

# 2024

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# ANNUAL REPORT



*From Nature, For You*

**Minh Phu Seafood Joint Stock Company**

# MESSAGE FROM THE GENERAL DIRECTOR

## Dear Shareholders, Customers, and all employees of Minh Phu

Dear Shareholders, Customers, and all Employees of Minh Phu,

2024 continued to be a challenging year for Minh Phu and the entire Vietnamese shrimp industry in the context that the global economy has not fully recovered, consumer demand has weakened, competition is increasingly fierce and there are many fluctuations in the international market.

In key markets such as the US, EU, and Japan, prolonged inflation, tightening monetary policy, and slow growth have caused a serious decline in purchasing power, directly affecting Vietnam's shrimp exports. At the same time, competition from countries with cost and productivity advantages, such as Ecuador, India, and Indonesia continues to exert great pressure, causing shrimp prices to fall deeply and business profit margins to narrow. Particularly in Ecuador, the rapid increase in production has contributed to global oversupply, causing shrimp prices to fall deeply, seriously affecting the profit margins of Vietnamese shrimp producers and exporters.

In addition to pressure from the market, Vietnam's shrimp industry also faces internal challenges, especially the problem of epidemics and high production costs. The emergence of new variants such as EMS, EHP, and TPD has caused significant damage, causing the loss rate in aquaculture to increase, increasing production costs. Moreover, input costs, including feed, electricity, seeds, and labor, continue to be high, making it difficult for businesses and shrimp farmers to maintain production efficiency. On top of that, the increasingly stringent requirements from the international market on traceability, food safety standards, environment, and labor also pose many challenges for Vietnam's shrimp industry, requiring businesses to take strong transformation steps to adapt.

In that context, Minh Phu has proactively transformed itself by promoting the application of MPBiO bio-shrimp farming technology - an important step towards sustainable aquaculture. After promising trial results, MPBiO technology has been widely deployed in 470 ponds across MPLA, helping to reduce production costs, optimize resources, and improve product quality. This is a solid foundation for us to replicate the

model in the future.

Consistent with the sustainable development strategy, Minh Phu continues to promote the construction of a shrimp value chain based on a digital platform towards a green economy and circular economy. Minh Phu has been digitizing the shrimp value chain, improving efficiency in the value chain and allowing traceability from hatcheries to farms, through processing plants and distribution systems, to consumers. At the same time, in order to increase competitiveness in the international market, the Group is focused on a strategic goal: **STRIVING TO EQUALIZE VIETNAM'S RAW SHRIMP PRODUCTION COSTS WITH ECUADOR BY 2030** through 3 specific solutions:

**1. Develop shrimp seed production according to MPBiO technology with the goal of reaching 15 billion posts by 2035.**

**2. Promote shrimp farming according to MPBiO technology, aiming to be 50% self-sufficient in raw material demand by 2035.**

**3. Continue to expand export markets, improve product quality, and increase the value of the Minh Phu brand in the international arena.**

As we enter 2025, the global economy will continue to have many unpredictable fluctuations, but with a long-term vision, clear strategic orientation, and the determination of all employees, I believe that Minh Phu will gradually achieve the set goals, bringing Vietnamese shrimp to reach far and raise the brand level in the international market.

On this occasion, I would like to express my sincere thanks to our Shareholders, Customers, Partners, State Agencies and all Employees of Minh Phu who have always accompanied, supported and dedicated themselves during the past time. for your continued support, dedication, and partnership. Your trust and support are the driving force that keeps Minh Phu moving forward sustainably and confidently into the future.

Wishing you all good health, success, and happiness!

**Sincerely!**

“In 2024, Vietnam's shrimp industry also faces internal challenges, especially the problem of epidemics and high production costs. Minh Phu has proactively transformed itself by promoting the application of MPBiO bio-shrimp farming technology - an important step towards sustainable aquaculture. This technology is the key to a new development phase, aiming for the goal that by 2030, the cost of Vietnamese shrimp will be on par with Ecuador's.”

**LE VAN QUANG**

General Director





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## Chapter

# 01

## GENERAL INFORMATION

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GENERAL INFORMATION



Trading Name	Minh Phu Seafood Joint Stock Company
Business Registration Certificate No.	6103000072 issued by the Department of Planning and Investment of Ca Mau Province for the first time on 12/05/2006; 12th amendment issued under enterprise code 2000393273 on 15/10/2024
Charter capital	VND 4,009,383,000,000
Owner’s investment capital	VND 4,009,383,000,000
Address	Industrial Park, Ward 8, Ca Mau City, Ca Mau Province, Vietnam
Phone	(+84) 290-383-9391
Fax	(+84) 290-366-8795
Website	www.minhphu.com
Stock code	MPC



EYESIGHT

To become the world’s leading reputable shrimp supplier, pioneering the development of a comprehensive and sustainable ecosystem



MISSION

Providing clean, nutritious Vietnamese shrimp products, bringing a great and memorable culinary experience to customers



CORE VALUES



IDENTITY



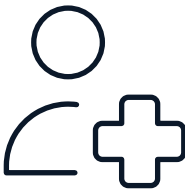
QUALITY



REPUTATION



STABILITY



DEDICATION



CREATIVITY



PASSION



NURTURING



## FORMATION AND DEVELOPMENT PROCESS

### 1992 - 2000: FORMATION STAGE

**Year 1992:** Minh Phu Private Export Supply Enterprise was established with an initial charter capital of 120 million VND focusing on the procurement and processing of seafood for domestic export companies.

**Year 1998:** it was renamed Minh Phu Seafood Processing Enterprise and increased its charter capital to 5 billion VND.



subsidiary: Minh Phu Biological Product Manufacturing Co., Ltd. with charter capital of 4.5 billion VND.

**2010:** On 23/06/2010, the company changed its name to Minh Phu Seafood Group Joint Stock Company. Subsequently, 2 subsidiaries were established, Minh Phu Ecological Shrimp Farming Co., Ltd. with a charter capital of 20 billion VND and Minh Phu - Loc An Aquaculture Co., Ltd. with a charter capital of 50 billion VND.

### 2002 - 2006: TRANSITION STAGE

**December 2002,** Minh Phu Seafood Processing Enterprise was dissolved, and Minh Phu Seafood Import-Export Co., Ltd. was established with charter capital of 90 billion VND.

**Year 2006:** it was transformed from a limited liability model to a joint stock company. On 27/12/2006, Minh Phu was officially listed at the Hanoi Stock Exchange with 60,000,000 shares at a par value of 10,000 VND/share.

### 2008 - 2010: BREAKTHROUGH STAGE

**2008:** In June 2008, Minh Phu invested 20 million USD into Mseafood company, accounting for 90% of Mseafood's charter capital. In 07/2008, Minh Phu established a wholly owned subsidiary: Minh Phu Biological Product Manufacturing Co., Ltd. with charter capital of 4.5 billion VND.

**2009:** In June 2008, Minh Phu invested 20 million USD into Mseafood company, accounting for 90% of Mseafood's charter capital. In 07/2008, Minh Phu established a wholly owned

### 2011 - 2019: EXPANSION OF THE VALUE CHAIN

**Year 2011:** Increased charter capital from 50 billion VND to 150 billion VND for Minh Phu Loc An Aquaculture Co., Ltd. At the same time, increased charter capital from 500 billion VND to 600 billion VND for Minh Phu - Hau Giang Seafood Processing Co., Ltd. On 6/12/2011, Minh Phu Hoa Dien Aquaculture Company Limited was established with a charter capital of 250 billion VND.

**Year 2013:** Sold 30.37% of shares of the subsidiary, Minh Phu - Hau Giang Seafood Processing Co., Ltd. to Mitsui & Co., Ltd., renamed Minh Phu Hau Giang Seafood Joint Stock Company with charter capital increased to 866,666,670,000 VND. Minh Phu Seafood Group Joint Stock Company retained a 67.5% ownership stake.

**Year 2014:** Established Minh Phu Seafood Supply Chain Company Limited with 100% ownership of Minh Phu with a charter capital of 2 billion VND. Dissolved Minh Phu - Hoa Dien Aquaculture Co., Ltd.; its assets were transferred to Minh Phu Kien Giang for management.

**Year 2015:** The Board of Directors approved the establishment of Ebisumo Logistic Co., Ltd in Japan with a legal capital of USD 600,000.

**Year 2016:** Established Minh Phu Food Co., Ltd., in Hau Giang province, Vietnam with a charter capital of 40,800,000,000 VND. The Company's focus is trading of agricultural and forestry products.

**Year 2017:** Minh Phu participated in the establishment of Minh Phu Forest Shrimp Chain Social Joint Stock Company, Ca Mau with a charter capital of 18,000,000,000 VND with the aim of linking households, agriculture, forestry and fishery farms to raise shrimp sustainably, meet international certification standards and protect the forest environment.

Also in this year, the company was officially listed on the Upcom exchange on October 16, 2017.

**Year 2018:** The company established Minh Phu Hi-tech Agriculture Joint Stock Company with a charter capital of 100 billion VND, the main business field is processing and preserving aquatic products and aquatic products.

**Year 2019:** The company increased its charter capital from 1,400 billion VND to 2,000 billion VND through a private placement to MPM Investments (a subsidiary of Mitsui). Also in this year, Minh Phu signed a contract with FPT Corporation to implement digital transformation initiatives.

### 2020 - 2024: ACCELERATING TOWARD THE FUTURE

**Year 2020:**

07/2020: Established Minh Phu Seafood Export Co., Ltd., with a charter capital of 2 billion VND, 100% owned by Minh Phu's parent company.

10/2020: Established Otanics Technology Joint Stock Company, charter capital of 100 million VND, parent company Minh Phu owns 51%.

**Year 2021:**

In 10/2021, the launch of the Minh Phu Seafood Processing Factory project chain in Khanh An Industrial Park, Khanh An Commune, U Minh District includes: Minh Phu Seafood Processing Factory, with a design capacity of 19 thousand tons/year. Minh Phat seafood processing factory, with a design capacity of 19 thousand tons/year. Each project has a total investment capital of 500 billion VND. Centralized wastewater treatment plant, design capacity of 2,700 m3/day, total investment of 50 billion VND.

**Year 2022:**

Tháng 04/2022, Minh Phu Hau Giang Seafood Joint Stock Company retained the dividend of the parent company, increasing its charter capital from 1,000 billion VND to 1.200 billion VND.

Tháng 09/2022, the Company issued additional shares at the ratio of 1:1, bringing the total charter capital to 3,998,873 billion VND.

**Year 2023:**

In 11/2023, approving the investment policy for a social housing project in Khanh An commune, U Minh district.

**Year 2024:**

In 9/2024, Minh Phu successfully issued more than 1 million shares under the Employee Stock Option Program (ESOP) at a price of 10,000 VND/share, increasing its charter capital to 4,009 billion VND.



BUSINESS SCOPE

Currently, the Group has the following main business activities: farming, processing and trading of aquatic products; trading in aquatic breeds and aquatic feeds; and trading in machinery and equipment for the fishery industry.

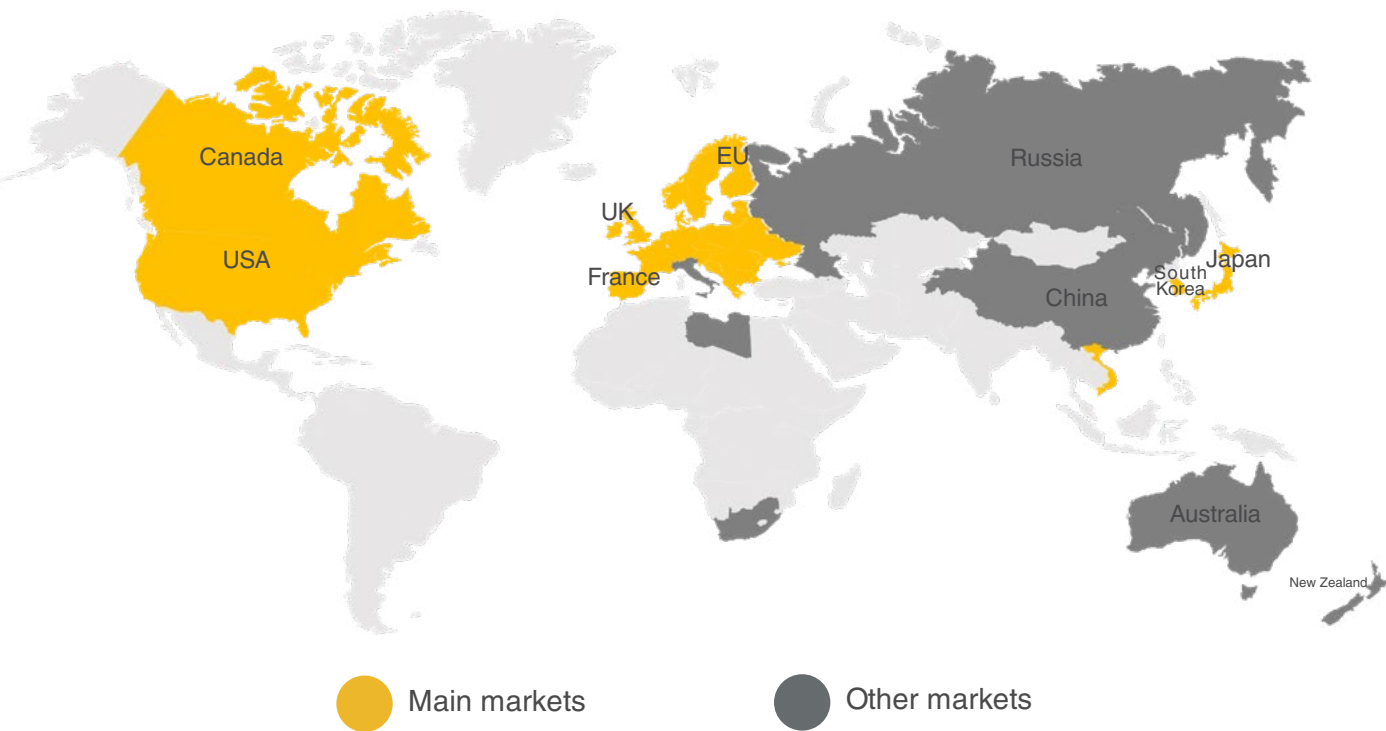
The business lines registered by the company include:

Industry Code	Industry Description
4632	<b>Food Wholesale</b> Details: Trading of raw materials and auxiliary materials for processing export goods. Except for cane sugar and beet sugar
1020 (Chính)	<b>Processing and preservation of aquatic products and aquatic products</b> Details: Processing and exporting aquatic products. Import of raw materials and auxiliary materials for export processing
4620	<b>Wholesale of raw agricultural and forest products (except wood, bamboo, bamboo) and live animals</b> Details: Wholesale of feed and feed ingredients for livestock, poultry and aquatic products
0322	<b>Inland aquaculture</b> Details: Inland aquaculture, aquatic breed production
4659	<b>Wholesale machinery, equipment and other machine parts</b> Details: Import of machinery and equipment for the production of export goods.
6810	<b>Trading in real estate, land use rights belonging to owners, users or leasers</b> Details: Real estate business. Except: investment in the construction of cemetery and graveyard infrastructure for the transfer of land use rights associated with infrastructure according to Clause 1, Article 3 of the Law on Real Estate Business.

PRODUCT



BUSINESS LOCATION

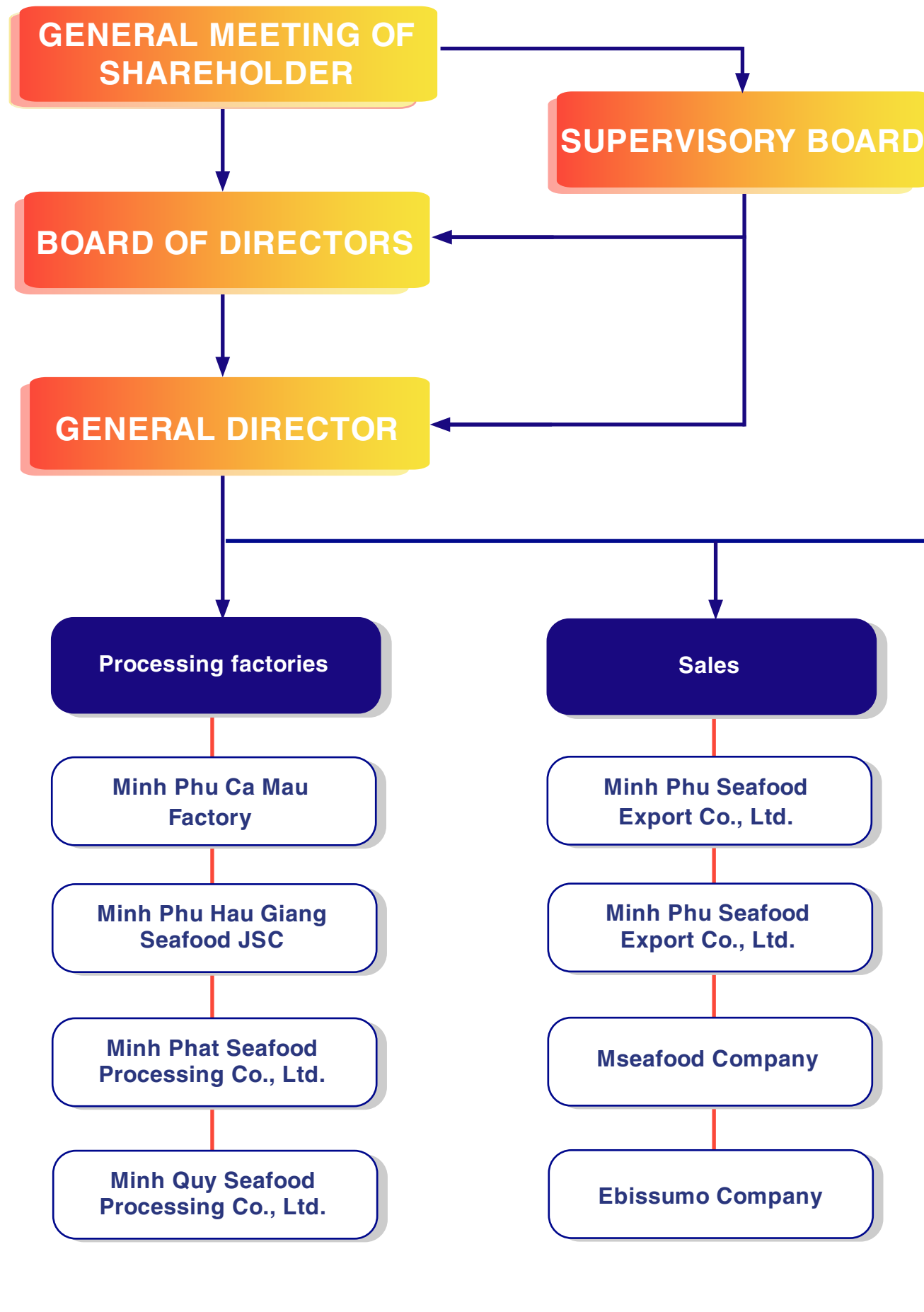


Minh Phu has a wide network of operations in both domestic and international markets. Over the years, Minh Phu has continuously expanded its business market, raised the brand of “Vietnamese shrimp” in the global market, affirming its position as the leading shrimp processing and exporting enterprise in Vietnam. In particular, some key markets include: the US, Japan, Australia, New Zealand, Europe, Canada, South Korea, China,...

Markets	Value 2023 (million USD)	Proportion 2023 (%)	Value 2024 (million USD)	Proportion 2024 (%)
1. United States	100.57	22.34%	105.23	18.66%
2. Japan	95.81	21.28%	110.80	19.65%
3. Canada	34.42	7.65%	45.33	8.04%
4. Australia & New Zealand	92.25	20.49%	106.78	18.94%
5. Hong Kong & Taiwan	18.12	4.02%	17.93	3.18%
6. EU bloc	45.95	10.20%	64.51	11.44%
7. Russian Federation	15.80	3.51%	42.25	7.49%
8. Eastern Europe	0.18	0.04%	0.14	0.02%
9. South Korea	27.40	6.09%	42.38	7.52%
10. China	3.10	0.69%	3.10	0.55%
11. Domestic and other markets	16.65	3.69%	25.38	4.50%
<b>TOTAL</b>	<b>450.25</b>	<b>100%</b>	<b>563.83</b>	<b>100%</b>



## GOVERNANCE MODEL



Minh Phu Seafood Joint Stock Company operates under a governance model built and organized according to Point a, Clause 1, Article 137 of the Law on Enterprises 2020, including the General Meeting of Shareholders, the Board of Directors, the Supervisory Board and the Board of General Directors.

- **General Meeting of Shareholders (GMS):** Includes all shareholders with voting rights, is the highest decision-making body of the Company.
- **Board of Directors (BOD):** The Board of Directors is the Company's management body, has the right to decide on all matters related to the purposes and interests of the Company on behalf of the Company, except for matters under the jurisdiction of the General Meeting of Shareholders. The number of members of the Board of Directors of the Company is 09 members.
- **Supervisory Board (SB):** The Supervisory Board is elected by the General Meeting of Shareholders, which controls all business, governance and administration activities of the Company on behalf of shareholders to ensure the legitimate interests of shareholders. The number of members of the Supervisory Board is 03 members.
- **Board of Management (BOD):** The General Director is the person who runs and is responsible for all aspects of the Company's production and business activities. The Company has 01 General Director and 07 Deputy Directors appointed by the Board of Directors, responsible to the Board of Directors and the General Meeting of Shareholders for the performance of assigned tasks and powers.



SUBSIDIARIES AND ASSOCIATED COMPANIES

No.	Company Name	Address	Main production and business sectors	Charter capital	Ownership Rate
SUBSIDIARIES					
1	Mseafood Company	California, United States	Trading of aquatic products	22.2 million USD	90.00%
2	Minh Phu Hau Giang Seafood Joint Stock Company	Hau Giang Province - Vietnam	Processing and trading of fish meal, aquatic products, bio-fish oil; trading in goods, raw materials, machinery and equipment in service of the aquaculture industry; infrastructure investment and business; construction of industrial and civil works	1,200 billion VND	98.27%
3	Minh Quy Seafood Processing Co., Ltd.	Ca Mau Province - Vietnam	Processing and trading of aquatic products, import of raw materials, machinery and equipment in service of aquaculture	200 billion VND	99.50%
4	Minh Phat Seafood Processing Co., Ltd.	Ca Mau Province - Vietnam	Processing and trading of aquatic products, import of raw materials, machinery and equipment in service of aquaculture	600 billion VND	99.17%
5	Minh Phu Kien Giang Seafood Co., Ltd.	Kien Giang Province - Vietnam	Aquaculture; processing and preservation of aquatic products; aquatic breed production; trading of machinery and equipment in service of aquaculture	1,218.4 billion VND	99.89%
6	Minh Phu Aquatic Seed Production Co., Ltd.	Ninh Thuan Province - Vietnam	Production, supply and trading of aquatic breeds; processing and preservation of aquatic products; trading of food and raw materials for the livestock, poultry and aquaculture industry	270 billion VND	99.78%
7	Minh Phu Bioproduct Manufacturing Co., Ltd.	Ca Mau Province - Vietnam	Production of biological products and fertilizers for the agricultural industry	10 billion VND	100.00%
8	Minh Phu - Loc An Aquaculture Co., Ltd.	Ba Ria - Vung Tau Province - Vietnam	Aquaculture, production and trading of aquatic food, trading of machinery and equipment in service of aquaculture	1,020 billion VND	100.00%



SUBSIDIARIES AND ASSOCIATED COMPANIES

No.	Company Name	Address	Main production and business sectors	Charter capital	Ownership Rate
9	Minh Phu Seafood Supply Chain Company Limited	Hau Giang Province - Vietnam	Processing and preservation of aquatic products and aquatic products, production of aquatic breeds, inland aquaculture, wholesale of feed and raw materials for livestock, poultry and aquatic products, supply and trading of aquatic breeds, aquaculture and processing consultancy	20 billion VND	100.00%
10	EBISUMO Logistics Co., Ltd.	Tokyo	Trading of aquatic products	60 million yen	100.00%
11	Minh Phu Green Food Co., Ltd.	Hau Giang Province - Vietnam	Trading of agricultural and forestry products	50 billion VND	100.00%
12	Minh Phu Hi-Tech Agriculture Co., Ltd.	Kien Giang Province - Vietnam	Production of aquatic breeds, aquaculture, processing and export of aquatic products, import of raw materials for export processing	450 billion VND	100.00%
13	Minh Phu Seafood Export Co., Ltd.	Ca Mau Province - Vietnam	Food Wholesale	2 billion VND	100.00%
14	OTANICS Technology Joint Stock Company	Ca Mau Province - Vietnam	Scientific research, technology development and technical consultancy, production, installation, maintenance of industrial machinery and equipment, aquaculture, processing and preservation, wholesale of machinery, equipment and spare parts	100 million VND	51.00%
15	Minh Phu Green Shrimp Feed Co., Ltd.**	Hau Giang Province - Vietnam	Construction of container ports and goods and materials, construction of warehouses, petrol ports, oil, gas, gas, trading of petrol, oil, gas, gas, trading in goods, supplies, machinery and equipment for production.	200 billion VND	99.95%
16	Minh Phu Certified Shrimp Society Co., Ltd.	Ca Mau Province - Vietnam	Production, preservation, trading and consultancy on aquaculture of aquatic products	6 billion VND	66.67%

AFFILIATES

1	Minh Phu Aquamekong Aquaculture Technical Services Co., Ltd.	Ho Chi Minh City - Vietnam	Consulting on aquaculture technology, preliminary processing and preservation of aquatic resources,...	8 billion VND	49%
2	Mekong Logistics Joint Stock Company	Hau Giang Province - Vietnam	Seaport Operation, and Logistics Services	200 billion VND	49%

*\*\*The Company directly holds 50% of the interests in Minh Phu Green Shrimp Feed Co., Ltd. and indirectly holds 49.95% of the interests in these companies through its subsidiary, Minh Phu Hau Giang Seafood Joint Stock Company (“Minh Phu Hau Giang”).*



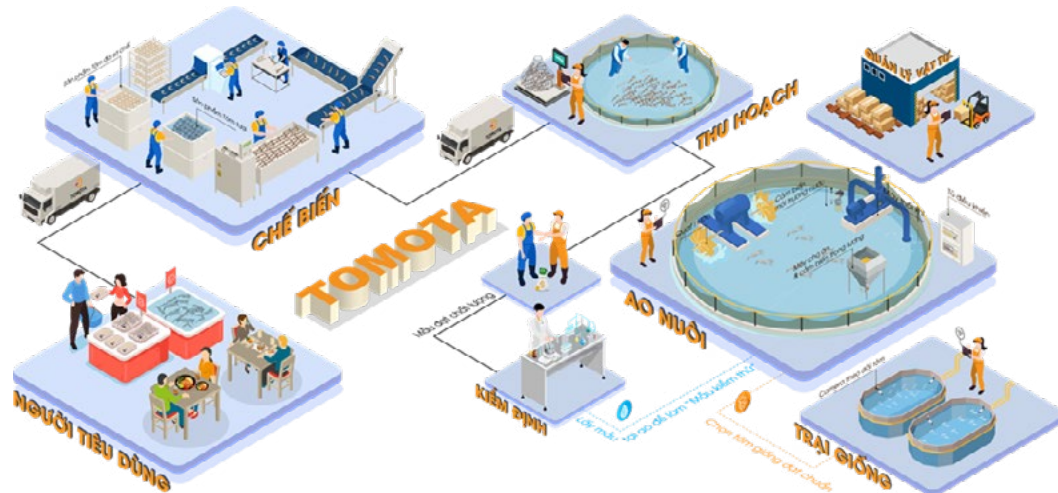


## DEVELOPMENT ORIENTATION

### THE MAIN OBJECTIVES OF THE COMPANY

Minh Phu has determined its strategic goal to become one of the world's leading seafood suppliers, affirming its solid position in the international market. To achieve this goal, the Company has developed and synchronously implemented short-term, medium-term and long-term strategies, suitable for each stage of development. Currently, Minh Phu is focusing on implementing a 5-year strategy (2021 - 2025) with the orientation of improving competitiveness not only for the Company but also for the entire Vietnamese shrimp industry. Within the framework of this strategy, Minh Phu set out key tasks to optimize the value chain, improve production technology and expand the market, towards sustainable development and improve the position of Vietnam's shrimp industry on the world export map:

**1) The Company is prioritizing the improvement of product quality, particularly that of shrimp, while avoiding direct competition on low-price offerings from India and Ecuador. Specifically, Minh Phu continues to enhance its premium vannamei shrimp product line under the 5-in-1 IKEJIME/MPBiO model, where the five elements are:**



- Shrimp are farmed using MPBiO biotechnology, simulating natural conditions with a load-balanced environment, resulting in a rich, distinctive flavor;
- They are raised in offshore seawater with stable salinity levels, enhancing their free amino acid content and giving the shrimp a naturally sweet taste;
- Live shrimp are transported with oxygen directly from farms to processing plants to preserve freshness;
- Instant stunning is applied following the IKEJIME technique, preserving texture and flavor;
- Shrimp are processed immediately, with minimal water contact, retaining their natural sweetness. Additionally, MPBiO biological farming technology offers added environmental value, contributing to carbon emission reduction and sustainability.

**2) Minh Phu aims to build and complete MPBiO-certified biological shrimp value chains including forest black tiger shrimp, extensive black tiger shrimp, semi-intensive black tiger shrimp, rice-shrimp integrated models, and MPBiO whiteleg shrimp. The goal is to achieve production costs on par with Ecuador by 2030.**

**3) The Company is focusing on the development of value-added shrimp products by accelerating R&D and applying modern processing technologies. This will allow Minh Phu to diversify its product portfolio, improve quality, and better meet the increasing demands of international markets.**

### MEDIUM - AND LONG-TERM DEVELOPMENT STRATEGY

Positioning itself on the global stage, Minh Phu identifies three core pillars for its medium- and long-term development strategy: (1) Autonomous value chain for sustainable development; (2) Technology; (3) High-quality human resources.

**(1) Autonomous value chain for sustainable development:** Through ownership of a closed-loop and responsible value chain, Minh Phu aims to build a comprehensive ecosystem that delivers shared value. The Company is gradually perfecting its vertically integrated value chain-from broodstock, farming, feed production, and processing to distribution and sales. While Minh Phu owns large-scale farming areas totaling over 1,200 hectares, the Group does not aim to fully internalize raw material supply. Instead, the Company targets 50% self-sufficiency and strategically focuses on linking with farmers across various provinces to form centralized shrimp farming zones operated under MPBiO technology. This approach enables the production of standard Minh Phu-quality inputs at lower costs while empowering farmers to build wealth sustainably on their own land.

**(2) Technology:** As a key enabler, technology

is deeply embedded in Minh Phu's farming zones and processing plants, serving as a springboard for accelerated and scalable growth. The Company has embraced digitalization for traceability, integrated IoT systems to extract real-time data, and implemented robotics and artificial intelligence (AI) for process automation. It has also adopted hyperspectral imaging in processing plants, leveraged big data analytics and AI for collaborative knowledge-sharing and technical coordination, and deployed mobile applications in shrimp farming. Minh Phu further partners with insurance companies, reinsurers, and financial institutions to provide capital access to shrimp farmers-reinforcing the ecosystem's resilience and inclusivity.

**(3) High-quality human resources:** To execute its medium- and long-term strategy, Minh Phu firmly believes that people are the foundation. Human capital is considered the core and the center of all operations. Alongside its business strategies, the Company continuously develops workforce policies that prioritize retaining current talent and attracting highly qualified new personnel...

### SUSTAINABLE DEVELOPMENT GOALS

*"30 Years - A legacy of trust, a taste of excellence. Minh Phu fuses traditional values with modern thinking to deliver the most delightful experience at every table, in every meal."*

Minh Phu's sustainable development roadmap is built on three core principles:

- **Integrated Value Chain:** A fully integrated system from hatcheries to distribution channels to enhance global competitiveness;
- **Digitalization & Automation:** Prioritizing automation, IoT, and artificial intelligence to boost production efficiency and reduce cost of goods sold across the value chain;
- **Responsible Enterprise:** Growing as a responsible corporate citizen committed to social and environmental sustainability, carbon emission reduction, and long-term growth in the food industry.





## RISK

### KEY RISKS

- 01 Economic risks
- 02 Exchange rate risk
- 03 Interest rate risk
- 04 Legal risks
- 05 Competitive risks
- 06 Raw material price risk
- 07 Risk of epidemics, environmental pollution
- 08 Other risks

As a global enterprise with a broad international customer network, Minh Phu faces numerous risks and challenges stemming from fluctuations in the global economy as well as domestic macroeconomic developments. To effectively mitigate unforeseen events, Minh Phu places Risk Management at the forefront of its corporate governance system. The Company's leadership has established and implemented a six-step risk management framework designed to identify and propose appropriate risk mitigation strategies. This process not only enables Minh Phu to gain clear insights into risk factors but also equips the Company with preventive and responsive solutions for navigating complex situations.

### RISK MANAGEMENT PROCESS

#### 1. Risk Identification:

Identify the sources and potential impacts of various risk types on the Company's business operations through research and market analysis across all areas of activity.

#### 2. Risk Analysis:

Assess the likelihood and severity of risks from both qualitative and quantitative perspectives.

#### 3. Risk Prioritization:

Rank and evaluate risks based on a set of assessment criteria that incorporate both measurable data and expert judgment.

#### 4. Risk Treatment:

Determine appropriate mitigation strategies, evaluate and select the most optimal solutions for each specific risk. At the same time, identify opportunities within risks to support business development.

#### 5. Risk Monitoring:

Conduct ongoing reviews to ensure that risk management measures remain effective and aligned with current conditions.

#### 6. Risk Communication and Consultation:

Organize communication activities, training sessions, and workshops to raise awareness among employees regarding potential risks and past experiences. Solicit feedback from stakeholders to ensure no potential insights or solutions are overlooked.



## RISK FACTORS

### ECONOMIC RISKS

In 2024, the global economy continued its slow and uneven recovery across regions, with GDP growth reaching 3.2%. Global inflation declined from 6.7% the previous year to around 5.8%. Many major economies began cutting interest rates, easing financial conditions. Nonetheless, ongoing geopolitical tensions in the Middle East, the Russia-Ukraine war, and escalating global trade conflicts-especially between the U.S. and China, and between Russia and Western nations+continued to have negative effects on global growth. These developments not only influenced energy prices but also placed considerable pressure on transportation and production costs for businesses.

Amid global uncertainty, Vietnam's economy showed positive momentum. In 2024, GDP growth reached 7.09%, up from 5.05% in 2023. This achievement was driven by a strong rebound in exports and domestic consumption, supported by the effective utilization of free trade agreements to expand international market share. Inflation stood at 3.63%, lower than both the previous year and the National Assembly's target, reflecting the State Bank of Vietnam's effective price control measures. A stable exchange rate also contributed to favorable import-export performance, helping maintain the competitiveness of Vietnamese enterprises in global markets.

Vietnam's shrimp industry in 2024 also faced various challenges. Consumer demand in key markets remained influenced by inflation, while competition intensified from countries like India, Ecuador, and Indonesia. Meanwhile, the

U.S-Vietnam's largest shrimp import market-continued to impose trade barriers, including anti-dumping and countervailing duties. These factors created significant obstacles for shrimp exporters.

Despite the challenges, Vietnam's shrimp sector recorded notable achievements in 2024. Total shrimp production reached 1.37 million tons, up 4.8% compared to 2023, thanks to improvements in farming methods and the adoption of advanced technologies. According to the Vietnam Association of Seafood Exporters and Producers (VASEP), shrimp export turnover hit USD 4 billion, an increase of 15% year-on-year, with whiteleg shrimp accounting for the largest share. The EU market experienced strong growth, especially in countries such as the Netherlands and Germany, supported by the benefits of free trade agreements like EVFTA. However, exports to the U.S. and Japan continued to face pressure due to sluggish demand and increasingly stringent technical barriers.

To cope with these challenges, the Company focuses on diversifying products, particularly by enhancing deep processing to increase value and optimize production costs. Minh Phu also improves the farming process, applying modern technologies to enhance efficiency and control costs. Additionally, the company expands exports to Asian markets to reduce logistics costs, while seeking and tapping into niche markets with high demand. Furthermore, Minh Phu strengthens domestic consumption to take advantage of the domestic market. These measures help the company maintain its competitiveness and ensure sustainable growth amid a volatile economic environment.

### EXCHANGE RATE RISK

As an exporter, Minh Phu is particularly interested in exchange rate risk in key markets such as the US, Japan and China. In 2024, the global economic context will record significant changes in the monetary policies of these countries, creating both challenges and opportunities for export activities.

The US Federal Reserve (Fed) has made three interest rate cuts in 2024, bringing the interest rate from 5.25%-5.50% by the end of 2023 to about 4.75%-5%. This move is intended to support the US economy, which is slowing down due to the impact of previous tightening policies. However, the dollar remains strong against many other currencies due to the instability in other regions. By the end of 2024, the USD/VND exchange rate recorded an increase of about 4.31% compared to the beginning of the year, putting pressure on the cost of importing raw materials and affecting the price competitiveness of Minh Phu in this market.

In Japan, the Bank of Japan (BOJ) officially moved to tighten monetary policy in mid-2024, after years of maintaining negative interest rates. This move caused the Japanese Yen to appreciate against the VND, specifically the YEN/VND exchange rate has increased by 7% compared to the beginning of 2024. This creates additional cost pressure for Minh Phu in the Japanese market, however, the demand

for shrimp consumption in this country is still maintained thanks to the economic recovery and high purchasing power.

Meanwhile, China continues to maintain a monetary easing policy in 2024 to support the economy and real estate market. The yuan (CNY) continued to weaken against the dollar, despite the fact that the Central Bank of China has implemented many intervention measures during the year. By the end of 2024, the USD/CNY exchange rate was recorded at 7.2991, an increase of about 3.1% compared to the end of 2023. The weakening of the CNY could bring a price advantage to exports from Vietnam, including Minh Phu shrimp, in the Chinese market.

In Vietnam, the State Bank maintained a flexible monetary policy in 2024, with two interest rate cuts at the beginning of the year to support the economy. This helps stabilize the VND exchange rate with major foreign currencies, creating a favorable environment for export activities.

Generally in 2024, Minh Phu has been implementing clear strategies to adapt to changes in global monetary policy. With extensive experience in the export industry, the company believes that it will continue to maintain its competitive position and develop sustainably in key markets.





## RISK FACTORS

### INTEREST RATE RISK

In 2024, Minh Phu will continue to face the risk of high lending rates, especially when the company's current loan structure is mainly comprised of short-term debt. Minh Phu's debts account for about 50% of total assets, of which more than 90% are short-term debts. This puts the company under great pressure when market interest rates fluctuate, directly affecting financial costs.

In 2024, although the State Bank of Vietnam has reduced the operating interest rate by 0.5-1 percentage point to support economic growth, the commercial loan interest rate still ranges from 6.7% to 9.1% depending on the sector and the borrower's creditworthiness. This puts great pressure on interest costs, especially in the context of rising raw material prices and operating expenses.

The high short-term debt ratio makes Minh Phu face challenges in financial management. When the market is volatile, the company is vulnerable to cash flow shortage, which could affect its payment capacity and production activities. In

### LEGAL RISKS

In 2024, Minh Phu Seafood Group Joint Stock Company will continue to comply with current legal regulations, including the Law on Enterprises, the Law on Securities, and other related guidelines. As a leading shrimp exporter, Minh Phu always ensures strict compliance with domestic and foreign tax policies and fully meets customs requirements and product standards in export markets.

In response to strict requirements on product quality, origin, and trade protection policies, Minh Phu has focused on comprehensively improving

addition, high interest expenses reduce profits, making it difficult for Minh Phu to reinvest to improve product quality and market expansion.

In order to effectively manage risks, Minh Phu constantly closely monitors and regularly updates its knowledge of fluctuations in the financial market, exports, and domestic consumption. Based on volatility factors and sensitivity analysis results, Minh Phu develops specific financial plans, including cash flow optimization plans, working capital management, expansion investment, and reasonable adjustment of financial leverage to ensure stability in business operations. In addition, Minh Phu benefits from being part of priority sectors in the credit policy of the State Bank of Vietnam, which allows the company to access more favorable loan conditions. By combining these flexible measures, the company not only minimizes risks from interest rates and financial fluctuations but also creates opportunities to increase financial performance, towards long-term sustainable development.

from breeding, and farming to the final product. The company effectively takes advantage of incentives from free trade agreements such as CPTPP and EVFTA to reduce taxes, expand markets, and improve competitiveness.

With a commitment to closely monitor and continuously update legal changes, Minh Phu ensures that export activities are always favorable, meet the requirements of the international market and continue to promote the sustainable development of Vietnam's seafood industry.

### COMPETITIVE RISK

In 2024, Vietnam's shrimp export market continued to focus on key markets such as the US, China and Japan. According to data from the Vietnam Association of Seafood Exporters and Processors (VASEP), by the end of November 2024, the total export value of Vietnamese shrimp reached nearly 3.5 billion USD, an increase of 10% over the same period in 2023. The US market is still an important destination with an export turnover of about 700 million USD, up 5% compared to the previous year, thanks to improved consumer demand and cooling inflation. However, Vietnamese shrimp in the US still only accounts for about 9.8% of the total market share, behind India (35.6%), Ecuador (22%) and Indonesia (18.9%).

In China, Vietnam's shrimp exports recovered strongly, reaching 410 million USD in 11 months, up 15% compared to the previous year. However, Vietnam only accounts for 1.6% of China's shrimp import market share, very small compared to Ecuador (49.5%) and India (10.5%). Ecuador continues to lead with shrimp prices 20%-30% cheaper than Vietnamese shrimp, thanks to the advantages of low production costs and large output.

For Japan, Vietnam maintains its position as the second largest supplier with 23.8% market share, only behind India with 25.1%. The total value of Vietnamese shrimp exports to Japan in the first 11 months of the year reached 520 million USD, a slight increase of 2% over the same period in 2023. However, the export value is still under downward pressure due to the decline in global

shrimp prices due to supply exceeding demand.

The biggest competitive risk comes from the dominance of Ecuador and India in key markets. In the US, in the first 9 months of 2024, Ecuador's shrimp export value increased by 10%, with total exports reaching more than 600,000 tons, accounting for 22% of the market share. Similarly, in China, Ecuador accounts for nearly 50% of the total market share of shrimp imports thanks to low prices and large output. In addition, high production costs in Vietnam, including raw material prices and logistics, reduce the competitiveness of Vietnamese shrimp in the international market.

To cope with competitive pressure, Minh Phu has set out long-term strategies to optimize production costs and improve product value. The company focuses on developing value-added, deep-processed, and ready-to-eat refined shrimp products, meeting the increasing demand of markets such as Japan and the US. At the same time, Minh Phu continues to invest in a closed value chain, from farming, processing to export, helping to reduce input costs and increase price competitiveness compared to competitors. Thanks to these strategies, Minh Phu has affirmed its position as a supplier of high-quality shrimp, not only maintaining market share in traditional markets but also gradually expanding into emerging markets, contributing to improving the image of Vietnam's shrimp industry in the international landscape.





## RISK FACTORS

### RAW MATERIAL PRICE RISK

In 2024, Vietnam's seafood industry, especially the shrimp farming sector, faced major fluctuations in input material prices. One of the main problems was the high dependence on broodstock imports when about 80% still have to be imported from abroad because domestic facilities have not mastered breeding and domestication techniques. This caused the price of seeds to fluctuate sharply according to the international market, creating great pressure on farming facilities and shrimp exporters, including Minh Phu.

The cost of aquafeed, which accounts for about 65% of the total cost of industrial shrimp farming, was also a worrying factor. Feed prices tended to increase in 2024, due to the impact of input prices and rising transportation costs. According to the General Statistics Office, the price of raw materials used for domestic production in the first quarter of 2024 increased by 1.15% over the same period last year, which directly affects the price of aquatic feed and increases production costs.

In addition, the farming environment in the Mekong Delta, a key shrimp farming area in Vietnam, continues to be heavily affected by climate change. Extreme weather events such as

drought, and salinity intrusion increase, making it difficult to maintain a stable farming environment. In addition, the irrigation system for aquaculture is still used in conjunction with agricultural irrigation, leading to the risk of water pollution, reducing aquaculture productivity and increasing management costs.

In response, Minh Phu has implemented measures to reduce risks. The company invests in research and development of high-quality breeds, focusing on improving breeding processes and biosecurity controls. At the same time, Minh Phu cooperates with strategic partners to produce our own branded aquatic feed, helping to reduce dependence on imported sources and stabilize costs. The company also applies advanced biotechnology in farming, which both increases productivity and minimizes environmental impact. In addition, Minh Phu actively closely monitors price fluctuations in the market and flexibly adjusts production and business plans to respond promptly. These efforts not only help the company maintain a competitive advantage but also ensure the sustainability of its business operations despite fluctuations in raw material prices and environmental conditions in 2024.

### RISK OF EPIDEMICS, ENVIRONMENTAL POLLUTION

In 2024, Vietnam's shrimp farming industry will continue to face significant risks related to epidemics and environmental pollution, directly affecting productivity and product quality.

Although the area of farmed shrimp affected by the epidemic has decreased significantly, to only 3,593 hectares, down 34.97% over the same period last year, according to the report of the Department of Animal Health, common diseases such as white spot disease, acute hepatopancreatic necrosis

(AHPND), red body syndrome and white feces disease still emerged, especially in key shrimp farming provinces such as Tra Vinh, Soc Trang, Ca Mau, Bac Lieu, and Kien Giang. In addition, pond environmental pollution continues to be a serious problem. The main causes include organic waste from excess feed, algae overgrowth, and overuse of chemicals. These factors lead to a decline in water quality, creating favorable conditions for pathogens to grow and spread.

To mitigate risks, measures such as water quality management, the use of beneficial microorganisms, improving water supply systems, and minimizing the use of chemicals need to be applied synchronously. In addition, the selection of quality shrimp breeds, reasonable control of farming density, and strengthening shrimp health monitoring also play an important role in disease prevention and protection of the farming environment. The application of integrated solutions and raising awareness of shrimp farming environmental management will help Vietnam's shrimp farming industry develop sustainably, minimize economic losses, and meet domestic and international food safety standards.

### OTHER RISKS

In addition to the risks mentioned above, Minh Phu also faces uncontrollable or force majeure risks such as natural disasters, fires and explosions, epidemics, or technical problems in production. Natural disasters such as storms, floods, droughts, or landslides, especially in the context of increasing climate change, can seriously affect the supply of raw materials and production activities in shrimp farming areas, causing great losses in output and quality. In response, Minh Phu has invested in sustainable farming solutions, built a modern pond system, and coordinated with experts to forecast the weather accurately, helping to promptly adjust production plans. Fire and explosion risks are also key concerns for the company. Minh Phu is equipped with standard fire protection systems,

annual drills, and regular reviewing and improving the occupational safety system. In addition, technical failures in machinery operations are also a risk that can cause production disruptions. The company has carried out periodic maintenance, trained a team of skilled technicians, and purchased insurance for large assets to minimize damage. In addition, although the epidemic situation has been controlled, Minh Phu still maintains preventive measures such as air quality checks, periodic health checks for employees, and raising awareness of health protection. These efforts not only help the company reduce risks but also ensure operational stability and strengthen trust from partners and customers.





# Chapter 02

## PRODUCTION AND BUSINESS ACTIVITIES

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PRODUCTION AND BUSINESS ACTIVITIES

OPERATING RESULTS IN 2024:

No.	Indicator	Unit	2023	2024	%Change
1	Production Volume	Ton	44,892	55,805	24.31%
2	Export volume	Ton	40,332	54,722	35.68%
3	Export revenue	Million (USD)	445.76	556.48	24.84%
4	Net sales	Billion VND	10,767	14,735	36.85%
5	Cost of goods sold	Billion VND	9,678	13,587	40.39%
6	Gross profit on sales and service provision	Billion VND	1.089	1,149	5.42%
7	Profit before tax	Billion VND	-95,52	-130.45	-
8	Profit after tax	Billion VND	-105,07	-190.62	-



PERFORMANCE VS. PLAN:

Indicator	Unit	Actual 2024	Planned 2024	Completion (%)
Production Output	Ton	55,805	56,000	99.65%
Net sales	Billion VND	14,735	15,805.8	93.23%
Profit before tax	Billion VND	-130.45	1,125.6	-
Profit after tax	Billion VND	-190.62	1,021.5	-

The shrimp export market in 2024 gradually recovered and brought positive signals but still faces fierce competition from countries such as Ecuador, India, and Indonesia, along with difficulties in trade barriers, strict standards of major markets, and transportation costs are still high. Minh Phu’s production output and export volume in 2024 increased by 24.31% and 35.68%, respectively compared to the previous year, export turnover reached 556.48 million USD. The Company’s business results have grown, with net revenue increasing by 36.85% compared to 2023, reaching more than 14,731 billion VND, completing 93.23% of the plan. 2024 continued to be a challenging year for Minh Phu, although output and revenue have increased, the Company’s expenses have also increased sharply, causing profits to erode specifically, gross profit increased slightly by 5.42%, profit before tax and after tax was -130.45, and -190.62 billion VND, respectively. The main reason is that the price of commercial shrimp continues to increase due to market supply and demand. Besides, the cost of feed and pond treatment due to the epidemic has also caused the price of commercial shrimp to increase sharply. Currently, the autonomy rate of raw materials from Minh Phu’s farming area is only 10%. The

remaining 90% depends on association activities and procurement from farmer households. Fully aware of the challenges from the input and output business environment, Minh Phu continues to promote investment in research on disease-resistant shrimp breeds, and at the same time, applies MPBiO 5-in-1 biological shrimp farming technology with natural environment simulation, farming with high salinity seawater; combining farming environment control with digital technologies, 24-hour pond monitoring and data-driven decision-making; limit the use of antibiotics; and harvesting and transporting live shrimp to the processing plant. This technology can help raise the survival rate of shrimp to 80%, which is much higher than traditional farming methods. The stocking pond surface area has also been increased from 30% to 60%, helping to improve the development ability of shrimp. Although the initial stage will face many difficulties in applying and innovating techniques due to the long-term farming habits of Vietnamese farmers, the Company expects that if successfully implemented, production costs will be reduced by up to 50%, and profits will increase by 10-20% compared to the old shrimp farming model. thereby improving the competitiveness and improving the Company’s profit margin.



ORGANIZATION AND PERSONNEL

LIST OF THE BOARD OF MANAGEMENT

As of 31/12/2024

No.	Member	Duty	Number of shares owned	Ownership Rate	Date of Appointment
1	Mr. Le Van Quang	General Director	64,468,800	16.08%	12/05/2006
2	Ms. Chu Thi Binh	Deputy General Director	70,362,860	17.55 %	12/05/2006
3	Ms. Le Thi Diu Minh	Deputy General Director	13,126,840	3.27%	12/05/2006
4	Mr. Le Van Diep	Deputy General Director	72,860	0.018 %	12/05/2006
5	Mr. Bui Anh Dung	Deputy General Director	291,640	0.073%	29/12/2011
6	Mr. Le Ngoc Anh	Deputy General Director	258,680	0.065 %	18/07/2011
7	Mr. Chu Hong Ha	Deputy General Director	301,640	0.077 %	01/01/2018
8	Mr. Tsunoda Norihisa	Deputy General Director	0	0%	05/05/2022
9	Mr. Nakano Takuma	Chief Financial Officer	0	0%	01/06/2023
10	Mr. Luu Minh Trung	Chief Accountant	13,150	0.003%	12/05/2006

CHANGES IN THE BOARD OF MANAGEMENT IN 2024

In 2024, the Company had no changes in the Board of Management.



**Mr. Le Van Quang**  
Member of the BoD, CEO, Legal Representative  
  
Nationality: Vietnamese  
Year of birth: 1958  
  
Qualifications: Aquatic Processing Technology Engineer

Work experience:

- ◇ 1981 - 1983: Technical Officer of Minh Hai Department of Fisheries.
- ◇ 1983 - 1986: Deputy Director of Purchasing Department of Minh Hai Seafood Import and Export Company.
- ◇ 1986 - 1988: Workshop foreman of Minh Hai Seafood Import and Export Company.
- ◇ 1992 - 2003: Owner of Minh Phu private enterprise.
- ◇ 2003 - 2006: General Director of Minh Phu Seafood Import and Export Company.
- ◇ 2006 - 7/2020: Chairman of the Board of Directors General Director of Minh Phu Seafood Group Joint Stock Company.
- ◇ 8/2020 - present: Member of the Board of Directors General Director of Minh Phu Seafood Group Joint Stock Company.

Current position at the Company:

Member of the Board of Directors and General Director of Minh Phu Seafood Group Joint Stock Company.

Current position at other company:

- ◇ Chairman of the Board of Directors of Minh Phu Hau Giang Seafood Joint Stock Company.
- ◇ Chairman of the Board of Directors of Minh Phat Seafood Processing Co., Ltd.
- ◇ Chairman of the Board of Directors of Minh Phu Kien Giang Seafood Co., Ltd.
- ◇ Chairman of the Board of Directors of Minh Phu Aquatic Breed Production Co., Ltd.



## ORGANIZATION AND PERSONNEL

### LIST OF THE BOARD OF MANAGEMENT



**Ms. Chu Thi Binh**

Chairwoman of the Board of Directors, Deputy CEO

Nationality: Vietnamese

Year of birth: 1964

Qualification: Intermediate

#### Work experience:

- ◇ 1981 - 1995: Purchasing Officer, Accountant of Ca Mau Seafood Processing Company.
- ◇ 1996 - 1997: Deputy Director of the Cooperative Enterprise.
- ◇ 1998 - 7/2020: Deputy General Director of Minh Phu Seafood Group Joint Stock Company, Director of Minh Quy Seafood Processing Co., Ltd.
- ◇ 8/2020 - present: Chairwoman of the Board of Directors Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at the Company:

Chairwoman of the Board of Directors and Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at other company:

Director of Minh Quy Seafood Processing Co., Ltd.



**Mr. Le Van Diep**

Member of the BoD, Deputy CEO

Nationality: Vietnamese

Year of birth: 1972

Qualification: Bachelor of Economics

#### Work experience:

- ◇ 1999-2002: Deputy Director of Operations Department, Minh Phu Seafood Factory.
- ◇ 2003- 2006: Deputy Finance Director of Minh Phu Seafood Import Export Company.
- ◇ 2006 - 2007: Member of the Board of Directors, Deputy Chief Financial Officer of Minh Phu Seafood Joint Stock Company.
- ◇ 07/05/2007 - 31/12/2007: Chief Financial Officer of Minh Phu Seafood Joint Stock Company.
- ◇ 2008 - present: Member of the Board of Directors Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at the Company:

Member of the Board of Directors and Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at other company:

- ◇ Deputy Director of Minh Qui Seafood Processing Co., Ltd. and Minh Phat Seafood Processing Co., Ltd.



ORGANIZATION AND PERSONNEL

LIST OF THE BOARD OF MANAGEMENT



**Mr. Bui Anh Dung**  
Member of the BoD, Deputy CEO  
  
Nationality: Vietnamese  
Year of birth: 1975  
Qualification: Seafood Processing Engineer

Work experience:

- 1998-2000: KCS Minh Phu Seafood Processing Company.
- 2000-2002: Import-export employee of Minh Phu Seafood Import-Export Company.
- 2003 - 2006: Deputy Director of Planning and Marketing of Minh Phu Seafood Joint Stock Company.
- 2007 - 2011: Director of Planning - Market of Minh Phu Seafood Group Joint Stock Company.

Current position at the Company:

Member of the Board of Directors and Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

Current position at other company:

General Director of Minh Phu Seafood Export Co., Ltd.



**Ms. Le Thi Diu Minh**  
Deputy CEO  
  
Nationality: Vietnamese  
Year of birth: 1986  
Qualification: Bachelor of Economics

Work experience:

- 05/2006- 05/2007: Member of the Board of Directors of Minh Phu Seafood Joint Stock Company.
- 6/2007-3/2015: Assistant General Director of Minh Phu Seafood Group.
- 3/2015-present: Deputy General Director of Minh Phu Seafood Group.

Current position of the Company:

Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

Current position at other companies:

None



## ORGANIZATION AND PERSONNEL

### LIST OF THE BOARD OF MANAGEMENT



**Mr. Le Ngoc Anh**

Deputy CEO

Nationality: Vietnamese

Year of birth: 1973

Qualification: Seafood Processing Engineer

#### Work experience:

- ◇ 1997-1999: KCS Minh Phu Seafood Processing Company.
- ◇ 2000-2003: Head of KCS of Minh Phu Seafood Import Export Company.
- ◇ 2003- present: Quality Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position of the Company:

Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at other company:

General Director of Minh Phu Supply Chain Company Limited.



**Mr. Chu Hong Ha**

Deputy CEO

Nationality: Vietnamese

Year of birth: 1979

Qualification: Bachelor of Economics

#### Work experience:

- ◇ 06/2003 - 04/2006: Accountant of Minh Phu Seafood Joint Stock Company.
- ◇ 5/2006 - 03/2007: Chief Accountant of Minh Phu Kien Giang Seafood Co., Ltd.
- ◇ 04/2007 - 10/2014: Deputy Director of Minh Phu Kien Giang Seafood Co., Ltd.
- ◇ 11/2014 - 06/2016: Director of Minh Phu Kien Giang Seafood Co., Ltd.
- ◇ 07/2016 - 12/2017: Director of Internal Control of Minh Phu Seafood Group.
- ◇ 1/2018 - present: Deputy General Director of Minh Phu Seafood Group.

#### Current position of the Company:

Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

#### Current position at other company:

Director of Minh Phu Kien Giang Seafood Co., Ltd.





## ORGANIZATION AND PERSONNEL

### LIST OF THE BOARD OF MANAGEMENT



**Mr. Tsunoda Norihisa**

**Deputy CEO**

**Nationality:** Japanese

**Year of birth:** 1972

**Qualification:** Bachelor of Economics, Hitotsubashi University, Japan

**Work experience:**

- ◇ 1996-1997: Food Administrative Dept., Mitsui & Co., LTD. (Japan)
- ◇ 1997-2001: Feed Grain Dept., Mitsui & Co., LTD. (Japan)
- ◇ 2001-2002: Trainee, Grain, Feed and Oilseeds Dept., Mitsui & Co.,(U.S.A.) Inc.
- ◇ 2002-2005: Feed Grain Dept., Mitsui & Co., LTD. (Japan)
- ◇ 2005-2008: Feed Grain Dept., Mitsui & Co., LTD. (Japan)
- ◇ 2008-2010: Deputy General Manager, New Shipbuilding project Dept,Mitsui & Co., Ltd (Japan)
- ◇ 2011-2015: General Manager, Grain Logistics Dept. Mitsui & Co., Ltd (Japan)
- ◇ 2015-2017: General Manager, Strategic Planning Dept, Mitsui & Co.,LTD (Japan)
- ◇ 2017-nay: General Manager, Food Business Dept, Mitsui &Co.,(U.S.A.) Inc.

**Current position at the Company:**

Deputy General Director of Minh Phu Seafood Group Joint Stock Company.

**Current position at other company:**

None



**Mr. Nakano Takuma**

**Chief Financial Officer**

**Nationality:** Japanese

**Year of birth:** 1979

**Qualification:** Bachelor Degree

**Work experience:**

- ◇ 04/2002 to 31/05/2023 working at Mitsui & Co., Ltd

**Current position at the Company:**

Chief Financial Officer of Minh Phu Seafood Group Joint Stock Company.

**Current position at other company:**

None

**Mr. Luu Minh Trung**

**Chief Accountant**

**Nationality:** Vietnamese

**Year of birth:** 1972

**Qualification:** Bachelor of Financial Accounting

**Work experience:**

- ◇ Chief Accountant of Minh Phu Seafood Group Joint Stock Company.

**Current position at the Company:**

Chief Accountant of Minh Phu Seafood Group Joint Stock Company.

**Current position at other company:**

None



ORGANIZATION AND PERSONNEL (CONT.)

NUMBER OF OFFICERS AND EMPLOYEES

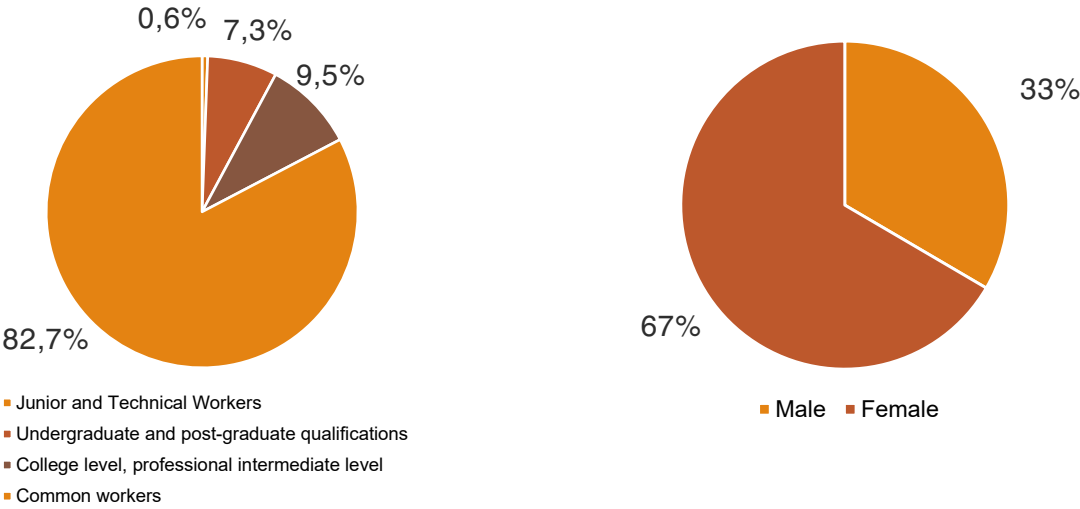
As of 31/12/2024

No.	Classification properties	Number (person)	Porportion (%)
I	By level	12.560	100%
1	Undergraduate and post-graduate qualifications	911	7,25%
2	College level, professional intermediate level	1.192	9,49%
3	Junior and Technical Workers	73	0,58%
4	Common workers	10.384	82,68%
II	According to the nature of the labor contract	12.560	100%
1	Short-term contracts of less than 1 year	72	0,57%
2	Contracts with a term of 1 to 3 years	2.263	18,02%
3	Indefinite-term contract	10.225	81,41%
III	By gender	12.560	100%
1	Male	4.199	33,43%
2	Female	8.361	66,57%
Total		12.560	100%



Average income:

Quota	Year 2021	Year 2022	Year 2023	Year 2024
Average income (Million VND/person/month)	8.20	9.30	8.00	7.80





## INVESTMENT SITUATION

### IMPLEMENTATION OF PROJECTS

#### MAJOR INVESTMENT ITEMS

In 2024, Minh Phu continued its investments in various ongoing projects, specifically as follows:

Unit: Million VND

No.	Item	31/12/2023	31/12/2024	%Increase/ Decrease
1	Breeding factory	528,476	5,545	-98.95%
2	Khanh An processing factory	404,129	502,425	24.32%
3	Seawater pipeline for farming areas	261,110	302,953	16.03%
4	Land use rights	94,643	94,643	0.00%
5	Shrimp ponds	72,274	66,758	-7.63%
6	Ground leveling	26,137	26,137	0.00%
7	Dormitory for workers	18,949	-	-100.00%
8	Other factories and works	6,829	13,986	104.79%
<b>TOTAL</b>		<b>1,412,546</b>	<b>1,012,446</b>	<b>-28.32%</b>

#### SUBSIDIARIES AND ASSOCIATED COMPANIES

As of December 31, 2024, Minh Phu had a total of 16 related companies, including 4 shrimp feed factories, 2 shrimp hatcheries, 1 farm, and 9 other companies directly under the parent company. Each member company operates as a closely integrated unit within the Group, contributing to the business activities, development, and expansion of Minh Phu.





FINANCIAL SITUATION

FINANCIAL SITUATION

Unit: Billion VND

Indicator	2023	2024	%Increase/ Decrease
Total Asset	10,208.50	9,536.77	-6.58%
Net sales	10,767.39	14,735.24	36.85%
Gross profit	-56.61	-84.48	49.22%
Other Profits	-38.91	-45.98	18.17%
Profit before tax	-95.52	-130.45	-
Profit after tax	-105.07	-190.62	-

At the end of 2024, Minh Phu recorded a total asset value of 9,536,66 billion VND, a decrease of 6.58% compared to the same period last year, primarily due to a reduction of over 1,000 billion VND in inventory value, with the majority attributed to finished goods and merchandise. Net revenue for the year increased by nearly 37%. However, the cost of goods sold remained high at over 90%. Despite efforts to cut selling and administrative expenses, the increase in these two expense categories - by 8.18% and 4.34%, respectively - resulted in a net operating loss of 84,48 billion VND for Minh Phu. Ultimately, Minh Phu recorded a post-tax loss of approximately 190,62 billion VND after deducting corporate income tax and other expenses.

KEY FINANCIAL INDICATORS

Indicators	Unit	2023	2024
Solvency			
Current Ratio	Times	1.58	1.45
Quick Ratio	Times	0.44	0.53
Capital Structure			
Debt/Total Assets Ratio	%	46.54	48.49
Debt/Equity Ratio	%	87.06	94.12
Operational Capacity			
Inventory Turnover	Times	1.93	3.05
Total Asset Turnover	Times	1.03	1.49
Profitability			
Net Profit / Net Revenue	%	-0.98	-1.29
Net Profit / Average Equity	%	-1.87	-3.68
Net Profit / Average Total Assets	%	-1.01	-1.93
Profit from Production and Business Activities / Net Revenue	%	-0.53	-0.57





## FINANCIAL SITUATION

### KEY FINANCIAL INDICATORS

#### SOLVENCY

Minh Phu's liquidity showed slight fluctuations in 2024, with the current ratio decreasing from 1.58 to 1.45 times, while the quick ratio improved from 0.44 to 0.53 times

The primary reason for the decline in the current ratio was a more than 20% reduction in inventory and a decrease of over 100 billion VND in prepayments to suppliers, leading to a 10% drop in the Company's short-term assets compared to the same period last year. Meanwhile, short-term liabilities decreased at a slower rate of 2.07%, as the Company partially settled its short-term loans.

On the contrary, Minh Phu's significant reduction in finished goods and inventory increased the proportion of highly liquid assets relative to total short-term liabilities, resulting in a 0.09 times increase in the quick ratio.

#### CAPITAL STRUCTURE

As of December 31, 2024, the Company's capital structure reflected an increase in the debt-to-assets ratio from 46.54% to 48.49% and the debt-to-equity ratio from 87.06% to 94.12%. Although Minh Phu significantly reduced its short-term and long-term borrowings (down by 14.70% and 32.64%, respectively), this reduction was insufficient to offset the decline of over 671 billion VND in total assets, primarily due to a decrease in short-term assets. As a result, the debt-to-assets ratio did not improve. Additionally, the debt-to-equity ratio rose as the year-end equity decreased by more than 10%, driven by operating losses and dividend payments that reduced undistributed after-tax profits.



#### OPERATIONAL CAPACITY

Despite a challenging business environment, the Company's operational efficiency indicators showed notable growth. Specifically, inventory turnover increased from 1.93 to 3.05 times, and total asset turnover rose from 1.03 to 1.49 times. The rise in inventory turnover was largely driven by a more than 40% increase in the cost of goods sold compared to the same period, combined with efficient sales of finished goods and merchandise, which accounted for a significant portion of inventory. Meanwhile, the improvement in total asset turnover was supported by a strong increase in net revenue of nearly 4,000 billion VND - equivalent to a 36% rise compared to the same period - despite a more than 6% reduction in the Company's total assets.

#### PROFITABILITY

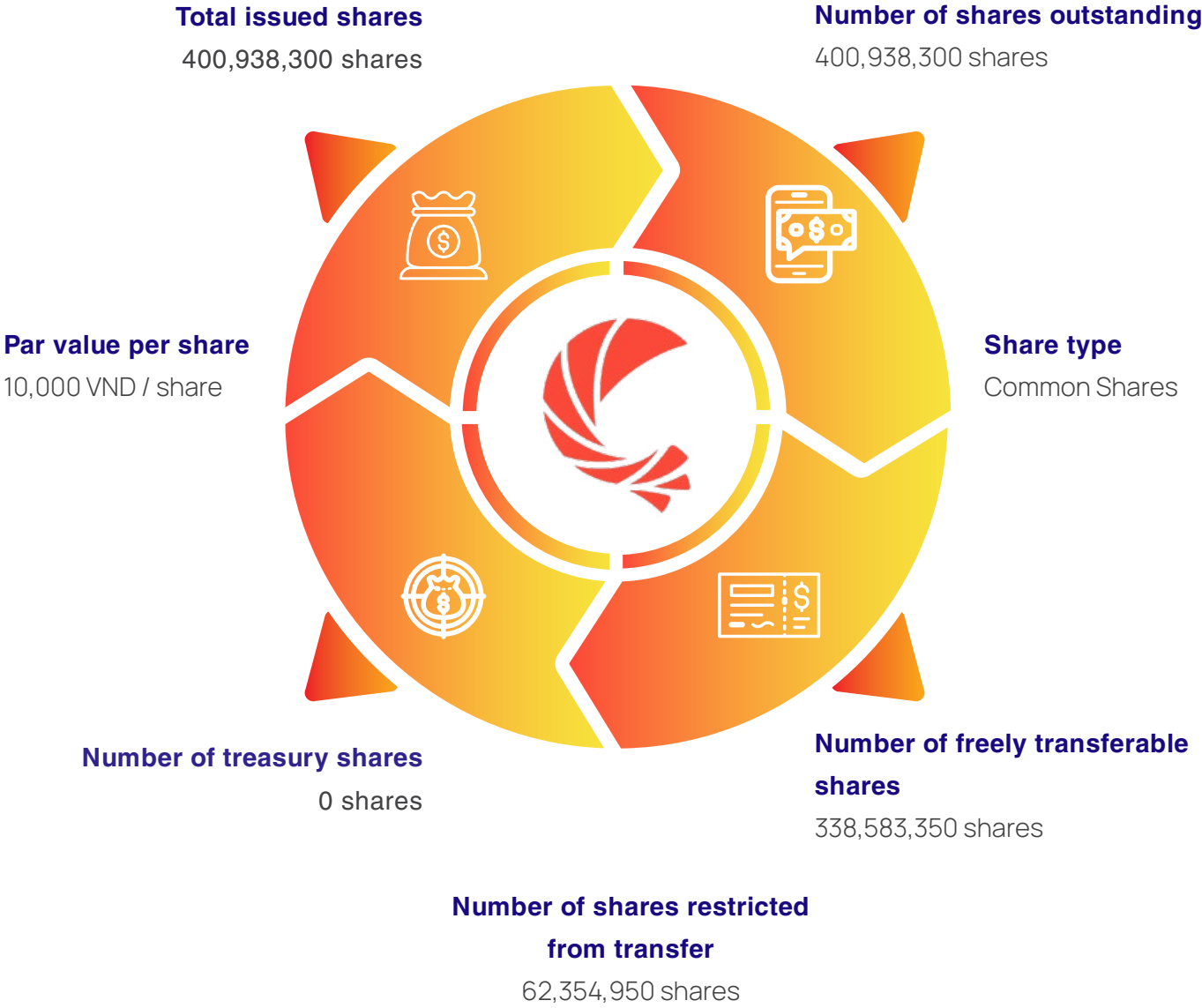
In 2024, the Company's profitability indicators continued to reflect negative figures, as both operating profit and net profit after tax remained in the red. This was largely due to a highly competitive market, rising input costs, and initial challenges in adopting new technologies, which have yet to yield effective results. Minh Phu proactively sought opportunities to expand into new markets and focused on promoting deeply processed and value-added products through investments in projects like the breeding factory. Additionally, the Company worked to enhance shrimp quality while reducing farming costs by implementing Minh Phu Bio shrimp farming technology. With steadfast commitment, Minh Phu expects that successful implementation of this model will help seize opportunities and enhance profitability.





## SHAREHOLDER STRUCTURE, CHANGE OF OWNER’S INVESTMENT CAPITAL

### Stock



### Changes in the owner’s investment capital

In 2024, the Company has completed the issuance of 1,051,000 shares under the Company’s employee selection program with a transfer restriction period of 5 years, raising Minh Phu’s charter capital to VND 4,009,383,000,000.

### Treasury Stock Trading

None

### Other Securities

None

## SHAREHOLDER STRUCTURE

As of 10/12/2024

No.	Shareholder Type	Number of Shares	Value (VND)	Ownership Rate (%)
I	Ownership structure	400,938,300	4,009,383,000,000	100%
1	Major shareholders (owning 5% or more of voting shares)	275,231,660	2,752,316,600,000	68.6%
2	Shareholders holding less than 5% of voting shares	125,706,640	1,257,066,400,000	31.4%
II	State Shareholders	-	-	-
III	Domestic shareholders	245,142,840	2,451,428,400,000	61.1%
1	Individual	227,137,091	2,271,370,910,000	56.7%
2	Institutional	18,005,749	180,057,490,000	4.5%
IV	Foreign shareholders	155,795,460	1,557,954,600,000	38.9%
1	Individual	300,630	3,006,300,000	0.1%
2	Institutional	155,494,830	1,554,948,300,000	38.8%
Total (III+IV)		400,938,300	4,009,383,000,000	100.00%

Maximum foreign ownership rate: 50% according to the company’s foreign ownership rate information disclosure No. 01CBTT. SHNN/MPC21 dated 09/11/2021.

### LIST OF MAJOR SHAREHOLDERS:

No.	Name	Number of shares held	Ownership ratio/ charter capital (%)
1	Le Van Quang	64,468,800	16.08%
2	Chu Thi Binh	70,362,860	17.55%
3	MPM Investments PTE.LTD	140,400,000	35.02%



# 03

## Chapter

### **REPORT AND EVALUATION OF THE BOARD OF MANAGEMENT**

- 56 Evaluation of production and business results
- 58 Financial situation
- 59 Improvements in organizational structure, policies, and management
- 60 Future development plans
- 60 Explanation of the Board of Management for audit opinions



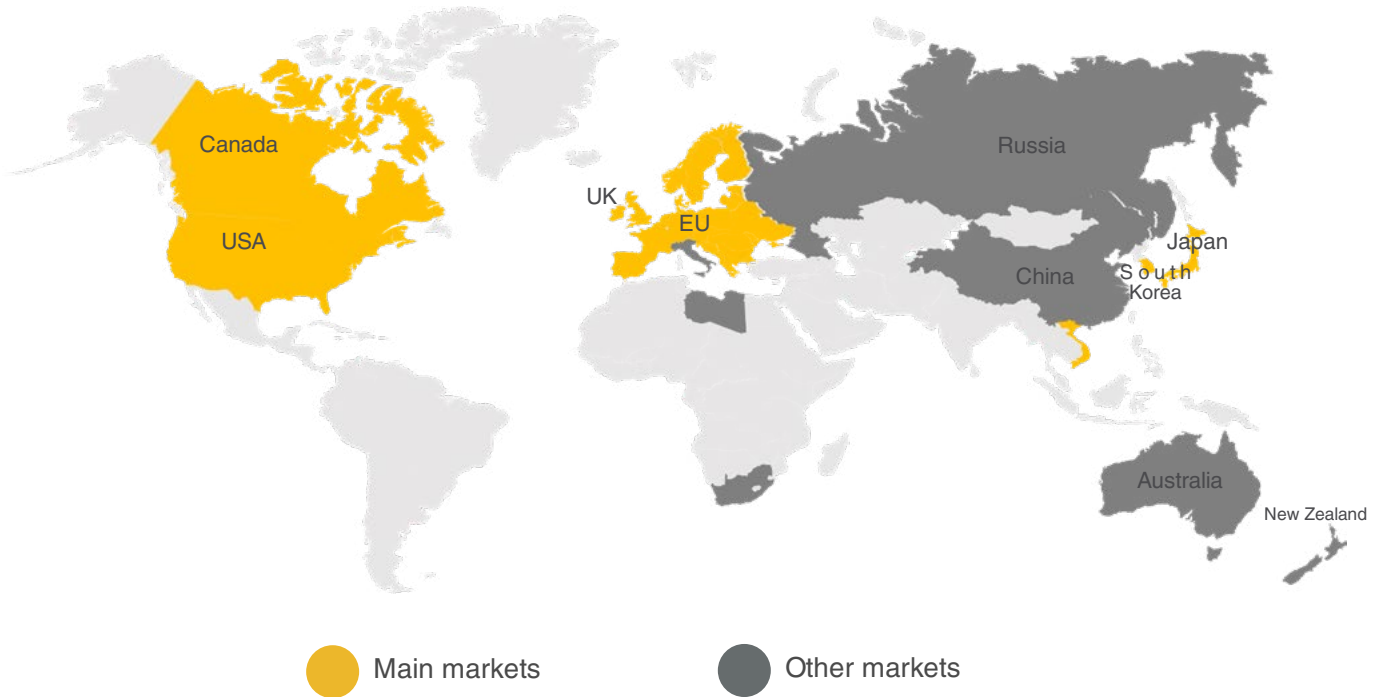


## EVALUATION OF PRODUCTION AND BUSINESS RESULTS

“An overview analysis of the company’s performance compared to the plan/forecast and previous business and production results.

Quota	Units	Actual 2023	Actual 2024	Plan 2024	Compared to 2023 (%)	Compared to plan (%)
Production Output	Ton	44,892	55,805	56,000	24.31%	99.65%
Net sales	Billion VND	10,767	14,735	15,805.80	36.85%	93.23%
Profit before tax	Billion VND	-95.52	-130.45	1,125.60	36.57%	-
Profit after tax	Billion VND	-105.07	-190.62	1,021.50	81.42%	-
Profit after tax of shareholders of the parent company	Billion VND	-98.22	-197.00		100.58%	
Earnings per share	VND	-310	-525		69.35%	

The year 2024 continued to be a challenging period for the Company, as the global economic landscape had yet to fully recover, consumer demand weakened, and competitive pressures intensified. In the international market, Vietnamese shrimp businesses, including those in Vietnam, faced ongoing challenges from competitors in Ecuador, India, and Indonesia - countries with competitive advantages in pricing and large-scale production capabilities. Despite these challenges, the Company demonstrated resilience by focusing on enhancing operational efficiency and adopting flexible business strategies amid increasing competition. Although the production and business performance did not meet the set targets, Minh Phu achieved certain progress in 2024, specifically:



### Revenue structure by country

Markets	2023		2024		%Increase/ Decrease
	VND	Proportion (%)	VND	Proportion (%)	
1. USA	100,572,952.32	22.34%	105,227,695.22	18.66%	4.63%
2. Japan	95,814,397.12	21.28%	110,795,360.65	19.65%	15.64%
3. Canada	34,423,688.90	7.65%	45,326,684.87	8.04%	31.67%
4. Australia & New Zealand	92,245,922.81	20.49%	106,783,936.36	18.94%	15.76%
5. Hong Kong & Taiwan	18,119,689.68	4.02%	17,927,376.32	3.18%	-1.06%
6. EU	45,945,998.80	10.20%	64,511,906.62	11.44%	40.41%
7. Russia	15,798,841.05	3.51%	42,249,163.82	7.49%	167.42%
8. Eastern Europe	181,170.33	0.04%	140,859.00	0.02%	-22.25%
9. South Korea	27,398,427.61	6.09%	42,381,817.09	7.52%	54.69%
10. China	3,099,309.90	0.69%	3,100,413.88	0.55%	0.04%
11. Domestic	4,490,341.03	1.00%	7,345,895.89	1.30%	63.59%
12. Others	12,155,453.13	2.70%	18,036,110.35	3.20%	48.38%
Total	450,246,192.67	100%	563,827,220.07	100%	25.23%

The U.S., Japan, Australia & New Zealand, and EU markets continued to play a significant role in the Company’s revenue structure. However, in 2024, export volume and value to the EU, Russia, and South Korea markets showed notable growth, with export values increasing by 40.41%, 167.42%, and 54.69%, respectively. Deeper market penetration and increased sales volumes in demanding markets, particularly the EU, provided Minh Phu with opportunities to expand its customer base and reduce reliance on larger markets like the U.S., where tariff barriers are expected to face increasingly unpredictable developments.



## EVALUATION OF PRODUCTION AND BUSINESS RESULTS

### Revenue Structure by Product

Product	Porportion 2023	Porportion 2024
Traditional Products*	48.93%	47.38%
Value-added Products	51.07%	52.62%

(\*) Traditional products include fresh products (black tiger shrimp, vannamei shrimp) and steamed products

Staying committed to the goal of improving profit margins and enhancing the value of Vietnamese shrimp in international markets, the Company continued to focus on promoting value-added products in 2024. This was achieved by leveraging strengths from a closed-loop supply chain, a loyal customer base, and deep market understanding. The results are reflected in the increased share of value-added products by 3.04%, reaching 52.62% of total sales volume in 2024. This underscores Minh Phu’s persistent efforts and steady progress toward the Group’s long-term strategic objectives.

## FINANCIAL SITUATION

### Asset situation

Unit: Billion VND

Indicator	31/12/2023	31/12/2024	Increase/ Decrease	Porportion 2023	Porportion 2024
Short-term assets	6,890.43	6,176.31	-10.36%	67.5%	64.76%
Long-term assets	3,318.08	3,360.35	1.27%	32.5%	35.24%
<b>Total assets</b>	<b>10,208.50</b>	<b>9,536.77</b>	<b>-6.58%</b>	<b>100%</b>	<b>100%</b>

As of December 31, 2024, Minh Phu’s total assets decreased by 6.58%, amounting to over 9,500 billion VND, with short-term assets accounting for more than 60% of the total and declining by 10.36% by year-end. The primary reason for this decrease was a significant reduction in inventory (down nearly 21% compared to the same period), with finished goods dropping by approximately 761.56 billion VND, indicating sustained sales efficiency. In contrast, long-term assets saw only a slight adjustment, mainly due to a 33.75% increase in fixed assets compared to the same period. This increase stemmed from the completion of worker dormitories and the acquisition of machinery and equipment to support the factory’s processing lines.

### Liabilities

Unit: Billion VND

Quota	31/12/2023	31/12/2024	%Increase/ Decrease	Porportion 2023	Porportion 2024
Short-term debt	4,350.55	4,267.55	-1.9%	67.5%	64.65%
Long-term debt	400.76	355.67	-11.25%	32.5%	35.35%
<b>Total liabilities</b>	<b>4,751.31</b>	<b>4,623.41</b>	<b>-2.69%</b>	<b>100%</b>	<b>100%</b>

In Minh Phu’s liability structure, short-term liabilities continued to dominate, accounting for over 90% of total liabilities, with a slight decrease of 2.07% by the end of 2024. Similarly, long-term liabilities decreased by 9.29% compared to 2023. Amid an unfavorable business environment, the Company settled due obligations and rebalanced its capital structure, limiting new borrowings to reduce the burden of interest expenses. Given the loans in USD and unpredictable exchange rate fluctuations, settling existing loans and minimizing new borrowings ensured Minh Phu maintained a safe financial position and a suitable business strategy.

## IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

In collaboration with its strategic shareholder Mitsui, Minh Phu strengthened its human resources framework and implemented Kaizen principles, gradually fostering sustainable development. In 2024, the Company continued to promote the adoption of technology and automation through SAP, optimizing human resources, enhancing quality control, and improving business performance. The application of biotechnology in shrimp farming, along with the integration of AI and automation in production, aimed to achieve modern and sustainable operations.







### FUTURE DEVELOPMENT PLANS

No.	Indicator	Unit	Actual 2024	Planned 2025
1	Production Output	Ton	56,000	60,000
2	Revenue	Billion VND	15,805.8	15,667.2
2	Profit before tax	Billion VND	1,125.6	1,091.4
4	Profit after tax	Billion VND	1,021.5	997.0



### EXPLANATION OF THE BOARD OF MANAGEMENT FOR AUDIT OPINIONS

None



### REPORT ON THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY ASSESSMENT

As a shrimp processing and export enterprise, Minh Phu is fully aware of the interconnected relationship between its production and business activities and the environment and society. Therefore, the Company consistently ensures compliance with environmental laws and regulations regarding production waste management.

In its business strategy, Minh Phu focuses on solutions that promote a circular economy and green economy through digital platforms. The Company has been implementing Minh Phu Bio shrimp farming technology and constructing pipelines to channel saltwater directly into farming ponds, creating the most natural shrimp farming environment possible. It uses microbial products to reduce waste and improve the pond environment, while only utilizing medicines, chemicals, and microbial products approved by the Board of Directors. The Company strictly avoids using antibiotics and prohibited chemicals in shrimp farming, which helps maintain healthy shrimp with fewer diseases, thereby enhancing farming efficiency while minimizing environmental impacts on soil and water.

In 2024, Minh Phu collaborated with Green In Vietnam Joint Stock Company (GREEN IN) to conduct a greenhouse gas inventory at its factories, aiming to assess emissions and develop appropriate solutions to reduce environmental impact. Additionally, given the labor-intensive nature of the industry, attracting and retaining skilled workers has always been a priority for the Company. By fostering a safe working environment and ensuring the material and emotional well-being of employees, Minh Phu helps its workforce feel secure in their roles, contributing to the Company's sustainable development while also supporting the growth of local communities in the regions where Minh Phu operates.



**Chapter**

# 04

## **ASSESSMENT OF THE BOARD OF DIRECTORS**

- 64 **Evaluation of the Board of Directors of the  
Company's activities**
- 66 **Board of Directors' Assessment of the  
Board of Management's Performance**
- 66 **Plans and orientations of the Board of  
Directors**





## BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S OPERATIONS

### Board of Directors' Assessment of Various Aspects of the Company's Operations

#### Business Environment

In 2024, Vietnam's shrimp industry continued to face numerous challenges. According to data from the Directorate of Fisheries (Ministry of Agriculture and Rural Development), shrimp export turnover in 2024 reached 3.95 billion USD, a 14% increase compared to 2023. Key markets, including China, Hong Kong, the U.S., Japan, the EU, and South Korea, accounted for 76% of total export turnover. While the industry showed significant recovery, challenges persisted due to disease outbreaks and competitive pressures from international markets. Vietnamese shrimp businesses still face limitations in technology and seed quality. Furthermore, the aftermath of Typhoon No. 3 caused severe damage to the aquaculture sector, particularly in the northern provinces.

In 2024, Minh Phu recorded a revenue growth of 36.85%, reaching over 14 trillion VND, thanks to the relentless efforts of the Company's leadership, staff, and employees. This is a significant achievement amidst the challenging conditions faced by the entire industry. To further enhance operational capabilities, the Company continued to accelerate the adoption and application of technology in its production processes. Specifically, the MPBio technology, which integrates nine of the world's leading shrimp farming technologies, achieves a success rate of 90% or higher at a cost comparable to or lower than that of Ecuador. This is expected to be a key strength that will drive Minh Phu's breakthrough in the coming period.

#### Investment Activities

During the year, the Company continued to advance the completion of projects such as the breeding factory, the processing plant in Khanh An, and the seawater pipeline to the farming ponds in Kien Giang. These initiatives aim to increase factory capacity, focus on developing value-added products, and apply digital technology and automation to shrimp farming processes. This approach is intended to enhance farming efficiency, reduce shrimp production costs, and strengthen Minh Phu's competitive advantage.

#### Dividend Payments

The Board of Directors executed the 2023 dividend payment as approved by the 2024 Annual General Meeting of Shareholders. Specifically, December 10, 2024, was the final registration date for the Company to distribute a cash dividend at a rate of 7.5%.

#### Environmental and Social Activities

Minh Phu places great importance on its environmental and social responsibilities, viewing them as integral to its sustainable development journey. The Company is committed to strictly complying with regulations on environmental protection and social welfare as mandated by law, while continuously improving production processes to minimize negative impacts on the ecosystem. Thanks to the collective dedication and efforts of its staff and employees, Minh Phu maintained a record of zero environmental violations in 2024. Alongside this, the Company consistently prioritizes charitable activities, actively implementing community support programs to improve the quality of life for underprivileged individuals in local areas, thereby promoting humanitarian values and social responsibility.





## BOARD OF DIRECTORS' ASSESSMENT OF THE BOARD OF MANAGEMENT'S PERFORMANCE

The Board of Directors' oversight of the Board of Management was conducted in accordance with the Company's Charter and internal governance regulations. Overall, the Board of Management demonstrated a clear understanding of the Board's strategies and made significant efforts to achieve the set plans. The general assessment of the Board of Management's performance in the Group's production and business activities is as follows:

- ❖ The Board of Management consistently acknowledged the Board of Directors' strategic directions and instructions, effectively implementing them across the entire Group.
- ❖ Based on the Board's operational guidance, which included key strategic objectives and assigned business targets to member companies within the Group, the Board of Management developed and executed specific tasks for each period, directing each unit, division, department, and team to carry out their responsibilities.
- ❖ During the BOD regular meetings, the General Director provided comprehensive reports on the Company's production and business performance, highlighted key activities, outlined initiatives to drive growth, presented business plans, and addressed specific topics as requested by the Board.
- ❖ The Board of Management conducted production and business activities in alignment with the resolutions of the Annual General Meeting of Shareholders, the Board of Directors' directives, and in full compliance with the Company's Charter and applicable legal regulations.

## PLANS AND STRATEGIC DIRECTIONS OF THE BOARD OF DIRECTORS

In 2024, the Board of Directors continued to oversee the implementation of the 2021-2025 five-year plan, with the goal of developing a shrimp value chain focused on a circular economy and green economy through digital platforms. Minh Phu is determined to maintain its position as Vietnam's leading seafood exporter and among the global industry leaders, while expanding export markets and building the Minh Phu brand into a strong, globally competitive name.

To achieve this goal, Minh Phu is focusing on completing a closed-loop value chain, encompassing seed breeding, farming, processing, exporting, and distribution. The Company will implement concentrated farming projects, including forest shrimp, extensive shrimp, high-tech super-intensive shrimp, and rice-shrimp models, under a cooperative framework with comprehensive infrastructure for water supply, drainage, and technical services. Additionally, Minh Phu is developing a shrimp processing complex near raw material sources to enhance shrimp quality, reduce preservation and transportation costs, and minimize post-harvest losses. The Company is also aiming for a highly specialized production model, covering research and development of shrimp seeds, farming, processing, by-product treatment, and commercialization, with each link in the value chain synchronized in capacity to ensure a balanced supply and demand.

In parallel, Minh Phu is closely collaborating with the Department of Science and Technology under the Ministry of Agriculture and Rural Development, along with various fisheries research institutes, to focus on developing disease-resistant, highly adaptable, and high-yield tiger shrimp seeds. The goal is to increase the market share of tiger shrimp from the current 20% to 50% and continue expanding, positioning Minh Phu firmly on its path toward sustainable development and leadership in the global seafood industry.



Minh Phu has outlined a plan to develop a green, clean, organic, circular, and carbon-balanced shrimp value chain, aiming to secure a sustainable supply of clean raw materials, increase processing productivity, and reduce the cost of goods sold. This value chain will be implemented through five key models:

- ❖ Development of High-Quality Shrimp Seeds, a critical factor determining over 60% of shrimp farming success. Minh Phu proposes establishing: (1) a production area for parent tiger shrimp and white-leg shrimp with strong adaptability, disease resistance, and fast growth; (2) a high-quality shrimp seed production area; and (3) a production area for larval shrimp and algae as shrimp feed in Ninh Thuan Province.
- ❖ High-Tech Industrial Shrimp Farming Complex, utilizing circular technology, AI, and Blockchain, integrated with a smart mobile app to manage the entire shrimp farming process.
- ❖ Circular Extensive Tiger Shrimp Farming Complex, ensuring sustainable development without exceeding the environment's carrying capacity.
- ❖ Organic Circular Tiger Shrimp-Mangrove Forest Farming Complex, balancing exploitation and protection of the mangrove ecosystem.
- ❖ Organic Tiger Shrimp-Rice Farming Complex, following a model of two tiger shrimp crops plus one rice crop combined with green tiger prawns, producing high-quality organic tiger shrimp and green tiger prawns while maintaining crop rotation with organic rice varieties.

With this strategic vision, Minh Phu is gradually applying technology to its farming areas and processing factories to enhance economic efficiency and reduce production costs across the entire value chain. At the same time, the Company is building strong trust and attracting significant investment into high-tech shrimp farming, paving the way for a new phase of sustainable and breakthrough development in the seafood industry.



# Chapter 05

## REPORT ON COMPANY'S ENVIRONMENTAL AND SOCIAL IMPACT

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- 80 Reports related to green capital market activities under the guidance of the SSC







## ENVIRONMENTAL IMPACT

Amid climate change and increasingly stringent international commitments to reduce greenhouse gas emissions, Vietnam has been actively working toward its net-zero emissions target by 2050 through a series of policies supporting businesses in transitioning to sustainable development. Notably, Decree No. 06/2022/ND-CP, issued by the government, addresses greenhouse gas emission reductions and ozone layer protection, outlining a roadmap for emission reductions and establishing a system for inventorying emitting entities. The decree mandates that businesses with emissions of 3,000 tons of CO<sub>2</sub> equivalent or higher, or those falling under Article 6, must conduct a greenhouse gas inventory. It also encourages businesses not subject to these requirements to proactively assess their emission levels to foster more sustainable development.

As one of Vietnam's leading seafood processing enterprises, Minh Phu recognizes the importance of conducting a greenhouse gas inventory in its production and business activities. This process not only ensures compliance with Vietnamese legal regulations but also serves as a crucial step for the Company to assess its current greenhouse gas emissions and develop appropriate reduction plans, meeting the demands of the global supply chain. This is a vital step in transitioning to green production, minimizing environmental impact, enhancing competitiveness, and exploring new markets. Consequently, in 2024, under the leadership of Mr. Le Van Quang, General Director of the Group, Minh Phu collaborated with Green In Vietnam Joint Stock Company (GREEN IN) to conduct a greenhouse gas inventory at its affiliated factories: Minh Phu Hau Giang, Minh Phu Kien Giang, Minh Phu Loc An, Minh Phu Ninh Thuan, and Minh Phu Ca Mau.

### *Total Direct and Indirect Greenhouse Gas (GHG) Emissions*

**Direct Greenhouse Gas Emissions (Scope 1):** These emissions arise from the combustion of fossil fuels to generate electricity, steam, or heat; from physical and chemical processes in production; from the combustion of fossil fuels for transportation vehicles owned by the facility (used for transporting goods, raw materials, waste, or employee travel); and from leaks in machinery and equipment used by the facility.

**Indirect Greenhouse Gas Emissions (Scope 2):** These emissions result from the use of purchased energy forms such as electricity, heat, steam, or cooling generated through the combustion of fossil fuels.

#### Scope 1



Fossil Fuel



Refrigerants



CO<sub>2</sub> emissions



Wastewater and waste treatment



SF<sub>6</sub> leakage from substations

#### Scope 2



Electricity consumption



Steam generation





ENVIRONMENTAL IMPACT

Direct and indirect greenhouse gas emission figures

NO.	ITEM	UNIT	VALUE					TOTAL
			CA MAU	KIEN GIANG	HAU GIANG	LOC AN	NINH THUAN	
I. Energy Efficiency Index								
1.1	Total Heat Energy Consumption	TJ	2.8	3.16	6.57	2.19	0.144	14.86
1.2	Total electricity consumption	kWh	35,317,373	14,790,780	38,397,498	11,870,662	999,690	101,376,003
II. Emissions								
2.1	Direct emissions	tCO2td	2,338.80	298.3	4,978.85	203.98	22.211	7,842.14
2.1.1	Emissions from fixed combustion	tCO2td	52.77	158.41	264,58	81.5	7,701	300.38
	- DO oil used for generators	tCO2td	52.77	158.41	264,58	81.5	4,305	296.99
	- Natural gas - CNG for kitchen use						3,396	3.40
2.1.2	Emissions from mobile combustion	tCO2td	139.98	74.81	221.37	80.75	1.84	518.75
	- DO oil used for transportation	tCO2td	74.72	31.06	125.24	53.47	1.61	286.10
	- Gasoline used for transportation	tCO2td	65.26	43.75	96.12	27.28	0.23	232.64
2.1.3	Emissions from industrial wastewater treatment systems	tCO2td	962.78	25.06	3,346.34	5.03	2,315	4,341.53
	- Anaerobic treatment	tCO2td			1,461.65			1,461.65
	- Aerobic treatment	tCO2td	962.78	25.06	1,884.69	5.03	2,315	2,879.88

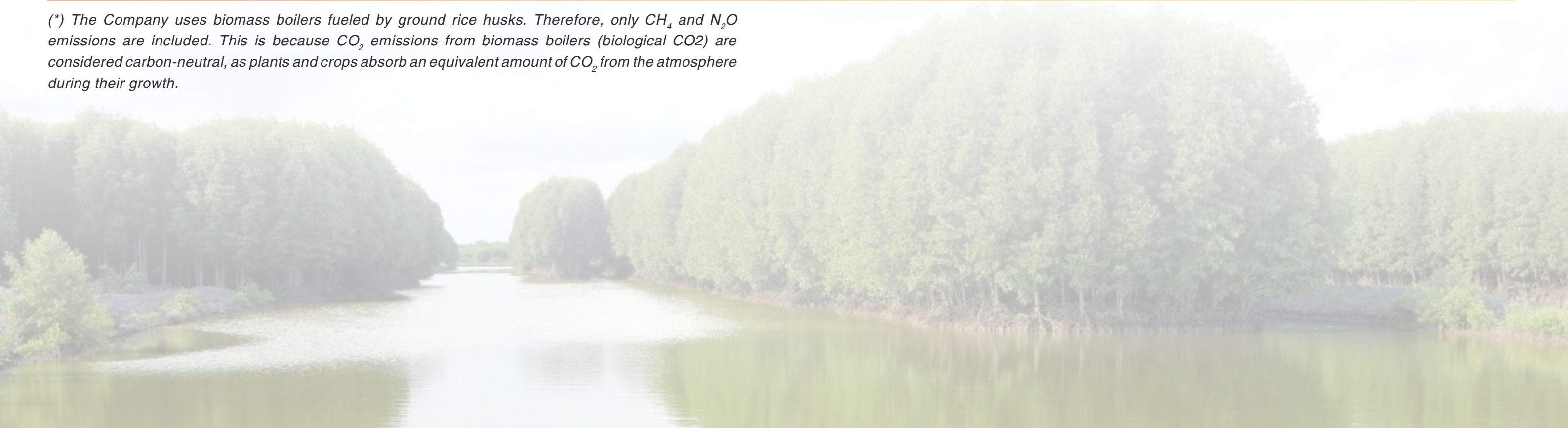


ENVIRONMENTAL IMPACT

Direct and indirect greenhouse gas emission figures

NO.	ITEM	UNIT	VALUE					TOTAL
			CA MAU	KIEN GIANG	HAU GIANG	LOC AN	NINH THUAN	
2.1.4	Emissions from domestic wastewater treatment systems (septic technology)	tCO2td	728.053	39.98	705.34	36.24	10.347	1,519.96
2.1.5	Emissions from leaks and the production process	tCO2td	455.21	0.04	441.22	0.46	0.008	896.94
	- Refrigerant leakage	tCO2td	455.21		441.12			896.33
	- Use of CO2 fire extinguishers	tCO2td		0.04	0.1	0.46	0.008	0.61
2.2	Indirect emissions	tCO2td	23,334.68	9,750.08	25,341.71	7,825.14	658.996	66,910.61
2.2.1	- Use of grid electricity	tCO2td	23,281.21	9,750.08	25,311.63	7,825.14	658.996	66,827.06
2.2.2	- Use buy steam (*)	tCO2td	53.47		30.08			83.55
2.3	Total emissions in 2024	tCO2td	25,673.49	10,048.38	30,320.56	8,029.12	681.207	74,752.76

(\*) The Company uses biomass boilers fueled by ground rice husks. Therefore, only CH<sub>4</sub> and N<sub>2</sub>O emissions are included. This is because CO<sub>2</sub> emissions from biomass boilers (biological CO<sub>2</sub>) are considered carbon-neutral, as plants and crops absorb an equivalent amount of CO<sub>2</sub> from the atmosphere during their growth.





ENVIRONMENTAL IMPACT

Raw Material Management

- ❖ 100% of packaging scrap is recycled.
- ❖ 100% of shrimp shell by-products are utilized for food, seasoning production, or recycled for use in livestock feed and the healthcare industry.
- ❖ 100% of waste oil powder is recycled.

At the same time, the Company strictly complies with regulations from the Ministry of Natural Resources and Environment regarding the collection, storage, management, transportation, and treatment of solid waste. Specifically:

- ❖ 100% of domestic waste is landfilled in accordance with environmental protection regulations.
- ❖ 100% of hazardous waste is handled in compliance with environmental protection standards.

Energy Consumption

During shrimp farming operations, the Company uses electricity-powered equipment and machinery such as water pumps, aerators, and automatic feeders. Electricity is purchased from Vietnam’s national power grid (EVN Vietnam).

To ensure a stable power supply for its operations, the Company has also installed backup diesel generators, which are activated during power outages and run on DO (diesel oil). For internal transportation, the Company uses motorbikes and three-wheel vehicles to deliver feed and facilitate mobility within farming areas. Passenger cars are also available for the management team and for attending external meetings. Total energy consumption in 2024:

Category	2024 Usage
Direct Energy Consumption	DO oil (liters) : 300,398
	Gasoline (liters): 99,292
	CNG (kg): 1,260
Indirect Energy Consumption	Electricity (kWh): 101,376,003

From 2024, Minh Phu has fully implemented MPBiO Biotechnology across all farming areas. This involves using antagonistic microorganisms to suppress pathogenic bacteria, thereby eliminating the need for potassium permanganate or chlorine for water disinfection. Microbial preparations are used to stimulate the development of copepods, providing a nutritious food source and strengthening shrimp immunity. Fermented microbial additives are applied to shrimp feed to break down complex proteins into simpler, more digestible forms, improving feed absorption efficiency from 50% to 70%. Probiotics are used to protect the shrimp’s liver, intestine, and pancreas, helping them stay healthy and resilient against disease. Microorganisms are also employed to create bioflocs that decompose excess feed, algae residues, and dead microorganisms, turning them into a nutrient-rich food source for shrimp. Surface, mid-level, and bottom-layer microbes are used to consume waste in shrimp ponds, keeping the pond water and bottom clean, thus eliminating the need for water exchange and reducing the need for siphoning. Rodoh bacteria (photosynthetic bacteria) are used to supply oxygen to the shrimp, reducing the need for mechanical aeration. Diatoms are cultivated to provide oxygen and effectively inhibit Vibrio bacteria, which cause disease in shrimp. This MPBiO biological shrimp farming technology brings significant benefits, including reduced carbon emissions and environmental protection, contributing to a 95% reduction in chemical costs and a 50-70% reduction in electricity costs due to the elimination of water pumping and reduced use of aerators and paddlewheels.

Water Consumption

During the aquaculture process, Minh Phu utilizes a seawater pipeline system to adjust salinity levels and create a brackish water environment suitable for optimal shrimp growth. Freshwater is sourced from in-house drilled wells to meet production needs.

Total water consumption in 2024:

Category	Consumption Volume (liters)
Industrial wastewater	1,346,683
Domestic wastewater	2,453,443
Total	3,800,126

Wastewater treatment: (i) Wastewater from shrimp farming is pumped into treatment ponds within each module. The treatment process is as follows: pond water is first treated with biological products; siphoned water and wastewater are pumped into waste collection ponds, allowed to settle for 1-2 days, then discharged into drainage canals and collected in a centralized 25-hectare reservoir. After meeting quality standards, water is released into the canals. 70% of the wastewater is reused. (ii) Solid waste is handled daily by using siphon pumps to extract sludge and shrimp remains from the pond bottom into sludge containment ponds designated by module. Once these ponds are full, water is drained and the pond bottom is dried. The dried sludge is then bulldozed into empty land or compacted to reinforce pond banks and eroded corners.

For wastewater, including industrial and domestic categories, the company employs two different treatment processes. Industrial wastewater is treated using centralized aerobic technology, with 2,294 m3 of wastewater processed in 2024. A monitoring system is installed to ensure compliance with wastewater discharge regulations set by the Department of Natural Resources and Environment before releasing it into the river.

As for domestic wastewater, the company employs 12,560 staff, working an average of 312 days per year. Domestic wastewater is treated using septic tank technology, which contributes to greenhouse gas emissions. Emissions from this process are calculated based on Circular No. 17/2022/TT-BTNMT, which provides technical guidelines on measurement, reporting, verification of mitigation activities, and greenhouse gas inventories in the waste management sector.



COMPLIANCE WITH ENVIRONMENTAL PROTECTION LAWS

Minh Phu Seafood Group Joint Stock Company strictly adheres to the environmental regulations set out in the 2020 Law on Environmental Protection (Law No. 72/2020/QH14), ensuring full legal compliance and committing to zero environmental violations.



## LABOR POLICIES

### Training

Minh Phu firmly believes that the company's growth is closely tied to the development of its employees and farmers. Therefore, the company places strong emphasis on enhancing technical expertise throughout every link in the value chain from broodstock selection, farming, processing, and export to shrimp distribution. To achieve this, Minh Phu implements practical training programs, bringing experts directly to farming areas to provide guidance on efficient and sustainable shrimp farming techniques. At the same time, the company ensures that all employees and farmers have access to, understand, and effectively utilize new technologies for value chain development. These efforts not only help secure stable incomes for farmers but also contribute to expanding farm systems and promoting Minh Phu's sustainable growth in both domestic and international markets.

### Recruitment

Minh Phu values not only professional skills but also candidates' attitude, responsibility, and work ethic. The company does not seek the "best" candidates but rather those who best align with its corporate culture and development goals. As such, Minh Phu publicly discloses its recruitment criteria on reputable job platforms and on the company's official website, ensuring broad accessibility and equal opportunities for all potential candidates.

### Working Conditions

Minh Phu is committed to full compliance with the Labor Code and the Law on Social Insurance, ensuring all legitimate rights and benefits of its employees. The company places special emphasis on labor protection - not only providing sufficient work equipment but also organizing safety training programs and detailed guidance on the operation of machinery and equipment. Furthermore, Minh Phu ensures all workers are equipped with proper personal protective gear to work confidently in a safe, hygienic, and environmentally friendly workplace.

Beyond legal compliance, Minh Phu continuously strives to improve working conditions, aiming to foster a civilized, professional work environment where every individual feels safe and has long-term development opportunities. Specific data on Minh Phu's working regime is recorded as follows:

- Working hours do not exceed 48 hours per week, with maximum overtime of 4 hours/day, 40 hours/month, and 300 hours/year for both office and production staff.
- Employees are entitled to 1 day off per week, or an average of 4 days off per month. Depending on actual work conditions, the company arranges a rotational schedule to ensure adequate rest time without disrupting production. For heavy, hazardous, or dangerous jobs, Minh Phu limits working time to no more than 6 hours per day.
- Employees who have worked for the company for 12 consecutive months are entitled to fully paid annual leave as per their employment contract: office staff receive 12 days per year; direct production workers receive 14 days per year. An additional day of leave is granted for every 5 years of service.
- Employees are entitled to 11 fully paid public holidays per year under their employment contract, including: New Year's Day, Lunar New Year, Hung Kings' Commemoration Day, Victory Day, International Labor Day, and National Day. In addition, Minh Phu offers personal leave policies tailored to employees' specific needs.
- During pregnancy, female employees are entitled to 5 days of leave for prenatal check-ups, 1 day per check-up; if the healthcare facility is distant or in the case of medical complications, 2 days of leave per visit are allowed. Female employees are entitled to 6 months of maternity leave before and after childbirth, and male employees are also granted paternity leave in accordance with regulations.

- Employees who have participated in unemployment insurance for 12 months or more are eligible for unemployment benefits if they lose or leave their job. The monthly benefit is equivalent to 60% of the average monthly salary/wage of the last 6 months of contributions.

### Salary, Bonus, and Welfare

Minh Phu always places the interests of its employees first, not only by ensuring an attractive compensation and bonus policy to retain talent, but also by fostering motivation and encouraging healthy competition in a professional working environment. The salary fund is allocated fairly and transparently based on work performance and the principle of the right person for the right job, thereby optimizing labor efficiency.

The Company is committed to fulfilling all statutory obligations regarding social insurance (SI), health insurance (HI), and unemployment insurance (UI), and pays special attention to policies for female employees, including maternity leave, prenatal check-up leave, and health care support. In addition, Minh Phu organizes periodic health check-ups, distributes gifts on holidays and Tet (Lunar New Year), and promptly supports employees facing difficult circumstances or accidents. Beyond material benefits, the Company actively promotes recreational and team-building activities, strengthening team spirit and fostering a cohesive and sustainable working environment.

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY TO THE LOCAL COMMUNITY

To Minh Phu, farmers are not only strategic partners but also a vital foundation for the Company's sustainable development. Supporting local communities in increasing income and improving livelihoods not only reinforces the shrimp value chain but also provides impetus for the overall growth of the industry. In 2025, the Company continues to accelerate the planning and development of a sustainable shrimp value chain, with a focus on optimizing farming areas, improving broodstock quality, increasing productivity, and ensuring production meets technological standards. These planning efforts are integrated into the Company's long-term socio-economic development strategy, aiming to build large-scale farming zones with synchronized infrastructure, thereby improving production efficiency and enhancing the competitiveness of Vietnam's shrimp industry.

In parallel, Minh Phu continues to invest in social welfare programs, particularly those aimed at improving the quality of life for employees and surrounding communities in production areas, ensuring harmonious development between economic growth and social responsibility. The Company also actively participates in sustainable development initiatives, aiming for a circular economy model that minimizes environmental impact and adapts to climate change.







## REPORT ON GREEN CAPITAL MARKET ACTIVITIES IN ACCORDANCE WITH SSC GUIDELINES

### Report on Green Capital Market Activities in Accordance with SSC Guidelines

In recent years, the State Securities Commission (SSC) has actively promoted the development of the green capital market by integrating Environmental, Social, and Governance (ESG) factors into the evaluation system for corporate sustainability. Toward this goal, the SSC has focused on raising awareness of environmental protection and sustainable economic development through the establishment of a National Green Growth Strategy and National Action Plan. These measures emphasize the importance of green investment, encouraging the participation of both individuals and organizations, and proposing the issuance of green bonds, including ASEAN green bonds, in the Vietnamese market.

Fully aware of its responsibility to protect the environment, Minh Phu recognizes its vital role in the sustainable development of the national economy. The Company actively monitors and updates new policies issued by the SSC and the Hanoi Stock Exchange to ensure full compliance. At the same time, Minh Phu has developed a business strategy aligned with environmental protection, aiming for a “green export” model that meets not only domestic standards but also the stringent requirements of international markets. With this orientation, Minh Phu is steadily advancing on the path of comprehensive sustainable development, affirming its position as a pioneering enterprise in the seafood industry.



**Chapter**

# 06

## **CORPORATE GOVERNANCE**

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of the Board of Directors and the Board of  
Management and Supervisory Board**





## BOARD OF DIRECTORS

### COMPOSITION AND STRUCTURE OF THE BOARD OF DIRECTORS

No.	Member	Position	Number of shares held	Ownership Ratio	Appointment/ Dismissal Date
1	Ms. Chu Thi Binh	Chairwoman of the Board	70,362,860	17.55%	Appointed: 25/06/2024
2	Mr. Le Van Quang	Executive Board Member	64,468,800	16.08%	Appointed: 25/06/2024
3	Mr. Le Van Diep	Executive Board Member	72,860	0.018%	Appointed: 25/06/2024
4	Mr. Bui Anh Dung	Executive Board Member	291,640	0.073%	Appointed: 25/06/2024
5	Mr. Phan Thanh Loc	Non-executive Board Member	0	0%	Appointed: 25/06/2024
6	Ms. Ho Thu Le	Non-executive Board Member	0	0%	Appointed: 25/06/2024
7	Mr. Nguyen Nhan Nghia	Non-executive Board Member	0	0%	Appointed: 25/06/2024
8	Mr. Sasaki Takahiro	Non-executive Board Member	0	0%	Appointed: 25/06/2024
9	Mr. Yoshiaki Suzuki	Non-executive Board Member	0	0%	Appointed: 25/06/2024
10	Mr. Hamaya Harutoshi	Non-executive Board Member	0	0%	Dismissed: 25/06/2024

### SUBCOMMITTEES OF THE BOARD OF DIRECTORS

None

### ACTIVITIES OF THE INDEPENDENT MEMBER OF BOARD OF DIRECTORS

None

### LIST OF BOARD MEMBERS WITH CORPORATE GOVERNANCE

### TRAINING CERTIFICATION

None





## BOARD OF DIRECTORS

### ACTIVITIES OF THE BOARD OF DIRECTORS

The Board of Directors regularly monitors and supervises management and operational tasks related to the implementation of the business plan, enabling timely understanding of the operational status and facilitating the development of strategic decisions to optimize operational efficiency and achieve planned targets.

In 2024, the Board of Directors convened four regular quarterly meetings. Attendees included the Board of Directors, Board of Management, Supervisory Board, Chief Accountant, and key personnel of the Group. During these meetings, the Board outlined orientations and plans, provided detailed updates, and followed up on the progress of ongoing projects. In addition, the Board oversaw and directed Board of Management in the following areas:

- ❖ Supervision and guidance on information disclosure to ensure transparency and legal compliance.
- ❖ Chairing and successfully organizing the 2024 Annual General Meeting of Shareholders.
- ❖ Regularly reviewing and evaluating the execution of business plans and economic targets to provide timely direction for enhancing operational performance.
- ❖ Reviewing compliance with the Law on Enterprises, the Company’s Charter, Internal Corporate Governance Regulations, and current State regulations.

No.	Board Member	Number of meetings attended	Attendance rate
1	Ms. Chu Thi Binh	04	100%
2	Mr. Le Van Quang	04	100%
3	Mr. Le Van Diep	04	100%
4	Mr. Bui Anh Dung	04	100%
5	Mr. Phan Thanh Loc	04	100%
6	Ms. Ho Thu Le	04	100%
7	Mr. Nguyen Nhan Nghia	04	100%
8	Mr. Sasaki Takahiro	04	100%
9	Mr. Hamaya Harutoshi	02	50%
10	Mr. Yoshiaki Suzuki	02	50%

The specific contents of the meetings and the Resolution are promulgated respectively as follows:

No.	Resolution No.	Date	Content
1	01NQ.HĐQT/MPC24	08/01/2024	Issued updated Charter including additional business activities
2	02NQ.HĐQT/MPC24	22/04/2024	Approved extension of deadline for 2024 AGM
3	03NQ.HĐQT/MPC24	02/05/2024	Announced record date for exercising rights to attend 2024 AGM
4	04NQ.HĐQT/MPC24	25/06/2024	Elected Chairwoman of the Board and Head of the Supervisory Board
5	05NQ.HĐQT/MPC24	02/07/2024	Approved contracts and transactions with related parties and between subsidiaries
6	06NQ.HĐQT/MPC24	25/07/2024	Approved ESOP 2024 stock issuance plan
7	07NQ.HĐQT/MPC24	24/09/2024	Approved ESOP 2024 stock issuance results
8	08NQ.HĐQT/MPC24	10/10/2024	Approved amendments to the Company Charter and Enterprise Registration Certificate due to ESOP 2024 issuance
9	09NQ.HĐQT/MPC24	25/11/2024	Approved auditor for 2024 Financial Statements
10	10NQ.HĐQT/MPC24	26/11/2024	Approved 2023 cash dividend payment plan



## SUPERVISORY BOARD

### MEMBERS AND STRUCTURE OF THE SUPERVISORY BOARD

As of 31/12/2024

No.	Member	Position	Number of Shares Held	Ownership Ratio	Appointment/ End Date
1	Mr. Tran Van Khanh	Head of Supervisory Board	0	0%	Appointed 25/06/2024
2	Ms. Vu Thi Thao Nguyen	Member	0	0%	Appointed 25/06/2024
3	Ms. Lam Thi Thuy Kieu	Member	5,000	0,001%	Appointed 25/06/2024

### ACTIVITIES OF THE SUPERVISORY BOARD

#### Supervisory Board Meetings

No.	Member of Supervisory Board	Meetings Attended	Attendance Rate	Voting Rate
1	Mr. Tran Van Khanh	4	100%	100%
2	Ms. Vu Thi Thao Nguyen	4	100%	100%
3	Ms. Lam Thi Thuy Kieu	4	100%	100%

#### Assessment by the Supervisory Board in 2024:

In 2024, the Supervisory Board (SB) held 04 meetings to review accounting and financial activities, evaluate business performance, and assess the Company's governance and operations for both the first half and the full year of 2024.

The SB focused on compliance with the Enterprise Law, Securities Law, the Company's Charter, and the Supervisory Board's operational regulations, through the following activities:

- ❖ Supervising the Company's operations in accordance with legal regulations and the Company Charter.
- ❖ Participating in 100% of Board of Directors' meetings related to business planning, investment plans, and performance evaluation.
- ❖ Reviewing periodic financial statements and addressing requirements from the independent audit firm.
- ❖ Holding regular meetings to implement the Supervisory Board's duties and functions.



SUPERVISORY BOARD

Evaluation of the Board of Directors’ performance

The Board of Directors (BoD) fulfilled its management responsibilities in compliance with the Law on Enterprises, the Law on Securities, the Company’s Charter, resolutions of the General Meeting of Shareholders (GMS)/BoD, and other applicable laws.

The BoD consistently organized regular meetings and promptly implemented resolutions within its authority to address proposals from BoD members and the Executive Management. BoD members carried out assigned duties and participated in collective activities effectively.

The SB observed that BoD resolutions were issued and implemented promptly with follow-up supervision.

Evaluation of the Board of Management’s performance

In 2024, despite various global economic, political, and social challenges, the Board of Management made great efforts to maintain and stabilize business operations and performance.

The Board of Management proactively sought business opportunities and expanded export markets.

The SB recognizes that Board of Management effectively carried out the Company’s business activities in compliance with the Law on Enterprises, the Company’s Charter, GMS/BoD resolutions, and other relevant laws.

Other Activities of the Supervisory Board

Participated in the training of the Company’s internal audit department.

Coordinated with the accounting department to supervise and review project payment documentation.

Coordination between the Supervisory Board, the Board of Directors and the Board of Management

In 2024, the Supervisory Board developed and assigned members to oversee the implementation of GMS and BoD resolutions, ensuring that the Company’s production, business, and investment activities adhered to the corporate charter and prevailing legal regulations.

During the year, the SB continued to recruit and train personnel while improving internal control procedures at subsidiaries, with a particular focus on farming entities. The SB received strong support from the BoD and Board of Management, participating in important BoD meetings and monthly briefings with Board of Management. With full and timely access to information and the opportunity to contribute feedback, the SB has helped enhance operational procedures, improve governance, and optimize the Company’s business performance.

TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS AND THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SUPERVISORY BOARD

SALARIES, BONUSES, REMUNERATION, BENEFITS

Unit: VND/year				
2024				
No.	Full Name	Title	Income (VND/year)	Remuneration (VND/year)
I Board of Directors/ Executive Board				
1	Chu Thi Binh	Chairwoman of the BoD / Deputy CEO	1,285,073,613	150,000,000
2	Le Van Quang	BoD Member / CEO	1,638,474,109	150,000,000
3	Le Van Diep	BoD Member / Deputy CEO	3,746,085,530	150,000,000
4	Bui Anh Dung	BoD Member / Deputy CEO	2,366,686,141	150,000,000
5	Ho Thu Le	BoD Member	-	325,000,000
6	Phan Thanh Loc	BoD Member	-	325,000,000
7	Nguyen Nhan Nghia	BoD Member	-	325,000,000
8	Sasaki Takahiro	BoD Member	-	325,000,000
9	Suzuki Yoshiaki	BoD Member (Appointed 25/06/2024)	-	167,916,667
10	Hamaya Harutoshi	BoD Member (Dismissed 25/06/2024)	-	145,000,000
11	Le Thi Diu Minh	Deputy CEO	1,154,417,834	-
12	Le Ngoc Anh	Deputy CEO	1,880,751,903	-
13	Chu Hong Ha	Deputy CEO	1,998,103,177	-
14	Tsunoda Norihisa	Deputy CEO	900,900,000	-
II Supervisory Board				
1	Tran Van Khanh	Head of Supervisory Board	391,462,983	48,000,000
2	Lam Thi Thuy Kieu	Member	290,841,858	48,000,000
3	Vu Thi Thao Nguyen	Member	218,483,315	48,000,000



INSIDER STOCK TRADING

No.	Name	Relationship to MPC/ Insider	Shares Held at Beginning		Shares Held at End		Reasons for increase, decrease
			Amount	Ratio (%)	Amount	Ratio (%)	
1	Le Van Quang	CEO/ BoD Member	64,281,600	16.033	64,468,800	16.122	
2	Chu Thi Binh	Chairwoman/ Deputy COE	70,221,660	17.514	70,362,860	17.596	ESOP
3	Le Thi Diu Minh	Deputy CEO	13,074,540	3.261	13,126,840	3.283	
4	Le Thi Minh Phu	Daughter of CEO	24,180	0.006	11,041,636	2.761	ESOP + Market Purchases (agreement/ matching)
5	Nguyen Hoang Liem	Son-in-law of CEO	8,800	0.002	28,200	0.007	ESOP
6	Le Thi Minh Qui	Daughter of CEO	1,128,120	0.281	11,033,534	2.759	ESOP + Market Purchases (agreement/ matching)
7	Le Thi Minh Ngoc	Daughter of CEO	9,228,740	2.302	11,032,634	2.759	ESOP + Market Purchases (agreement/ matching)

8	Le Thi Thuy	Younger sister of CEO	28,600	0.007	48,500	0.012	
9	Ngo Thanh Ha	Brother-in-law of CEO	19,720	0.005	25,720	0.006	
10	Le Van Tuan	Brother of CEO	24,820	0.006	36,220	0.009	
11	Nguyen Thi Huyen Tran	Sister-in-law of CEO	28,720	0.007	45,420	0.011	
12	Le Ngoc Anh	Deputy CEO	196,080	0.049	258,680	0.065	ESOP
13	Chu Hong Ha	Deputy CEO	301,640	0.075	310,640	0.078	
14	Nguyen Van Di	Brother-in-law of Deputy CEO	200,140	0.050	244,840	0.061	
15	Nguyen Thi Ngoc Huong	Corporate Governance Officer	-	-	8,600	0.002	



TRANSACTIONS BETWEEN THE COMPANY AND ITS RELATED PARTIES;  
OR BETWEEN THE COMPANY AND MAJOR SHAREHOLDERS, INTERNAL  
PERSON, OR PERSONS RELATED TO INSIDERS

No.	Organization/ Individual	Relationship with the Company	Business Registration No., Issue Date, Place of Issue	Head Office / Contact Address	Transaction Period	Resolution No. of GMS/BoD	Description, Quantity, Total Transaction Value
1	Minh Phu Hau Giang Seafood JSC	Subsidiary	6300033769	Song Hau Industrial Park - Phase 1, Dong Phu, Chau Thanh, Hau Giang	2024	GMS Resolution 01NQ. ĐHCĐTN24 dated 22/06/2024	Trading finished goods, raw materials (packaging, powder, etc.), services, capital contributions, dividends, investment transfers. Total estimated value < VND 2,700 billion (<35% of total assets per latest FS)
2	Minh Phat Seafood Co.,Ltd	Subsidiary	2000369633	Thanh Dien Hamlet, Ly Van Lam Commune, Ca Mau City, Ca Mau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading goods, raw materials, factory leasing, capital contributions, dividends. Estimated value VND 200 billion
3	Minh Qui Seafood Co.,Ltd.	Subsidiary	2000337293	Ward 8 Industrial Park, Ca Mau City, Ca Mau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading goods, materials, leasing, dividends. Estimated value < VND 200 billion
4	Minh Phu Seafood Export Co., Ltd.	Subsidiary	2001332971	Ward 8 Industrial Park, Ca Mau City, Ca Mau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading services, goods. Estimated value < VND 20 billion
5	Minh Phu Green Foods Co., Ltd.	Subsidiary	6300279929	Phu Thanh Hamlet, Mai Dam, Chau Thanh, Hau Giang	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading services, goods, capital contributions. Estimated value < VND 70 billion
6	MSeafood	Subsidiary	2370515	USA	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Selling goods. Estimated value < VND 500 billion
7	Ebisumo Logistics	Subsidiary	0100-01-169451	Japan	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Selling goods, dividends, capital contributions. Estimated value < VND 200 billion



**TRANSACTIONS BETWEEN THE COMPANY AND ITS RELATED PARTIES;  
OR BETWEEN THE COMPANY AND MAJOR SHAREHOLDERS, INTERNAL  
PERSON, OR PERSONS RELATED TO INSIDERS**

No.	Organization/ Individual	Relationship with the Company	Business Registration No., Issue Date, Place of Issue	Head Office / Contact Address	Transaction Period	Resolution No. of GMS/BoD	Description, Quantity, Total Transaction Value
8	Minh Phu Loc An Aquaculture Co., Ltd.	Subsidiary	3501729783	An Binh Hamlet, Phuoc Hoi, Long Dat, Ba Ria - Vung Tau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Purchase of raw materials, lending, interest income. Estimated value < VND 20 billion
9	Minh Phu Kien Giang Seafood Co., Ltd.	Subsidiary	1700489532	Cang Hamlet, Hoa Dien, Kien Luong, Kien Giang	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Raw material purchases, fixed asset liquidation, capital contributions. Estimated value < VND 80 billion
10	Minh Phu Aquatic Larvae Co. Ltd.	Subsidiary	4500249560	Hoa Thanh, An Hai, Ninh Phuoc, Ninh Thuan	H1 2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading goods, services, capital contributions. Estimated value < VND 20 billion
11	Minh Phu Seafood Supply Chain Co., Ltd.	Subsidiary	6300249616	Phu Thanh Hamlet, Mai Dam, Chau Thanh, Hau Giang	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Raw material and service purchases, investment transfer. Estimated value < VND 100 billion
12	Minh Phu Bio Co., Ltd.	Subsidiary	2000502476	Hamlet 1, Tri Phai, Thoi Binh, Ca Mau	H1 2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Capital contribution. Estimated value < VND 3 billion
13	Minh Phu Shrimp Green Feed Co., Ltd.	Subsidiary	6300108975	Song Hau IP - Phase 1, Dong Phu, Chau Thanh, Hau Giang	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Dividend payment. Estimated value < VND 30 billion
14	Minh Phu High-Tech Agriculture Co., Ltd.	Subsidiary	1702142695	Cang Hamlet, Hoa Dien, Kien Luong, Kien Giang	H1 2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Capital contribution, purchase of fixed assets. Estimated value < VND 10 billion
15	Otanics Technology JSC	Subsidiary	2001337320	Phuong 8 Industrial Park, Ca Mau City, Ca Mau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Trading services. Estimated value < VND 20 billion
16	Minh Phu Social Enterprise	Subsidiary	2001262026	Bien Nhan Hamlet, Vien An Dong, Ngoc Hien, Ca Mau	2024	BoD Resolution 05NQ. HĐQT/MPC24 dated 02/07/2024	Raw materials, services, capital contributions. Estimated value < VND 500 billion



## EVALUATION OF THE IMPLEMENTATION OF REGULATIONS ON CORPORATE GOVERNANCE

Corporate governance at VIDIPHA is always practiced in accordance with the guidelines of the Corporate Governance Principles for Vietnamese Public Companies, referring to the G20/OECD Corporate Governance Principles, and the ASEAN Corporate Governance Scorecard. In addition, VIDIPHA also complies with the provisions of law on QTCT such as: Decree 155/2020/ NĐ-CP dated 31/12/2020 detailing the implementation of a number of articles of the Securities Law, Circular 96/2020/ TT-BTC dated 16/11/2020 guiding information disclosure on the stock market. The Company's information disclosure task for shareholders and investors is disclosed in accordance with regulations through the VIDIPHA website.

The Board of Directors, Supervisory Board, and Board of Management always strictly adhere to the provisions of law and the company's organizational and operational charter. The decisions of the Board of Directors are always made in accordance with the correct procedures and within their authority, while also complying with the decisions approved at the General Meeting of Shareholders. The Board of Management operates the company with absolute respect for the law, ensuring that all decisions and actions of the company comply with current legal regulations. VIDIPHA always emphasizes transparency, fairness, and respect for the legitimate rights of shareholders. At the same time, the company also sets goals for sustainable development and social responsibility, through building a positive and consensual working environment, and committing to environmental protection.





# Chapter 07

## FINANCIAL STATEMENTS

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## AUDIT OPINION



KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
+84 (28) 3821 9266 | kpmg.com.vn

### INDEPENDENT AUDITOR'S REPORT

#### To the Shareholders Minh Phu Seafood Joint Stock Company

We have audited the accompanying consolidated financial statements of Minh Phu Seafood Joint Stock Company ("the Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 18 March 2025, as set out on pages 6 to 65.

#### Management' Responsibility

The Company's Board of Directors is responsible for the preparation and true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Minh Phu Seafood Joint Stock Company and its subsidiaries as at 31 December 2024 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

#### KPMG Limited's Branch in Ho Chi Minh City

Vietnam  
Audit Report No.: 23-01-00365-25-4



Trieu Tich Quyen  
Practicing Auditor Registration  
Certificate No. 4629-2023-007-1  
Deputy General Director

Ho Chi Minh City, 18 March 2025

Nguyen Thi Thuy  
Practicing Auditor Registration  
Certificate No. 3463-2022-007-1

## 2024 AUDITED FINANCIAL STATEMENTS

The standalone and consolidated audited financial statements for the year 2024 of Minh Phu Seafood Corporation were disclosed in accordance with regulations and published on the Company's official website: <https://minhphu.com/>

Ca Mau City, April 16<sup>th</sup> 2025

### CONFIRMATION BY LEGAL REPRESENTATIVE OF THE COMPANY



LE VAN QUANG





# MINH PHU<sup>®</sup>

SHARING GOOD FOOD

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