 10th May 2021)

Qualification: Agronomy Engineer

Curriculum vitae:

1993 - 1994: Deputy Director of Chau Giang National Seed Farm.

1994 - 2001: Director of Chau Giang National Seed Farm.

2001 - 2004: Director of Dong Van National Seed Farm.

2015 - now: Member of the Board of Directors of SSC.

2004 - 02/2022: Member of the Board of Directors cum Deputy Director of Science and Technology of Vinaseed; Head of VDRG.

03/2022: Member of the Board of Directors (resigned since 10th May 2021 with personal reason).



MR. NGUYEN KHANH QUYNH

Member of the Board of Directors (resigned since 1st January 2022).

Qualification: Master of Business Administration in the Ritsumeikan University, Japan.

Curriculum vitae:

2001- 2002: Sales agent of Sunhouse Group JSC.

2002 - 2004: In charge of procurement of export produce in Central Vietnam - OLAM Vietnam.

2004 - 2006: Executive of Import Export Trading - Mizuho Corporate Bank, Hanoi Branch.

2008 - 2010: Investment Analyst of SSI Asset Management.

2010 - 2014: Deputy Director of Investment of SSI Asset Management (SSIAM).

2015 - 2018: Member of Board of Supervisors of SSC.

2014 - 2017: Director of Investment of SSI Asset Management (SSIAM).

2012 - 2015: Member of Board of Supervisors of Vinaseed

2015 - 4/2019: Head of Board of Supervisors of Vinaseed.

2019 – 2021: CEO of PAN Farm, Member of Board of Supervisors of Vietnam Fumigation JSC.

2018 - 2019: Director of Investment and Business Development of The Pan Group.

4/2019 – now: Member of the Board of Directors of Vinaseed (resigned since 1st January 2021 with personal reason).

BOARD OF SUPERVISORS FOR 2017 – 2021 TERM



MR. NGUYEN ANH TUAN

Head of Board of Supervisors

Qualification: Master of Banking and Finance

Curriculum vitae:

2008 - 2010: Audit Team Lead of KPMG Vietnam Ltd

2010 - 2011: Specialist for Investment banking services of SSI Securities Corporation (SSI).

2012 - 2015: Deputy Head of Auditing and Appraisal Services Department of KPMG Vietnam Ltd.

2015 - 2016: Senior Finance Analyst of The Pan Group.

2016 - 2017: Member of Board of Supervisors of Ben Tre Aquaproduct Import And Export JSC.

2017 - 2018: Operation Director of Pan - Hulich.

4/2018 - now: Member of Board of Directors of Pan - Hulich.

10/2018 - 4/2019: Member of Board of Supervisors of SSC.

2018 - now: Secretary of the Board of Directors of The Pan Group.

4/2019 - 6/2020: Member of Board of Supervisors of Vinaseed.

6/2020 - now: Head of Board of Supervisors of Vinaseed.



MR. DO TIEN SY

Member of Board of Supervisors

Qualification: Master of Economics

Curriculum vitae:

2000 - 7/2000: Deputy Director of Vinaseed Ba Vi.

8/2000 - 3/2001: Deputy Head of Business Department of Vinaseed.

2001 - 2004: Head of Business Department of Vinaseed.

2004 - 2010: Member of the Board of Directors cum Head of Import- Export Department of Vinaseed.

2010 - 2012: Member of the Board of Directors cum Head of the Union of Vinaseed.

2010 - 2016: Sales Director of Vinaseed.

2016 - 3/2019: Director of Vinaseed Quang Nam.

8/2019 - 5/2020: CEO of SSC.

2012 - now: Member of Board of Supervisors of Vinaseed.



MR. LUONG NGOC THAI

Member of Board of Supervisors

Qualification: Bachelor of Economics

Curriculum vitae:

2015 - 2018: Auditor and Audit Team lead of Ernst & Young Vietnam Ltd.

2018 - 2020: Investment Analyst of The PAN Group.

2020 - now: Senior Analyst of the PAN Farm JSC.

27/4/2021 - now: Member of Board of Supervisors of Vinaseed.

BOARD OF MANAGEMENT



MR. NGUYEN QUANG TRUONG

CEO cum Member of the Board of Directors

Qualification: Master of Finance

Curriculum vitae:

2011 - 2012: Financial analyst of FPT Capital.

2012 - 2013: Specialist for institutional clients of VietinBank

2013 - 2017: Director of Planning & Investment of Vinaseed.

2016 - now: Member of the Board of Directors of Pan Farm, Chairman of Hanam Hitech.

4/2017 - 6/2020: Member of the Board of Directors of cum Deputy Director of Vinaseed.

2019 – now: Member of the Board of Members of Vinarice.

7/2020 - now: Member of the Board of Directors of cum CEO of Vinaseed, Chairman of QSC.



MR. DUONG QUANG SAU

Deputy Director

Qualification: Master of Agriculture

Curriculum vitae:

1998 - 2002: Production officer of Vinaseed Ha Nam.

2002 - 2005: Production officer of Hung Nong JSC.

2005 - 2010: Production officer of Vinaseed.

2010 - 2013: Deputy Head of Production Department of Vinaseed.

2013 - 10/18: Production Director 1 - Vinaseed.

2/2019 - now: Deputy Director of Vinaseed.



MR. PHAM TRUNG DUNG

Deputy Director

Qualification: Bachelor of Business Administration

Curriculum vitae:

2001 - 2003: Sales agent of Kona Vietnam Ltd.

2003 - 2005: Officer of Department of General Administration of Vinaseed.

2005 - 2006: Sales Supervisor of Pinaco JSC.

2006 - 2009: Lecturer of Faculty of State Management on Social Affairs, National Academy of Public Administration.

2009 - 2010: Secretary of the Board of Directors of Vinaseed.

2010 - 2011: Deputy Director of Administration and Human Resources of Vinaseed.

2011 - 4/2017: Director of Administration and Human Resources of Vinaseed.

1/2018 - 2/2020: Director of Hanam Hitech.

2020 – 03/2022: Human Resources Director of Vinaseed.

4/2017 - now: Deputy Director of Vinaseed.

BUSINESS LINES



Vinaseed tries its best to pursue perfection and continuously improves to improve product quality and efficiency in all activities, bringing to all Vietnamese people the greatest value-added products with reasonable cost and safe for human health.



RESEARCH, SELECTION, PRODUCTION AND TRADING
OF CROP SEEDS



TRANSFER OF HIGH-TECH AGRICULTURAL APPLICATIONS



PRODUCTION AND TRADING OF AGRICULTURAL PRODUCTS ACCORDING TO THE VALUE CHAIN

BUSINESS LINES

RESEARCH, SELECTION, PRODUCTION AND TRADING OF CROP SEEDS

Vinaseed strives for perfection and continual progress to leverage product quality and efficiency in all activities, offering the greatest value-added and safe products to Vietnamese consumers at reasonable prices. In 2020, the Company produced and distributed more than 100,000 tons of crop seeds of all kinds, equivalent to nearly 2 million hectares planted.

Quantity

113

Thousand Tons
of seeds

**2,3 MILLION
HA**

Planting



BUSINESS LINES

TRANSFER OF HIGH-TECH AGRICULTURAL APPLICATIONS

Research and apply gene technology, cell technology, new materials in crop seed breeding, cultivation process, biological products and post-harvest preservation technology, etc. to adapt to climate change and ensure food safety.



PRODUCTION AND TRADING OF AGRICULTURAL PRODUCTS ACCORDING TO THE VALUE CHAIN

Thanks to traditional advantages, experience, and strength of technology, team, infrastructure, production and consumption network, Vinaseed has focused on building a rice value chain of research – cultivation - production - post-harvest – trade with the targeted segment of branded, safe, and traceable produce.





BUSINESS LINES

RICE SEEDS

- Vinaseed concentrates its efforts on research and development of product lines that are outstanding in productivity, high in quality and capable of adapting to climate change, and that follow the global trend in terms of safety and quality standards.
 - The Company's main rice varieties, which are dominant in the market, include:
 - inbred rice varieties with yield and quality (namely Thien uu 8, VNR20, VNR88, Khang Dan NE, Du Huong 8, Bac Huong 9 , Huong Chau 6, JO1, VS1, etc.), two fragrant rice varieties for export to the European market (namely Dai Thom 8 and Thom RVT), and hybrid rice varieties (namely LY006, KC06-1, TH3-4, HC1, etc.).
 - Pictures of some typical rice seeds in the market:
-



rice varieties VNR20



rice varieties Thien uu 8



rice varieties Dai Thom 8



rice varieties Huong Chau 6



rice varieties Du Huong 8



**hybrid rice varieties Thuy Huong
308**

BUSINESS LINES



CORN SEEDS:

The Company dominates the Vietnamese corn market which is highly competitive with foreign corporations' products:

- + Hybrid glutinous corn seed: HN88, HN68, HN90, HN92, CX247 new super, HN66,...
- + Hybrid glutinous sweet corn seed: Min5, hybrid glutinous sweet corn Min6, HN268,...
- + Hybrid Yellow Corn seed: SSC131, SSC655, NSC87, SSC557, SSC2095. Silage corn seed: SSC586,...



sticky corn HN88



Corn SSC586



Corn HN68



Glutinous corn flower HN66



Corn HN92



Sugar corn VNS 8

BUSINESS LINES

VEGETABLE SEEDS:

- Hybrid pumpkin, zucchini and gourd: pumpkin Super Goldstar, zucchini F1 Taka, zucchini Fuji 868, gourd New Star 99, ...
- Melons: Seedless watermelon Rong Do 118, Lucky 01, melon Golden Honey, Green Honey, cucumber Sakura, ...
- Spicy chili no. 20, bird's chili Deli, heat-tolerant tomatoes, green beans DX208, okra VN1,...

The Company's hybrid fruit and vegetable varieties are diverse, providing farmers with a wide range of options. Especially the Company is a large seed exporter to the global market with an average annual export of nearly USD 7 million of F1 hybrid rice varieties, F1 hybrid corn, pumpkin Goldstar and hybrid vegetable seeds. Especially, the pumpkin Super Goldstar variety, which has a large yield, solid flesh and excellent quality, has supported Son La and Gia Lai provinces to become key plantations of agricultural products for export.

Pictures of some typical vegetable seeds in the market:



Seedless watermelon Rong Do



cucumber Sakura



Super Goldstar 999



Spicy chili no. 20



zucchini F1 Taka



SẢN PHẨM DỊCH VỤ TIÊU BIỂU

MELON WITH THE GLOBAL GAP STANDARD:

The product won the Vietnam Golden Rice Award and was one of 45 typical nationwide produce in 2018, with the Taki, Taka, Ichiba product lines being sold in large supermarkets, such as: Big C, Lotte, Kmart, Coopmart, Hapro-mart, etc.



Melon Taki



Melon Taka

FRESH RICE AND RICE FOR SUPPLEMENTS WITH THE FSSC 22000 STANDARD:

According to the view that the market does prioritize safe, branded and traceable products rather than output, Vinaseed's rice products are strictly followed the flow from research, development, selection of high-quality varieties to processing, packaging and promotion, so that Vinaseed can proactively control rice quality and ensure food safety.

Rice products are produced from Vinaseed's copyrighted seeds (Vinaseed currently owns the copyright for fragrant rice seeds that meet export standards to the EU, namely Dai Thom 8, Thom RVT, and Japonica varieties, etc.). Crop fields are located on Vietnam's finest lands and are managed in a closed system with a stringent control over plantations, seeds, technique, food safety, nutrients, as well as traceability of issues such as environment, water, energy, staff policies, etc.

The rice is delivered immediately to the rice processing factory in Vinarice with synchronised Japanese technology facilities to produce premium rice product

lines that fulfil export criteria to Japan and the EU after harvest.

The Company has currently deployed over 2,000 hectares of fields to produce plain rice and organic rice via the production-to-consumption process according to the most stringent EU criteria. In 2020, Vinaseed would be expected to export over 5,000 tons of high-quality rice to the EU and Japan with a selling price of above USD 1000 per ton. While other Vietnamese enterprises have exported milling rice to the EU and the main product has been labeled under the foreign partners' brands merely processing the product in the final stages, which has resulted in a low value and no difference. The Vinaseed's export of Vietnamese-branded rice products to the EU is not only the Company's initial success, but it also contributes to a raise of the Vietnamese rice's profile in these markets.

Sản phẩm đáp ứng các quy trình
kiểm định khắt khe theo tiêu chuẩn Quốc tế



Black rice Phuc Tho



Blood dragon rice Phuc Tho



Japanese rice



Rice Japonica



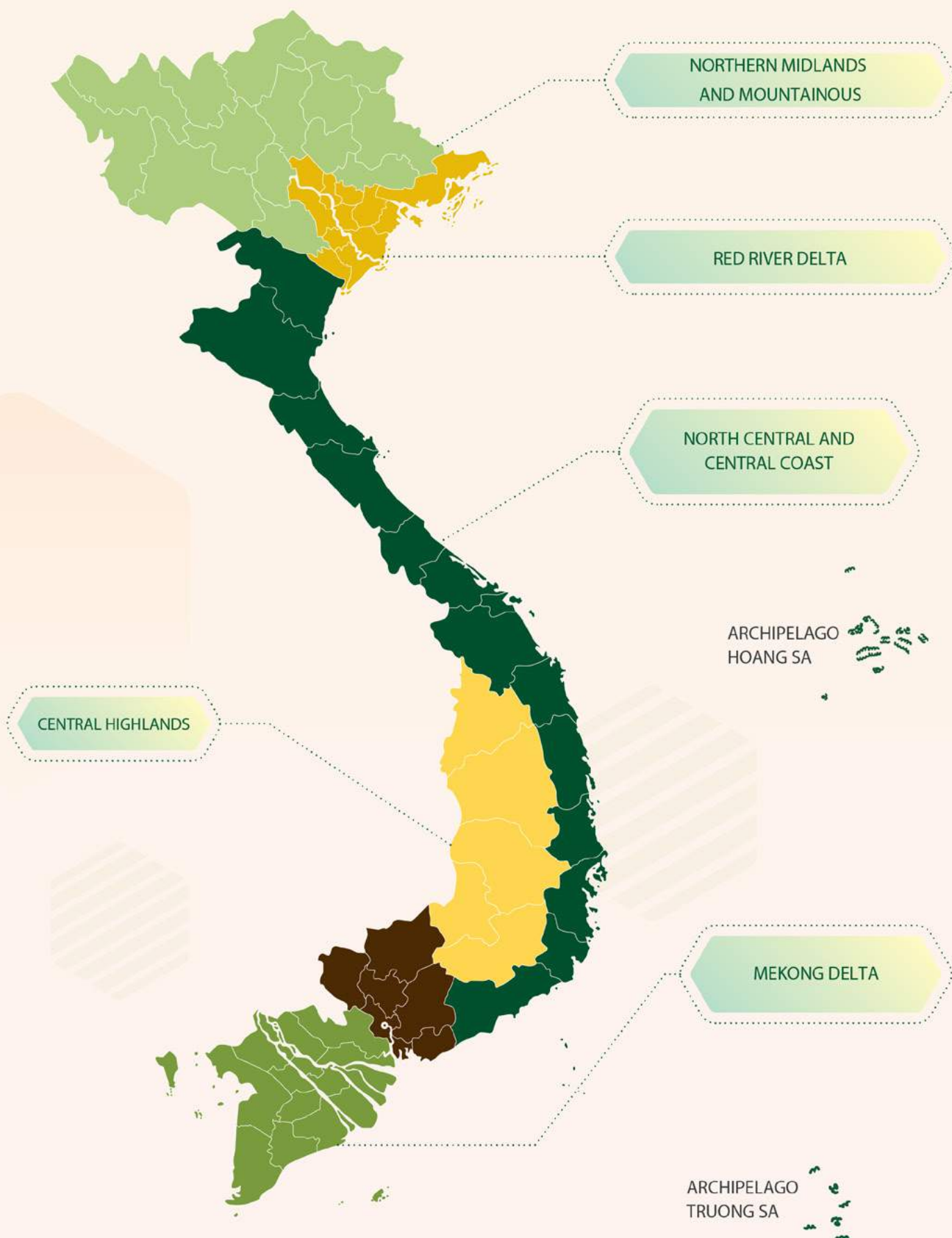
Rice VJ Pearl rice



Fragrant rice RVT



Rice Tran Chau Huong



WHOLE COUNTRY

21%**↑ 0,2%**
cf.same period
last year

RED RIVER DELTA

25,5%

3,1% cf.same period last year

NORTHERN MIDLANDS
AND MOUNTAINOUS**26,6%**

2,3% cf.same period last year

NORTH CENTRAL AND
CENTRAL COAST**23,1%**

4,1% cf.same period last year

CENTRAL HIGHLANDS

27,8%

2,6% cf.same period last year

MEKONG DELTA

12,5%

1,5% cf.same period last year

In 2021, the Group obtained a great deal of valuable certificates of merit and awards, especially including the First-class Labor Medal that is President of Vietnam's honourable recognition to the Group for unwavering efforts over the last 5 years.



CERTIFICATE OF MERIT OF
MINISTRY OF AGRICULTURE
FOR THE PERIOD 2017 – 2021

CERTIFICATE OF MERIT
FROM THE CITY PEOPLE'S
COMMITTEE HANOI

TOP BUSINESS
THE BEST
DECADE

TOP 500
ENTERPRISE
GROWTH
THE FASTEST
VIETNAM

GOLD BRAND
AGRICULTURE



PROMINENT AWARDS IN 2021 INCLUDE::

- First-class Labor Medal awarded by the President of Vietnam for Vinaseed's outstanding contributions to the country's socio-economic development during the 2016-2020 period (Decision 2167/QĐ-CTN dated 26th November 2021).
- Certificate of Merit from the Chairman of the Hanoi People's Committee for enterprises with outstanding achievements in the emulation movement of the business sector (Decision 3092/QĐ-UBND dated 7th July 2021)..
- Certificate of Merit from the Minister of Agriculture and Rural Development for the 2017 – 2021 period (Decision 19/QĐ-BNN-TCCB dated 6th January 2022).
- Certificate of Merit from Vietnam General Confederation of Labor in 2021.
- The title of Hanoi Emulation Fighter in 2021 awarded to Ms. Tran Kim Lien - Chairman of Vinaseed (Decision 2176/QĐ-UBND dated 17th May 2021).
- Certificate of Merit from Chairman of Hanoi People's Committee for the excellent individual - Mr. Nguyen Quang Truong, CEO of Vinaseed (Decision 3668/QĐ-UBND dated 23rd July 2021).
- The emulation flag of the Ministry of Science and Technology and VUSTA for an enterprise with excellent achievements in applying award-winning projects to production and daily life (2020-2021).
- TOP 50 listed companies with the best competitiveness 2021 selected by Business Forum Magazine (under VCCI), the Institute of Business Studies and Development (INBUS), Vietnam Federation of Accountants and Auditors (VAA), Vietnam Association Corporate Directors (VACD).
- One of 145 excellent enterprises during the 2010 – 2020 decade published in the publication "Highlights of the 2010 – 2020 decade" by the Nhip Cau Dau Tu magazine to excellent enterprises with effective operations and governance in Vietnam..
- TOP 500 largest private enterprises (VNR500), TOP 500 profitable enterprises 2021 selected by Vietnam Report and Vietnamnet in the annual business assessment.
- Vietnam Gold Star Award 2021 (TOP 100) awarded by the Vietnam Youth Federation and Viet Nam Young Entrepreneurs' Association.
- TOP10 Vietnam's famous brands 2021 and Vietnam Golden Entrepreneur 2021 selected by Vietnam Consumer Protection Center (under VUSTA) and the Institute of Culture and Economy (Decision 58-21/QĐ-SIDECM dated 17th December 2021).
- Vietnam Golden Book of Innovation 2021 (Hanoi has 2 selected projects) awarded by the Vietnamese Fatherland Front, the Ministry of Science and Technology and Vietnam Union of Science and Technology Associations.
- Vietnam Agricultural Gold Brand 2021 awarded by General Council of Agriculture and Rural development Vietnam dated 9th January 2022..
- The Company was listed on the Vietnam Stock Market meeting the standards of information disclosure in 2021.
- v

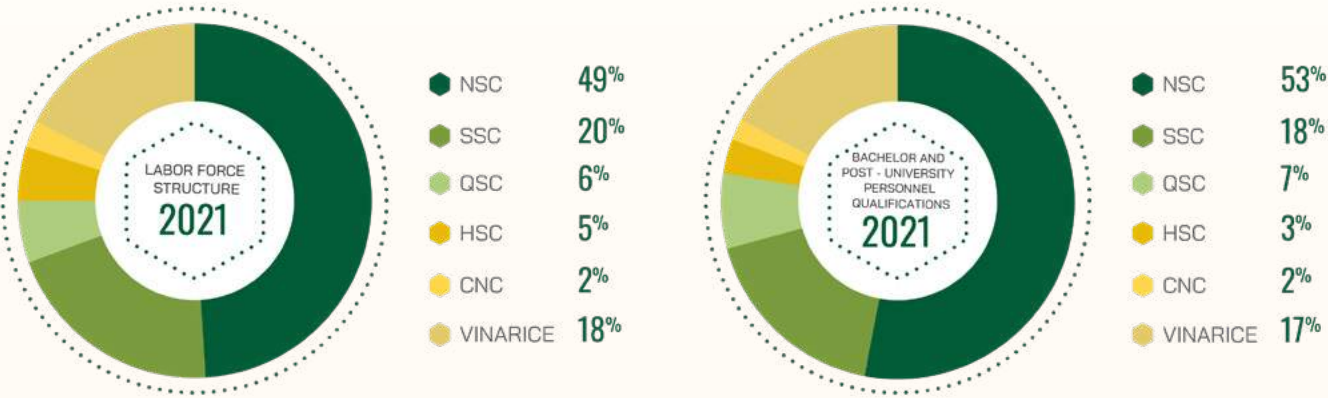
HUMAN RESOURCES IN 2021:

NUMBER AND PERSONNEL STRUCTURE:

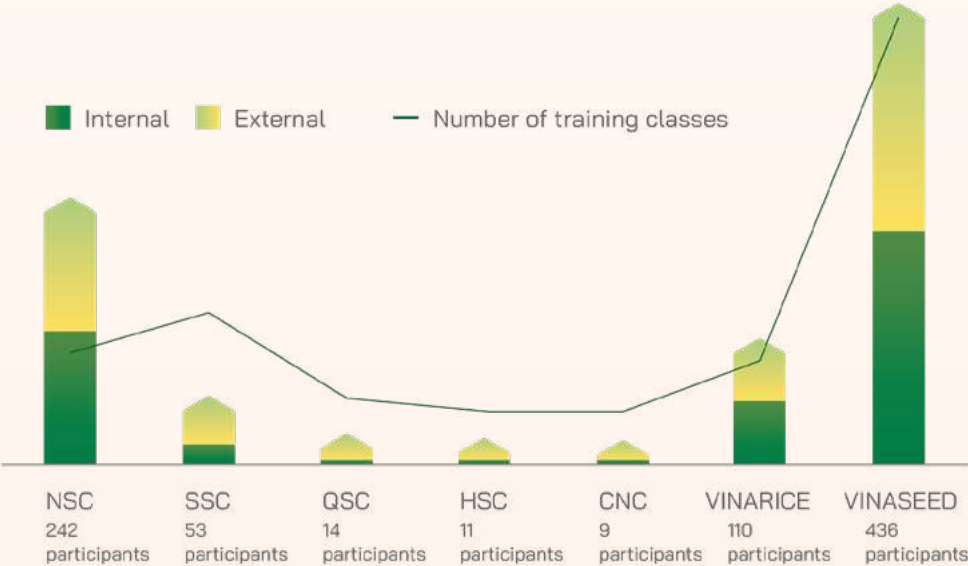
Content	VINASEED	NSC	SSC	QSC	HSC	CNC	VNR
Board of Directors	6	6					
Board of Management	13		4	3	2	1	3
Middle managers	81	36	18	5	3	2	17
Employee	534	270	102	32	17	14	99
Worker	61	30	15		12		4
TOTAL	695	342	139	40	34	17	123

PERSONNEL QUALIFICATIONS:

Content	VINASEED	NSC	SSC	QSC	HSC	CNC	VNR
Bachelor's degree, postgraduate	452	239	80	31	14	9	78
- Doctor	3	3	-	-	-		
- Master	36	28	4	1	-	1	2
- Bachelor	413	208	76	30	14	8	76
Ratio of bachelor's degree/ postgraduate degree	71%	77%	65%	78%	64%	53%	66%



ĐÀO TẠO NĂM 2021



HUMAN RESOURCES OF THE YEAR 2021

TRAININGS IN 2021

In 2021, the Group mainly conducted online training to connect between member companies. Training programs that VINASEED have been implemented in 2021 include:

Program	Trainer	DAY	Member
NSC			
Guidance on applying new rules of origin to capitalize on tax incentives in trade agreements	VCCI	2	1
Selection method of plant breeding using cytoplasmic male sterility (CMS)	Mr. Tran Ngoc Hung	1	17
New regulation updates on tax administration, origin and classification for import and export goods in 2021	VCCI	1	1
Effective teamwork training	PTI	4	56
Basic excel training	Internal personnel	1	78
Marketing training	Internal personnel	1	53
Methods of health improvement to fight against Covid and work effectively	PAN Group	7	21
Training on “Instructions to take health care of FO at home”	Expert from Hanoi Medical University	1	15
NSC TOTAL	8 CLASSES		242
SSC			
Training on Business, Marketing and soft skills for the Sales department	Internal personnel	3	21
Management system architecture	FMIT	4	1
TApplication of VssID – Social Insurance	Social Security Office HCM city	1	1
Training on Online Basic Bidding with certificate	Institute for International Development	2	6
Online tax updates in 2021 – part 2	Vietnam Tax Consultants’ Association	1	6

Program	Trainer	Day	Member
General information on ISO/IEC17025:2017 standards	AOSC	2	2
Internal assessment according to ISO/IEC 17025:2017 standards	AOSC	1	3
Training on Online Bidding with certificate	Institute for International Development	2	2
Instruction, testing and internal calibration of laboratory measuring instruments	Quality Assurance And Testing Center 3	1	1
Vietnam Business Outlook Conference 2022	Business Administration Group	2	5
Training on "Instructions to take health care of FO at home" (organized by the PAN Group)	Expert from Hanoi Medical University	1	5
SSC TOTAL	11 CLASSES		53
VINARICE			
Hygiene regulations; Allergens	Internal personnel	1	34
Updates on IFS FOOD VERSION 7, FSSC22000 V5.1, HACCP CODEX VESION 2020 and key notes of BRCGS FOOD ISSUE 8	Bureau Veritas Việt Nam	1	3
HACCP standards, GMP production regulations, CCP, SSOP, food safety, allergens	Head of Rice factory	1	22
Participation in the training conference on packaging and branding 2021	Dong Thap Department of Industry and Trade	1	3
Training on excel skills (organized by NSC)	Internal personnel	1	16
Training on FSSC records	Head of Rice factory	1	13
Fire fighting and prevention training	Internal personnel	1	14
Training on "Instructions to take health care of FO at home" (organized by the PAN Group)	Expert from Hanoi Medical University	1	5
VNR TOTAL	8 CLASSES		110
QSC			
Effective teamwork training (organized by NSC)	PTI	2	4
Basic excel training (organized by NSC)	Internal personnel	1	6
Comprehensive business management course	Olympia Top Business School	2	1

HUMAN RESOURCES OF THE YEAR 2021

Program	Trainer	Day	Member
Training on "Instructions to take health care of FO at home" (organized by the PAN Group)	Expert from Hanoi Medical University	1	3
QSC TOTAL	4 CLASSES		14
HSC			
Effective teamwork training (organized by NSC)	PTI	2	4
Basic excel training (organized by NSC)	Internal personnel	1	4
Training on "Instructions to take health care of FO at home" (organized by the PAN Group)	Expert from Hanoi Medical University	1	3
HSC TOTAL	3CLASSES		11
HANAM HITECH			
Effective teamwork training (organized by NSC)	PTI	2	3
Basic excel training (organized by NSC)	Internal personnel	1	3
Training on "Instructions to take health care of FO at home" (organized by the PAN Group)	Expert from Hanoi Medical University	1	3
HANAM HITECH TOTAL	3 CLASSES		9
VINASEED GROUP TOTAL	37 CLASSES		439



Tổng lớp

37



Tổng học viên

439



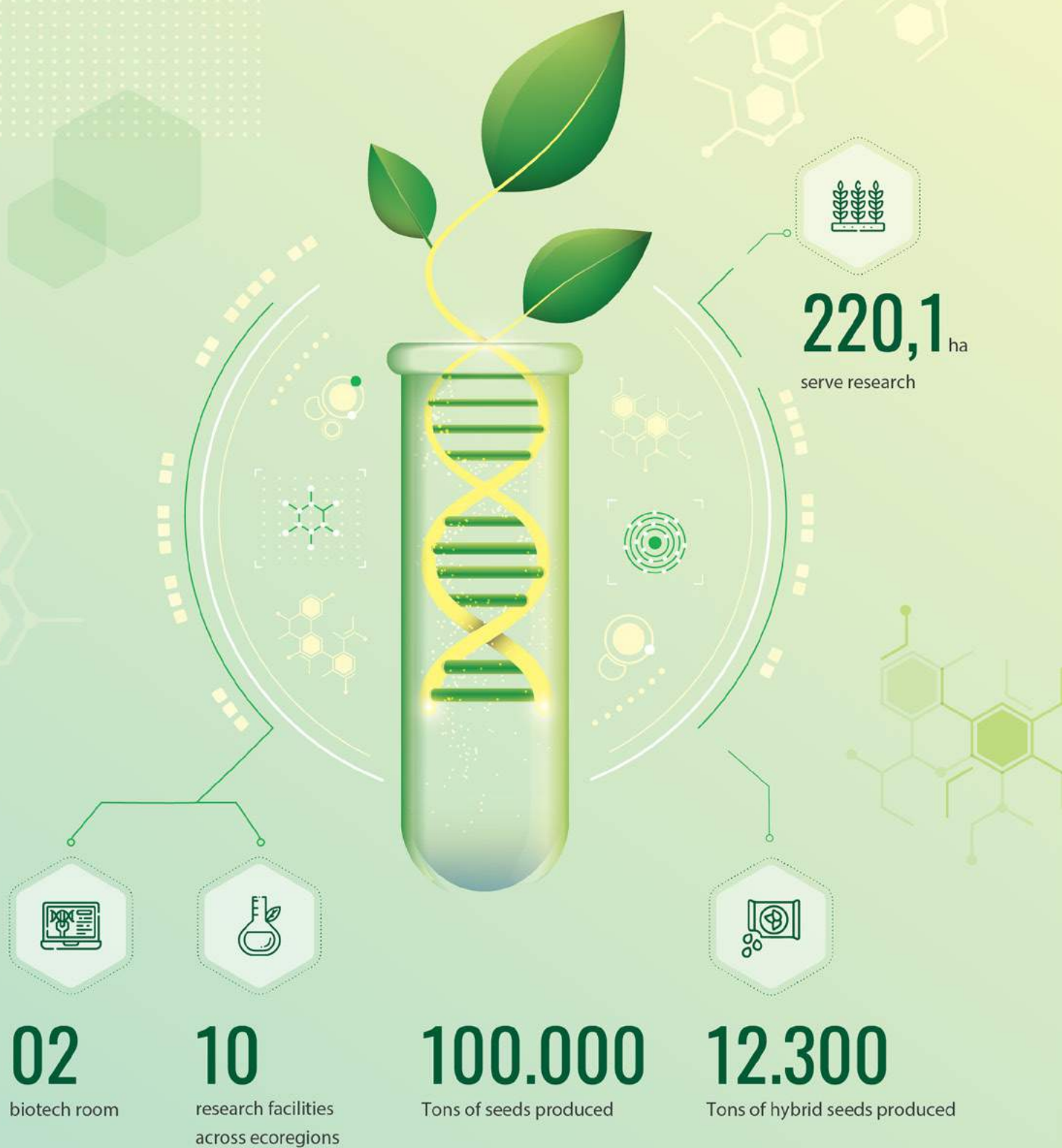
KẾT QUẢ HOẠT ĐỘNG

VINASEED



Doanh thu và lợi nhuận trước thuế duy trì tốc độ tăng trưởng ổn định từ 15%-17% bình quân hàng năm, đạt lần lượt 1.639,9 tỷ đồng và 246,9 tỷ đồng, tăng gần gấp 2 lần quy mô so với thời điểm trước khi thực hiện chiến lược, đặc biệt năm 2021

TECHNOLOGY HIGHLIGHTS



EXPANDING THE PRODUCTION SCALE

Today the Company produces nearly 100,000 tons of seeds per year (equivalent to a seed production area of nearly 25,000 hectares), more than 3 times the production volume in 2017 (30,000 tons per year). The Company has transformed from a low-tech to a leading seed producer in Vietnam, particularly in the field of hybrid seed production. In 2021, the Company's hybrid seed production output has reached nearly 12,300 tons of seeds, resulting in cost savings from imported foreign currency and being proactive about seeds for the Vietnamese market.

PIONEERING IN SMART AGRICULTURAL PRODUCTION MANAGEMENT 4.0

The Company developed advanced agricultural production management methods, applied sustainable farming solutions with traceability to save resources, utilized new biological products and pesticides to reduce greenhouse gas emissions, chemical residues and nitrate content in products and implemented mechanize production and processing. Besides, the Company encouraged small and medium enterprises, cooperatives and smallholders to join the Company's agricultural production chain for the establishment of large-scale concentrated plantations, contributing to farmers' stable income.

COOPERATING IN APPLIED RESEARCH AND TECHNOLOGY TRANSFER

- The Company has established close relationships with domestic and international organizations apart from currently cooperating with universities, research institutes, multinational corporations in the fields of research, application, genetic resources, human resources training and technology search.
- At present, the Group is collaborating with 19 international organizations including Matthew Asia Investment, Daiwa Corporate Investment and Asia Frontier Capital, as well as partners such as Nagoya, Sojitz, Hagihara, SingFlow, Known You, Harvest Green Seeds, etc. to transfer partners' 154 varieties for the Company's Research and Development Center (VRDC).
- Vinaseed is coordinating with international organizations in the following projects:
- SNV Cooperation Project on research and assessment of the rice market



VARIETIES CREATION
TECHNOLOGY



TECHNOLOGY TO PRODUCTION
OF BENEFITS



HIGH-TECH APPLICATION
AGRICULTURAL PRODUCTION
TECHNOLOGY 4.0

in the Mekong Delta: The project cooperates with SNV and the Dutch Fund for Climate and Development (DFCD) to conduct a census to assess the rice market in the Mekong Delta, the stakeholders' participation in the value chain, and the trends and development prospects of the domestic and international rice markets. The cooperation is fostered in developing a research project on breeding to adapt to climate change in the Mekong Delta.

- A cooperation project with Nagoya Japan to test, produce and trade the Japonica rice variety suitable to conditions in Vietnam.

APPLYING AND INVESTING IN MODERN PRODUCTION TECHNOLOGY:

Vinaseed has built a leading large-scale, modern, synchronous and automatic seed and produce processing centers in Vietnam in line with the investment strategy to expand the company and innovate technologies to improve competitiveness. The factory's products are subjected to stringent testing procedures according to international standards for health and environmental safety.

a/ Facilities for research:

Research and Development Center of Vietnam National Seed Group (VRDC): performs scientific and applied research, technology transfer and human resource training in the field of crop seeds to support the Group's growth. The Center's activities include:

- 10 research centers across ecozones in Vietnam.
- 02 biotechnology office.
- The 220.1-hectare area for research purposes.
- All researchers have bachelor's degree or higher. 17 top technical experts include 3 PhDs and 21 masters.
- The center has a large genetic resource, which is critical in breeding studies.

The area of greenhouses and net houses for research and high-tech production is 11.5 hectares:

b/ Facilities for processing and preservation

- Storage capacity: 35,620 tons.
- Number of processing and packing factories: 8 factories.
- Area of packing factory: 98,610 m².
- Processing and packaging capacity: 85,600 tons of seeds/year, 118,000 tons of rice per year.

Area of greenhouse for research and service (m²)

Center	Area (m ²)
1. Trung tâm VRDC	15.400
- VRDC Ba Vì	1.200
- VRDC Khoái Châu	4.300
- VRDC Củ Chi	2.100
- VRDC Lâm Hà	2.820
- VRDC Phú Giáo	1.000
- VRDC Cai Lậy	3.000
- VRDC Cờ Đỏ	980
2. Khu sản xuất nông nghiệp ứng dụng CNC Hà Nam	100.000
Total	115.400



RISK MANAGEMENT:



ESTABLISHMENT OF A RISK CONTROL SYSTEM

Establish a set of working regulations.

Build foundational values of the Company (Vision, mission, core values, strategic direction, sustainable development policy).

Set up organizational structure

- Ensure alignment between mission and organizational structure.
- Clearly describe responsibilities, authorities and relationships within the organization.
- Build an employee team with professional ethics, competence, enthusiasm and work adaptability.
- Establish a proper management reporting system to ensure a steady and accurate flow of information throughout the Company.
- Set up risk management and control system with the Board of Internal control and process control system.



RISK CONTROL

- Establish layers of defense and focus resources on key risk management activities.
- Set up risk points.
- Apply control measures; establish internal control standards.
- Deploy improvement process upon evaluation and report the results of corrective and preventive actions.
- Establish a monitoring system - Governance, risk management, and compliance (GRC) to check the system regularly and periodically for an effective operation.

ESTABLISHMENT OF RISK THRESHOLDS OF OPERATIONS

Risks and opportunities are intertwined. The Company evaluates risks thoroughly and takes risks within reasonable boundaries in a thoughtful and controlled way, ensuring the rationality of control costs and possible risk loss in order to meet business objectives.

RISK IDENTIFICATION AND EVALUATION

The detailed breakdown of all Company's activities for risk assessment, identification and control:

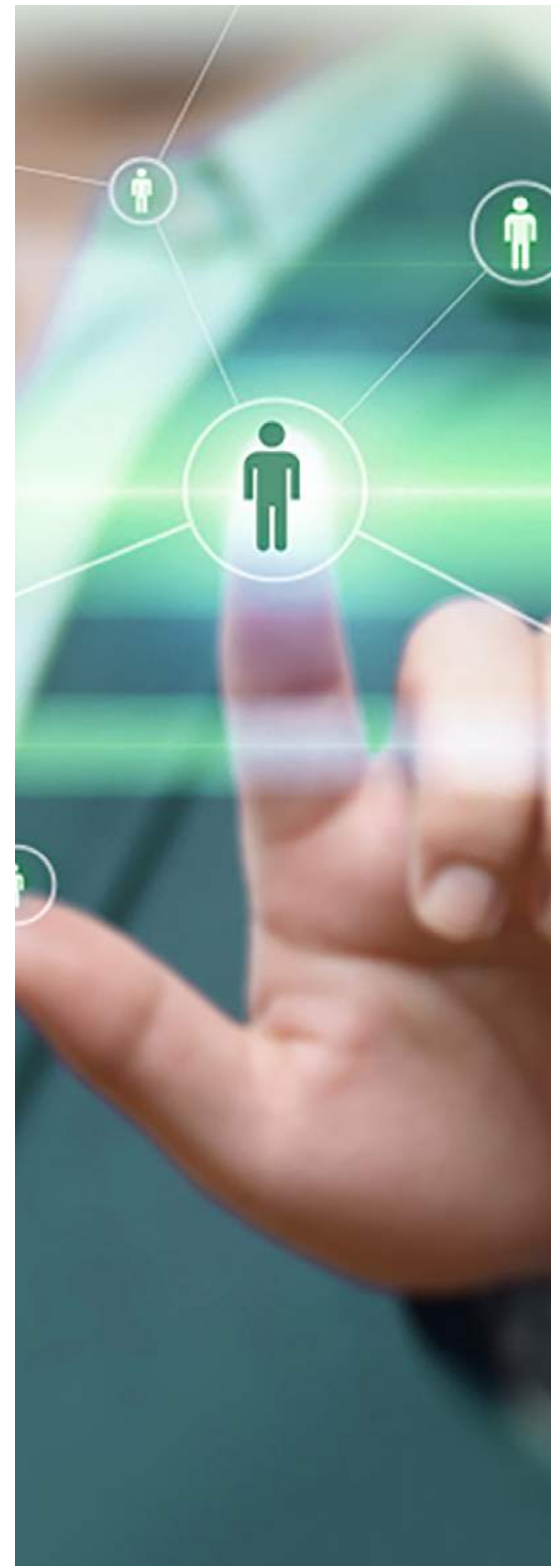
- Examine the situation to identify risks.
- Establish a risk portfolio by identifying risks for each activity using 3 factors (Cause - Risk - Effect). Assess the probability and impact level of risks to determine the level of attention and solution for each category of risk.
- Identify critical success factors to gather resources on risk control.

RISK COMMUNICATION

- Establish an appropriate risk communication system at all levels and an information feedback scheme within the Company.
- Communicate roles, responsibilities and risk control measures to managers and employees.

MONITORING

Assess risk management on a regular basis and link risk management activities between departments.



RISK MANAGEMENT:



KEY RISKS

a/ Legal risks: :

Vinaseed's operational activities are mainly governed by the Law on Enterprises, the Law on Securities, the Law on Investment, the Law on crop seeds and other pertinent legal documents..

Frequent modifications and changes are available in the context of the legal framework and laws of Vietnam being developed and polished. Vinaseed has systematized and mapped out pertinent legal documents, ensuring the compliance of the law:

- The provisions in the Law on Enterprises and the Law on Securities
- Legal papers on information disclosure.
- Legal papers on crop seeds.
- Legal papers on intellectual property.
- Legal papers on environment, waste management, chemicals and fire fighting and prevention.
- Legal papers on labor.
- Regulations and policies to support agricultural enterprises and science and technology companies.

Vinaseed always abides by Vietnamese law and does not engage in political, social, or other activities that are forbidden by Vietnamese law..



b Weather risks:

Weather is a significant risk that has a direct impact on the Company's operational activities, as well as the quality and sales volume of Vinaseed's seeds. Vinaseed has proactively responded to harsh weather occurrences to mitigate the risk by:

- Expanding production areas in different ecozones across the country in order to disperse risks and ensure a seamless supply to the market.
- Investing in the construction of warehouses to preserve commodities in the event of large-scale natural catastrophes to assure an adequate supply of products.
- Strategically planning in research and development activities with an emphasis on product lines with broad adaptability, drought and flood tolerance, salt tolerance and pest resistance.
- Developing high-tech agricultural production and production in greenhouses and net houses to proactively ensure production conditions.

c/ Financial risks:



Credit:

The risk arises mainly as a result of partners failing to meet their payment commitments or making payment after the agreed-upon deadline.

- The Company has established and implemented a customer assessment process (including financial situation, consumption ability, customer information, payment rules and debt collection timeframe) resulting in the establishment of a credit limit applicable to each customer and the early detection of insolvency for prompt resolutions.
- In addition, the Company must assure legality in sales procedures to avoid possible legal disputes, as well as monitor, compare and close debt balances on a regular basis. Given the stringent controls, the Company had no bad debts in 2020.

Liquidity risk:

Liquidity risk arises when the Company has trouble transforming assets into cash or does not have enough assets to meet its payment commitments to customers and suppliers. Cash flow management is prioritized and efficiently handled, reducing the liquidity risk for Vinaseed.

d/ Investment risks:

Vinaseed has established the Board of Investment, which is responsible for consulting and evaluating the performance of the Company's investment activities,

RISK MANAGEMENT:



as well as promulgating the project management regulations for each project.

e/ Corporate governance risks:

The Company requires the Company's Board of Internal Control and managers of departments to:





- Monitor, check and evaluate the implementation of regulations, processes, and procedures in the Company; recommend timely content additions and amendments to prevent risks and enhance the Company's performance.
- Monitor, examine and evaluate the financial use in the affiliates and the Company.
- Oversee the Company's financial accounting practices (including financial accounting operations, financial statements and expenses incurred by subsidiaries) to ensure compliance with the Law on Accounting, the Law on Taxation and other government regulations as well as the Company's ones.
- Manage commodities and warehouses. Conduct the loss control.
- Control accuracy and timeliness in management reports (including preliminary and final reports, market reports, sales reports, inventory reports, cash flow reports, periodical deposits, ad-hoc reports at the request of the Company's management).
- Examine the process that departments allocate tasks, including yearly and 6-month objectives, as well as monthly and weekly work plans.
- Manage benefits for employees according to regulations (salaries, remuneration and benefits).

g/ Information security::



- Establish hierarchy of authority for the Company's business information access.
- Beware of information disclosure to the public.
- Secure files by password.
- Prevent intrusion into personal email by periodically changing passwords, restricting access to email on other people's computers, properly logging out email, and inspecting email account activity and remote logging-out on a regular basis (in case of gmail).
- Limit other people to use our own personal computer as much as possible and it must be under direct control (if any).
- Periodically save files to avoid data loss.
- Promulgate regulations on welcoming guests to visit and work at the Company.
- Specially monitor information security in the management of the Company's genetic resources and technology secrets.

h/ Occupational safety and health risks:

The Company applies the Occupational Health and Safety Assessment Series (OHSAS):

- Based on the findings of assessment, measurement, and analysis, Vinaseed continually improves the occupational health and safety assessment series to ensure the best

RISK CONTROL



operation, maximum risk prevention, and worker health. This occupational safety policy is disseminated to all employees within the Company so that they are aware of it and can use it effectively.

- The Company examines the labor records of all employees, including outsourced activities, contractors, and suppliers to assess pertinent labor risks. Make reasonable labor arrangements appropriate for the employees' age, gender and health status. Organize periodic health checks or voluntary health insurance programs that is one of the policies to ensure employee health and safety.

Identify occupational health and safety dangers:

- Identify threats and risks to health and safety of employees or others (including temporary workers and contractors' employees, or anyone working in the Company's workplace).
- Deploy measures to eliminate/reduce risks and their repercussions if they arise.
- Inspect and supervise everyone in the Company to ensure the compliance with occupational safety and health regulations; maintain safety equipment and utilize personal protective equipment; remind and train newly recruited or newly transferred employees on safe working practices.
- Propose labor protection plans and occupational health and safety measures to improve working conditions.
- Propose regimes on labor protection and measures to ensure safety and hygiene of machines and workplaces.

i/ Environmental and community risks:

- Review and amend the Company's environmental and social policies in response to changes in the legislation and practical requirements; monitor performance results according to the following factors: resource consumption, waste, chemical usage and noise. Periodically report on the impact of these factors. Propose optimal solutions in investment, construction and operation plans to reduce negative impacts on the environment, workers' health and communities.





- The Company identifies and assesses environmental risks by thoroughly monitoring the operations' outputs and inputs, including those related to suppliers and contractors. Prioritization measures and risk assessment are in place. Risk assessment is periodically reviewed to reflect current circumstances and whenever operational activities are expanded..

CHAPTER

02

REPORTS OF THE BOARD OF DIRECTORS

2021 report of the Board of Directors

2017 – 2021 report of the Board of Directors

Development orientation for the 2022 – 2026 term





2021 REPORT OF THE BOARD OF DIRECTORS



119.800

Doanh nghiệp rút lui

INFLUENTIAL FACTORS TO THE GROUP'S OPERATIONS

GDP increased by 2.58% in 2021, the lowest increase in the last 10 years. In 2021, 119,800 enterprises withdrew from the market, up 17.8% from the previous year.

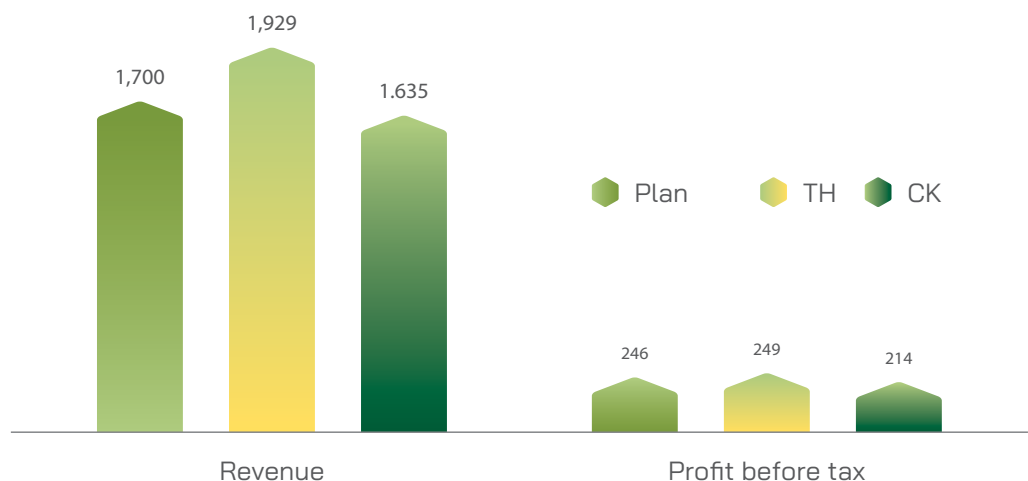
The Company's operations are dispersed across the country, therefore the arrangement of production and consumption markets presents several difficulties, resulting in high costs and unsaleable production output due to lockdowns and social distancing measures.

Input materials and transportation costs were high and the commodities circulation was restricted, driving selling prices up while export produce's prices declined sharply.

ASSESSMENT ON 2021 OPERATING RESULTS

2021 consolidated operating results

Indicator	2021 Plan	2021 Result	CK 2020	Result/Plan	Result/CK
Revenue	1.700.000	1.928.605	1.634.552	113,4%	118,0%
Profit before tax	246.000	248.984	213.968	101,2%	116,3%
Profit after tax	-	225.631	194.815	-	115,8%
Dividend (in cash, %)	30% - 40%	70% (DK)	40%	175,0%	175,0%
EPS (VND/share)	-	12.481	9.854	-	126,7%



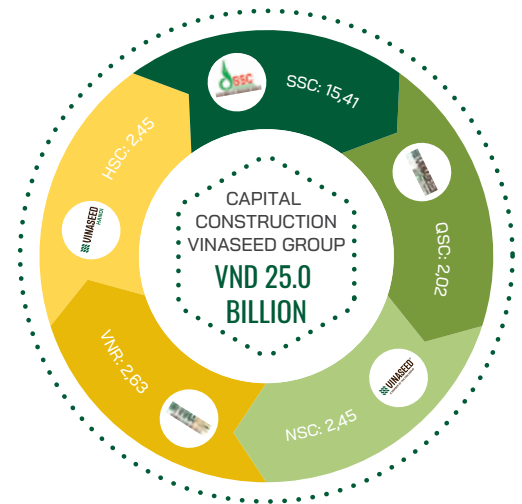
Dividend payment

Vinaseed has paid the 2020 dividend in cash in accordance with GMoS Resolution No. 19/NQ-DHDCD2021, with a dividend rate of 40%. (Phase 1 is 20%, Phase 2 is 20%).

In 2021, a 70% cash dividend is planned.

Capital construction investment in 2021: VND 25.0 billion.

Projects are carried out in compliance with the provisions of the Law on Investment and Construction. Construction work is proceeding according to plan, with quality assurance. In 2021, the parent company (NSC) has invested in capital construction as follows:



Capital construction investment in NSC 2021

TT	Capital construction investment in NSC 2021	Plan (VND million)	Result (VND million)
I	Ha Nam branch	1,806.2	1,165.5
	Installation of a system of buckets, containers, conveyors to develop a rice packaging system from 0.5 kg to 25 kg	-	878.0
	Installation of rice weighing and packaging system	-	242.0
	Office refurbishment	-	45.5
II	Vinh branch	543.0	543.0
	Outdoors processing roof house	-	543.0
III	The NSC's office	575.5	491.3
	Renovation of office and retail store	-	491.3
IV	Renovation and maintenance in branches	264.5	245.8
	Construction of fire and lightning prevention systems, preliminary screening in Central Highlands branch, repairment of canals and corrugated metal roof in Ba Vi branch, Thai Binh branch	-	245.8
	Total	3,189.2	2,445.6

2021 REPORT OF THE BOARD OF DIRECTORS

Ownership proportion in subsidiaries

Company	Ownership as of 31st December 2021		
	Charter capital (VND)	Share ownership (share)	%/ charter capital
SSC	149.923.670.000	12.794.862	96,41%
VINARICE	330.000.000.000	-	100,00%
QSC	5.000.000.000	450.100	90,02%
TSC	9.960.000.000	194.126	19,49%
HSC	5.688.900.000	306.080	53,82%
HANAM HI-TECH	50.000.000.000	4.700.000	94,00%

Corporate governance

a/ The Group's restructuring:

- **NSC:** Comprehensively restructured the organization and personnel of branches and departments, especially in the agribusiness branch; ensured a seamless operation and minimize intermediate steps.
- **SSC:** Supplemented and consolidated the top management to strengthen executive functioning.
- **Vinarice:** Restructured the rice industry (establishing the agribusiness branch) to ensure the unification of the Group's rice sector with initially good outcomes.
- **HSC:** Executed the new salary scheme to motivate employees (starting from the quarter IV of 2021).
- **QSC:** Reorganized production workforce, controlled quality, minimized intermediate steps and improved operating capacity.
- **Hanam Hitech:** Restructured operations to maximize resource efficiency by focusing on selecting and producing valuable, efficient and seasonal products.

Developed the rice sector with Ban Mai rice brand

- In 2021, a significant shift in personnel led to an opportunity for the Company to restructure its workforce. The replacement staff is youthful, competent, and quickly adaptable, contributing to improving labor quality and productivity. The Group's workforce are highly qualified, with bachelor's and postgraduate degrees accounting for 71% of the workforce.

In 2021, the Group has promulgated 30 papers (17 ones of NSC) of regulations and procedures to prepare for a digitization of the working process in 2022.

b/ Successful countermeasures against the pandemic:

During the peak of the pandemic, safe operations were implemented, as was well-organized vaccination of the Group's personnel. Employees' jobs were secured and the government's support regime for instances impacted by the Covid pandemic was fully conducted. Online conferences and meetings were arranged to

save time and travel costs, meeting safety and work requirements during the pandemic and social distancing period.

c/The Labour Order, first class

In 2021, the Group obtained a great deal of valuable certificates of merit and awards, especially including the First-class Labor Medal that is President of Vietnam's honourable recognition to the Group for unwavering efforts over the last 5 years.

OVERALL EVALUATION OF THE IMPLEMENTATION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2021'S RESOLUTIONS

In the context of numerous difficulties in 2021 due to pandemic, input costs increased and capital for business activities was mainly from loans. Vinaseed has taken advantage of every opportunity to achieve the following results:

- **Revenue:** VND 1,929 billion, up 18.0% over the same period.
- **Profit before tax:** VND 249 billion, up 16.3% over the same period.
- **EPS:** VND 12,481/share, up 26.7% over the same period.
- **Market Cap:** VND 1.653 billions.

Fully implementing the GMS's resolutions and the BOD's directions in compliance with the Law, the Charter and the Regulations, as well as properly fulfilling responsibilities and decentralizing the management.

Managing honestly and transparently; utilising technology to improve operational efficiency and productivity; and presenting the BOD and BOS with comprehensive and accurate information. In 2021,

Vinaseed satisfied the standards for information disclosure on the Vietnam stock exchange. Securing capital for operations.



1.929 VND billions

Revenue increased by 18% over the same period



249 VND billions

Profit increased by 16.3% over the same period



12.481 dong/cp

EPS increased by 26.7% over the same period



1.653 VND billions

Enterprise capitalization



2021 REPORT OF THE BOARD OF DIRECTORS

2022 OBJECTIVES

Consolidated operating plan in 2022

VINASEED GROUP	Unit	2022 Objective	Growth compared to 2021 result
Revenue	VND Million	2.150.000	111,5%
Profit before tax	VND Million	300.000	120,5%
Dividend (DK)	%	30 – 40%	100,0%

Business restructuring

Renewing the business model in the direction of market unification by reducing the intermediate points, resulting in lowering expenses and reducing internal disputes; altering the approach to customers to drive demand.

Renewing the growth model with the main area of crop seeds developed by science and technology; concentrating on increasing the proportion of vegetables and corn to improve profit margin and maintain the average growth rate of 20% per year.

Improving the management model with the IT application in operational activities; focusing on the core system of financial management in the direction of ERP for management and maximum utilization of resources.

The shift in business model resulted in a change in organizational model and the establishment of a new corporate culture as a result of the IT application. Vinaseed strive to be the first company in the seed sector to apply technology and digitize data for cost-saving business administration and management.



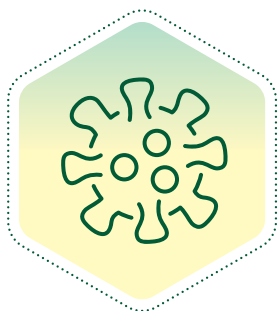
2017 – 2021 REPORT OF THE BOARD OF DIRECTORS



INFLUENTIAL FACTORS TO THE GROUP'S PERFORMANCE DURING 2017 - 2021

Impact of climate change

Climate change has a direct impact on Vietnam, which ranks 5th in the yearly risk index and 8th in the long-term climate risk index (CRI). In recent years, climate change has occurred swiftly, with high frequency from the Red River Delta to the Mekong Delta. Climate change has had a large-scale influence on crop structure change, production area shrinkage, output and productivity declines and unharvested production areas all of which have had a direct impact on the Company's operational activities.



Impact of the Covid-19 pandemic (2020 – 2021)

The Company's operations spread across the country, therefore the organization of operational activities have faced numerous difficulties as a result of lockdowns, social distancing and border closure measures, which caused the supply chain to be disrupted. Operational activities, sales services, and import and export activities were all restricted.

High input costs in terms of transportation, logistics, materials impacted on profits.

The market had little purchasing power, domestic consumption was slow, produce could not be exported, and produce's prices plunged, resulting in production standstill.



2021 REPORT OF THE BOARD OF DIRECTORS

ASSESSMENT ON 2017 – 2021 OPERATING RESULTS

2017 – 2021 operating results:

Assessment on 2017 – 2021 operating results:

(VND billion)

Indicator	2017 - 2021		
	Plan	Result	% Result/Plan
Revenue	7.952,0	8.199,4	103,1%
Profit before tax	1.244,2	1.240,2	100,0%
Profit after tax	1.131,6	1.128,2	100,0%

Despite operating in a business sector with outdoor factories and being greatly impacted by adverse weather conditions, Vinaseed has accomplished its five-year strategic objectives for the 2017 – 2021 term, with total revenue of VND 8,199.4 billion, an increase of 3.1% over the set objective.

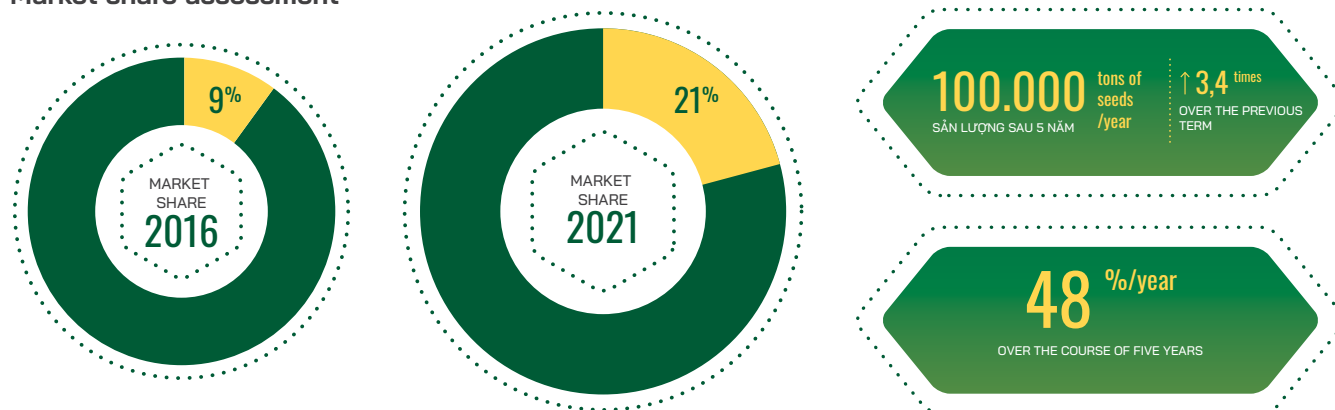
Evaluation of growth rate and business performance for the 2017-2021 term:

(Unit: ton/year, VND billion/year)

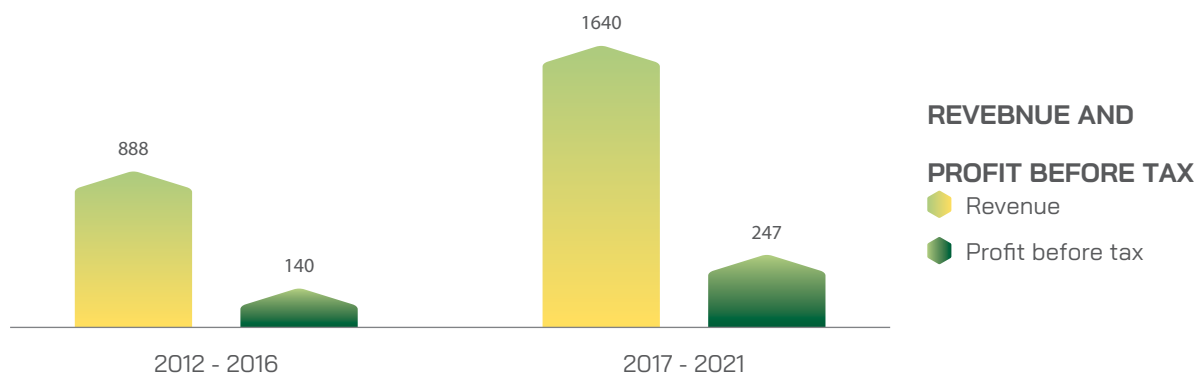
Indicator	Term (5 years)		Growth (time)	Average growth per year
	Term (5 years)	2017 - 2021		
Sales volume	33.500	113.000	3,4	48,0%
Market share	9,0%	21,0%	2,3	26,7%
Revenue	887,5	1.639,9	1,8	17,0%
Profit before tax	139,5	246,9	1,8	15,4%
EBITDA	160,8	313,1	1,9	18,9%
Equity	684,8	1.149,2	1,7	13,6%
ROS	15,5%	13,6%	0,9	
ROA	13,0%	13,0%	1,0	
ROE	18,9%	19,4%	1,0	0,5%
EPS (VND/share)	9.025	12.241	1,4	7,1%

After 5 years, the business size has grown remarkably with annual production output exceeding 100,000 tons of seeds, an increase of 3.4 times over the previous term. Over the course of five years, the average annual production growth rate was 48% with the expansion of market share up to 21% of the country, making it the top seed trading company in Vietnam.

Market share assessment



Vinaseed's revenue and profit before tax grew at a steady 15%-17% for the entire term, reaching VND 1,639.9 billion and VND 246.9 billion respectively, nearly twice the amount before the strategy was implemented. In particular, in 2021, Vinaseed's revenue reached the highest milestone of VND 2,000 billion since its establishment, propelling Vinaseed into the top tier of agricultural corporations in Vietnam.



Equity has increased by 1.7 times over the previous term, the average annual growth rate was 13.6%, and the ROE ratio was approximately 20%. The average earnings per share (EPS) was VND 12,241 per share, up 40% over the 2012-2016 term.



VINASEED has affirmed its position as an agricultural group with the largest scale and market share in the Vietnam's seed industry after 5 years of development (2017 - 2021). Production output exceeded 100,000 tons, accounting for 21% of the country's market share. 2021 revenue was at an all-time high, approaching VND 2,000 billion. Given the successful development of the rice sector and closed rice value chain, Vinaseed now has the opportunity to enter the global commodities export chain.

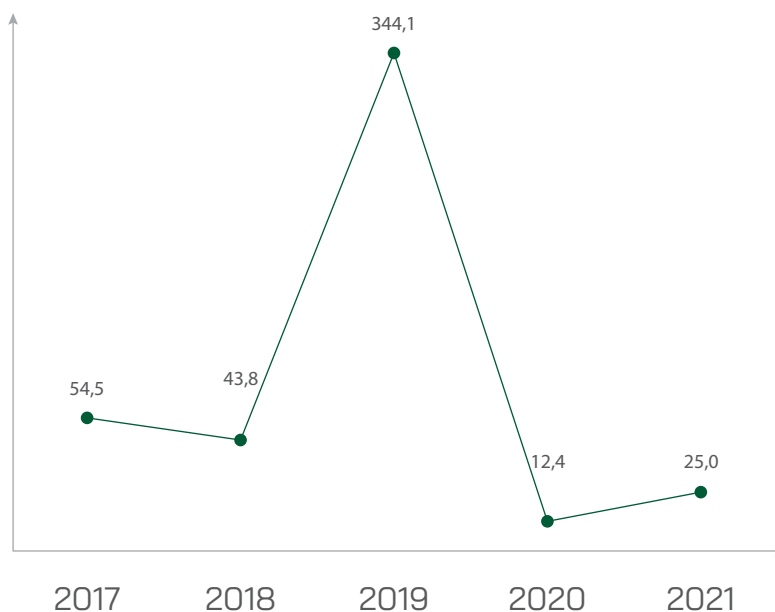
2021 REPORT OF THE BOARD OF DIRECTORS



Investment results in the 2017 – 2021 term:

VINASEED GROUP	Unit	Result
Capital construction investment	VND billion	479.8
M&A investment	VND billion	279.8
2017 – 2021 Total investment	VND billion	759.6

Capital construction investment in the 2017 – 2021 term: VND 479.8 billion.



Total capital construction investment in the 2017 – 2021 term: VND 479.8 billion

Projects are carried out in compliance with the provisions of the Law on Investment and Construction. Construction work is proceeding according to plan, with quality assurance.

Capital construction investments in the 2017 – 2021 term:

Year	Capital Construction Investment	Value (VND billion)
2017	Ha Nam High Tech Agricultural Production Zone project	50,0
	Size: 21.59 hectares, including: An office complex of administration, training and technology transfer, processing factory, modern cold storage ensuring food safety and meeting the GlobalGAP standards for produce, the greenhouse area with automatic nutrition and temperature control using Israeli and Japanese technology to create an ideal year-round production environment.	
2018	A crop seed processing and preservation factory in Thanh Hoa	13,2
	Size: 1,800m ² , capacity CBBQ: 2.000 tons, Jamin prefabricated steel frame house, insulated corrugated metal panels	
2018	Warehouse project in Quang Nam	6,1
	Size: 1,424m ² , processing and preservation capacity: 1,000 tons.	
2018	Renovation of Co Do processing and preservation warehouse	11,6
2019	The center for breeding and produce processing in Dong Thap	330,0
	Given a modern, synchronous and automated production system using Japanese technology with CBBQ capacity of 100,000 tons of rice per year and 50,000 tons of seed per year.	
2020	Warehouse construction and drying system renovation in the Central Highlands branch	7,8
	A drying plant with an area of 936m ² covered by steel frames, a three-bin drying system with a capacity of 40 tons per bin.	
2021	Co Do research and development center	19,6
	A size of 17.2 hectares, including: administration office, cold storage for genetic resource preservation, net houses, paddy fields and irrigation system, etc.	
	Other capital construction investments	41,5
	Renovating and upgrading facilities in branches during the 2017 – 2021 term.	
TOTAL		479,8

2021 REPORT OF THE BOARD OF DIRECTORS

Company	Ownership as of 1st		M&A investment during		Ownership as of 31st	
	January 2017		2017 – 2021		December 2021	
	Number of shares	%/ charter capital	Buy (share)	Value(VND million)	Number of shares	%/ charter capital
QSC	450.100	90,0%			450.10	90,0%
TSC	194.126	19,5%			194.126	19,5%
SSC	9.219.130	61,6%	3.575.732	250.106	12.794.862	85,3%
VINARICE						70,00%
HSC	306.080	53,8%			306.080	53,8%
TOTAL				279.814		
HANAM HITECH	1.779.193	35,6%	2.970.807	29.708	4.750.000	94,00%
Total				279.814	-	-

Vinaseed successfully implemented the M&A strategy with the investment of VND 250.1 billion to increase its voting share ownership in SSC from 61.5% to 96.4%. As a result, Vinaseed was able to dominate the southern market by taking advantage of the market, facilities, and research resources. With charter capital and total investment of VND 330 billion, Vietnam Rice Company Limited was established in Dong Thap and became the Mekong Delta's center of seed and produce processing with modern, synchronous and automatic system using Japanese technology that helped the Group increase its market share in the Mekong Delta to 10% and realize the objective of dominating the market.

Charter capital raise:

From VND 152.95 billion to VND 175.87 billion according to the Annual General Meeting of Shareholders' Resolution No. 25/NQ-DHDCD2018 dated 19th April 2018, issued on 3rd October 2018.

Dividend plan for the 2017 – 2021 term:

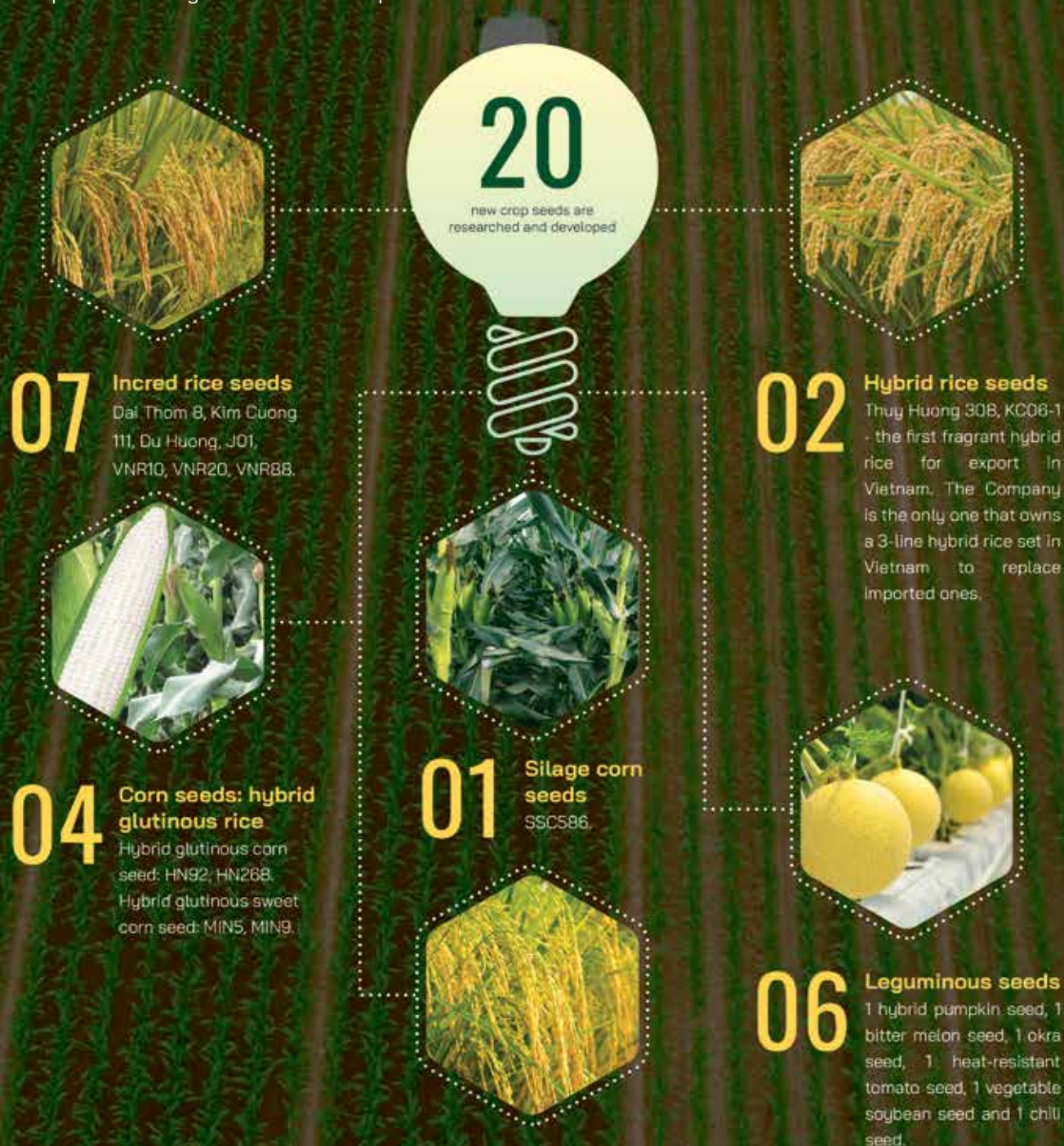
Indicator	2017	2018	2019	2020	2021
Dividend	30%	30%	40%	40%	70% (DK)
- By cash	15%	30%	40%	40%	70% (DK)
- By share	15% (*)				
Total cash dividend (VND million)	45.885	52.723	70.298	70.298	123.021

(*): Stock dividend in 2017 will be issued in 2018 (according to the Resolution No. 25/NQ-DHDCD2018)

Total cash dividend for the five-year period (2017 – 2021): VND 362.2 billion, an increase of 1.96 times over the previous five-year term (2012 – 2016: VND 185.0 billion).

Research and development achievement in the 2017 – 2021 term

Between 2017 and 2021, the Company made significant investments in research, application and rapid commercialization of scientific and technological advances, cooperated with domestic and international research organizations, gathered the hands of leading scientists to engage in research, built a qualified research team, mastered hybrid seed technology and gene pool technology, possessed diverse genetic resources and developed sets of high economic value products .



Application of biotechnology to collect genes to develop seeds adaptive to climate change (blight-resistant Thien uu 8, blight-resistant and planthoppers-resistant Dai Thom 8).

2021 REPORT OF THE BOARD OF DIRECTORS

GENERAL FUND GROUP

33

TYPE TREE
DIFFERENT

NUMBER

62.238

MATERIAL

Collected and developed the gene resources (of 33 distinct crops) with a diversity (62,238 materials), basically the Group's material requirements for developing new seeds.

Established the Research and Development Centre (VRDC) to centralize R&D activities at subsidiaries; conducted scientific research, application, technology transfer, and workforce training in the Group's crop seed business.

Given research and application achievements from 2017 to 2021, Vinaseed assured a copyright product structure rate of over 70% (equivalent to a revenue of VND 1,148 billion per year). As a result of the corporate income tax exemption and reduction for scientific and technology firms, the Company was able to raise extra reinvestment capital worth up to VND 143.9 billion.

TYPICAL AWARD

THE FIRST SCIENCE AND
TECHNOLOGY ENTERPRISE IN
VIETNAM'S SEED SECTOR

DAI THOM 8 RICE VARIETY - WON THE
SECOND PRIZE OF THE NATIONAL
SCIENCE AND TECHNOLOGY
INNOVATION AWARD (VIFOTEC)
AWARDED BY THE VIETNAM UNION OF
SCIENCE AND TECHNOLOGY
ASSOCIATIONS (VUSTA) IN 2021

NATIONAL BRAND AWARD FOR
VINASEED, VINARICE, VINAMELON
2020

THE TITLE OF NATIONAL EXCELLENT
SCIENCE AND TECHNOLOGY ENTERPRISE
AWARDED BY THE MINISTRY OF SCIENCE
AND TECHNOLOGY



PRODUCTION RESULTS IN THE 2017 – 2021 TERM:

The production scale has been expanding. The Company produces nearly 100,000 tons of seeds per year (equivalent to a production area of nearly 25,000 hectares), more than 3 times the production volume in 2016 (30,000 tons/year).

Production period 2017 - 2021

The production scale has been expanding. The Company produces nearly 100,000 tons of seeds per year (equivalent to a production area of nearly 25,000 hectares), more than 3 times the production volume in 2016 (30,000 tons/year). The Company has the leading and prestigious seed production scale in Vietnam with significant stable production areas in the Central Highlands, Binh Dinh, Quang Nam, Son La and the Mekong Delta.

Corporate governance:

- International projects was made good use to open up opportunities for seed testing collaboration, diversification of research material sources and execution of joint business projects, resulting in a plethora of new prospects for the Group in the worldwide market.
- Workforce development and training has always been a priority with 236 training classes and 2,931 participants between 2017 and 2021. Young managers were trained and appointed for experience enhancement and selection of successors for the Company's development
- Organizational consolidation was carried out regularly in the direction of simplifying, reducing intermediate levels, and optimizing the resources in the Group.
- Processes and regulations were improved regularly on the basis of the inheritance across subsidiaries in order to unify and enhance the Group's governance ability.
- Digitalization was applied for the Group's activities, with the goal of developing a complete information technology ecosystem of the Group in the period of 2022 - 2024

VINASEED - TOP 10
ENTERPRISES WITH THE
BEST MANAGEMENT ON
THE VIETNAM STOCK
EXCHANGE
IN 2019

TOP 15 LISTED
ENTERPRISES WITH
THE BEST BUSINESS
PERFORMANCE IN 3
CONSECUTIVE YEARS
(2017 -2019)

TOP 50
LISTED ENTERPRISES
WITH THE BEST
COMPETITIVENESS
IN VIETNAM
IN 2021



ACHIEVEMENT 1

TSuccessfully realized the strategic objective to be the company with the largest scale and market share in the seed sector in Vietnam

PRODUCTION OUTPUT EXCEEDED

100.000 tons

↑ **3,4** times

COMPARED TO 2016
(113.852 / 50.067 TONS)

THE MARKET SHARE OF
CROP SEEDS OF THE
COUNTRY

21%

ALONG WITH GROWING
AND EXTENDING THE
SOUTHEAST AND MEKONG
DELTA REGIONS, THE
COMPANY DOMINATED THE
CENTRAL HIGHLANDS AND
SOUTH-CENTRAL

THE 2021 REVENUE
COMING CLOSE TO THE

2.000
VND billion

HIGHEST EVER

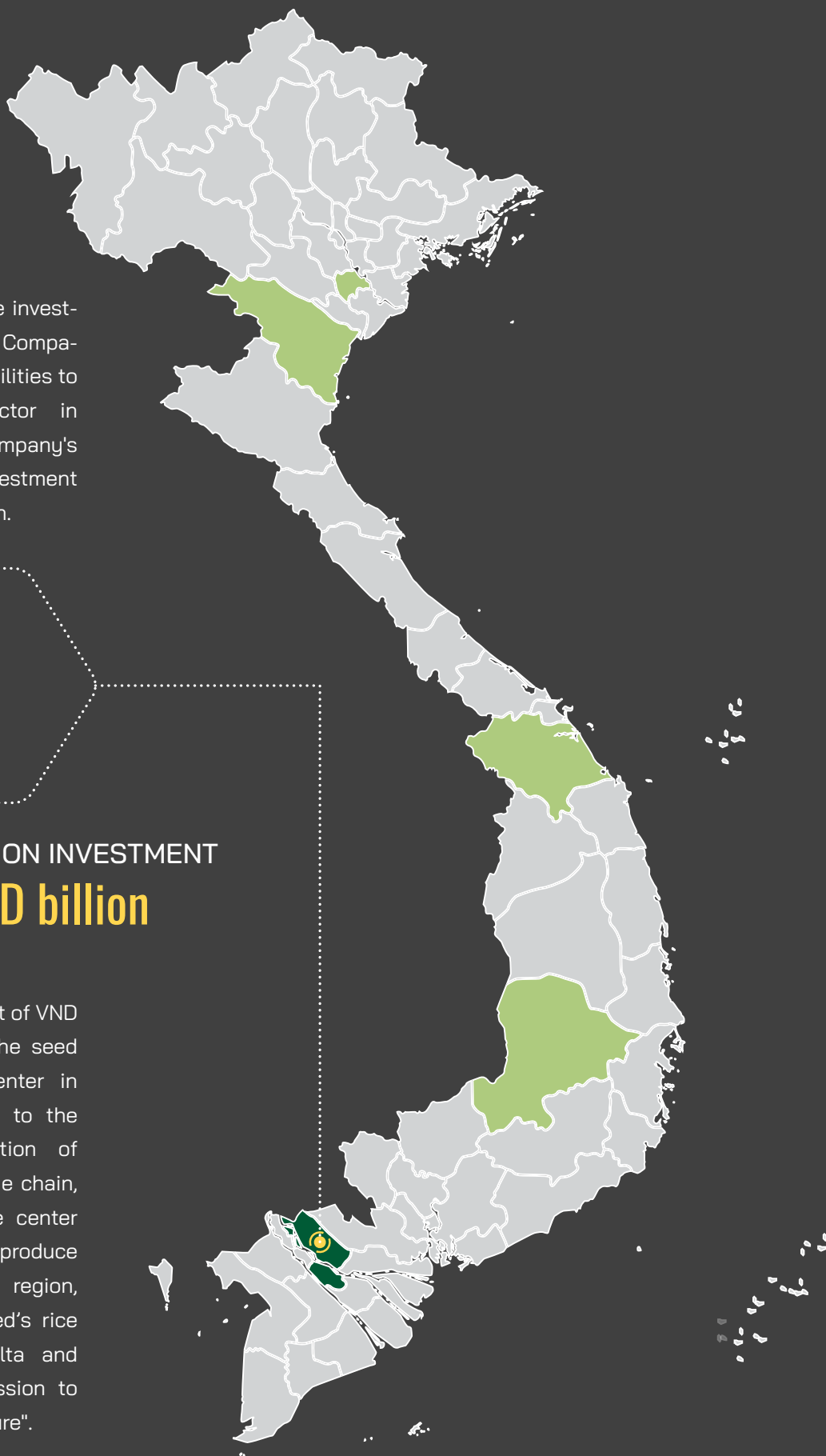
THÀNH TỰU 2

Successfully implemented the investment strategy to expand the Company's scale, modernized the facilities to industrialize the seed sector in Vietnam, and improved the Company's competitiveness. Total investment (2017 – 2021): VND 759.6 billion.

CAPITAL CONSTRUCTION INVESTMENT

479,8 VND billion

Especially, with an investment of VND 330 billion, the Project of the seed and produce processing center in Dong Thap has contributed to the successful strategy execution of developing a closed rice value chain, smart management 4.0. The center grows into a major seed and produce processing center in the region, helping to grow the Vinaseed's rice market in the Mekong Delta and realize the PAN Group's mission to "upraise Vietnamese agriculture".

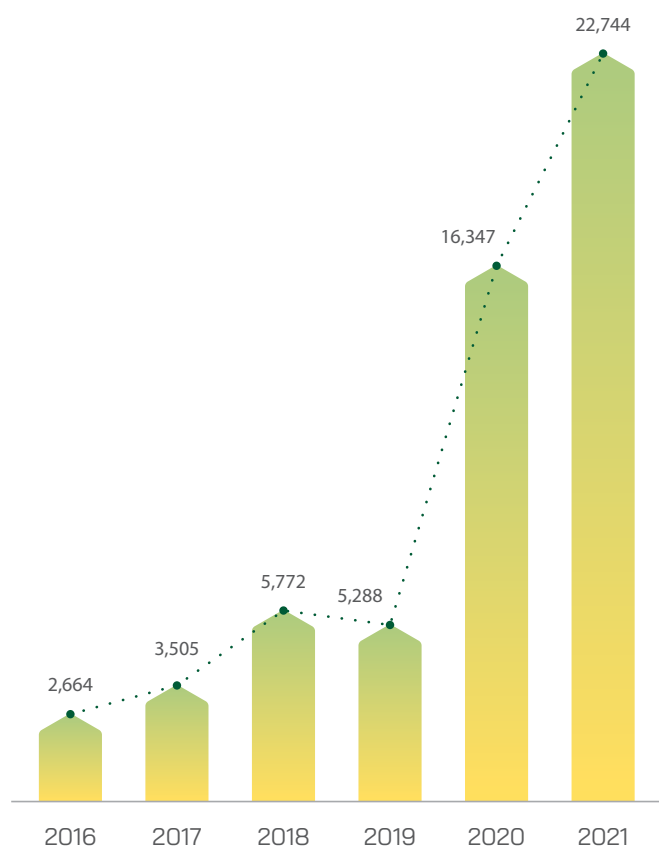


M&A INVESTMENT

279,8
VND billion

M&A investment: VND 279.8 billion.

In which, the investment of VND 250.1 billion in SSC raised the Company's voting share ownership from 61.6% to 96.4%, leading to the expansion of land, facilities and research resources, as well as the dominance of the seed market in the Southeast and Mekong Delta regions.

**THÀNH TỰU 3**

Successfully developed the rice sector, completed the rice value chain, opened up opportunities for Vinaseed to enter the global commodity export chain.

22.744 tons

RICE CONSUMPTION
VOLUME IN 2021

↑ 8,5 times

COMPARED TO
2016

With 73% of brand rice with high economic value serving the market segment domestic and export high-end products, rice sales reached nearly 400 billion VND (in 2021).

Areas for improvement:

- The new product strategy has not yet reached development criteria and the objective of 90% of sales with copyright to improve operational efficiency has failed, resulting in the delay of the growth model renovation.
- The expected growth objective has not been achieved, and resource utilization in investments for the Company's growth remained limited.
- The development of successors has been bounded and the contingent of successors has not met the Company's growth needs.
- A high-quality partner has been sought to provide support and help the Company achieve breakthrough development.

DEVELOPMENT ORIENTATION FOR THE 2022 – 2026 TERM

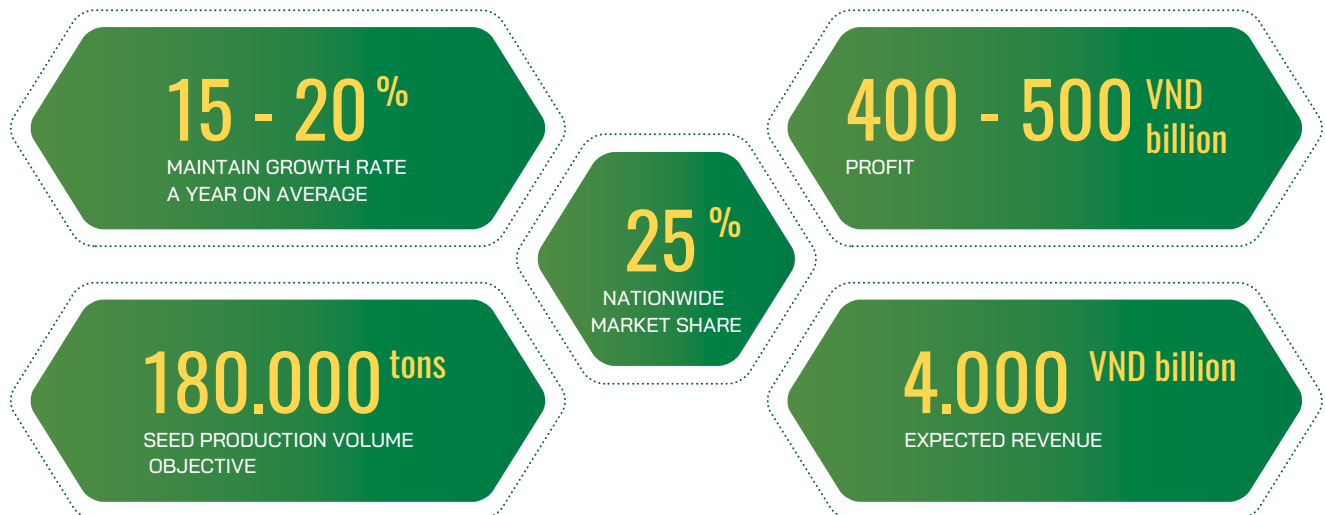


DEVELOPMENT TREND OF VIETNAM'S SEED SECTOR

- In accordance with the Prime Minister's Decision No.150/QĐ-TTĐ dated 28th January 2022, which outlines a plan for sustainable rural development for the period 2021-2030, as well as the Company's current status, competitive capacity and the future trend of agricultural development. In addition to the process of:
- Restructuring agricultural production to improve exports and added values in order to establish major production areas, particularly for the Vietnamese beneficial products.
- The demand for commodity seeds was 303.3 thousand tons, accounting for 42% of the total demand. According to the scheme on restructuring the cropping industry, the rate of using commodity seeds will have increased to 100% by 2026.
- Applying high technology to enhance the redistribution of the workforce with a reduction of the labor rate and an improvement of labor productivity in agricultural sector.
- Popularly using products with strong scientific and technology application, as well as adaptation to climate change.
- Taking advantage of resources to grow the market by merging small enterprises into big corporations.

STRATEGIC OBJECTIVES TO 2026

- To develop crop seed research, production and business, while also building and growing agricultural value chains for the processing industry and agribusiness; To fully use materials, technical facilities and resources in order to achieve the objective of sustaining an annual growth rate of 17% to 20% over the period.
- To comprehensively innovate and restructure the Group with the application of technology to operations and management in order to improve operational efficiency.
- To expand international cooperation to find strategic partners with financial potential, science and technology to achieve a breakthrough development and maintain the leading position in Vietnam's seed sector, positively contributing to the renovation of new domestic agricultural production in the direction of sustainable production and development.

Detailed objectives:**Corporate governance objectives:**

- ✓ To renew the business model in the direction of market unification by reducing the intermediate points, resulting in lowering expenses and reducing internal disputes; altering the approach to customers to drive demand.
- ✓ To renew the growth model with the main area of crop seeds developed by science and technology; to concentrated on increasing the proportion of vegetables and corn to improve profit margin and maintain the average growth rate of 20% per year.
- ✓ To improve the governance model with the IT application to operational activities with a focus on the core ERP system of financial management for administration optimal resource utilization.
- ✓ The shift in business model resulted in a change in organizational model and the establishment of a new corporate culture as a result of the IT application. Vinaseed strive to be the first company in the seed sector to apply technology and digitize data for cost-saving business administration and management.



CHAPTER

03

REPORTS OF THE BOARD OF MANAGEMENT IN 2021

Situation

operating results in 2021

Operations of subsidiaries





SITUATION



Agriculture grew by 3.18%, assisting the economy through a tough era while also contributing to national security and safety.

The 2.58 percent GDP growth rate is the lowest in ten years and 119,800 businesses have exited the market, up 17.8% from the previous year.

Agriculture grew by 3.18%, assisting the economy through a tough era while also contributing to national security and safety. The cultivation practices changed towards quality and efficiency improvement. Rice acreage declined slightly by 0.5% (38.3 thousand hectares) while the rice output reached 43.88 million tons, an increase of 1.1 million tons over the previous year.

Import-export turnover exceeded USD 668 billion, up 22.6%, leading Vietnam to the group of 20 countries with the largest trade scale in the world. In 2021, agricultural exports reached USD 48 billion, up 16% over the previous year. Rice exports totaled 6.24 million tons with a value of USD 3.29 billion, up 5.3% over the same period. The UK - Vietnam Free Trade Agreement (UKVFTA) has been put into effect for rice products since the beginning of 2021, giving Vietnam a quota of 13,358 tons per year, including 5,000 tons of fragrant rice with zero percent tax incentives.

Key impact factors to the Group's operations in 2021

The Company's operations are dispersed across the country, therefore the arrangement of production and consumption markets presents several difficulties, resulting in high costs and unsaleable production output due to lockdowns and social distancing measures

Rice land is increasingly being shifted to urban and industrial regions.

High input materials and transportation costs, and restricted goods movement, which drove selling prices up while export produce's prices fell sharply.

PERFORMANCE RESULTS IN 2021

2021 OPERATING RESULTS

2021 consolidated operating results

(Unit: VND million)

Indicator	Plan 2021	Result 2021	CK 2020	Result/Plan	Result/CK
Revenue	1,700,000	1,928,605	1,634,552	113.4%	118.0%
Gross profit		620,514	558,190		111.2%
Profit before tax	246,000	248,984	213,968	101.2%	116.3%
Profit after tax		225,631	194,815		115.8%
ROS (%)		11.7%	11.9%		98.0%
ROA (%)		11.7%	10.8%		108.3%
ROE (%)		17.3%	16.2%		106.7%
EBIT		263,343	225,550		116.8%
EBITDA		337,443	299,527		112.7%
EPS (VND/share)		12,481	9,854		126.7%

Operating results of the parent company (NSC) in 2021:

(Unit: VND million)

NSC	Plan 2021	Result 2021	CK 2020	Result/Plan	Result/CK
Revenue	934,000	1,020,969	867,265	109.4%	117.7%
Gross profit		345,128	305,600		112.9%
Profit before tax	160,000	188,566	148,872	117.9%	126.7%
Profit after tax	150,000	181,007	142,560	120.7%	127.0%
ROS (LN/DT)	16.1%	17.7%	16.4%	110.3%	107.8%
EBITDA	174,000	217,807	175,742	125.2%	123.9%

PERFORMANCE RESULTS IN 2021



Current ratios

Indicator	Unit	2021	2020
Cash ratio (Cash + Cash equivalents/Current liabilities)	Time	0.52	0.49
Current ratio (Current assets/Current liabilities)	Time	1.75	1.62
Quick ratio (Current assets - Inventory)/Current liabilities	Time	1.04	1.03
Quick ratio (Cash, Cash equivalents + Short-term investment securities)/ Current liabilities)	Time	0.53	0.50

Capital structure

(Unit: VND million)

Indicator	2021	2020	2021/2020
Payables	627,326	600,108	104.5%
Equity	1,304,632	1,201,443	108.6%
Total assets	1,931,959	1,801,551	107.2%
Debt to equity ratio (Total liabilities/Total Shareholder's equity)	48,1%	49.9%	96.4%
Leverage ratio (Total assets/ Total Shareholder's equity)	148,1%	149.9%	98.8%

Result of asset management

Indicator	Unit	2021	2020	2021/2020
Total assets	VND million	1,931,959	1,801,551	107.2%
Equity	VND million	1,304,632	1,201,443	108.6%
Inventory turnover ratio (Cost Of Goods Sold /Inventory)	Time	3,10	3.39	91.4%
Receivables turnover ratio (Net sales/Accounts receivables)	Time	6,46	5.91	109.3%
Asset turnover ratio (Net sales/Total assets)	Time	1,00	0.91	109.9%

RESULTS OF RESEARCH, APPLICATION AND TECHNOLOGY TRANSFER

Orientations of product research and development

Crop seeds:

Focusing on research and development of product lines that are adaptive to climate change and having outstanding yield and quality; Increasing the proportion of copyrighted products, approaching the global trend of safety and quality standards.

Produce:

Focusing on developing produce value chains from research, breeding - farming system, and production - post-harvest technology – trade; Focusing on branded and traceable products.

Technical materials and services:

Applying gene technology, cell technology and new materials to plant breeding, cultivation, biological products and post-harvest preservation technology, etc. to adapt to climate change and ensure food safety.



PERFORMANCE RESULTS IN 2021

In 2021, corporate income tax was exempted by VND 21.17 billion. The entire exemption amount was for the investment in R&D activities and research facilities via the Investment and Development Fund.



R&D achievements in 2021:

08 New seeds VRDC launched for business in 2022:

Rice seeds: Two seeds of Dai Thom 8 and Thien Uu 8 were improved upon successfully blight- and blast-resistant genes transfer, opening up opportunities to develop seeds in the summer-autumn growing season. Dai Thom 8 seed has been tested on a large scale in the Mekong Delta with a result of outstanding advantages and resistance to storms, blight and blast.

- Hybrid corn seeds: 2 seeds.
- Glutinous corn seed VRDC287: The corn is consistent, has the same shape as HN88, and is ideal for high-end seed markets. Kernels are large, white in colour, sweet, and softer than the HN88 seed.
- Sweet corn seed MIN9: Strong growth and high yield with a consistent, big and long shape, comparable to the Honney 10 seed in the United States. Kernels are large and of excellent quality.

Leguminous vegetable seeds: 04 seeds (drought-tolerant tomato VNS89, cucumber CUC300, CUC333, vegetable soybean DTR20). In particular, the infinite tomato seed VNS89 has a yield of 60-80 tons per hectare and good resistance to pests and diseases, especially resistance to downy mildew and yellow leaf curl virus. The tomato is oval-shaped, well ripened, 100-150g average weighted, good quality, well red skin, no stretch marks and meets the market requirements.

In 2021, corporate income tax was exempted by VND 21.17 billion. The entire exemption amount was for the investment in R&D activities and research facilities via the Investment and Development Fund.

INTERNATIONAL COLLABORATION IN 2021

SNV Cooperation Project on research and assessment of the rice market in the Mekong Delta:

The project cooperates with SNV and the Dutch Fund for Climate and Development (DFCD) to research on seeds adaptive to climate change in the Mekong Delta, with a total budget of EUR 410,000 until December 2022. The project implemented and completed the first milestone on schedule with a total budget of EUR 95,469.

A cooperation project with Nagoya Japan to test, produce and trade the Japonica rice variety suitable to conditions in Vietnam. The phase 1 came to the end (2018-2021), and the contract for the phase 2 has been signed. The cooperation scope in the phase 2 includes:

- + Producing and trading Japanese rice for domestic and export markets;
- + Testing new rice seeds with high yield and quality for production and consumption in the market.

CORPORATE GOVERNANCE:

according to the Annual General Meeting of Shareholders' Resolution No. 25/NQ-DHDCD2018 dated 19th April 2018, issued on 3rd October 2018.

- Restructuring the Group:
- **NSC:** Comprehensively restructured the organization



and personnel of branches and departments, especially the agribusiness branch. Maintained a seamless operation and minimized intermediate steps.

- **SSC:** Replenished and reinforced the management team to improve operational capabilities.
- **Vinarice:** Restructured the rice sector (with the establishment of the agribusiness branch) to ensure the unification of the Group's rice sector with the initially positive achievements.
- **HSC:** Executed the new salary plan to motivate employees to work (since the fourth quarter of 2021).
- **QSC:** Reorganized production workforce, controlled quality, reduced intermediate steps, and improved operational competency.
- **Hanam Hitech:** Restructured operational activities to maximize resource efficiency by focusing on selecting and producing valuable, efficient and seasonal products; developed the rice sector with the Ban Mai rice brand.
- In 2021, a significant shift in personnel led to an opportunity for the Company to restructure its workforce. The replacement staff is youthful, competent (with bachelor's and postgraduate degrees accounting for 71% of the workforce) and quickly adaptable, contributing to improving labor quality and productivity. Despite the impact of the Covid-19 pandemic in 2021, the Group has conducted 439 training sessions, mainly with the use of the online channel to connect between member companies.
- In 2021, the Group has promulgated 30 papers of regulations and procedures to prepare for a digitization of the working process in 2022

• In 2021, the Group has received a number of valuable certificates and awards, particularly including the First-class Labor Medal awarded by the President of Vietnam for excellent achievements over the past 5 years.

OPERATIONS OF SUBSIDIARIES

SOUTHERN SEED CORPORATION (SSC)

Business Registration Certificate No. 0302634683, first issued by Department of Planning and Investment of Ho Chi Minh city on 24th June 2002. 10th reissuance on 19th August 2019.

Address: 282 Le Van Sy Street, Ward 1, Tan Binh district, HCM city

Telephone: 028.38442414 **Fax:** 028.38442387

Vinaseed's ownership: 94.66% of voting shares.

SSC's operating results in 2021:

(Unit: VND million)

SSC	2021	2020	2021/2020
Revenue	310,442	450,502	68.9%
Profit before tax	56,011	50,937	110.0%
Profit after tax	54,446	40,080	135.8%
ROS (Net profit/Net sales)	14.3%	8.9%	161.3%
EPS	4,102	3,020	135.8%

CÔNG TY TNHH LÚA GẠO VIỆT NAM (VINARICE)

Business Registration Certificate No. 1402133347, first issued by Department of Planning and Investment of Dong Thap Province on 1st November 2019.

Address: Truong Xuan Industrial Cluster, Thap Muoi District, Dong Thap province.

Telephone: (0277) 651 8888 **Fax:** (0277) 651 6666

Vinaseed's ownership: 70% of the charter capital; SSC's ownership: 30% of the charter capital.

Vinarice's operating results in 2021:

(Unit: VND million)

VINARICE	2021	2020	2021/2020
Revenue	515,304	490,139	105.1%
Profit before tax	37,954	51,951	73.1%
Profit after tax	37,954	51,951	73.1%
EBITDA	73,511	68,161	107.8%

QUANG NAM NATIONAL SEED JOINT STOCK COMPANY (QSC)

Business Registration Certificate No. 3303070178, first issued by Department of Planning and Investment of Quang Nam Province on 17th February 2006. 4th reissuance on 20th March 2019.

Address: Km 943, National Highway 1A, Dien Thang Bac Commune, Dien Ban Town, Quang Nam Province.

Telephone: (0235) 3869455 / **Fax:** (0235) 3869253

Vinaseed's ownership: 90.02% of voting shares.

Tinh QSC's operating results in 2021:

(Unit: VND million)

QSC	2021	2020	2021/2020
Revenue	113,716	98,407	115.6%
Profit before tax	18,422	14,697	125.3%
Profit after tax	14,644	12,637	115.9%
EBITDA	19,545	15,593	125.3%

HA TAY SEED JOINT STOCK COMPANY (HSC)

Business Registration Certificate No. 0500437239 first issued by Department of Planning and Investment of Hanoi on 18th April 2003. 12th reissuance on 18th January 2017.

Address: No. 02 Ba La, Phu Lam ward, Ha Dong district, Hanoi.

Telephone: 024. 33530655 / **Fax:** 024. 33535421

Vinaseed's ownership: 53.80% of voting shares.

HSC's operating results in 2021:

(Unit: VND million)

HSC	2021	2020	2021/2020
Revenue	40,969	32,271	127.0%
Profit before tax	4,801	3,735	128.5%
Profit after tax	3,841	3,212	119.6%
EBITDA	5,770	4,675	123.4%

HA NAM HIGH TECH AGRICULTURAL DEVELOPMENT AND INVESTMENT JOINT STOCK COMPANY (HANAM HITECH)

Business Registration Certificate No. 0700778275 first issued by Department of Planning and Investment of Ha Nam Province on 4th October 2016. 3rd reissuance on 13th February 2020.

Address: Group 2, Nhan Khang ward, Ly Nhan district, Ha Nam province.

Telephone: (0226) 365 2888 / **Fax:** (0226) 365 2666

Vinaseed 's ownership: 94.0% of the charter capital. Hanam Hitech's operating results in 2021:

(Unit: VND million)

HANAM HITECH	2021	2020	2021/2020
Revenue	119,184	16,305	731.0%
Profit before tax	11,710	180	6,494.9%
Profit after tax	11,710	180	6,494.9%
EBITDA	21,585	7,779	277.5%



CHAPTER

04

REPORTS OF THE BOARD OF SUPERVISORS

Activities of the Board of Supervisors in 2021

Operating results in 2021

Finance and accounting

Coordination between BOS, BOD and BOM

Results of implementing regulations in departments

Summary and Petition





REPORTS OF THE BOARD OF SUPERVISORS

ACTIVITIES OF THE BOARD OF SUPERVISORS IN 2021

In 2021, the BOS organized meetings, inspected the Group's operational activities, supervised the compliance with regulations on management and administration of operational activities at the Group's head office, branches and subsidiaries, all in line with the Company's Charter.

Activities of the Board of Supervisors in 2021 include:

- Examined the rationality, legality, honesty and prudence in management and administration practices; checked the systematicity, consistency and appropriateness of accounting, statistical and financial reporting.
- Evaluated the completeness, validity and honesty in the Group's business reports, annual and 6-month financial statements, and the BOD's reports.
- Reviewed, examined and evaluated the efficacy and efficiency of internal control, risk management and early warning systems.
- Reviewed accounting records, other documents, and the Group's management and administration practices if necessary.

In 2021, the BOS did not receive any unusual inspection requests for the Company.

The BOS's meetings:

Member	Title	Attendance	Rate	Vote	Reason of absence
Nguyen Anh Tuan	Head of the BOS	2/2	100%	100%	-
Luong Ngoc Thai	Member	1/2	50%	100%	(*)
Do Tien Sy	Member	2/2	100%	100%	-

(*)Mr. Luong Ngoc Thai was elected as the Member of the BOS at the Annual GMoS on 27th April 2021, to replace Ms. Nguyen Thi Nga, who resigned due to personal reasons.

OPERATING RESULTS IN 2021:

In 2021, the Company achieved 113.4% of the revenue and 101.2% of the profit of the Annual GMoS's 2021 plans.

Indicator	Plan 2021	Result 2021	CK 2020	Result/Plan	Result/CK
Revenue	1,700,000	1,928,605	1,634,552	113.4%	118.0%
Profit before tax	246,000	248,984	213,968	101.2%	116.3%



REPORTS OF THE BOARD OF SUPERVISORS



FINANCE AND ACCOUNTING

Financial statements have been prepared in accordance with the current Vietnamese corporate accounting standards and pertinent legal regulations:

- The semi-annual financial statements and the 2021 financial statements were reviewed and audited by the independent auditor, Ernst & Young Vietnam Co., Ltd.
- 2021 financial statements honestly provided the key financial status as of 31st December 2021, operating results and cash flows, in line with the current Vietnamese corporate accounting regime and pertinent legal regulations. The published accounting numbers had no critical changes when comparing the quarterly unaudited numbers with those reviewed and audited by Ernst & Young Vietnam Co., Ltd..

The Company fully complied with regulations on information disclosure (The listed company met information disclosure standards on the Vietnamese stock market); audited and reviewed financial statements in accordance with the Law on Securities and other by-laws applicable to listed companies.

COORDINATION BETWEEN BOS, BOD AND BOM

The BOD's meetings were all attended by the BOS. The BOS provided analysis, assessment, and recommendations of responsibility to the Company. The BOS closely coordinated with the BOD and the BOM in completing its assignments (arranging personnel and favorable working conditions; providing documents, reports, and information fully and transparently).

The BOS commented on the BOD's and BOM's corporate governance in order to resolve problems that may arise. Solutions for the improvement of management efficiency and risk prevention proposed by the BOS were accepted by the BOM, contributing to innovative improvements in corporate governance.

The management practices, information disclosure and information sharing between the BOD, BOM and BOS were properly executed in accordance with the Charter and regulations of the State Securities Commission of Vietnam.

The BOD and BOM proactively made great efforts in directing and supervising investment and business activities, completely implemented internal governance, and properly executed the contents approved by the GMoS and the BOD to ensure efficiency and safety.

RESULTS OF IMPLEMENTING REGULATIONS IN DEPARTMENTS

The Company's subsidiaries, branches and offices strictly implemented and complied with the Company's regulations and procedures on production, processing, sales, transportation and other activities.

Inspection and control of the compliance with the Company's regulations was reinforced. A successful application of 4.0 technology in management improved supervisory efficiency and labor productivity.

SUMMARY AND PETITION

In 2021, the BOD and the BOM properly performed their assigned duties in accordance with the Law on Enterprises, Resolutions of the GMoS and the Company's regulations.

The BOD seriously considered the BOS's petitions in the previous periods and took steps to improve the operational process.

Yours sincerely!

PP. Board of Supervisors

Head of Board of
Supervisors



Nguyen Anh Tuan

CHAPTER

05

CORPORATE GOVERNANCE

Shares

Dividend payment

Charter capital increase

Shareholders information

Personnel change of the BOD, BOS and BOM

Activities of the General Meeting of Shareholders

Activities of the Board of Directors

Activities of the Board of Supervisors

Corporate governance training

Remunerations for the BOD, BOS and CEO





CORPORATE GOVERNANCE



SHARES

First trading day: 21st December 2006

Type of stock: Common stock

Stock symbol: NSC

Stock exchange:

- Listed on Ho Chi Minh City Stock Exchange – HOSE – on 21st December 2006
- Temporarily moved to Hanoi Stock Exchange on 6th April 2021 (according to the official Dispatch No. 713/UBCK-PTTT dated 3rd March 2021 to reduce the congestion for HOSE)
- Listed on HOSE from 1st September 2021 onwards

External auditor: Ernst & Young Vietnam Co., Ltd

Share price: VND10,000/share

Number of shares as at 31st December 2021:
17,586,988 shares

Number of shares outstanding as at 31st December 2021: 17,574,516 shares

Number of treasury shares as at 31st December 2021:
12,472 shares

DIVIDEND PAYMENT

Year	Share percentage	Form of dividend payment	
		By cash	Bằng cổ phiếu
2006	19%	19%	
2007	39%	19%	
2008	22%	15%	20%
2009	50%	18%	7%
2010	30%	30%	32%
2011	30%	30%	
2012	50%	30%	
2013	30%	30%	
2014	30%	30%	
2015	30%	30%	20%
2016	30%	30%	
2017	30%	15%	
2018	30%	30%	
2019	40%	40%	
2020	40%	40%	
2021 (DK)	70%	70%	

CHARTER CAPITAL INCREASE

Time	Charter capital after the increase	Increase (share)	Form of charter capital increase	
			Form	Legal document
2004	13.500.000.000	1.350.000	Equitization	Decision No. 5029/QĐ-BNN-TCCB dated 10th November 2003 of the Ministry of Agriculture and Rural Development
2006	22.120.100.000	862.010	Internal share issuance for existing shareholders, BOD, BOS, executives, employees and strategic investors	Minutes of the Annual GMoS dated 25th March 2006
2006	30.000.000.000	787.990	Share issuance for existing shareholders and employees	Minutes of the extraordinary GMoS dated 30th June 2006
2007	36.000.000.000	600.000	Issuance of common shares for existing shareholders, dividend payments by stocks and additional share issuance to for the capital raise	Resolution of the Annual GMoS dated 7th April 2007
2008	57.659.500.000	2.165.950	Share issuance for existing shareholders, employees and strategic investors	Resolution of the Annual GMoS dated 7th April 2007
2009	80.141.610.000	2.248.211	Issuance of bonus shares, dividend payment by stock to existing shareholders	Resolution of the Annual GMoS dated 14th March 2009
2010	81.341.610.000	120.000	Issuance of bonus shares under the ESOP 2009 program for employees	Resolution of the Annual GMoS dated 21st March 2010
2011	82.561.610.000	122.000	Issuance of bonus shares under the ESOP 2010 program for employees	Resolution of the Annual GMoS dated 20th March 2011
2012	100.298.380.000	1.773.677	Share issuance for dividend payment to existing shareholders, issuance of bonus shares under the ESOP 2011 program for employees	Resolution of the Annual GMoS dated 19th March 2012
2014	152.950.000.000	5.265.162	Share issuance for existing shareholders, issuance of bonus shares under the ESOP 2014 program for employees	Resolution of the Extraordinary GMoS on 21st December 2013
2018	175.869.880.000	2.291.988	Share issuance for dividend payment to existing shareholders	Resolution of the Annual GMoS dated 19th April 2018

CORPORATE GOVERNANCE



SHAREHOLDERS INFORMATION

Contact information

Department of Shareholder Relations - Vietnam National Seed Group Joint Stock Company

Address: No. 1 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi

Telephone: 0243.8523294 **Email:** nsc@vinaseed.com.vn

Website for investor relations:

<http://vinaseed.com.vn/vi/quan-he-nha-dau-tu/cong-bo-thong-tin.htm>

Website for General Meeting of Shareholders

<https://vinaseed.com.vn/en/investor-relation/annual-general-meeting/>

Shareholder structure as at 4th January 2022

Shareholders	Number of shareholders	Number of shares	% charter capital
Domestic	1.070	16.245.074	92,37%
- Institutional	38	14.682.984	83,49%
- Individual	1.032	1.562.090	8,88%
Foreign	129	1.341.914	7,63%
- Institutional	22	1.140.894	6,49%
- Individual	107	201.020	1,14%
Total	1.199	17.586.988	100,00%
- Institutional	60	15.823.878	89,97%
- Individual	1.139	1.763.110	10,03%

Ownership of major shareholders

Shareholder	Ownership	
	Number of shares	% charter capital
Pan Farm Joint Stock Company	14.078.70	80,05%

Ownership of the Board of Directors

Member	Title	Share ownership	
		Number of shares	Number of shares
Ms. Tran Kim Lien	Chairwoman	37.113	0,21%
Ms. Le Thi Le Hang	Vice Chairwoman	4.600	0,03%
Ms. Nguyen Thi Tra My	Member of the BOD	4.600	0,03%
Mr. Nguyen Quang Truong	CEO cum Member of the BOD	4.600	0,03%
Mr. Tran Dinh Long	Member of the BOD	27.618	0,16%
Mr. Nguyen Khanh Quynh	Member of the BOD until 31st December 2021	4.600	0,03%
Mr. Do Ba Vong	Member of the BOD until 10th May 2021	19.813	0,11%

Ownership of the Board of Supervisors

Member	Title	Share ownership	
		Number of shares	% charter capital
Mr. Nguyen Anh Tuan	Head of the BOS	0	0,00%
Mr. Do Tien Sy	Member of the BOS	31.903	0,18%
Mr. Luong Ngoc Thai	Member of the BOS as of 27th April 2021	0	0,00%
Ms. Nguyen Thi Nga	Member of the BOS as of 27th April 2021	0	0,00%

Ownership of the Board of Management and Chief Accountant

Member	Title	Share ownership	
		Number of share	% charter capital
Mr. Nguyen Quang Truong	CEO cum Member of the BOD	4.600	0,03%
Mr. Duong Quang Sau	Deputy Director	5.759	0,03%
Mr. Pham Trung Dung	Deputy Director	7.493	0,04%
Mr. Do Ba Vong	Deputy Director until 28th February 2022	19.813	0,11%
Mr. Nguyen Hai Tho	Deputy Director until 28th February 2022	59	0,00%
Mr. Phan The Ty	Chief Accountant	15.699	0,09%

CORPORATE GOVERNANCE

Share transactions by internal shareholders and their affiliated persons in 2021

Member	Title	Opening balance		Closing balance	
		Number of shares	% charter capital	Number of shares	% charter capital
Mr. Nguyen Hai Tho	Deputy Director until 28th February 2022	6.259	0,04%	59	0,00%

(Stock trading on 6th January 2021)

Transactions with stakeholders

In 2021, transactions with stakeholders were presented in the Notes to the audited 2021 financial statements and were published on the website: <https://www.vinaseed.com.vn/en/investor-relation/financial-reports/>.

PERSONNEL CHANGE OF THE BOD, BOS AND BOM

- The 2021 Annual GMoS approved the resignation of Ms. Nguyen Thi Nga - Member of the BOS and elected Mr. Luong Ngoc Thai as a replacement member of the BOS as of 27th April 2021 (Resolution No. 19/NQ-DHDCD on 27th April 2021).
- On 10th May 2021, Mr. Do Ba Vong submitted a letter of resignation as Member of the BOD for personal reasons.
- On 2nd December 2021, Mr. Nguyen Khanh Quynh submitted a letter of resignation as Member of the BOD for personal reasons as of 1st January 2022.
- On 1st March 2022, Mr. Do Ba Vong resigned as Deputy Director (Decision No. 06/QD-VINASEED dated 1st March 2022) for personal reasons.
- On 1st March 2022, Mr. Nguyen Hai Tho resigned as Deputy Director (Decision No. 05/QD-VINASEED dated 1st March 2022) for personal reasons.



ACTIVITIES OF THE GENERAL MEETING OF SHAREHOLDERS

According to the BOD's Resolution No. 06/NQ-VINASEED-HDQT dated 9th March 2021 on the organization of the Annual GMoS in 2021, the Annual GMoS was organized at the Company's Head office (Address: No. 01 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi) on 27th April 2021. The GMoS went off without a hitch and approved the Resolution with the following main contents:

Document	Date	Content
19/NQ-DHĐCĐ	27th April 2021	<div>✓</div> Approved the report on activities of the BOD and BOM in 2020, and the operational orientations in 2021.
		<div>✓</div> Approved the 2020 separate and consolidated financial statements audited by Ernst & Young Vietnam Co., Ltd..
		<div>✓</div> Approved the BOS's report to the Annual GMoS in 2021.
		<div>✓</div> Approved the plan on 2020 profit allocation.
		<div>✓</div> Approved the Report on payment of salaries and remuneration for the BOD and BOS in 2020 and the Plan for payment of salaries and remuneration for the BOD and BOS in 2021.
		<div>✓</div> Authorized the BOS to select the auditor for the 2021 financial statements.
		<div>✓</div> Approved the addition and amendment of the Charter to align with the provisions of Law on Enterprises 59/2020/QH14, Law on Securities 54/2019/QH14, Decree No. 155/2020/ND-CP, Circular No. 116/2020/TT-BTC and other documents.
		<div>✓</div> Approved the resignation letter of Ms. Nguyen Thi Nga as a Member of the BOS and also elected Mr. Luong Ngoc Thai as a Member of the BOS from 27th April 2021 onwards.

The 2021 Annual GMoS universally approved all 8 important voting topics. The 2020 dividend payment rate was authorized with a cash payout of 40%. The GMoS elected Mr. Luong Ngoc Thai as a Member of the BOS to replace Ms. Nguyen Thi Nga who resigned for personal reasons from 27th April 2021 onwards.



CORPORATE GOVERNANCE

ACTIVITIES OF THE BOARD OF DIRECTORS

Member information of the BOD in the 2017 – 2021 term

Member	Title	Appointment date/Resignation date as Member of the BOD/ Independent Member of the BOD	
		Appointment date	Resignation date
Ms. Tran Kim Lien	Chairwoman	19th March 2012	
Ms. Le Thi Le Hang	Vice Chairwoman	19th March 2012	
Ms. Nguyen Thi Tra My	Member	21st March 2013	
Mr. Tran Dinh Long	Member	19th March 2012	
Mr. Nguyen Quang Truong	CEO cum Member of the BOD	18th April 2017	
Mr. Nguyen Khanh Quynh	Member	24th April 2019	Submitted resignation letter on 1st January 2022
Mr. Do Ba Vong	Member	19th March 2012	Submitted resignation letter on 10th May 2021

Meetings of the BOD

Member	Attendance	Rate	Reason of absence
Ms. Tran Kim Lien	7/7	100%	-
Ms. Le Thi Le Hang	7/7	100%	-
Ms. Nguyen Thi Tra My	7/7	100%	-
Mr. Tran Dinh Long	7/7	100%	-
Mr. Nguyen Khanh Quynh	7/7	100%	-
Mr. Nguyen Quang Truong	7/7	100%	-
Mr. Do Ba Vong	4/7	57%	Submitted resignation letter on 10th May 2021

The BOD's direction and supervision over the BOM

Pursuant to the Charter and regulations on corporate governance, the BOD has inspected and supervised the BOD's investment and operational activities and the implementation of resolutions of the Annual GMoS and the BOD in 2021.

Supervisory methods:

Supervised and approved reports at the BOD's meetings (including online meetings and 4 direct ones in 2021); evaluated the implementation of the GMoS-approved 2021 plan and objectives, as well as the BOD's resolutions via email.

Subcommittees of administration, human resources and legal affairs; Subcommittee of Investment: Supervised financial issues, risk management, and compliance in investment and business plans.

Meetings with the participation of the Head of the BOS and the BOM resulted in oriented decisions for the BOM to deploy and promulgate 10 minutes, resolutions and decisions in regard to the BOD's major concerns.

Supervisory activities:

Directed and supervised the implementation of resolutions of the GMoS and the BOD.

Directed and supervised the capital mobilization for business activities.

Presided over and successfully organized the Annual GMoS at the Company's head office on 27th April 2021.

Stringently carried out 2021 quarterly, semi-annual and annual financial statements.

Supervised the information disclosure to ensure transparency and timeliness in accordance with the regulations of the State Securities Commission and the Stock Exchanges.

Supervised and supported the BOM's activities to improve the operational efficiency and ensure the compliance with the Law.

Supervisory results:

In the ways of direction, inspection and supervision, the BOD evaluates the BOM as follows:

- ✓ Regardless of the Covid pandemic's direct impacts, the Company has successfully completed the assigned duties.
- ✓ Fully complied with the Resolution of the GMoS, the BOD's directions, the Law, the Company's Charter and Regulations; perform the duties according to roles, authority and governance levels.
- ✓ Successfully organized the 2021 Annual General Meeting of Shareholders.
- ✓ Conducted the open and transparent corporate governance with several organizational, management, and control innovations; strictly adhered to information disclosure regulations; and provided comprehensive and accurate information to the BOD and BOS.
- ✓ Maintain effective financial management to ensure a healthy capital balance for both investment and business purposes. Financial statements were complete, accurate and timely.
- ✓ In 2021, the Company achieved the following certificates of merit and awards:



CORPORATE GOVERNANCE



First-class Labor Medal awarded by the President of Vietnam



TOP10 Vietnam's famous brands 2021



The emulation flag of the Hanoi People's Committee in 2021



TOP 50 listed companies with the best competitiveness 2021



Certificate of Merit from the Ministry of Agriculture and Rural Development for the 2017 – 2021 period.



TOP100 Vietnam Gold Star Award 2021



Enterprise with corporate cultural standards awarded by the Hanoi People's Committee in 2021



TOP145 excellent enterprises with effective operations and governance in Vietnam during the 2010 – 2020 decade.



The emulation flag of the Ministry of Science and Technology for an enterprise with excellent achievements in applying science and technology to production and daily life in 2021.



TOP 500 Vietnamese largest private enterprises in 2021



Outstanding member of the Dong Da district in 2021.



TOP 500 Vietnamese profitable enterprises 2021



Certificate of Merit from Vietnam General Confederation of Labor in 2021



Listed company with the information disclosure standards on the Vietnam Stock Market in 2021



Vietnam Golden Book of Innovation 2021 awarded by the Vietnamese Fatherland Front



Vietnam Agricultural Gold Brand 2021

The BOD's resolutions and decisions in 2021

Document	Date	Nội dung
99/BC-VINASEED	22nd January 2021	Báo cáo Quản trị công ty niên yết năm 2020.
01/BC-VINASEED-HĐQT	26th January 2021	Báo cáo hoạt động SXKD, Đầu tư XDCB năm 2020 và định hướng hoạt động năm 2021 của Hội đồng quản trị.
06/NQ-VINASEED-HĐQT	9th March 2021	Thông qua Thời gian, Địa điểm và Chương trình Đại hội đồng cổ đông thường niên 2021.
09/NQ-VINASEED-HĐQT	12th March 2021	Thực hiện Công văn số 713/UBCK-PTTT ngày 03/03/2021 của UBCK NN về việc tạm thời chuyển sàn giao dịch niêm yết để giảm tải cho hệ thống giao dịch của SGDC TP.HCM, HĐQT đã thông qua cho Công ty tạm thời chuyển giao dịch cổ phiếu niêm yết từ Sở GDCK TP.HCM sang SGDC Hà Nội.
CBTT	19th March 2021	Công bố thông tin Đơn từ nhiệm thành viên BKS của bà Nguyễn Thị Nga kể từ ngày ĐHĐCĐ TN (27/04/2021).
568/TB-SGDHCM	19th March 2021	Thông báo của Sở GDCK TP HCM về việc chuyển giao dịch cổ phiếu, ngày giao dịch cuối cùng tại sàn GDCK TP.HCM: 29/03/2021.
1115/TB-VSD	22nd March 2021	Thông báo của TTLK Chứng khoán VN về việc chuyển dữ liệu đăng ký, lưu ký chứng khoán NSC từ HOSE sang HNX kể từ ngày 01/04/2021.
973/TB-SGDHN	23rd March 2021	Thông báo của Sở GDCK Hà Nội về ngày giao dịch đầu tiên tại Sở GDCK HN: 06/04/2021.
08/NQ-VINASEED-HĐQT	25th March 2021	Thông qua việc Bổ sung nội dung chương trình Đại hội bầu bổ sung thành viên BKS thay thế bà Nguyễn Thị Nga có đơn từ nhiệm.
268/TB-VINASEED	2nd April 2021	Thông báo Tổ chức họp ĐHĐCĐ TN năm 2021.
CBTT	6th April 2021	Công bố Tài liệu họp ĐHĐCĐ TN 2021.
15/NQ-VINASEED-HĐQT	15th April 2021	Thông qua báo cáo Hoạt động SXKD Quý I/2021, Kế hoạch Quý II/2021. Bổ sung Nội dung sửa đổi Điều lệ vào Chương trình ĐHĐCĐTN 2021.
BCTN	18th April 2021	Báo cáo thường niên năm 2020.
CBTT	28th April 2021	CBTT về việc ĐHĐCĐTN đã thông qua đơn từ nhiệm TV BKS của Bà Nguyễn Thị Nga từ ngày 27/04/2021. Đại hội đã bầu cử Ông Lương Ngọc Thái chức danh Thành viên BKS kể từ ngày 27/04/2021, CBTT danh sách người có liên quan.
CBTT	10th May 2021	CBTT Đơn từ nhiệm thành viên HĐQT của ông Đỗ Bá Vọng.
27/NQ-VINASEED-HĐQT	8th June 2021	Thông qua việc chi trả cổ tức đợt 1 năm 2020 cho cổ đông hiện hữu bằng tiền.
852/CBTT-VINASEED	9th July 2021	CBTT Ký hợp đồng kiểm toán với Công ty TNHH Ernst & Young Việt Nam CN Hà Nội để thực hiện soát xét BCTC giữa niên độ và kiểm toán BCTC năm 2021.
908/BC-VINASEED	28th July 2021	Báo cáo quản trị công ty niên yết 6TĐN 2021.
26/NQ-VINASEED-HĐQT	19th August 2021	Thông qua việc chuyển giao dịch từ Sở GDCK Hà Nội về Sở GDCK TP.HCM kể từ ngày 27/08/2021 (thực hiện theo nội dung Văn bản số 1360/SGDHN-QLNY).
36/NQ-VINASEED-HĐQT	18th October 2021	Thông qua Báo cáo 9 TĐN 2021. Thông qua Tờ trình Kế hoạch kinh doanh hợp nhất năm 2021.
CBTT	7th December 2021	CBTT Đơn từ nhiệm thành viên HĐQT của ông Nguyễn Khánh Quỳnh.
38/NQ-VINASEED-HĐQT	16th December 2021	Thông qua việc chi trả cổ tức đợt 2 năm 2020 cho cổ đông hiện hữu bằng tiền.

CORPORATE GOVERNANCE

Activities of the BOD's subcommittees

a/ Subcommittee of Administration, Human resources and legal affairs

Person in charge:

Ms. Nguyen Thi Tra My – Head of Subcommittee

Ms. Le Thi Le Hang - Member

Duties:

- Advise on legal affairs of investment; supervise risk management, sustainable development, Charter and governance regulations; support the organization of the Company's Annual GMoS.
- Participate in the personnel restructuring plan; establish and supervise the development of senior personnel in the Company.
- Develop the remuneration policy for members of the BOD and BOS; develop the remuneration, salary and benefit policies in general.
- Engage in the development of sustainable development policies and risk management systems.

Activities:

- Engage in and support the organization of the 2020 Annual GMoS.
- Consult on legal affairs of investment, information disclosure and risk management.
- Provide senior personnel consultation and advice on the Vinarice's charter capital raising strategy.

b/ Subcommittee of Science and Technology

Person in charge:

Prof. Dr. Tran Dinh Long - Head of Subcommittee

Mr. Do Ba Vong - Member

Duties:

- Develop a science and technology research strategy; direct and supervise the implementation of the strategy.
- Consult on investments and management of

technical facilities and workforce for research and development activities; consult and determine the value of scientific research copyright in transferring and employing professionals.

- Support information on domestically and internationally agricultural science and technology progress; consult on the Company's research orientations.
- Search and introduce partners to serve the Company's R&D practices.
- Participate in the appraisal and evaluation of scientific and technical research results

Activities:

- Consult on recruitment, provide workforce trainings for R&D and determine the value of product copyright.
- Support domestically and internationally agricultural science and technology information.
- Participate in planning research activities in the 2022 – 2026 term in VRDC; attend scientific councils to evaluate VRDC's research results.
- Participate in the research project on rice breeding adaptable to climate change (VINASEED – SNV).

c/ Subcommittee of Investment

Person in charge:

Ms. Le Thi Le Hang - Head of Subcommittee

Ms. Nguyen Thi Tra My - Member

Mr. Nguyen Quang Truong - Member

Duties:

- Develop and supervise the implementation of the Company's development strategy.
- Direct, support and supervise the implementation of M&A investment activities and capital construction investments.

Activities:

- Monitor and support investment activities.

CORPORATE GOVERNANCE TRAINING

In 2021, the Company organized internal trainings; disseminated new regulations on corporate governance, regulations on internal audit and internal audit experience at listed companies and organizations; disseminated pertinent legal regulations to departments in the Company; and fully participated in other training programs organized by the State Securities Commission of Vietnam and Ho Chi Minh City Stock Exchange.

Currently, the Company has 02 certificates of management on the listed company:

Certificate	Content
Mr. Nguyen Quang Truong	CEO cum Member of the BOD
Mr. Pham Trung Dung	Deputy Director cum Secretary of the BOD

REMUNERATIONS FOR THE BOD, BOS AND CEO

Remunerations for the BOD in 2021:

Name	Title	The GMoS's plan	Paid
Tran Kim Lien	Chairwoman	188.672.866	0
Le Thi Le Hang	Vice Chairwoman	188.672.866	141.505.000
Nguyen Thi Tra My	Member	188.672.866	141.505.000
Nguyen Quang Truong	Member	188.672.866	141.505.000
Tran Dinh Long	Member	188.672.866	141.505.000
Nguyen Khanh Quynh	Member until 1st January 2022	188.672.866	141.505.000
Do Ba Vong	Member until 10th May 2021	67.962.804	67.962.000
Total		1.200.000.000	775.488.000

Remunerations for the BOS in 2021:

Name	Title	The GMoS's plan	Paid
Nguyen Anh Tuan	Head of the BOS	83.333.333	62.500.000
Do Tien Sy	Member	83.333.333	62.500.000
Luong Ngoc Thai	Member as of 27th April 2021	56.481.482	35.648.000
Nguyen Thi Nga	Member until 27th April 2021	26.851.852	26.852.000
Total		250.000.000	187.500.000

Remuneration for CEO in 2021:

Pursuant to Resolution No. 41/NQ-VINASEED-HĐQT dated 5th August 2020, the BOD approved the salary of CEO. Net salary: VND 100,000,000 – VND 120,000,000 per month.

CHAPTER

06

SUSTAINABLE DEVELOPMENT

Message of the CEO on sustainable development

Key methods for a sustainable development

Community commitment

Business ethics

Vinaseed's cultural values

Occupational health and safety policy

Special cares for female employees

Labor data sheet

Environmental activities

Social and community activities





MESSAGE OF THE CEO ON SUSTAINABLE DEVELOPMENT

“VINASEED’S SUSTAINABLE DEVELOPMENT STRATEGY COMBINES 3 OBJECTIVES: ECONOMIC GROWTH, SOCIALLY RESPONSIBLE BUSINESS AND SUSTAINABLE AGRICULTURAL DEVELOPMENT FOR ENVIRONMENTAL PROTECTION..”



Vinaseed's sustainable development strategy combines 3 objectives: economic growth, socially responsible business and sustainable agricultural development for environmental protection. Vinaseed consistently implements the orientation from the BOD to the BOM, as well as each employee:

Economic objectives: To maximize profits and shareholders' values by constantly improving product quality and services to satisfy customer needs, and effectively managing operating costs.

• **Social objectives:**

- To develop high-yield and high-quality product lines; to execute green production procedures with traceability and health-safety assurance.
- To establish value chains in agricultural production; to assist enterprises, cooperatives, and smallholders to participate in the formation of large-scale concentrated agricultural production regions that provide farmers with stable incomes.
- To increase employees' financial, spiritual, and professional well-being; to develop an equal working environment; and to inspire creativity.
- To organize social activities to promote love and compassion in the community, so that each Vinaseed employee goes above and beyond, lives responsibly and care for others.
- To contribute to social development for the achievement of the United Nations' Sustainable Development Goals.

• **Objectives of sustainable agricultural development and environmental protection:**

- Vinaseed strives to develop green product lines that can be resistant to pests and diseases, as well as able to grow under unfavorable farming conditions and climates. Vinaseed executed

sustainable production procedures that save land and water resources while minimizing impacts on the environment.

- As a member of the PAN Group, Vinaseed aims to apply a circular economy model to maximize resource efficiency while minimizing impacts on the environment. is committed to advancing modern technologies, saving energy and materials, and recycling waste and by-products from production and processing to reusable resources.
- To utilize new and renewable energy resources such as solar power; to design eco-friendly factories and offices; and to utilize recyclable packaging materials.

Given the PAN Group's direction of "Responsible business and sustainable development" together with own efforts, Vinaseed believes that the strategic direction of sustainable development at Vinaseed delivers great values for people, society and the environment, contributing to the general development of the economy and providing a solid foundation for the Company's future development.

CEO

Nguyen Quang Truong



KEY METHODS FOR A SUSTAINABLE DEVELOPMENT



STANDARDS

All branches, departments and projects under the Vinaseed's supervision must follow the General Operational Regulations, Code of Conduct, and Health, Safety, Security and Environment Standards.

PROCEDURES

Vinaseed examines every aspect of environmental social factors before making any investment decision as well as planning for new projects. Sustainability development is a determinant factor once considering internal rewards for staffs.

GOVERNANCE

The topic of sustainable development is addressed from the BOD to the BOM, branches, associated factories and departments. Vinaseed considers sustainable development as a responsibility that requires the involvement of all Vinaseed members, not only the BOD. Vinaseed has established the Committee of Sustainable Development and Risk Mitigation and promulgated the Company's policies of sustainable development.



Employees

Vinaseed highly appreciates the human factor and regards it as the leading factor in the Company's success. According to Vinaseed's human resources policy, "employees can only wholeheartedly devote to the company when they are respected and offered a favorable environment to work and develop their abilities and their income is guaranteed". Therefore, Vinaseed always strives to create a convenient and safe working environment, opportunities for training and promotion, competitive and fair wages, good welfare regimes for employees such as the ESOP program, Health care insurance, life insurance, assistance policies to support employees' families in difficult circumstances, and especially create conditions for female employees to be trained, promoted and spend time taking care of their families. The Vinaseed's most significant success during the renovation time has been the development of a high-quality, enthusiastic and responsible workforce that become the core value and foundation that distinguishes Vinaseed. Vinaseed's commitments to employees include:

- Provide comfortable and safe working environment for all employees in the Company.
- Fully provide the salary, remuneration, social insurance, health insurance and other welfare programs for employees. The salary and remuneration payout is on the basis of performance results.
- Provide equal training and promotion opportunities for all employees. The company ensure a work environment free of sexism, discrimination of religion, family status, age and looks and do not utilize such discrimination in assessing work effectiveness nor allow employees to remark on such matters in the workspace.



Government

Vinaseed is committed to complying with the law, operating effectively, openly and transparently, as well as fulfilling the State budget's obligations.



Society

Vinaseed voluntarily exercises social contributions to the community and society with full compassion and responsibility:

- Every year the Company is committed to supporting the community with social welfare and heavily investing the time, efforts and resources in this matter upon the management's and employees' concerns.
- Not only through materialistic contribution, but also with training and vocational activities, and free technology transfers for the people: The Company is committed to providing free vocational trainings for production zones, and establishing seed production villages, creating stable employment and income for the farmers.
- The Company does not use products and services from suppliers employing child labor.

ENVIRONMENT PROTECTION



Vinaseed is aware that environmental protection is to ensure the sustainable development of the corporate

Vinaseed is aware that environmental protection is to ensure the sustainable development of the corporate. The responsibility is demonstrated by:

- Creating a green and clean working environment; protecting the residential environment around the Company.
- Developing green product lines and products that are resistant to pests and diseases, as well as growable in unfavorable farming conditions and climates.
- Organizing a production linkage according to the rice value chain; organizing the technology transfer of crop seeds; applying and standardizing sustainable farming practices: 3 reduction, 3 increase, integrated pest management (IPM); applying VietGap certified safe production process and Farm Record management for traceability; using smart fertilizers that are slow to decompose and new biological pesticides, contributing to reducing the greenhouse effect, pesticide residues and nitrate in products; implementing mechanization and reducing losses in rice production to save labor hours and improve labor productivity and income for farmers .
- Energy saving: Considering the factors that make the most of natural light and ventilation in the design of working houses and factories; changing the packaging (use more reusable packaging); using clean energy; saving energy in drying and processing; investing in modern machinery and equipment; saving fuel and using clean raw materials.

BUSINESS ETHICS

Vinaseed sets the code of conduct for the Company, suppliers and contractors that is consistent with the Company's mission. The following content is provided:

BE HONEST IN TRADING PARTNERSHIPS

Vinaseed is committed to engaging with all potential suppliers fairly. Supplier selection is made on the basis of objective assessment factors such as price, quality, delivery schedule, reputation, experience of suppliers as well as the ability to adapt to fluctuations and risks that may arise during the contract performance.

Vinaseed employees are absolutely prohibited from accepting any sort of commission or bribe from suppliers.

Suppliers must provide complete, accurate and timely information about the quality and progress of products and services they provide. It is strictly forbidden to provide misleading information resulting in poor supplier selection judgments.

PROTECT AND RESPECT EMPLOYEES

Vinaseed asked suppliers to ensure the protection and respect for employees.

ENSURE SAFE AND CONVENIENT WORKING ENVIRONMENT

Suppliers must comply with legal regulations on the environment and working conditions of employees.

Comprehensive measures are implemented to protect employees' health and safety from damage and occupational risks, both in the short and long term. The occupational health and safety standards that Vinaseed sets for suppliers are as follows:

- + Employees must be provided with adequate personal protective gears and training courses in occupational safety and fire prevention for jobs that are frequently exposed to hazardous, explosive,

or flammable working environments or prone to occupational accidents.

- + A specific department is required to closely inspect risks. Chemical agents must be assessed and controlled. Equipment must be periodically maintained and replaced on a timely basis to ensure optimal employees' safety.

- + Suppliers are encouraged to implement voluntary insurance, conduct periodic health checks for employees to early detect occupational diseases, and rotate staff for regular working positions exposing to a hazardous working environment.

- + Develop an emergency response plan with a goal of minimizing human loss and environmental harm.

ENSURE SALARY AND BENEFITS FOR EMPLOYEES

The salary and welfare policies for employees must be fully and promptly implemented. Vinaseed will terminate the collaboration partnership if the supplier owes the employee's salary for an extended period of time.

COMPLY WITH THE LAW

Suppliers must respect and rigorously adhere to Vietnamese laws and regulations, as well as refrain from engaging in political, social, or other activities that are prohibited by Vietnamese laws.

ASSURE QUALITY OF COMMODITIES AND SERVICES

Strictly execute agreements with clients and be responsible for the products and services provided.

VINASEED'S CULTURAL VALUES



Vinaseed has constantly cultivated and built its own cultural values over the years

Vinaseed has constantly cultivated and built its own cultural values over the years, from regulations on attire, communication, public relations, behaviors, commitments to fulfill responsibilities to the state, society, shareholders and employees to ensure sustainable development and standardize into the Vinaseed's Code of Conduct. Vinaseed cultural value standards are stated as follows:

- **Conformity:** Every member of the Company must conform to laws and Company's regulations voluntarily and consider them mandatory standard for every member of VINASEED.
- **Protection of the Company's reputation and benefit:** Members of the Company must not have behavior or speech that compromises the reputation of the Company. Every member of the Company must work for the good of the Company in general, not for personal benefit nor fractional benefit of department.
- **Sense of responsibility and cooperation:** Members of the Company must value personal sense of responsibility and cooperation in work.
- **Attention, sharing and encouragement of creativity:** Members of the Company must respect and listen to others' contribution and suggestion, constantly propose creative solutions and implement new ideas and approaches.
- **Respect personal privacy:** Vinaseed respects the privacy of every member and forbids any discussion regarding the private life that may compromise colleagues' reputation.



OCCUPATIONAL HEALTH AND SAFETY POLICY



Vinaseed considers employees' occupational health and safety a foremost priority

Vinaseed's most valuable asset is workforce. Vinaseed considers employees' occupational health and safety a foremost priority. The Company's policy is in line with the requirements of occupational health and safety according to the Standards of the International Labor Organization (ILO). The Company is strongly committed to occupational health and safety policies for employees as follows:

- The Company complies with labor laws and regulations regarding occupational health and safety. Actively prevent and control any risk to occupational health and safety.
- Labor safety is the responsibility of all members in the Company, regulations regarding occupational health and safety are mandatory for every employee.
- The Company is committed to creating a safe and comfortable working environment for employees. Vinaseed pays attention to the adequate equipment of necessary safety gear, creation of safe production plan, regular maintenance and replacement of production machinery to ensure stable operation and prevent risks to the employees' safety.
- Trainings for all employees on the occupational safety, and operations of machinery, equipment and means of transport are organized; Awareness of occupational health and safety is raised.
- The Company regularly inspects and reviews unsafe factors, promptly modifies regulations accordingly, sets up activities to ensure maximum safety for each employee. No employee has to work in the unsafe working conditions.



SPECIAL CARES FOR FEMALE EMPLOYEES

- Ensure equitable salary, remuneration and welfare policies.
- Training opportunities, professional development, promotion opportunities.
- Pay attention to working conditions, income, life and family of the Company's female employees.
- Organize a gender equality conference and celebratory activities such as Vietnamese Women's Day on 20th October, Vietnam Family Day on 28th June, Vinaseed day, etc.
- The recruitment process will prioritize positions suitable for women. As a result, the percentage of women for these occupations is relatively high, including testing; accounting, administration (67%), research (48%) (check page 68).
- Fully implement the maternity policy and secure employment following maternity leave.
- Support young female employees with learning and networking opportunities.



LABOR DATA SHEET

(GRI STANDARD)

Content	Detail	Numbers and description
GRI400		
GRI401 - EMPLOYMENT		
Total number of employees		695
Male/Female	Male	492
	Female	203
Age	Under 25	41
	25 - 35	261
	35-45	243
	Above 45	150
Number of overtime hours/year of official employees		116
Number of new recruits		73
Number of resignees		98 (retired personnel: 8)
Non-salary benefits (reimbursed by the Company)	<ul style="list-style-type: none"> • Life insurance program • Healthcare insurance program • Periodic medical examination • Annual training program; the Company encourages employees to study for their qualification leverage with the receipt of full salary and consideration for the salary raise upon trainings. Total number of training sessions in 2021: 439 sessions. • Labor protection of VND 5 million per pax per year is provided annually according to position and job requirements. • Holiday regimes: Lunar New Year, New Year, Hung Kings' Anniversary, 1st May, 30th April, National Day, 27th July, 22nd December, Children's Day, Mid-Autumn Festival, birthday, 8th March, 20th October. • Meal allowances • Sick care. • Wedding and funeral care. • Support for employees' families in predicaments: VND 5 - VND 10 million per case • Employees in extremely challenging circumstances will be reimbursed for the whole tuition charge for their children until they complete high school. • The Company will provide assistance based on the circumstances for employees with serious sickness and difficult family conditions. • Retirement benefits: according to the Law on Labor. 	

LABOR DATA SHEET

(GRI STANDARD)

Content	Detail	Numbers and description
GRI404 – TRAINING AND EDUCATION		
Qualifications	Integration training	71%
Training courses	Skill training Specialization training Advanced training	37
Training sessions		439 sessions
Training time	Course x course period	1,097 days
GRI405 – DIVERSITY AND EQUAL OPPORTUNITY		
Employee complaints		Not available
Community complaints		Not available
Income of the lowest level in 2021		VND 7,800,000/month
Average income		VND 14,800,000d/month
Gender equality	<ul style="list-style-type: none"> • Ensure an equal salary, remuneration and welfare policies. • Training opportunities, professional development, promotion opportunities. • Pay attention to working conditions, income, life and family of the Company's female employees. • Organize celebratory activities such as Vietnamese Women's Day on 20th October, Vietnam Family Day on 28th June, Vinaseed day, etc. • The recruitment process will prioritize positions suitable for women. As a result, the percentage of women for these occupations is relatively high, including testing; accounting, administration (68%), research (58%) (Check number again, not match with the previous mention in page 67). • Support young female employees with learning and networking opportunities. • Comply with the law to the female employees. 	
Number of smallholders associated with the production chain to supply raw materials (flowers, vegetable seeds, rice seeds, food rice, other agricultural products)	To carry out operational activities, the Company cooperates with over 75,000 smallholders and 230 cooperatives around the country, pledging to acquire quality products at prices at least 30% higher than current market prices.	

Content	Detail	Numbers and description
Plantation area of associated farmers		26.000 ha
Number of violations related to human/labor/safety/social issues;		0
Total fines		0
Non-monetary penalties		0
GRI406 – NON-DISCRIMINATION		
Respect for diversity and privacy	Respect diversity and equality for all employees. Consider none of the following variables in the assessment of employees: race, religion, gender, age, appearance, and family situation. Comments about other individuals' private lives are not permitted in the Company.	
GRI407 – FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
Associations, unions, collectives	Party Committee, Trade Union, Youth Union, Women's Union, Retirement Association, Football Club, Badminton Club	
GRI408 – CHILD LABOR		
Number of child worker		Not available
Operations and suppliers with a significant risk of child labor	No cases of child labor abuse in the Company and suppliers. The Company requires suppliers to sign an agreement of labor usage, environmental protection and business ethics.	
GRI409 – FORCED OR COMPULSORY LABOR		
Operations and suppliers with a significant risk of forced or compulsory labor incidents		Not available
Achievements and certificates of merit for the Company in human/labor/safety/social rights in 2021	<ul style="list-style-type: none"> • First-class Labor Medal awarded by the President of Vietnam for Vinaseed's outstanding contributions to the country's socio-economic development (Decision No. 2167/QD-CTN dated 26th November 2021). • Certificate of Merit from the Chairman of the Hanoi People's Committee for enterprises with outstanding achievements in the emulation movement of the business sector (Decision No. 3092/QD-UBND dated 7th July 2021). • Certificate of Merit from the Minister of Agriculture and Rural Development for the 2017 – 2021 period (Decision No. 19/QD-BNN-TCCB dated 6th January 2022). 	

LABOR DATA SHEET

(GRI STANDARD)

Content	Detail	Numbers and description
Achievements and certificates of merit for the Company in human/labor/safety/social rights in 2021	<ul style="list-style-type: none"> • Outstanding member of the Dong Da district in 2021. • Certificate of Merit from Vietnam General Confederation of Labor in 2021. • The emulation flag of the Ministry of Science and Technology and VUSTA for an enterprise with excellent achievements in applying award-winning projects to production and daily life (2020-2021). • TOP 50 listed companies with the best competitiveness 2021 selected by Business Forum Magazine (under VCCI), the Institute of Business Studies and Development (INBUS), Vietnam Federation of Accountants and Auditors (VAA), Vietnam Association Corporate Directors (VACD). • One of 145 excellent enterprises during the 2010 – 2020 decade published in the publication “Highlights of the 2010 – 2020 decade” by the Nhip Cau Dau Tu magazine to excellent enterprises with effective operations and governance in Vietnam. • TOP 500 largest private enterprises (VNR500), TOP 500 profitable enterprises 2021 selected by Vietnam Report and Vietnamnet in the annual business assessment. • TOP10 Vietnam’s famous brands 2021 and Vietnam Golden Entrepreneur 2021 selected by Vietnam Consumer Protection Center (under VUSTA) and the Institute of Culture and Economy (Decision No. 58-21/QD-SIDECM dated 17th December 2021). • Vietnam Golden Book of Innovation 2021 (Hanoi has 2 selected projects) awarded by the Vietnamese Fatherland Front, the Ministry of Science and Technology and Vietnam Union of Science and Technology Associations. • Vietnam Agricultural Gold Brand 2021 awarded by General Council of Agriculture and Rural development Vietnam dated 9th January 2022. • Certificate of Merit from the Vietnam General Confederation of Labor in 2021. • The Company was listed on the Vietnam Stock Exchange satisfying the standards of information disclosure in 2021. 	

ENVIRONMENTAL ACTIVITIES



Vinaseed concentrates on environmental responsibility in all of its activities, which is demonstrated in the preservation of the environment at workplace and the living environment of the surrounding community via stringent management standards in production, maximum savings of clean fuels and material recycling in the preservation, processing and packaging.

In the field of research, selection and breeding of novel crop seeds: Vinaseed has made efforts and succeeded in directing the development to green product lines that are resistant to pests and diseases and growable in unfavorable farming conditions and climates.

Farming practices: Sustainable organic production processes together with integrated farming processes, and SRI water-saving irrigation (3 decreases, 3 increases) would minimize environmental impacts in production and generate clean product lines for customers' health safety. To ensure sustainable

agricultural growth, environmental protection and public health, high-tech agriculture projects (Ha Nam, Khoai Chau, Ba Vi) have been deployed in the direction of clean and organic agriculture, without the use of chemical fertilizers and pesticides.

The Company's product standards are as follows:

- Crop seeds: QCVN/2011/BNN
- Rice products: Food Safety Management Certificate FSSC22000 No. IND.20.3880/FS/U/1, according to TCVN 5603:2008 CAC/RCP1-1969 Rev.4-2003 (HACCP) standards.
- Cantaloupe products: Global Gap certification No. 1805/QDCN-IQC-GG.
-
-

SOCIAL AND COMMUNITY ACTIVITIES



The Company's development strategy concentrates on the value chain (from research, selection and breeding through production and sales), high quality crop seeds produced utilizing technology to increase seed value and the development of high-tech technical services for seeds. The Company's value chain production has provided vocational training and occupation for thousands of farmers participating in the Company's seed production in Thanh Hoa, Quang Nam, Central Highlands, Nghe An, etc. There has been new vocational training in seed production as well as instructions on how to coordinate agribusiness operations for farmers in preparation for the establishment of agricultural villages. The value chain production has also contributed to crop restructuring, hunger eradication and poverty alleviation (instead of giving final products to the poor, the Company provides tools and guidance, which resolves causes of poverty comprehensively).

With a seed production area of over 20,000 hectares per year, the Company annually creates occupation for over 100,000 agricultural workers across the

country, generating 1.5 times more income for farmers through seed production than through food production, contributing to a crop restructuring and the development of new rural areas.

Vinaseed's Compassionate Heart Fund contributed from employees' voluntary efforts in the Company conducted social and charity activities with all the heart and responsibility. The Fund's operating cash flow is VND 10 billion.

Highlights of voluntary activities in 2021:

- **The 2021 New Year's Eve program:** collaborating with the People's Committees of Dong Da district and Phuong Mai Ward, and the District Office of Labor, Invalids and Social Affairs to present 120 gifts worth VND 2 million each to Vietnamese heroine mothers, families of martyrs, wounded soldiers, and to assist disadvantaged families in Dong Da District.
- Donations to countermeasures against the Covid-19 pandemic in 2021:



Content	Total (VND)
Donation to 2021 Covid-19 Vaccine Fund in Vietnam.	200.000.000
Donation to Labor Confederation in Dong Da District, Hanoi – Assistance program for workers affected by the Covid pandemic in 2021.	100.000.000
Donation to the Health Center in Phuong Mai Ward to fight against the pandemic.	10.000.000
Donation to Covid-19 Vaccine Fund in Ha Nam province.	30.000.000
Donation to countermeasures against the pandemic at People's Committees of Lang Giang district, Viet Yen district, Luc Nam district - Bac Giang province.	55.000.000
Donation to farmers for countermeasures against the Covid-19 pandemic.	100.000.000
Donation to Thap Muoi district and Dong Thap district for countermeasures against the Covid-19 pandemic.	112.000.000
Donation to the People's Committee in Dong Hung district, Thai Binh province for countermeasures against the Covid-19 pandemic.	10.000.000
Assistance to 6 children experiencing difficulties in life as a result of the pandemic in Thanh Chuong district - Nghe An province. Each child receives VND 6,000,000.	36.000.000
Assistance to 50 students experiencing difficulties as a result of the pandemic in Thap Muoi district - Dong Thap province. Each child receives VND 5,000,000.	250.000.000
TOTAL	903.000.000

SOCIAL AND COMMUNITY ACTIVITIES

Live a life of giving is a life that will last forever, living for others to find the enjoyment around us. The Vinaseed's humanitarian works help to extend love in the community, so that each Vinaseed member goes above and beyond, lives responsibly for the country and care for everyone.

Data table on society in 2021:

No.	Information	Performance
GRI 400		
GRI 411: RIGHTS OF INDIGENOUS PEOPLES		
	Violations of indigenous rights	Not available
	Number of meetings with the neighboring community	<p>Meetings with the industrial park's Board of Management to deploy investment activities: 3.</p> <p>Meetings with the People's Committees of district, ward (commune), village (neighborhood): 8.</p> <p>Direct meetings with the neighboring community: 1</p>
GRI 413: LOCAL COMMUNITIES		
	Names of charity and community programs	<p>The 2021 New Year's Eve program: collaborating with the People's Committees of Dong Da district and Phuong Mai Ward, and the District Office of Labor, Invalids and Social Affairs to present 120 gifts worth VND 2 million each to Vietnamese heroine mothers, families of martyrs, wounded soldiers, and to assist disadvantaged families in Dong Da District.</p> <p>Donation to countermeasures against the Covid-19 pandemic in 2021: VND 903 million.</p>
GRI 416: CUSTOMER HEALTH AND SAFETY		
	Assessment of health and safety impacts of products or services	The Company's rice and produce are produced according to FSSC22000, HACCP, Global Gap, organic standards using machinery and equipment from Japan, Germany and Denmark. Products fulfil export criteria for Japan and the European Union.
	Non-compliance cases	Not available
GRI 417: MARKETING AND LABELING		
	Violations of information and trademarks of products and services	Not available

No.	Information	Performance
	Violations of marketing communications	Not available
	Voluntary standards/certifications	<ul style="list-style-type: none"> • Global Gap certification for cantaloupe products • Rice production under Food Safety Management Certificate FSSC22000 No. IND.20.3880/FS/U/1, according to TCVN 5603:2008 CAC/RCP1-1969 Rev.4-2003 (HACCP) standards. • Assessed and conformed to the requirements of ISO/IEC 17025:2005; field: Birth/ code VILAS 571.
GRI 418: CUSTOMER PRIVACY		
	Complaints about violation of the right to privacy of customer information and customer data loss.	Not available
GRI 419: SOCIOECONOMIC COMPLIANCE		
	Violations of economic and social aspects	Not available



CHAPTER

07

FINANCIAL REPORT

General information

Report of management

Independent auditors' report

Consolidated balance sheet

Consolidated income statement

Consolidated cash flow statement

Notes to the consolidated financial statements



GENERAL INFORMATION

THE COMPANY

Vietnam National Seed Group Joint Stock Company (“the Company”) is a shareholding company and was transformed from National Seed Company No.1 in pursuant to Decision No. 5029/QĐ/BNN-TCCB dated 10 November 2003 of the Ministry of Agriculture and Rural Development and the Enterprise Registration Certificate No. 0103003628 issued by Hanoi Department of Planning and Investment dated 6 February 2004. The Company also obtained subsequent amended Enterprise Registration Certificates, with the latest being the 14th amendment issued by Hanoi Department of Planning and Investment on 18 May 2021.

The principal activities of the Company during the year are cultivation, trading, direct importing and exporting of seeds and materials for planting; processing, packing and preserving of seeds and materials for planting.

The Company’s head office is located at No. 1 Luong Dinh Cua street, Phuong Mai ward, Dong Da district, Hanoi, Vietnam and has the following dependent units:

Dependent units	Address
Vietnam National Seed Group Joint Stock Company - Chi nhánh Thanh Hóa	Yen Dinh district, Thanh Hoa province
Vietnam National Seed Group Joint Stock Company - Thai Binh Branch	Dong Hung district, Thai Binh province
Vietnam National Seed Group Joint Stock Company - Central Branch	Vinh City, Nghe An province
Vietnam National Seed Group Joint Stock Company - Tay Nguyen Branch	Buon Me Thuot city, Dak Lak province
Vietnam National Seed Group Joint Stock Company - Ha Nam Branch	Duy Tien district, Ha Nam province
Vietnam National Seed Group Joint Stock Company - Branch for Trading of Agricultural products	Dong Van I Industrial Park, Dong Van town, Duy Tien district, Ha Nam province
Vietnam National Seed Group Joint Stock Company - Ba Vi Branch	Ba Vi district, Hanoi
Center for research, application and technology transfer of Vietnam National Seed in Khoai Chau	Khoai Chau district, Hung Yen province
Center for research, application and technology transfer of Vietnam National Seed	Ba Vi district, Hanoi
Branch of Vietnam National Seed Group - Research and Development Center	Cu Chi district, Ho Chi Minh City
Vietnam National Seed Group Joint Stock Company - Thuong Tin Factory	Thuong Tin district, Hanoi

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:



Ms Tran Kim Lien
Chairwoman



Ms Nguyen Thi Tra my
Member



Ms Le Thi Le Hang
Deputy Chairwoman



Mr Nguyen Quang Trung
Member



Mr Tran Dinh Long
Member



Mr Nguyen Khanh Quynh
Member
Resigned on 1 January 2022



Mr Do Ba Vong
Member
Resigned on 10 May 2021

GENERAL INFORMATION

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:



Mr Nguyen Anh Tuan

Head of Board of
Supervision



Mr Do Tien Sy

Member



Mr Luong Ngoc Thai

Member

Appointed on 27 April 2021



Ms Nguyen Thi Nga

Member

*Resigned on 27 April
2021*

MANAGEMENT

Members of the Management during the year and at the date of this report are:



Mr Tran Dinh Long
General Director



Mr Nguyen Quang Tho
Deputy General Director
Resigned on 1 March 2022



Mr Do Ba Vong
Deputy General Director
Resigned on 1 March 2022



Mr Pham Trung Dung
Deputy General Director



Mr Duong Quang Sau
Deputy General Director

GENERAL INFORMATION

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Ms Tran Kim Lien, Chairwoman.

Mr Nguyen Quang Truong is authorised by Ms Tran Kim Lien to sign the accompanying consolidated financial statements for the year ended 31 December 2021 in accordance with the Letter of Authorisation No.88/UQ-VINASEED dated 10 January 2021.

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

Management of Vietnam National Seed Group Joint Stock Company ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and its subsidiaries and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company and its subsidiaries will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and its subsidiaries and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2021 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of management

A red circular stamp of Công ty Cổ phần Giống cây trồng Việt Nam (Vietnam Seed Company) is visible. The stamp contains the text "M.S.D.N: 0101449271 - CÔNG TY CỔ PHẦN GIỐNG CÂY TRỒNG VIỆT NAM" and "Q. ĐÔNG ĐA - TP. HÀ NỘI". A blue ink signature is written over the stamp.

Nguyen Quang Truong

General Director

Hanoi, Vietnam

28 March 2022

INDEPENDENT AUDITORS' REPORT

Reference: 61201380/22576303-HN

To: The Shareholders of Vietnam National Seed Group Joint Stock Company

We have audited the accompanying consolidated financial statements of Vietnam National Seed Group Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Company and its subsidiaries") as prepared on 28 March 2022 and set out on pages 6 to 48, which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as the Company's management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on 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 auditors' 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 auditors consider internal control relevant to preparation and fair presentation of the consolidated financial statements of the Company and its subsidiaries 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 internal control of the Company and its subsidiaries. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's 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 consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited



Trinh Xuan Hoa

Deputy General Director

Audit Practising Registration

Certificate No. 0754-2018-004-1

Hanoi, Vietnam

28 March 2022

Le Hong Van

Auditor

Audit Practising Registration

Certificate No. 4432-2018-004-1

CONSOLIDATED BALANCE SHEET

B01-DN/HN

31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,043,929,670,002	866,660,178,922
110	I. Cash and cash equivalents	4	311,756,939,756	262,078,958,511
111	1. Cash		185,756,517,839	181,231,809,816
112	2. Cash equivalents		126,000,421,917	80,847,148,695
120	II. Short-term investments		4,900,000,000	5,800,000,000
123	1. Held-to-maturity investments	5	4,900,000,000	5,800,000,000
130	III. Current accounts receivable		298,255,569,880	276,656,206,110
131	1. Short-term trade receivables	6.1	257,796,086,787	239,664,328,277
132	2. Short-term advances to suppliers	6.2	29,603,348,859	28,840,522,119
136	3. Other short-term receivables	7	13,172,172,681	10,438,487,517
137	4. Provision for doubtful short-term receivables	6.1, 7	(2,346,822,581)	(2,287,131,803)
139	5. Shortage of assets waiting for resolution		30,784,134	-
140	IV. Inventories	9	422,417,051,535	317,305,635,073
141	1. Inventories		438,933,705,744	327,355,176,889
149	2. Provision for obsolete inventories		(16,516,654,209)	(10,049,541,816)
150	V. Other current assets		6,600,108,831	4,819,379,228
151	1. Short-term prepaid expenses	10	4,662,272,765	4,810,609,976
152	2. Value-added tax deductible		78,533,719	4,192,768
153	3. Tax and other receivables from the State	17	1,859,302,347	4,576,484

B02-DN/HN

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		888,028,909,599	934,891,641,575
210	I. Long-term receivables		-	5,768,510,000
216	1. Other long-term receivables	7	-	5,768,510,000
220	II. Fixed assets		735,346,286,010	775,071,444,860
221	1.Tangible fixed assets	11	520,079,274,953	556,121,556,999
222	Cost		839,212,104,813	829,170,072,990
223	Accumulated depreciation		(319,132,829,860)	(273,048,515,991)
227	2. Intangible fixed assets	12	215,267,011,057	218,949,887,861
228	Cost		251,886,385,393	250,912,385,393
229	Accumulated amortisation		(36,619,374,336)	(31,962,497,532)
240	III. Long-term assets in progress		14,665,287,758	2,390,569,609
242	1. 1. Construction in progress	13	14,665,287,758	2,390,569,609
250	IV. Long-term investments	14	26,061,735,380	26,061,735,380
253	1. Investment in other entities		26,061,735,380	26,061,735,380
260	V. Other long-term assets		111,955,600,451	125,599,381,726
261	1. Long-term prepaid expenses	10	28,401,639,398	19,522,071,192
262	2. Deferred tax assets	29.3	6,812,179,378	5,906,564,441
268	3.Other long-term assets		786,116,229	786,116,229
269	4.Goodwill	15	75,955,665,446	99,384,629,864
270	TOTAL ASSETS		1,931,958,579,601	1,801,551,820,497

CONSOLIDATED BALANCE SHEET

B01-DN/HN

31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		627,326,065,368	600,108,588,251
310	I. Current liabilities		595,378,037,979	534,533,569,944
311	1. Short-term trade payables	16.1	97,028,896,191	88,936,507,795
312	2. Short-term advances from customers	16.2	22,831,444,008	58,825,224,669
313	3. Statutory obligations	17	9,619,847,895	8,169,485,601
314	4. Payables to employees		44,780,564,418	47,796,454,069
315	5. Short-term accrued expenses	18	18,160,270,163	12,086,090,154
318	6. Short-term unearned revenues		-	15,863,000
319	7. Short-term other payables	19	164,789,982,615	142,041,964,897
320	8. Short-term loan and borrowings	20	200,667,360,600	147,668,649,224
322	9. Bonus and welfare funds		37,499,672,089	28,993,330,535
330	II. Non-current liabilities		31,948,027,389	65,575,018,307
337	1. Other long-term liabilities		162,709,000	198,384,000
338	2. Long-term loans and borrowings	20	-	33,203,641,953
341	3. Deferred tax liabilities	29.3	31,785,318,389	32,172,992,354

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
400	D. OWNERS' EQUITY		1,304,632,514,233	1,201,443,232,246
410	I. Capital	21	1,304,632,514,233	1,201,443,232,246
411	1. Contributed charter capital		175,869,880,000	175,869,880,000
411a	- Shares with voting rights		175,869,880,000	175,869,880,000
412	2. Share premium		331,245,527,850	331,245,527,850
415	3. Treasury shares		(50,000,000)	(50,000,000)
418	4. Investment and development fund		466,830,996,208	427,620,050,949
421	5. Undistributed earnings		247,793,187,690	188,686,201,576
421a	• Undistributed earnings by the end of prior years		32,181,091,389	3,502,277,817
421b	• Undistributed earnings of current year		215,612,096,301	185,183,923,759
429	6. Non-controlling interests		82,942,922,485	78,071,571,871
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,931,958,579,601	1,801,551,820,497



Preparer
Nguyen Thi Nhu Quynh



Chief Accountant
Phan The Ty



General Director
Nguyen Quang Truong

Hanoi, Vietnam

28 March 2022

CONSOLIDATED INCOME STATEMENT

B02-DN/HN

For the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	23.1	2,082,592,650,797	1,790,764,093,542
02	2. Deductions	23.1	153,986,766,530	156,212,141,576
10	3. Net revenue from sale of goods and rendering of services [10 = 01 – 02]	23.1	1,928,605,884,267	1,634,551,951,966
11	4. Cost of goods sold and services rendered	24	1,308,091,470,708	1,076,362,301,284
20	5. Gross profit from sale of goods and rendering of services [20 = 10 – 11]		620,514,413,559	558,189,650,682
21	6. Finance income	23.2	5,281,082,876	5,905,695,631
22	7. Finance expenses	25	31,423,207,880	18,785,277,924
23	In which: Interest expenses		14,360,801,633	11,582,168,036
25	8. Selling expenses	26	169,517,826,087	154,594,657,313
26	9. General and administrative expenses	26	177,242,074,061	176,218,069,780
30	10. Operating profit [30 = 20 + 21 - 22 + 24 - 25 - 26]		247,612,388,407	214,497,341,296
31	11. Other income	27	3,401,359,294	2,692,414,248
32	12. Other expenses ^c	27	2,029,862,066	3,221,829,630
40	13. Other profit/(loss) [40 = 31 - 32]		1,371,497,228	(529,415,382)
50	14. Accounting profit before tax [50 = 30 + 40]		248,983,885,635	213,967,925,914
51	15. Current corporate income tax expense	29.1	24,646,380,118	21,736,599,700

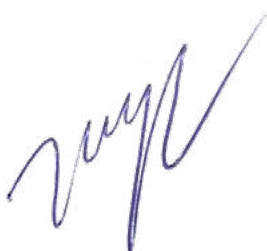
CONSOLIDATED INCOME STATEMENT

B02-DN/HN

For the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
52	16. Deferred tax income	29.3	(1,293,288,902)	(2,584,133,224)
60	17. Net profit after tax [60 = 50 - 51 - 52]		225,630,794,419	194,815,459,438
61	18. Net profit after tax attributable to shareholders of the parent		219,342,351,360	190,204,235,245
62	19. Net profit after tax attributable to non-controlling interests	21.1	6,288,443,059	4,611,224,193
70	20. Basic earnings per share	31	12,481	9,854
71	21. Diluted earnings per share	31	12,481	9,854



Preparer
Nguyen Thi Nhu Quynh



Chief Accountant
Phan The Ty



General Director
Nguyen Quang Trung

Hanoi, Vietnam

28 March 2022

CONSOLIDATED CASH FLOW STATEMENT

B03-DN/HN

For the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Profit before tax		248,983,885,635	213,967,925,914
	Adjustments for:			
02	Depreciation of fixed assets and amortisation of intangible fixed assets (including amortization of goodwill)		74,100,499,565	73,976,784,464
03	Provisions/(reversal of provision)		13,124,701,673	(2,609,972,945)
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(5,210,759)	(3,732,036)
05	Profits from investing activities		(4,478,118,937)	(5,500,688,225)
06	Interest expenses	25	14,360,801,633	11,582,168,036
08	Operating profit before changes in working capital		(5,210,759)	(3,732,036)
09	Increase in receivables		(4,478,118,937)	(5,500,688,225)
10	Increase in inventories		14,360,801,633	11,582,168,036
11	Increase in payables		17,275,229,391	30,172,633,802
12	Increase in prepaid expenses		(7,480,777,881)	(10,210,530,413)
13	Decrease in held-for-trading securities		-	636,162,000
14	Interest paid		(14,358,857,540)	(11,790,278,585)
15	Corporate income tax paid	17	(25,441,858,030)	(23,542,354,582)
17	Other cash outflows for operating activities		(42,469,816,395)	(53,985,671,357)
20	Net cash flows from operating activities		133,349,274,309	173,733,626,192
II.CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase and construction of fixed assets		(26,304,155,272)	(102,503,179,044)
22	Proceeds from disposals of fixed assets		-	1,126,665,453
23	Payments for purchase of debt instruments of other entities		(6,400,000,000)	(5,200,000,000)

B03-DN/HN

Currency: VND

Code	ITEMS	Notes	Current year	Prior year
24	Proceeds from sale of debt instruments of other entities		7,300,000,000	3,400,000,000
25	Payments for investments in other entities		(1,250,453,112)	(5,288,251,204)
27	Interest and dividends received		3,004,014,503	5,117,996,705
30	Net cash flows used in investing activities		(23,650,593,881)	(103,346,768,090)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
33	Drawdown of borrowings		689,844,158,463	430,595,752,602
34	Repayment of borrowings		(670,078,329,280)	(491,516,855,806)
36	Dividends, profit paid to owners and non-controlling shareholders		(79,791,739,125)	(55,177,698,800)
40	Net cash flows used in financing activities		(60,025,909,942)	(116,098,802,004)
50	Net increase/(decrease) in cash for the year		49,672,770,486	(45,711,943,902)
60	Cash and cash equivalents at the beginning of the year		262,078,958,511	307,787,170,377
61	Impact of exchange rate fluctuation		5,210,759	3,732,036
70	Cash and cash equivalents at the end of the year	4	311,756,939,756	262,078,958,511



Preparer
Nguyen Thi Nhu Quynh



Chief Accountant
Phan The Ty



General Director
Nguyen Quang truong

Hanoi, Vietnam

28 March 2022

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2021 and or the year then ended

B09-DN/HN

CORPORATE INFORMATION

Vietnam National Seed Group Joint Stock Company (“the Company”) is a shareholding company and was transformed from National Seed Company No.1 in pursuant to Decision No. 5029/QĐ/BNN-TCCB dated 10 November 2003 of the Ministry of Agriculture and Rural Development and the Enterprise Registration Certificate No. 0103003628 issued by Hanoi Department of Planning and Investment dated 6 February 2004. The Company also obtained subsequent amended Enterprise Registration Certificates, with the latest being the 14th amendment issued by Hanoi Department of Planning and Investment on 18 May 2021.

The principal activities of the Company during the year are cultivation, trading, direct importing and exporting of seeds and materials for planting; processing, packing and preserving of seeds and materials for planting.

The Company’s normal course of business cycle is under 12 months.

The Company’s head office is located at No. 1 Luong Dinh Cua street, Phuong Mai ward, Dong



Da district, Hanoi, Vietnam and has the following dependent units:

Dependent units	Address
Vietnam National Seed Group Joint Stock Company - Thanh Hoa Branch	Yen Dinh district, Thanh Hoa province
Vietnam National Seed Group Joint Stock Company - Thai Binh Branch	Dong Hung district, Thai Binh province
Vietnam National Seed Group Joint Stock Company - Central Branch	Vinh City, Nghe An province
Vietnam National Seed Group Joint Stock Company - Tay Nguyen Branch	Buon Me Thuot city, Dak Lak province
Vietnam National Seed Group Joint Stock Company - Ha Nam Branch	Duy Tien district, Ha Nam province
Vietnam National Seed Group Joint Stock Company - Branch for Trading of Agricultural products	Dong Van I Industrial Park, Dong Van town, Duy Tien district, Ha Nam province
Vietnam National Seed Group Joint Stock Company - Ba Vi Branch	Ba Vi district, Hanoi
Center for research, application and technology transfer of Vietnam National Seed in Khoai Chau	Khoai Chau district, Hung Yen province
Center for research, application and technology transfer of Vietnam National Seed	Ba Vi district, Hanoi
Branch of Vietnam National Seed Group - Research and Development Center	Cu Chi district, Ho Chi Minh City
Vietnam National Seed Group Joint Stock Company - Thuong Tin Factory	Thuong Tin district, Hanoi

The number of the Company's employees as at 31 December 2021: 686 (31 December 2020: 718).

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2021 and or the year then ended

B09-DN/HN

CORPORATE INFORMATION

As at 31 December 2021 and 31 December 2020, the Company has six subsidiaries. Detail information of subsidiaries and the Company's ownership interest and voting rights in these subsidiaries are as follows:

No.	Subsidiary	Ownership (%)	
		Ending balance	Beginning balance
1	Ha Tay Seed Joint Stock Company	53.80%	53.80%
2	Quang Nam National Seed Joint Stock Company	90.02%	90.02%
3	Southern Seed Joint Stock Company	96.41%	96.41%
4	Southern Seed Engineering Joint Stock Company (*)	80.73%	80.73%
5	Ha Nam Hi-Tech Agriculture Development and Investment Joint Stock Company	94.00%	94.00%
6	Vietnam Rice Company Limited (**)	98.92%	98.92%

(*) The Company indirectly controls this subsidiary through another subsidiary namely Southern Seed Joint Stock Company. As at 31 December 2021, Southern Seed Engineering Joint Stock Company has ceased its operations and is in the process of completing liquidity procedures in accordance with prevailing regulations.(**)
As at 31 December 2021, the Company holds 70% directly and 30% indirectly equity interest in this subsidiary through Southern Seed Joint Stock Company.

Voting right (%)		Head office	Principal activities
Ending balance	Beginning balance		
53.80%	53,80%	Phu Lam ward, Ha Dong district, Hanoi	Producing and trading in plant varieties and provision of logistics services.
90.02%	90,02%	Dien Thang Bac commune, Dien Ban town, Quang Nam province	Provision of cultivation services, wholesale of agricultural and forestry products, raw materials and live animals, agro-forestry products processing, trading materials for agriculture.
96.41%	96,41%	Tan Binh district, Ho Chi Minh city	Researching, producing, trading, importing and exporting varieties of plants.
83.74%	83,74%	Tan Binh district, Ho Chi Minh city	Manufacturing of agricultural and forestry machines; food and beverage processing machines; repairing, maintenance and installation of machinery and equipment.
94.00%	94,00%	Ly Nhan district, Ha Nam province	Producing and trading all kinds of high-quality pickled vegetables and fruits for domestic consumption and export; researching, application, training and transferring of hi-tech agricultural techniques.
100.00%	100,00%	Truong Xuan commune, Thap Muoi town, Dong Thap province	Producing and trading in plant varieties.

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2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Company and its subsidiaries expressed in Vietnam dong (“VND”), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam’s accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The applied accounting documentation system of the Company and its subsidiaries is the computer based system.

2.3 Fiscal year

The Company’s fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company’s accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2021.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control

ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

When the Company withdraws part of its ownership in the subsidiary and after the divestment, the Company loses control and the subsidiary becomes a joint venture or associate of the Company, the investment in a joint venture company is presented using the equity method. The results of the divestment are recorded in the consolidated income statement.

When the Company withdraws part of its ownership in the subsidiary, after the divestment, the Company loses control and the subsidiary becomes a normal investment of the Company, the investment is presented at cost. The results of the divestment are recorded in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Change in accounting policies and disclosures

The accounting policies adopted by the Company and its subsidiaries in preparation of the consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2020.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of no more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make

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the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, consumables, and tools and supplies	cost of inventory issued on a weighted average basis.
Finished goods and work-in-progress	cost of raw materials and direct labor cost plus related production overhead allocated according to the weighted average method.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business or for long-term lease qualified for recognition of outright sales, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and less estimated costs to complete and the estimated costs necessary to make the sale.

The cost of inventory property recognised in the consolidated income statement on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the appropriate basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold in the consolidated income statement.

3.4 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement.

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the tangible fixed assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

3.6 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Company and its subsidiaries are the lessees

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company and its subsidiaries will obtain ownership by the end of the lease term.

Where the Company and its subsidiaries are the lessors

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

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3.7 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the intangible assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

Land use rights

Land use rights include long-term land use rights which Land use right certificates being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

Copy rights

Copy rights of maize and rice species are recorded at the purchase price for those which have not been researched and developed by the Company and its subsidiaries. Copy rights is allocated on a straight-line basis over a shorter period of time between the estimated useful life of the asset and the effective period of copy rights.

3.8 Depreciation and amortisation

Khấu hao tài sản cố định hữu hình và hao mòn tài sản cố định vô hình được trích theo phương pháp khấu hao đường thẳng trong suốt thời gian hữu dụng ước tính của các tài sản như sau:

Buildings and structures	5 - 48 years
Machinery and equipment	5 - 15 years
Office equipment	3 - 7 years
Means of transportation	3 - 15 years
Computer software	2 - 6 years
Copy rights, patent	2 - 20 years
Definite land use rights	10 - 49 years
Other assets	5 - 25 years

Infinite land use rights are not depreciated.

3.9 Borrowing costs

Borrowing costs consist of interest and other costs that the Company and its subsidiaries incur in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.10 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Costs for land clearance and infrastructure construction in Ha Nam

Expenses for land clearance and infrastructure construction works in the expanded Dong Van 1 Industrial Park, Duy Tien town, Ha Nam province are offset against the land rental fee of the Company during the land lease period until 27 May 2064.

3.11 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination. .

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Company and its subsidiaries' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10-year period on a straight-line basis. The Company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

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3.12 Investments

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of trading securities and capital investments

Provision for diminution in value of investments is made when it is probable that there will be an impairment in the value of these investments at the balance sheet date.

An increase or decrease in the provision balance is recognized as a financial expense in the consolidated income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated financial statements and deducted against the value of such investments.

3.13 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company and its subsidiaries.

3.14 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation is revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.15 Foreign currency transactions

Transactions in currencies other than the Company and its subsidiaries' reporting currency of [VND] are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;

- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.
- At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:
- Monetary assets are translated at buying exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly;
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly..

All foreign exchange differences incurred are taken to the consolidated income statement.

3.16 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain/(loss) is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.17 Phân chia lợi nhuận

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company and its subsidiaries' Charter and Vietnam's regulatory requirements.

The Company and its subsidiaries maintain the following reserve funds which are appropriated from the net profit of the Company and its subsidiaries as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

Investment and development fund

This fund is set aside for use in the Company and its subsidiaries' expansion of its operation or of in-depth investment.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and its subsidiaries and the revenue can be reliably measured. Revenue

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is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue is recognised when service is performed and completed.

Dividends

Income is recognised when the Company and its subsidiaries's entitlement as an investor to receive the dividend is established.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

3.19 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

- Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

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- either the same taxable entity; or
- when the Company and its subsidiaries intend either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.20 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.21 Related parties

Parties are considered to be related parties of the Company and its subsidiaries if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and its subsidiaries and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

3.22 Segment information

The Company and its subsidiaries' principal activities are cultivation, trading, direct importing and exporting seeds and materials for planting, processing, packing and preserving of seeds and materials for planting. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company and its subsidiaries' risks and returns are not impacted by the Company and its subsidiaries' products that the Company and its subsidiaries are manufacturing or the locations where the Company and its subsidiaries are operating. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

4. CASH AND CASH EQUIVALENTS

Currency: VND

	Ending balance	Beginning balance
Cash on hand	3,904,310,473	7,481,134,008
Cash in banks	181,852,207,366	173,750,675,808
Cash equivalents (*)	126,000,421,917	80,847,148,695
TOTAL	311,756,939,756	262,078,958,511

(*) Cash equivalents as at 31 December 2021 include VND bank deposits with terms of no more than 3 months and earn interests ranging from 3% to 3.9% per annum (31 December 2020: 3.4% to 4% per annum).

5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments as at 31 December 2021 include VND bank deposits, with terms from 6 months to 1 year at Vietnam Joint Stock Commercial Bank for Industry and Trade, and earn interests ranging from 3.4% to 6.8% per annum (31 December 2020: 5.1% to 6.7% per annum).

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND

	Ending balance	Beginning balance
Department of Cultivation - Ministry of Agriculture and Rural Development	61,525,000,000	48,866,034,519
Hanoi Branch – Wincommerce General Trading Service Joint Stock Company	17,792,906,971	10,436,127,519
Trade receivables from other customers	178,409,309,816	180,196,659,039
Trade receivables from related party (Note 30)	68,870,000	165,507,200
TOTAL	257,796,086,787	239,664,328,277
Provision for doubtful trade receivables	(2,125,818,186)	(2,066,127,408)

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6.2 Short-term advances to suppliers

Currency: VND

	Ending balance	Beginning balance
Advances to constructors and trade suppliers	1,738,182,090	1,043,174,590
Advances to other constructors	1,738,182,090	1,043,174,590
Advances to other suppliers	27,865,166,769	27,797,347,529
Advances to other suppliers	-	1,209,000,000
Thanh Tri Agricultural Cooperative	352,675,000	2,314,369,500
Advances to other suppliers	27,512,491,769	24,273,978,029
TOTAL	29,603,348,859	28,840,522,119

7. OTHER RECEIVABLES

Currency: VND

	Ending balance	Beginning balance
Short-term		
Advances to employees	3,541,212,915	5,677,064,610
preservation from the Department of Cultivation	2,457,724,302	-
Receivables from processing services	2,279,148,791	-
Receivables from services provided	1,582,931,990	-
Deposits	60,037,070	228,192,936
Compensation for ground clearance	-	2,114,960,000
Receivables from sponsored projects	-	894,708,000
Others	3,251,117,613	1,523,561,971
TOTAL	13,172,172,681	10,438,487,517
Provision for doubtful other receivables	(221,004,395)	(221,004,395)
Long-term		
Capital contribution for investment cooperation	-	5,768,510,000
TOTAL	-	5,768,510,000

8. BAD DEBTS

Currency: VND

Debtors	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Dong Cuu Cooperative of Agricultural services	836,220,000	-	836,220,000	-
Tai Loc Agricultural Trade and Service Company Limited	736,969,000	-	736,969,000	-
Dak Nong Trade and Service Company	605,937,458	-	605,937,458	-
Others	167,696,123	-	108,005,345	-
TOTAL	2,346,822,581	-	2,287,131,803	-

9. INVENTORIES

Currency: VND

Debtors	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Finished goods	376,805,988,652	(16,452,293,232)	273,297,886,119	(9,984,026,437)
Merchandise	10,474,892,656	-	13,795,714,051	-
Raw materials	45,768,902,047	(64,360,977)	33,089,563,725	(65,515,379)
Work in process	4,471,113,275	-	5,245,544,996	-
Tools and supplies	1,412,809,114	-	1,126,467,998	-
Real estate's property	-	-	800,000,000	-
TOTAL	438,933,705,744	(16,516,654,209)	327,355,176,889	(10,049,541,816)

Inventories being used for production and trading at a warehouse in Truong Xuan commune, Thap Muoi district, Dong Thap province belong to Vietnam Rice Co., Ltd, are used as collateral for short-term loans at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thang Long Branch and Joint Stock Commercial Bank for Foreign Trade of Vietnam - Dong Thap Branch as presented in Note 20.1.

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Detail of movements of provision for obsolete inventories:

Currency: VND

	Current year	Previous year
Beginning balance	10,049,541,816	11,103,854,295
Provision made during the year (*)	16,174,738,611	9,707,626,218
Utilisation and reversal of provision during the year	(9,707,626,218)	(10,761,938,697)
Ending balance	16,516,654,209	10,049,541,816

(*) During the year, the Company and its subsidiaries made additional provision for obsolete inventories for certain types of corn and rice seeds that did not meet the quality standards.



10. PREPAID EXPENSES

Currency: VND

	Ending balance	Beginning balance
Short-term		
Packages, labels	3,536,288,480	2,412,924,362
Tools and supplies	696,229,703	1,791,120,647
Repair and maintenance fees	194,005,639	245,221,473
Others	235,748,943	361,343,494
TOTAL	4,662,272,765	4,810,609,976
Long-term		
Cost of site clearance and infrastructure construction in Ha Nam	9,409,420,882	9,571,443,142
Investment cooperation expenses (*)	6,759,928,505	-
Prepaid land rental	5,125,536,410	5,872,615,469
Compensation cost for site clearance being offset against land rental fees	2,114,960,000	-
Repair and maintenance fees	2,021,126,318	3,370,697,952
Tools and supplies	2,970,667,283	707,314,629
TOTAL	28,401,639,398	19,522,071,192

(*) These represent investment capital contributions according to the Rooftop Solar System Supply - Exploitation - Transfer Contract No. 01/2020/VINASOLAR.VN-VINARICE-NSC dated 18 September 2020 between the Company, Vietnam Rice Company Limited, a subsidiary of the Company and VINASOLAR Vietnam Joint Stock Company; the Business cooperation contract No. 02/2020/SOLAR-DT-VINARICE dated 18 September 2020 between Vietnam Rice Company Limited and VINASOLAR Joint Stock Company and its subsequent amendments. According to these contracts, the Company and Vietnam Rice Company Limited have made capital contributions for the investment of rooftop solar system projects which will be executed within the period of 20 years. In return, the Company and Vietnam Rice Company Limited will be shared 25% of profits from these projects and investment costs will be amortised over the implementation period.

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11. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment
Cost:		
Beginning balance	494,055,166,618	275,165,506,102
Increase during the year	5,200,138,573	1,678,771,250
Ending balance	499,255,305,191	276,844,277,352
In which:		
Fully depreciated	48,484,261,257	52,264,315,753
Accumulated depreciation:		
Beginning balance	137,974,875,248	98,707,459,436
Depreciation for the year	21,077,458,456	20,750,429,964
Ending balance	159,052,333,704	119,457,889,400
Net carrying amount:		
Beginning balance	356,080,291,370	176,458,046,666
Ending balance	340,202,971,487	157,386,387,952

Most of the assets of the Dong Thap Seed Processing and Agricultural Product Processing Industry Center Project have been used as collateral for short-term and long-term loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thang Long Branch as presented in Note 20.

Currency: VND

Means of transportation	Office equipment	Others	Total
51,028,415,342	8,133,643,549	787,341,379	829,170,072,990
2,533,250,000	280,448,000	349,424,000	10,042,031,823
53,561,665,342	8,414,091,549	1,136,765,379	839,212,104,813
22,320,205,391	5,067,941,909	250,250,000	128,386,974,310
30,769,065,677	5,244,894,611	352,221,019	273,048,515,991
3,372,611,251	158,223,948	725,590,250	46,084,313,869
34,141,676,928	5,403,118,559	1,077,811,269	319,132,829,860
20,259,349,665	2,888,748,938	435,120,360	556,121,556,999
19,419,988,414	3,010,972,990	58,954,110	520,079,274,953

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12. INTANGIBLE FIXED ASSETS

Currency: VND

	Land use rights	Computer softwares	Copy rights	Other intangible fixed assets	Total
Cost:					
Beginning balance	223,659,573,649	3,508,150,824	19,470,100,000	4,274,560,920	250,912,385,393
Newly purchased	-	-	974,000,000	-	974,000,000
Ending balance	223,659,573,649	3,508,150,824	20,444,100,000	4,274,560,920	251,886,385,393
In which:					
Fully amortised	1,629,311,770	1,644,378,824	9,536,600,000	-	12,810,290,594
Accumulated amortisation:					
Beginning balance	16,843,301,977	2,708,877,524	11,694,766,533	715,551,498	31,962,497,532
Amortisation for the year	2,375,317,906	535,745,728	1,494,588,970	251,224,200	4,656,876,804
Ending balance	19,218,619,883	3,244,623,252	13,189,355,503	966,775,698	36,619,374,336
Net carrying amount:					
Beginning balance	206,816,271,672	799,273,300	7,775,333,467	3,559,009,422	218,949,887,861
Ending balance	204,440,953,766	263,527,572	7,254,744,497	3,307,785,222	215,267,011,057

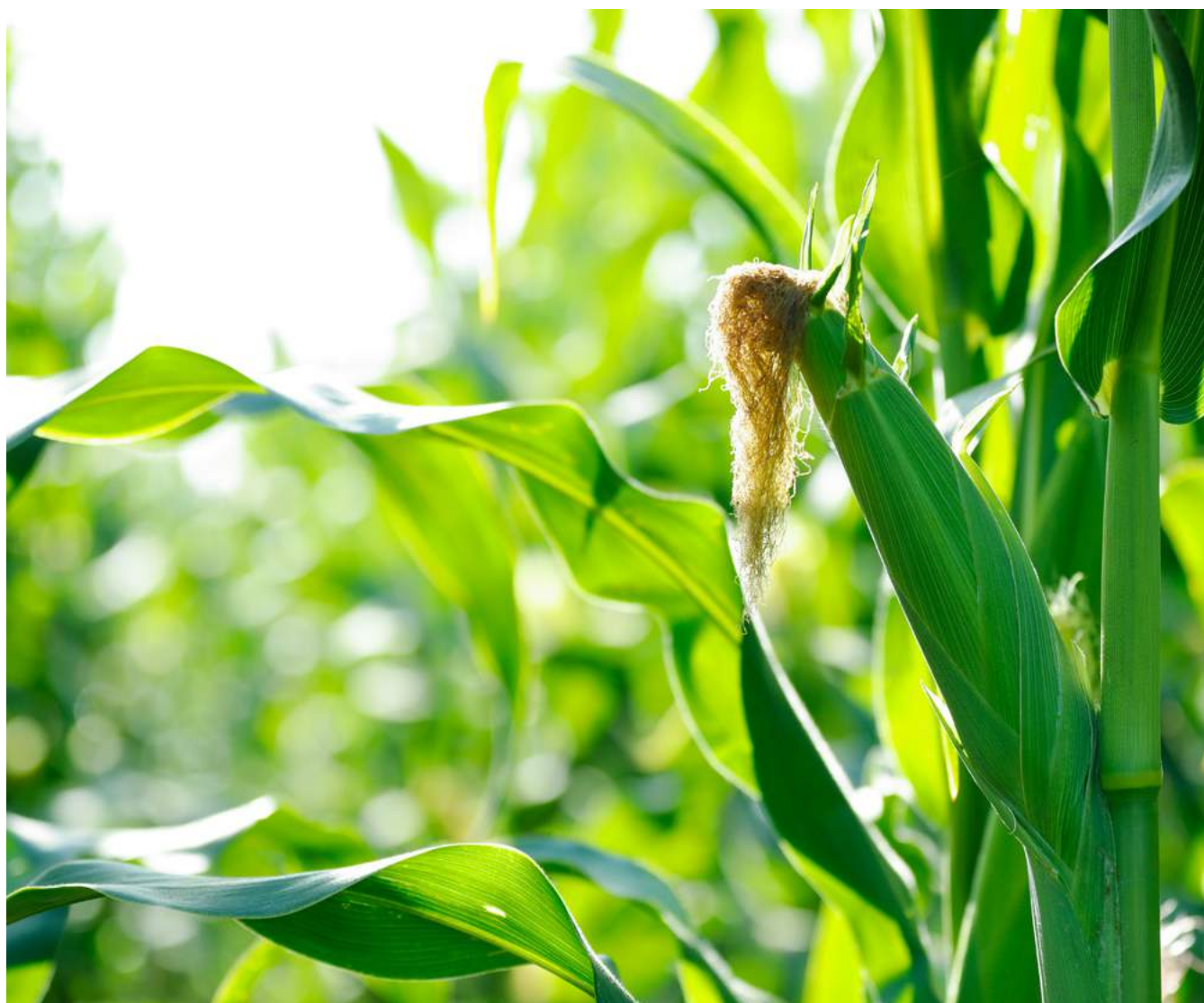
Land use rights comprise the value of land use right at 282 Le Van Sy, ward 1, Tan Binh district, Ho Chi Minh city ("Le Van Sy land") and was used partially by Southern Seed Joint Stock Company ("SSC"), a subsidiary of the Company as capital contribution for the establishment of Cantavil Housing Development Co., Ltd. ("Cantavil") according to the Joint Venture Contract dated 3 September 2014 and its amendments signed between SSC and Daewon - Thu Duc Housing Development Joint Stock Company ("Daewon - Thu Duc"). The remaining value of Le Van Sy land will be paid by Cantavil to SSC in cash. Besides, SSC also signed the Capital Transfer Contract and its amendments for the transfer of its contributed capital in Cantavil to Daewon - Thu Duc and the progress of contract's execution will depend on agreed terms and conditions as stated in these contracts.

As at 31 December 2021, SSC has not yet handed over Le Van Sy land to Cantavil and has not recognized related benefits and costs for the execution of the Joint Venture Contract and Capital Transfer Contract as the conversion of the land use purpose has not been completed as well as the implementation period of prerequisites of the Joint Venture Contract has already been expired.

13.CONSTRUCTION IN PROGRESS

Currency: VND

	Ending balance	Beginning balance
Co Do Research and Development Center Project	10,979,828,573	353,674,909
Phuong Mai project - Skyscraper	1,019,394,700	1,019,394,700
Other construction projects	2,666,064,485	1,017,500,000
TOTAL	14,665,287,758	2,390,569,609



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14. LONG-TERM INVESTMENTS

	Ending balance		
	Cost (VND)	Quantity (shares)	Provision (VND)
Investments in other entities			
- ThaiBinh Seed Group Joint Stock Company (previously known as Thai Binh Seed Joint Stock Company)	26,061,735,380	194,126	
(i) (ii)			
TOTAL	26,061,735,380		-
			26,061,735,380

(i) The Company cannot obtain necessary information to determine the fair value of this company' shares as these shares are not listed on the stock exchange.

(ii) As at 31 December 2021, the Company owns 19.49% of share capital in this company.

15. GOODWILL

	Goodwill from acquisition of Ha Tay Seed Joint Stock Company	Goodwill from acquisition of Quang Nam National Seed Joint Stock Company
Cost:		
Beginning balance	26,557,087,281	1,911,006,045
Ending balance	26,557,087,281	1,911,006,045
Accumulated amortisation:		
Beginning balance	26,557,087,281	1,287,297,383
Amortisation for the year	-	191,100,605
Ending balance	26,557,087,281	1,478,397,988
Net carrying amount:		
Beginning balance	-	623,708,662
Ending balance	-	432,608,057

Currency: VND

Beginning balance			
Cost (VND)	Quantity (shares)	Provision (VND)	Book value (VND)
26,061,735,380		-	26,061,735,380
26,061,735,380		-	26,061,735,380

Currency: VND

Goodwill from acquisition of Southern Seed Joint Stock Company and its subsidiaries		Total
232,378,638,120		260,846,731,446
232,378,638,120		260,846,731,446
133,617,716,918		161,462,101,582
23,237,863,813		23,428,964,418
156,855,580,731		184,891,066,000
98,760,921,202		99,384,629,864
75,523,057,389		75,955,665,446

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16. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

16.1 Short-term trade payables

Currency: VND

	Ending balance		Beginning balance	
	Balance	Amount payable	Balance	Amount payable
Payables to constructors	998,606,361	998,606,361	3,317,004,161	3,317,004,161
Payables to suppliers	96,030,289,830	96,030,289,830	85,619,503,634	85,619,503,634
- Van Xuyen Seed Company Limited - China	45,770,519,413	45,770,519,413	36,135,697,602	36,135,697,602
- Others	50,259,770,417	50,259,770,417	49,483,806,032	49,483,806,032
TOTAL	97,028,896,191	97,028,896,191	88,936,507,795	88,936,507,795

16.2 Short-term advances from customers

Currency: VND

	Ending balance	Beginning balance
Daewon - Thu Duc Housing Development Joint Stock Company (Note 19)	-	23,816,250,000
Cantavil Housing Development Co., Ltd (Note 19)	-	16,183,750,000
Others	22,831,444,008	18,825,224,669
TOTAL	22,831,444,008	58,825,224,669

17. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	Payable for the year	Payment made in the year	Ending balance
Value added tax	930,399,240	3,017,985,631	(2,952,976,281)	995,408,590
Corporate income tax	6,530,465,042	24,646,380,118	(25,441,858,030)	5,734,987,130
Personal income tax	630,743,759	16,989,429,067	(17,024,750,007)	595,422,819
Other taxes	73,301,076	2,986,817,746	(2,625,391,813)	434,727,009
TOTAL	8,164,909,117	47,640,612,562	(48,044,976,131)	7,760,545,548
In which:				
Tax prepayment	(4,576,484)			(1,859,302,347)
Tax payables	8,169,485,601			9,619,847,895

18. SHORT-TERM ACCRUED EXPENSES

Currency: VND

	Ending balance	Beginning balance
Land rental fee	5,792,914,767	3,680,813,031
Copy rights	3,256,321,278	3,200,737,000
Promotion expenses, commission, payment discounts	5,109,198,533	1,353,037,921
Loan interest payable	160,181,788	158,237,695
Others	3,841,653,797	3,693,264,507
TOTAL	18,160,270,163	12,086,090,154

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19. OTHER SHORT-TERM PAYABLES

Currency: VND

	Ending balance	Beginning balance
Cantavil Housing Development Co., Ltd (*)	69,526,500,000	45,710,250,000
Dividend payable	36,109,228,685	44,812,669,310
Daewon - Thu Duc Housing Development Joint Stock Company (*)	30,473,500,000	14,289,750,000
Unpaid salary fund	14,325,375,852	14,327,390,751
Payables for site clearance and infrastructure construction costs to Ha Nam Industrial Park Project Management Board	4,000,000,000	7,937,102,000
Support costs for social activities	3,040,000,000	4,400,000,000
Provision for severance allowance	2,299,996,750	2,299,996,750
Others	5,015,381,328	8,264,806,086
TOTAL	164,789,982,615	142,041,964,897
In which:		
• Other payables to related parties (Note 30)	28,157,414,000	35,196,767,500
• Others	136,632,568,615	106,845,197,397

(*) Mainly included:

Prepayments from Cantavil and Daewon - Thu Duc to SSC with an amount of VND 40 billion according to the Joint Venture Contract and Capital Transfer Contract as disclosed in Note 16.2. As at 31 December 2021, SSC has not yet handed over Le Van Sy land to Cantavil and has not recognized related benefits and costs for the execution of the Joint Venture Contract and Capital Transfer Contract as the conversion of the land use purpose has not been completed as well as the implementation period of prerequisites of the Joint Venture Contract has already been expired. Accordingly, these prepayments were reclassified from short-term advances from customers to other short-term payables.

- Remaining value of Le Van Sy land and of the Capital Transfer Contract were transferred unilaterally by the partners to the bank account of SSC in 2018 with a total amount of VND 60 billion (although SSC has not requested for nor received formal notice from the partners before receiving this amount).



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20. LOANS AND BORROWINGS

		Beginning balance	
		Balance	Payable amount
Short-term loans		147,668,649,224	147,668,649,224
• Short-term loan from banks	20.1	125,528,649,224	125,528,649,224
• Current portion of long-term loan from banks		22,140,000,000	22,140,000,000
Long-term loans		33,203,641,953	33,203,641,953
• Long-term loan from banks		33,203,641,953	33,203,641,953
TOTAL		180,872,291,177	180,872,291,177

20.1 Short-term loans from banks

Detail of short-term loans from banks, with interest from 4.2% to 5.5%, are as follows:

Bank	Ending balance (VND)
Vietnam Joint Stock Commercial Bank of Foreign Trade - Thang Long Branch	164,250,401,135
Shinhan Bank	24,300,000,000
Vietnam Joint Stock Commercial Bank of Foreign Trade – Dong Thap Branch	6,957,300,830
Vietnam Joint Stock Commercial Bank of Foreign Trade – Quang Nam Branch	5,159,658,635
TOTAL	200,667,360,600

Currency: VND

Movement during the year		Ending balance	
Increase	Decrease	Balance	Payable amount
719,428,781,301	666,430,069,925	200,667,360,600	200,667,360,600
697,288,781,301	622,150,069,925	200,667,360,600	200,667,360,600
22,140,000,000	44,280,000,000	-	-
-	33,203,641,953	-	-
-	33,203,641,953	-	-
719,428,781,301	699,633,711,878	200,667,360,600	200,667,360,600

Principal and interest repayment term	Description of collateral
Term within 6 months based on each loan withdrawal with the final installment is 22 July 2022. Interest will be paid monthly, on the 26th.	5,996,940 shares of Southern Seed Joint Stock Company owned by the Company. Revolving inventories in production and trading activities at a warehouse in Truong Xuan commune, Thap Muoi district, Dong Thap province. Most of the assets belonging to the Dong Thap Seed Processing and Agricultural Product Processing Industry Center Project.
Term within 5 months based on each loan withdrawal with the final installment is 1 April 2022. Interest will be paid monthly, on the 10th.	Unsecured
Term withing 8 months based on each loan withdrawal. Interest will be paid monthly, on the 26th.	Revolving inventories in production and trading activities at a warehouse in Truong Xuan commune, Thap Muoi district, Dong Thap province.
Principal and interest will be paid on the 26th of each month with the final installment is 26 May 2022.	Unsecured

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

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21. OWNERS' EQUITY

21.1 Increase and decrease in owners' equity

	Contributed charter capital	Share premium	Treasury shares
Previous year			
Beginning balance	175,869,880,000	331,245,527,850	(50,000,000)
Net profit for the year	-	-	-
Fund appropriation	-	-	-
Bonus and welfare funds appropriation	-	-	-
Dividend distribution	-	-	-
Remuneration for Board of Directors and Board of Supervisors	-	-	-
Fund utilisation	-	-	-
Other increases/ (decreases)	-	-	-
Ending balance	175,869,880,000	331,245,527,850	(50,000,000)

Currency: VND

Investment and development fund	Undistributed earnings	Non-controlling interest	Total
396,858,632,148	148,966,207,884	75,689,492,731	1,128,579,740,613
-	190,204,235,245	4,611,224,193	194,815,459,438
54,531,295,631	(54,531,295,631)	-	-
-	(25,747,344,292)	(230,034,723)	(25,977,379,015)
-	(70,298,064,000)	(1,816,376,000)	(72,114,440,000)
-	(184,740,551)	(134,778,236)	(319,518,787)
(23,769,876,830)	-	-	(23,769,876,830)
-	277,202,921	(47,956,094)	229,246,827
427,620,050,949	188,686,201,576	78,071,571,871	1,201,443,232,246

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21. OWNERS' EQUITY (CONTINUED)

21.1 Increase and decrease in owners' equity (continued)

	Contributed charter capital	Share premium	Treasury shares
Current year			
Beginning balance	175,869,880,000	331,245,527,850	(50,000,000)
Net profit for the year	-	-	-
Fund appropriation (*)	-	-	-
Bonus and welfare funds appropriation (*)	-	-	-
Dividend distribution (*)	-	-	-
Remuneration for Board of Directors and Board of Supervisors for 2020 (*)	-	-	-
Remuneration for Board of Directors and Board of Supervisors for 2021 (**)	-	-	-
Funds utilisation (***)	-	-	-
Other increase/ decreases	-	-	-
Ending balance	175,869,880,000	331,245,527,850	(50,000,000)

(*)The appropriation of funds and dividends declaration from profits in 2020 and 2021 has been executed in accordance with the Resolutions of the Annual General Meeting of Shareholders of the Company and its subsidiaries.

(**) The Company paid 2021's remuneration for the Board of Directors and Supervisory Board based on remuneration payment plan for 2021 as approved by the General Meeting of Shareholders in accordance with Resolution No. 19/NQ-ĐHĐCD2021 dated 27 April 2021.

(***) The Company used part of investment and development fund for research and trial production activities of the Company.

Currency: VND

Investment and development fund	Undistributed earnings	Non-controlling interest	Total
427,620,050,949	188,686,201,576	78,071,571,871	1,201,443,232,246
-	219,342,351,360	6,288,443,059	225,630,794,419
61,478,555,916	(61,478,555,916)	-	-
-	(25,359,968,021)	(360,763,785)	(25,720,731,806)
-	(70,298,064,000)	(790,234,500)	(71,088,298,500)
-	(2,064,708,850)	(196,438,637)	(2,261,147,487)
-	(726,668,000)	-	(726,668,000)
(22,267,610,657)	-	-	(22,267,610,657)
-	(307,400,459)	(69,655,523)	(377,055,982)
466,830,996,208	247,793,187,690	82,942,922,485	1,304,632,514,233

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21. OWNER'S EQUITY (CONTINUED)

21.2 Details of charter capital

Currency: VND

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preferred shares	Total	Ordinary shares	Preferred shares
Contributed by shareholders	175,869,880,000	175,869,880,000	-	175,869,880,000	175,869,880,000	-
• PANFARM Joint Stock Company	140,787,070,000	140,787,070,000	-	140,787,070,000	140,787,070,000	-
• Other shareholders	35,082,810,000	35,082,810,000	-	35,082,810,000	35,082,810,000	-
Share premium	331,245,527,850	331,245,527,850	-	331,245,527,850	331,245,527,850	-
TOTAL	507,115,407,850	507,115,407,850	-	507,115,407,850	507,115,407,850	-

21.3 Capital transactions with owners and distribution of dividends, profits

Currency: VND

	Current year	Previous year
Contributed capital		
Beginning balance	175,869,880,000	175,869,880,000
Ending balance	175,869,880,000	175,869,880,000
Dividends, profit declared	70,298,064,000	70,298,064,000
Dividends for 2020: VND 4,000/share	70,298,064,000	-
Dividends for 2021: VND 4,000/share	-	70,298,064,000
Dividends, profit paid	79,085,322,000	52,723,548,000
Dividends for 2020	35,149,032,000	-
Dividends for 2019	43,936,290,000	26,361,774,000
Dividends for 2028	-	26,361,774,000

21.4 Shares

Currency: VND

	Ending balance	Beginning balance
Authorised shares	Shares	Shares
Issued shares		
Ordinary shares	17,586,988	17,586,988
Preferred shares	-	-
Treasury shares		
Ordinary shares	12,472	12,472
Preferred shares	-	-
Shares in circulation		
Ordinary shares	17,574,516	17,574,516
Preference shares	-	-

Par value of shares in circulation: VND 10,000/share (2020: VND 10,000/share)

22.OFF BALANCE SHEET ITEMS

Currency: VND

ITEMS	Ending balance	Beginning balance
Goods held on behalf of the State (VND)	75,902,382,000	61,497,654,000
Foreign currencies:		
• United States Dollars (USD)	141,761	89,008
• Euro (EURO)	170	170
• Chinese Yuan (CNY)	80,316	64,230
Bad debts written-off	10,669,437,357	10,579,960,982

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23. REVENUE

23.1 Revenue from sale of goods and rendering of services

Currency: VND

	Current year	Previous year
Gross revenue	2,082,592,650,797	1,790,764,093,542
In which:		
• Sale of goods	2,067,723,843,266	1,784,694,298,967
• Rendering of services	14,868,807,531	6,069,794,575
Deduction	153,986,766,530	156,212,141,576
• Trade discounts	62,493,736,991	69,476,804,370
• Sales returns	90,007,446,003	84,716,973,090
• Sales allowances	1,485,583,536	2,018,364,116
Net revenue	1,928,605,884,267	1,634,551,951,966
In which:		
• Sales of goods	1,913,737,076,736	1,628,482,157,391
• Rendering of services	14,868,807,531	6,069,794,575
In which:		
• Sale of goods and rendering of services to third parties	1,927,803,052,811	1,632,206,506,706
• Sale of goods and rendering of services to related parties (Note 30)	802,831,456	2,345,445,260

23.2 Finance income

Currency: VND

	Current year	Previous year
Bank interest	1,896,613,085	3,213,416,334
Dividends received	1,941,260,000	1,914,699,265
Foreign exchange gain	217,780,450	669,935,015
Late payment interest	585,183,489	-
Gain from business cooperation contract	640,245,852	-
Others	-	107,645,017
TOTAL	5,281,082,876	5,905,695,631

24. FINANCE EXPENSES

Currency: VND

	Current year	Previous year
Cost of finished goods, merchandise sold and services rendered	1,301,624,358,315	1,077,416,613,763
Provision/(reversal of provision) for obsolete inventories	6,467,112,393	(1,054,312,479)
TOTAL	1,308,091,470,708	1,076,362,301,284

25. FINANCE EXPENSES

Currency: VND

	Current year	Previous year
Interest expenses	14,360,801,633	11,582,168,036
Payment discounts	16,142,499,642	5,763,446,047
Foreign exchange loss	861,729,074	1,357,200,763
Losses on liquidation of investments	-	59,545,700
Others	58,177,531	22,917,378
TOTAL	31,423,207,880	18,785,277,924

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26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

Currency: VND

	Current year	Previous year
Selling expenses		
• Labour costs	36,540,805,578	43,121,788,521
• Transportation fees	53,210,349,254	36,320,004,998
• Depreciation and amortisation	8,400,545,086	7,862,574,346
• Expenses for external services	21,021,554,447	21,939,220,135
• Others	50,344,571,722	45,351,069,313
TOTAL	169,517,826,087	154,594,657,313
General and administrative expenses		
• Labour costs	97,427,229,669	89,350,203,597
• Goodwill amortisation	23,428,964,418	26,084,673,146
• Expenses for external services	13,886,872,527	11,799,352,622
• Others	42,499,007,447	48,983,840,415
TOTAL	177,242,074,061	176,218,069,780

27. OTHER INCOME AND EXPENSES

Currency: VND

	Current year	Previous year
Other income	3,401,359,294	2,692,414,248
Compensation	2,240,000,000	-
Gain from disposals of fixed assets	-	372,572,626
Income from warehouse leasing	193,861,348	300,922,182
Others	967,497,946	2,018,919,440
Other expenses	2,029,862,066	3,221,829,630
Supporting costs for farmers	100,380,000	892,549,095
Depreciation of rental assets	663,390,026	914,821,961
Administrative penalty for late tax payments	104,468,276	14,131,492
Others	1,161,623,764	1,400,327,082
NET OTHER PROFIT/(LOSS)	1,371,497,228	(529,415,382)

28. PRODUCTION AND OPERATING COSTS

Currency: VND

	Current year	Previous year (restated)
Raw materials	1,334,623,473,188	985,271,563,632
Labour costs	155,186,223,165	176,626,615,192
Depreciation and amortisation	74,100,499,565	73,976,784,464
Expenses for external services	141,013,660,941	131,396,578,039
Other expenses	49,340,363,414	65,565,435,115
TOTAL	1,754,264,220,273	1,432,836,976,442

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29. CORPORATE INCOME TAX

Vietnam National Seed Group Joint Stock Company

According to Certificate No. 03/DNKHCN granted by Hanoi Department of Science and Technology on 1 March 2011, the Company was approved as a Science and Technology Enterprise ("S&T"), and accordingly, the Company is entitled to an exemption and reduction of corporate income tax ("CIT") as a newly established enterprise from investment projects in the fields of high technology, scientific research and technological development if the Company's revenue from products and goods sold from scientific and technological activities accounted for a minimum of 30% of the total revenue. Specifically:

- (i) The Company is entitled to a CIT rate of 10% for 15 years commencing from the first year in which revenue is earned S&T activities;
- (ii) The Company is entitled to corporate income tax exemption for 4 years and a reduction of 50% in the following 9 years; and
- (iii) (iii) Tax rate for income from other activities is 20%.

Subsidiaries

The CIT rate applicable to Vietnam Rice Company Limited, a subsidiary of the Company, is 10% for 15 years commencing from the first year of commercial operation (2019). This company is also exempted from CIT for 4 years (from 2020) and a 50% reduction of the applicable CIT tax rate for the following 9 years (from 2024) according to the Investment Registration Certificate No. 7407342160, with the 3rd amendment dated 24 June 2020.

The CIT rate applicable to other subsidiaries is 20% of total taxable income.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

29.1 Corporate income tax expense

	Currency: VND	
	Current year	Previous year (restated)
Current tax expenses	24,658,568,403	21,327,306,142
Adjustment for (over)/under accrual of tax from prior year	(12,188,285)	409,293,558
Deferred tax income	(1,293,288,902)	(2,584,133,224)
TOTAL	23,353,091,216	19,152,466,476

A reconciliation between corporate income tax expense and profit before tax multiplied by CIT rate is presented below.

Currency: VND

	Current year	Previous year
Accounting profit before tax	248,983,885,635	213,967,925,914
At CIT rate applicable to the Company and its subsidiaries		
• Scientific and technological activities: 5%	8,555,431,775	7,396,568,457
• Other activities: 20%	15,214,122,120	15,007,879,507
Adjustments:		
• Adjustments due to business consolidation	(442,289,481)	(599,981,153)
• Adjustment for (over)/under accrual of CIT in prior year	(12,188,285)	409,293,558
• Other non-deductible expenses	490,291,672	738,611,902
• Dividend received	(452,276,585)	(2,692,941,125)
• CIT is exempted	-	(1,106,964,671)
CIT expenses	23,353,091,216	19,152,466,475

29.2 Current corporate income tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company and its subsidiaries for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.

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29. CORPORATE INCOME TAX (CONTINUED)

29.3 Deferred tax

The following are the deferred tax assets and deferred tax liabilities recognised by the Company and its subsidiaries, and the movements thereon, during the current and previous years:

Currency: VND

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax assets				
Accruals	5,789,420,471	4,671,057,311	1,118,363,160	1,741,334,312
Provision for obsolete inventories	418,518,218	685,881,956	(267,363,738)	242,817,758
Unrealized profit	583,578,116	528,962,601	54,615,515	187,367,563
Internal sales of assets	20,662,573	20,662,573	-	-
	6,812,179,378	5,906,564,441	905,614,937	2,171,519,633
Deferred tax liabilities				
Gain from asset revaluation in subsidiaries at business combination date	31,785,318,389	32,172,992,354	387,673,965	412,613,591
	31,785,318,389	32,172,992,354	387,673,965	412,613,591
Net deferred tax credit to consolidated income statement	1,293,288,902	2,584,133,224		

30. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the year are as follows:

Currency: VND

Related parties	Relationship	Transactions	Current year	Previous year
PAN Consumer Goods Distribution Joint Stock Company	Affiliate	Bán hàng, vật tư	628,717,790	2,335,224,960
PAN FARM Joint Stock Company	Parent Company	Chi trả cổ tức bằng tiền	63,354,181,500	42,236,121,000
		Cổ tức công bố	56,314,828,000	56,314,828,000
		Bán hàng, vật tư	16,756,000	-
PAN HULIC Joint Stock Company	Affiliate	Thu nhập từ cho thuê văn phòng	137,922,666	300,922,182
The PAN Group Joint Stock Company	Ultimate parent Company	Bán hàng, vật tư	19,435,000	10,220,300

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30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Terms and conditions of transactions with related parties :

The borrowings, sales to and purchases from related parties are made on the basis of contractual agreements.

Outstanding balances as at 31 Dec 2021 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2021, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2020: provision is nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

Amounts due to and due from related parties at the balance sheet date are as follows:

Currency: VND

Related parties	Relationship	Transactions	Ending balance	Beginning balance
Other short-term receivables (Note 6.1)				
PAN HULIC Joint Stock Company	Affiliate	Sale of goods, materials	68,870,000	68,870,000
			68,870,000	68,870,000
Other short-term payables (Note 19)				
PAN FARM Joint Stock Company	Parent company	Dividend payable	28,157,414,000	35,196,767,500
			28,157,414,000	35,196,767,500

Transactions with other related parties

Remuneration of the Board of Management and Board of Directors:

Currency: VND

	Current year	Previous year
Salary and related salary expenses	12,599,273,534	10,067,235,130
TOTAL	12,599,273,534	10,067,235,130

31. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Currency: VND

	Current year	Previous year (restated)
Net profit after tax attributable to ordinary shareholders	219,342,351,360	190,204,235,245
Distribution to bonus and welfare fund (*)	-	(17,032,476,535)
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	219,342,351,360	173,171,758,710
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	17,574,516	17,574,516
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	17,574,516	17,574,516
Earnings per share		
• Basic earnings per share	12,481	9,854
• Diluted earnings per share	12,481	9,854

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

(*) Net profit used to compute earnings per share for the year 2020 was restated in comparison with the amount disclosed in the consolidated financial statements for the year 2020. The restatement is to reflect the appropriation of bonus and welfare fund from 2020's retained earnings following the Resolution of the General Meeting of Shareholders No. 19/NQ-ĐHCĐ2021 dated 27 April 2021.

Net profit used to compute earnings per share for the year 2021 was not adjusted for the allocation to bonus and welfare fund as the resolution of the shareholders meeting on such distribution of profit for the current year is not yet available.

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32. COMMITMENTS

Operating lease commitment

The Company and its subsidiaries leases land under operating lease arrangements. The lease commitments as at the balance sheet dates under the operating lease agreements are as follows:

Currency: VND

	Ending balance	Beginning balance (restated)
Less than 1 year	5,703,721,053	6,277,135,891
From 1-5 years	8,984,709,417	10,380,863,262
Over 5 years	95,058,336,125	98,393,298,238
TOTAL	109,746,766,595	115,051,297,391

33. CONTINGENCIES

Land rental fees

In 2013, Southern Seed Joint Stock Company ("SSC"), a subsidiary of the Company, purchased assets, including a land use right, from East West Seed Joint Venture Company ("EW"). According to Decision No. 3201/QĐ-UBND dated 28 June 2014, SSC was approved by Ho Chi Minh People's Committee for the use of 259,717.2 m² land parcel at Pham Van Coi commune, Cu Chi district, Ho Chi Minh City for the purpose of researching and producing vegetable seeds. Accordingly, SSC has a commitment to pay land rental fees from the effective date of the above Decision until 30 December 2020 for the land which is being used by SSC to date. However, up to the date of these consolidated financial statements, the land rental rate has not yet been officially finalized and announced by the Department of Natural Resources and Environment and the Taxation Department of Ho Chi Minh City, leading to the undetermined obligation and rental fees for the entire rental period to be recorded by SSC. As a result, SSC, based on the land lease contract No. 9018/HDD-GTD dated 29 June 2000 which was awarded by EW and the land rental rate paid by EW, accrued a land rental fees of VND 4,301,076,147 as a current obligation for the period from 2014 to 2021. SSC will record adjustment and pay additional obligations (if any) to the State once receiving official notice from relevant government authorities.

34. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiaries.



Preparer
Nguyen Thi Nhu Quynh



Chief Accountant
Phan The Ty



General Director
Nguyen Quang Truong

Hanoi, Vietnam

28 March 2022



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