



**MASAN MEATLIFE CORPORATION**  
**(“Masan MEATLife”)**  
**Annual Report 2021**

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# CEO's LETTER

Dear shareholders and the larger Masan MEATLife community,

On behalf of the Board of Directors, I would like to report on our 2021 business performance and discuss the outlook of our journey towards achieving our objective: “to provide Vietnamese consumers with delicious, safe and affordable meat products every day, everywhere”.

In 2021, our industry experienced significant challenges brought on by the COVID-19 pandemic which resulted in supply chain disruptions, higher input costs, and reduced demand in certain channels such as restaurants and hotels. However, I am very pleased to share that Masan MEATLife (“MML”) still managed to deliver noteworthy financial results for the year. MML’s net revenue in 2021 reached VND18.9 trillion, up 17.2% versus VND16.1 trillion in 2020. Excluding December 2020 feed revenue for a like-for-like comparison, net revenue grew year-over-year (“YoY”) by 26.9%. In particular, our nascent meat business continued to gain market share, with net revenue of VND4.5 trillion, increasing by 88.6% compared to 2020. In particular, the branded “MEATDeli” pork segment delivered positive earnings before interest and tax (“EBIT”) in the second half of 2021, driven by a 26.7% YoY increase in net revenue in 1H2021 versus 1H2020, and improvement in gross profit margin (“GPM”) and EBITDA margin. In addition to the pork segment, with the goal of diversifying animal protein portfolio, MML expanded production and processing capacity for “3F VIET” chicken products to achieve a YoY growth of 57% in net revenue, reaching VND1,487 billion in 2021 compared to VND944 billion in 2020.

MML’s stronger financial results were driven by improved business operations across the board, from marketing, sale and distribution, production and product innovation. Continued investments in brand building have helped turn MML’s MEATDeli brand into one of the meat industry’s leading brands according to consumer trust and widespread awareness. In addition, MML’s distribution network successfully expanded, as points-of-sale (“POS”) coverage doubled in 2021 compared to 2020. As a result, by the end of 2021, MEATDeli products were available at over 3,000 POS nationwide in Vietnam. These locations included WinMart, WinMart+, Co.opmart, Big C, Lotte, Aeon, other modern retail chains, our own MEATDeli stores, and MEATDeli agents. Simultaneously, we accelerated the development of new products to provide more delicious and safe-for-health products, giving Vietnamese consumers a wider range of options. MML’s innovations included premium pork products and, for the first time in the local market, skinless and fat-separated “slim & fit” chicken, targeting consumers looking for healthier meat alternatives that reflect their modern lifestyles. As a result of the aforementioned efforts, MML delivered higher sales, increasing the utilization rates of our facilities to generate higher operational efficiencies and higher margins for MML’s branded meat segment.

In 2021, Masan MEATLife also completed a major strategic step to transform into a pure branded consumer business with the deconsolidation of our animal feed segment in November. By transferring our more commoditized “B2B” feed segment, we can better focus our attention and efforts on serving Vietnamese consumers. However, given the importance of supply chain efficiency, traceability, and quality control in order to produce superior products at reasonable price points, MML also entered into strategic cooperation agreements with De Heus Vietnam Co., Ltd (“De Heus”) for a reliable and high-quality supply of porkers for processing. With the exit from the feed segment and strategic supply agreements with De Heus, MML has transformed into a meat-focused FMCG business with the goal of delivering USD1 billion in revenues by 2023.

In short, despite the difficulties experienced during a very unusual year, MML emerged from 2021 better positioned to achieve our objective of better serving Vietnamese consumers, which we believe will lead to greater value creation. Our 2025 goals are to gain a 10% share of the national animal protein market, valued at USD15 billion, and achieve an EBITDA margin of 20%+ with a diversified portfolio of fresh and processed meat products.

We have persevered to strengthen our strategic platform that will make us a pure branded consumer company. MML has emerged as a market leader as a result of our unique “win-win” partnership model. We have a strategic partner in De Heus to ensure a stable supply of quality inputs for our production, and strong relationships with modern retailers with extensive reach such as WinMart, WinMart+, Co.opmart, Big C, Lotte, Aeon, etc. With our growing production capacity backed by a secure supply chain and our increasing availability, we are getting closer to achieving our purpose – to serve nearly 100 million consumers across the country with safe, delicious, nutritious, and affordable meat products. The solid foundation set in 2021 will enable us to move forward into 2022 and beyond with an unwavering confidence that we can achieve outstanding growth by better serving our consumers.

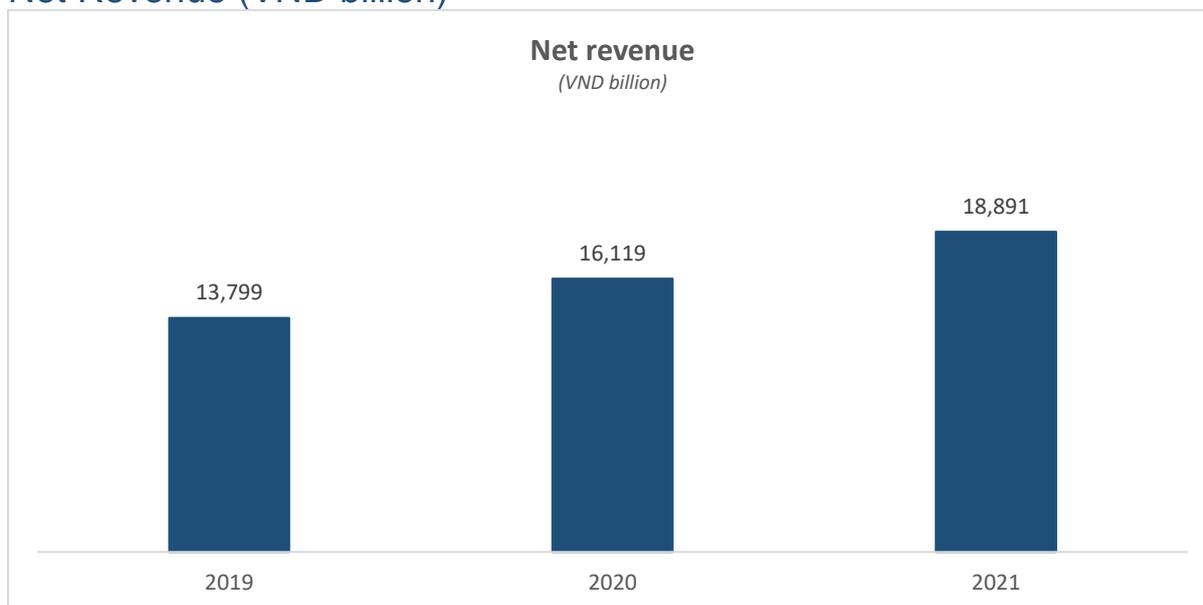
Yours faithfully,

*(Signed and sealed)*

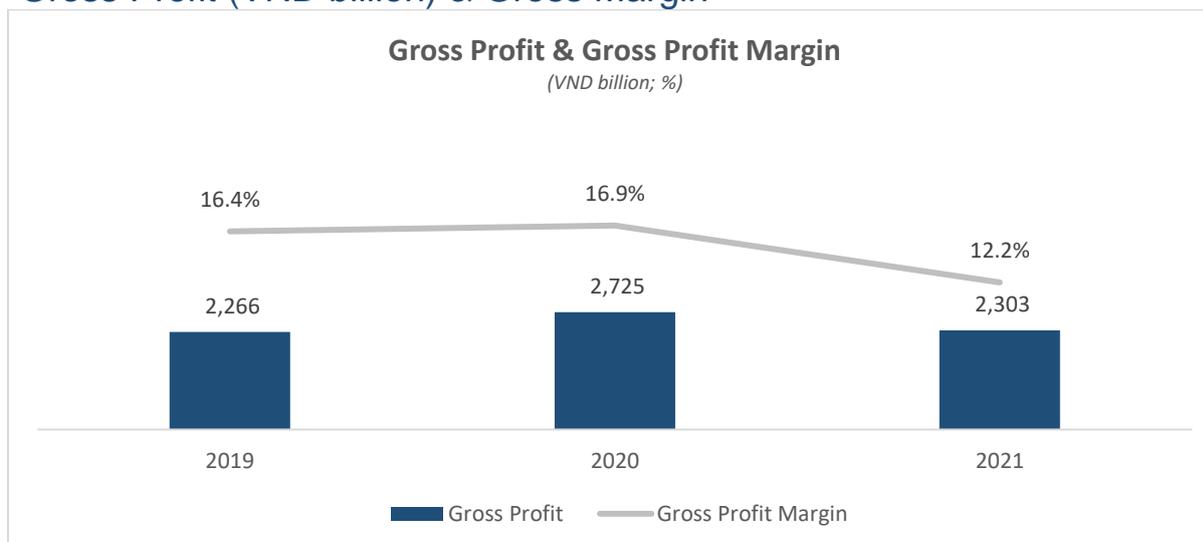
**Nguyen Quoc Trung**  
*Chief Executive Officer of Masan MEATLife*

# 2021 FINANCIAL RESULTS

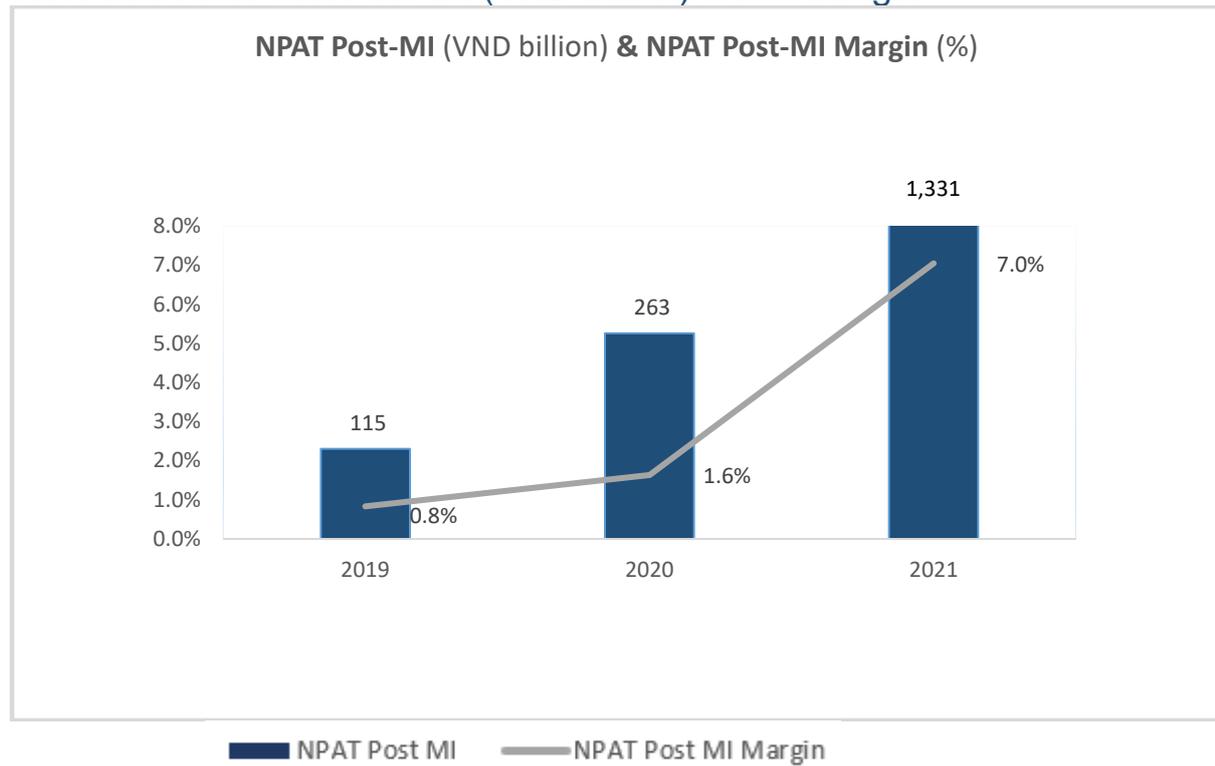
## Net Revenue (VND billion)



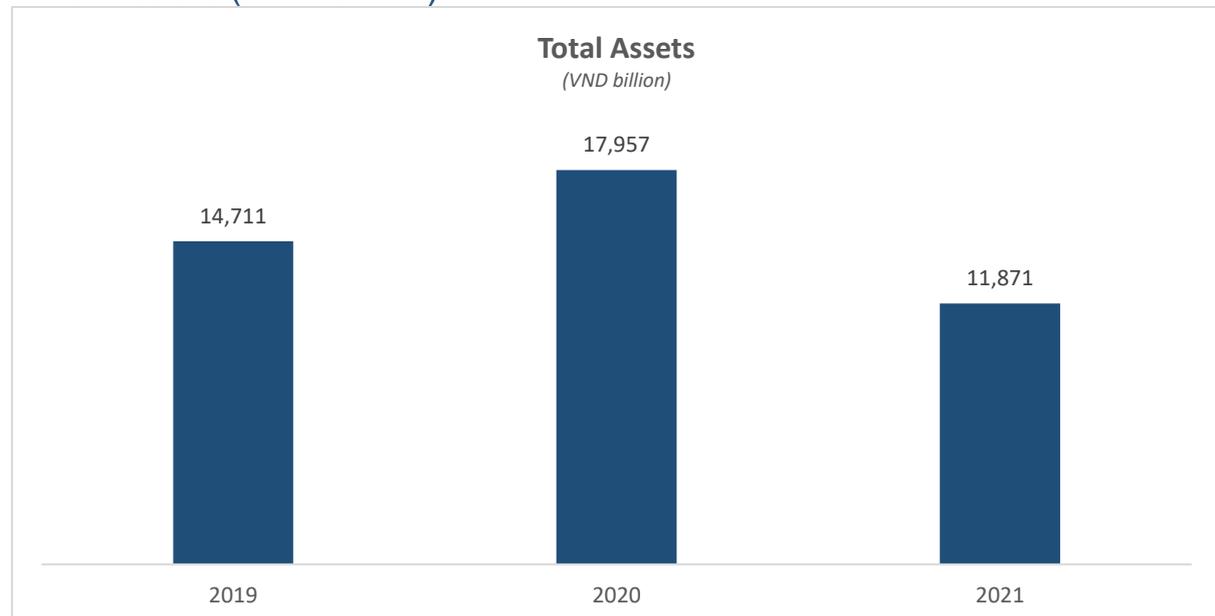
## Gross Profit (VND billion) & Gross Margin



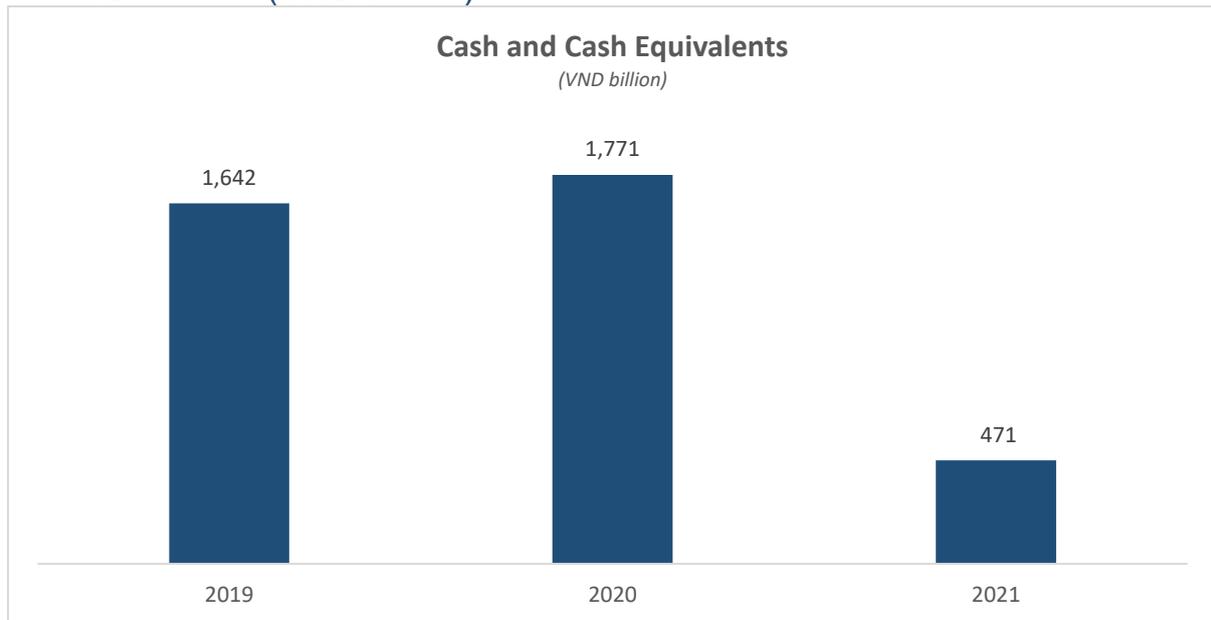
## Net Profit After Tax Post-MI (VND billion) & Net Margin



## Total Assets (VND billion)



## Cash Balance<sup>1</sup> (VND billion)



<sup>1</sup> Includes short-term financial investments.

# OUR STORY

## Who We Are

Masan MEATLife Corporation (“Masan MEATLife”, “MML”, and the “Company”) is one of Vietnam’s largest companies in the branded meat sector, focused on improving productivity in Vietnam’s animal protein industry with best-in-class operations, innovations, nationwide availability, and a superior supply chain through partnering with market leaders across the value chain. Our ultimate goal is to provide consumers with high quality, traceable meat products at reasonable prices in a large market valued above USD15 billion.

With a vision to become the leader in Vietnam’s meat industry, Masan MEATLife first entered into the animal protein value chain by manufacturing and selling animal feed products, which at the time represented the segment with highest margins. Our entry into this segment occurred through the consolidation in 2015 of ANCO and PROCONCO, two leading animal feed companies in Vietnam, under one platform. Our business grew significantly with the launch of the “Bio-zeem” brand, which became a premium market leader known for its high feed conversion ratio. However, MML’s ultimate goal was always to reach consumers with branded meat products at reasonable prices, which required driving productivity across the animal protein value chain. With support from the cash flows of our animal feed segment, the Company was able to develop an integrated “Feed – Farm – Food” (“3F”) model, going into large scale pig farming and eventually meat processing.

MML’s entry into pig farming started in 2016 with the construction and commissioning of our high-tech pig farm spread over 223 hectares in Nghe An. With an investment of VND1,400 billion, the farm is capable of supplying 250,000 high-quality pigs per year. Entry into farming was important to MML’s efforts to drive productivity in the meat value chain as the farming segment was and still is highly fragmented, inefficient, and lacks hygienic practices. With our own high-tech pig farm, MML was able to not only create our own steady supply for the upcoming meat business, but also learn best practices to credibly advise other farmers to raise their standards and become future pig suppliers as well. Pigs raised at MML’s own farm are subject to strict livestock certification and disease control standards, ensuring biosecurity, and are fed with high quality animal feed without growth hormones, antibiotics, or other banned substances.

To complete our integrated 3F model in the pork value chain and be able to serve consumers with our very own meat products, at the end of 2018, we put into operation our first meat processing complex in Ha Nam province and launched our MEATDeli chilled meat brand in Hanoi and surrounding areas. MEATDeli products were subsequently launched in Ho Chi Minh City and neighboring provinces in September 2019. MEATDeli chilled meat is the first brand in Vietnam produced in accordance with the European standard processing technology. Today, MEATDeli is one of Vietnam’s most popular and most recognized meat brands in Vietnam. The significant investments MML has made to create an integrated branded meat platform demonstrate the Company’s commitment to “provide Vietnamese consumers with delicious, safe, and affordable meat products every day, everywhere”.

Masan MEATLife expanded its operations into the poultry market by acquiring 3F VIET Joint Stock Company (“3F VIET”) in November 2020. 3F VIET is one of the first Vietnamese companies to deploy the 3F model to realize the “farm-to-fork” concept. This model aligns with our own integrated approach, making 3F VIET a great starting point for MML’s entry into poultry market worth USD5 billion.

Masan MEATLife’s range of products, from pork to poultry, is currently available at more than 3,000 POS in Hanoi, Ho Chi Minh City and surrounding areas with a customer base spanning millions of people. MML’s meat products are sold at leading modern trade retailers such as WinMart, WinMart+, Co.opmart, Big C, Lotte, Aeon, MEATDeli stores and agents, etc.

In December 2021, Masan MEATLife officially transferred its animal feed business to De Heus Vietnam Co., Ltd (“De Heus”) to accelerate the Company’s transformation from a primarily B2B business into a consumer-facing FMCG platform. While MML still believes that driving productivity across the animal protein value chain is critical to better serve Vietnamese consumers, we have since identified a strategic partner whose global expertise can also deliver us the benefits of an integrated 3F model while allowing us to focus on doing what we know best – building brands, developing innovative consumer products, and making such products available nationwide. With this sharpened focus, we are now in a stronger position to reach our goal of a **billion USD in meat revenue in the next few years.**

We have transformed into a branded, meat-focused FMCG platform.

Our ambitious yet simple objective: “To provide Vietnamese consumers with delicious, safe, and affordable meat products every day, everywhere.”

We aim to achieve a 10% share in a market valued around USD15 billion.

### From B2B to B2C – Masan’s DNA is Consumer-Centric

Since our establishment, our objective has been to ultimately improve the lives of consumers by providing them with delicious, safe, and affordable meat products every day, everywhere. Given the fragmented and highly inefficient animal protein value chain, we believed only an integrated “Feed - Farm - Food” (“3F”) model could control the quality and cost of providing affordable meat products to Vietnamese consumers, who are currently paying twice as much as American consumers when buying meat products.

Our starting point was the animal feed sector to begin addressing the inefficiencies within the animal protein value chain. We quickly became a leader in the animal feed sector by applying our branded FMCG know-how with the launch of Bio-zeem.

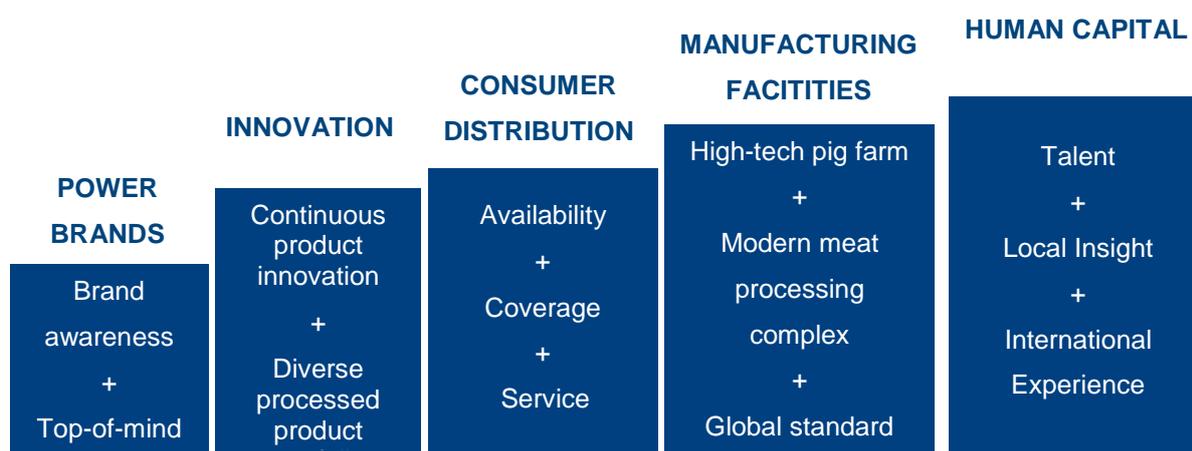
However, the rapid growth of our consumer-facing MEATDeli business combined with our experience navigating the more cyclical and commoditized nature of the animal feed sector taught us a lesson – driving productivity across the value chain can also be achieved by having specialists focusing on what they do best. Since the launch of MEATDeli, we have seen our meat segment grow revenues from VND330 billion in 2019 (its first full year) to VND4.5 trillion in 2021, growth of more than 13x. This growth had been driven by our ability to build brands, deliver innovative products consumers trust, and distribute such products across the country. Realizing our strengths and identifying a partner with global capabilities in the animal feed and pig farming sectors, we made the decision to divest our animal feed segment to De Heus. In return, we were able to lock in a long-term, reliable supply of quality pigs for our growing meat business, while freeing up resources to become a true branded FMCG platform. This arrangement allows us to benefit from the efficiencies of the integrated 3F model, while allowing us to focus on doing what we know best – serving consumers.

MML’s meat business grew 88.6% YoY in 2021.

## Platform for Growth

Masan MEATLife owns a unique business model to unlock the potential of the animal protein value chain in Vietnam. With the launch of chilled meat products under the MEATDeli brand in late 2018, we became the first and leading integrated animal protein platform in Vietnam by focusing on improving productivity across the entire value chain, through both our in-house capabilities and strategic partners.

Towards this end, we have invested heavily in the operating platform including strong brands, innovation, best-in-class production facilities, and, most importantly, people.



### Winning Brands

We have successfully applied the brand-building model in the fast-moving consumer goods business for the meat value chain, the first in the industry.

At the end of 2018, we launched the “MEATDeli” brand, a range of delicious, safe and traceable meat products to consumers. We have applied the brand-building model in the fast-moving consumer goods (FMCG) business for MEATDeli. We were the first in the meat industry to broadcast TV commercials for fresh meat. In 2019 and 2020, shortly after its launch, MEATDeli was recognized as a Top 10 brand - the most trusted branded products in Vietnam, according to the Vietnam Economic Times. In 2020, Masan MEATLife was named in the Top 50 Vietnamese Leading Brands in 2020 by Forbes Vietnam. Masan MEATLife also leads the agricultural products sector with its brand value estimated at USD34.5 million.

### Innovation – Masan Way

The commitment to innovation is reflected in planning and doing things differently. The year 2021 marks a big turning point for MML with the sale of feed business, but without changing the "Feed-Farm-Food" business model that has been built successfully in the past few years. Knowing the power of consolidation and understanding, courageously building new goals for each strength of each business segment, Masan MEATLife has successfully transformed and separated the animal feed manufacturing business from the branded meat segment. This will ensure that each of these segments is able to develop independently, create their own unique strength and be ready to cooperate with strategic and experienced partners in order to maximize their strengths, to realize the Point of Life (“POL”) strategy for the essential needs of consumers.

In December 2021, De Heus Co., Ltd (“De Heus Vietnam”) officially took over the feed business from Masan MEATLife to help develop further the animal protein supply chain in Vietnam. Masan MEATLife will focus its resources on developing branded meat products, while De Heus will prioritize providing livestock nutrition, breeding and farming solutions. This strategic partnership is expected to promote increased productivity, quality and sustainability of the 3F (Feed-Farm-Food) integrated supply chain. It is expected that, besides meeting 70% of the animal feed demand for Masan MEATLife farm in the next 5 years, De Heus will provide at least 2.8 million pigs for Masan MEATLife's chilled meat production business. The strategic cooperation with De Heus Vietnam not only gives Masan MEATLife business advantages, but also promotes the modern domestic animal protein value chain.

We accelerated the development of new products to provide more fresh and safe products in order to diversify benefits and choices for consumers. The company has developed various product lines to serve a wide range of customers, including processed meat, meat with seasonings, the premium pork product line, which has been preferred and chosen by a large number of consumers. In addition to pork products, the Company has focused and introduced to the market for the first time the convenient “multi-dish chicken”, the skinless and fat separated “slim & fit chicken”, which is suitable for a healthy diet, becoming an inevitable trend of modern life development. Following the success of expansion into the poultry market, Masan MEATLife has focused on developing and launching new chicken products with high nutritional value and origin traceability. In the near future, we plan to introduce the best chicken products to Vietnamese consumers.

## Distribution Network

MEATDeli products are distributed at more than 3,000 POS at supermarkets and minimarkets such as WinMart, WinMart+, Co.opmart, Co.opXtra, Big C, other modern retailers, MEATDeli stores and independent mom and pop grocers whom we refer to as agents.

With regard to livestock farms, not only do we try to make our products more widely available through our widespread distribution network, but we also try to increase sales and grow our market share by being a comprehensive partner to farmers, including offering technical support and the possibility to become a supplier to MEATDeli, subject to meeting strict quality conditions. As the sector continues to consolidate, larger farms will need more sophisticated solutions and we believe with our strategic partners will give us a significant competitive advantage.

## Manufacturing facilities

Masan MEATLife operates a complete system of pig and chicken farms, slaughtering and processing complexes across Vietnam. High-tech pig farm in Nghe An province, MML Farm Nghe An, is designed to ensure efficiency and quality assurance throughout the entire process of raising pigs. As part of the integrated 3F chain, the farm is specially managed to prevent diseases as well as improve pig health and food safety related to pork consumption. The standard of this pig raising process is equivalent to the standard of international pig farm management and complies with GlobalG.A.P. standards. Located on a land area of more than 223 hectares, the farm is separated from residential areas to ensure strict biosafety conditions for minimizing risks from diseases such as foot and mouth disease (“FMD”) and African swine fever (“ASF”). We have also built wastewater treatment systems according to national standards to improve biosecurity and environmental protection. Once fully ramped up, the farm in Nghe An has total capacity of producing ~250,000 live hogs per year. More importantly, this farm is also a replicable model for other farms to follow and become live hog suppliers for MML's meat value chain, meeting high input standards.

In December 2018 we put into operation our first meat processing complex in Ha Nam province. This was followed by another meat processing complex in Long An province in October 2020. Each complex has a capacity of 1.4 million porkers/year, equivalent to meat production of 140,000 tons/year. The two projects have total investment of more than VND3,000 billion and each is built on an area of 10 hectares. Currently, both meat processing complexes in Ha Nam and Long An can produce and process 30,000 tons of chilled meat products per year, including Vietnamese sausages and other meat products.

Both facilities are fitted with modern technology and equipment imported from Europe, which were installed under the supervision of experienced international experts. Pigs are slaughtered using CO<sub>2</sub> gas - the most humane method, then processed and chilled quickly to prevent bacteria growth. Next, the pork is cooled and stored for 24 hours at a temperature of 0-4 degree Celsius to enhance the flavor and texture of the meat, while maintaining nutrition and hygiene standards. Next, the meat is slaughtered, packed and shipped, while maintaining temperature levels to the end consumers to ensure the meat is clean and fresh. This process both complies with national standard TCVN 12429-1:2018 for chilled meat and strictly follows the BRC standard – a global benchmark for food safety. MEATDeli chilled pork products have a shelf life of 2 - 9 days, depending on the type of product and packaging specifications.

Since 2020, after merging with a new partner, 3F VIET, the Company operates a closed chain from the grandparent, parent chicken farms to the poultry slaughterhouse. All farms have an environmental impact assessment and comply with regulations throughout the project operation. Particularly, 3F VIET egg incubation factory is built from the most modern machinery in Vietnam to optimize the use of materials such as electricity, water, etc. The factory is equipped with a wastewater treatment system to treat all wastewater from production and the staff and employees' daily activities, ensuring that the output achieves Class B rating according to QCVN 62-MT/BTNMT. The factory complies with photometric regulations to ensure that the wastewater always meets the allowable standards. Particularly, the poultry slaughtering and processing factory in Binh Duong is equipped with a wastewater treatment system capable of processing 500 m<sup>3</sup>/day to treat all of the factory's wastewater to achieve Class A output of QCVN 40-2011/BTNMT standard on industrial wastewater, which is the strictest standard currently applicable.

## Human Capital

We operate in a dynamic and ever-changing business environment. Therefore, human capital is one of the factors that we pay great attention to. We are always aiming to build a young, dynamic, enthusiastic and passionate organization. The Board of Directors always emphasizes on coaching, training and developing the organization in order to create talented, decisive managers who can seize opportunities for development.

We are proud to be one of the best workplaces in Vietnam, where everyone has a better chance for contribution, development, and promotion. At MML, we have more than 2,000 employees, many experienced leaders and managers from multinational companies, who have successfully built and restructured companies in emerging markets.

Accompanying the board management are the young, enthusiastic and passionate employees who can create change by coming up with new innovations in production and business and realize these initiatives, manage risks and implement effective business plans to bring the highest profits to shareholders. The screening, selection, training and entrust the dynamic young generation gives the company's staff more confidence, courage, responsibility and willingness to inherit the board of management.

We understand that growth comes from the material and mental stability and comfort of employees, so that they will devote all their minds and talents to the Company. In addition, our excellent and talented employees all have the opportunity to become shareholders of the Company, which creates attachment, dedication, and contributes to the sustainable development of the Company.

Through this professional team, we have successfully transformed from the largest domestic animal feed company into Vietnam's first integrated meat production platform to better serve 100 million Vietnamese consumers.

# MASAN MEATLIFE SUSTAINABILITY REPORT

## Doing Well by Doing Good

Masan MEATLife was established with the mission of providing consumers with traceable quality meat products at reasonable prices, and constantly innovating and improving products to enhance added value.

If we can achieve this objective, then what we do is not a job, but a purpose: improve the material and spiritual life of millions of Vietnamese. Our purpose is not only reflected in our business objective but also in our belief in sustainability, which takes into account our overall impact on the environment, our communities and the larger society. We serve consumers with true ideals and make meaningful contributions to Vietnam's socio-economic development, not just financial concerns. To that end, we need to rely on a strategy for sustainable development.

## Product development and innovation process

### Novel innovations in product development

Please refer to “Innovation – Masan Way” in the “Our Story” section.

### Responsible procurement

The majority of raw materials used in the manufacturing of our products are well-known companies' outputs. For raw materials with fluctuated prices, we regularly monitor the market and choose the right time to open bids so as to come to a deal at a good price. We usually apply take-or-pay contracts with fixed prices over a long time horizon from suppliers.

To ensure the traceability of raw materials, we require foreign suppliers to meet the following requirements: no infectious diseases (African swine fever, PRRS, swine asthma), no antibiotic residues, no banned substances, etc. Our farms are granted Viet GAP, GlobalG.A.P certificates. Suppliers with long-term quality are considered "reputable suppliers" and will be retained in the "supplier list" to continue supplying goods to the Company. Our materials are closely monitored in terms of quantity as well as quality. Masan MEATLife's products are strictly controlled in quality by an experienced QC - QA team.

The main ingredients in Masan MEATLife 's finished products include commercial pork and chicken. In November 2021, Masan MEATLife transferred the animal feed business and entered into a strategic partnership with De Heus Co., Ltd (“De Heus Vietnam”, a subsidiary of Royal De Heus Group from the Netherlands). Accordingly, De Heus Vietnam takes over the animal feed business and invest in the animal protein supply chain in Vietnam. This strategic partnership is expected to increase productivity, quality and sustainability of the 3F integrated supply chain model. Specifically, De Heus Vietnam will supply up to 70% of the feed demand for Masan MEATLife's farms and at least 2.8 million pigs for Masan MEATLife's chilled and processed meat products in the next 5 years. With this partnership agreement, Masan MEATLife has completed its transformation into a business providing branded meat products.

MEATDeli HN and MEATDeli SG processing complex have been officially granted BRC certification - Global Standard for Food Safety. This is a valid international certificate to help control and minimize the risk of poisoning in the food industry and is considered a passport for food exporters. BRC audit criteria and certification process are strictly controlled and consistent around the world.

## Occupational Safety

We are committed to the well-being of our employees. We are responsible for providing a safe working environment for all employees by equipping appropriate personal protective equipment for each job position and continuously improving the working environment. Masan MEATLife regularly organizes training sessions with external experts and internally experienced employees. We have also carried out safety trainings in order to promote positive safety habits, not only to be applied at work but also for daily activities.

MEATDeli meat processing complexes in Ha Nam & Long An have applied and operated the ISO 45001:2018 system on Occupational Safety and Health in 2021.

## Social responsibility

### COVID-19 prevention

In order to ensure that the supply chain is not disrupted due to the impact of the COVID-19 pandemic, Masan MEATLife has established a Steering Committee for pandemic prevention and control to actively direct activities of production, thereby ensuring effective pandemic prevention and control, flexibly applying State regulator's provisions while ensuring safe production, realizing the dual goal of "preventing pandemic while ensuring business". 100% of eligible officers and employees of MEATDeli SG, MEATDeli HN, Masan MEATLife, 3F are vaccinated with at least 2 doses of COVID-19 vaccine. During the period of social distancing in Ho Chi Minh City, MEATDeli Meat Processing Complex in Long An has organized production and business in the 3T model under the guidance of the Government and the Ministry of Health from July 12, 2021 to October 5, 2021 in order to guarantee the food supply for the market, stabilize prices, contributing to the whole society' COVID-19 prevention and control.

In addition, MEATDeli HN is the first enterprise in Ha Nam province to actively develop a 3T production and business plan and invite the Board of Management of Industrial Park in Ha Nam province, as well as local authorities to review, inspect, appraise and comment for approval of the implementation to maintain the supply chain.

During the peak period of the pandemic, Masan MEATLife has donated hundreds of kilograms of MEATDeli chilled meat to field hospitals and charity kitchens in Hanoi and Ho Chi Minh City to support the frontline forces conducting the anti-pandemic tasks.

### Community Enhancement

In 2021, MML Farm Nghe An (Ha Son commune, Quy Hop district) has spent more than VND 1.4 billion on social security activities including: funding the construction of the medical station campus and houses, granting scholarships to students and many other community development activities.

## Environmental Sustainability

Masan MEATLife is always deeply aware of developing economy accompanied by protecting sustainable environment. Therefore, right from the preparation of project, Masan MEATLife always implements environmental protection to ensure that the production complexes fully meet the environmental standards as prescribed by law. Masan MEATLife meat processing complexes are applying the treated wastewater standard of Class A quality for industrial wastewater according to QCVN 40:2011 BTNMT, and applying and operating the environmental ISO 14001 system, which has been assessed in 2020 and received a certificate in 2021.

In addition, the green coverage in the premises of each complex reaches 24% -31%, higher than the local requirements when compared to the total area of the whole complex.

#### Sustainable energy safety

At MEATDeli HN we use environmentally safe modern technologies such as:

1. The wastewater treatment system using the AAO - AO - O technology meets the national standard for wastewater treatment of Class A. Treated sludge is qualified for normal waste type that is safe for the environment.
2. About the steam utility service system: DO oil boiler is used to increase system efficiency. The emission standards reach Class A according to national standards.
3. The production machinery and equipment system is imported from G7 EU meeting health safety standards and high efficiency, saving energy with inverter high technologies. LED technology is applied to lighting systems to save power and give the highest lighting efficiency.

At MEATDeli SG, we optimize the use of environmental-friendly materials and focus on waste treatment to protect the environment:

1. Clean & renewable energy: We use fuel for boiler from biogas including mainly rice husk with available, abundant raw materials from the local agricultural industry.
2. The factory's wastewater treatment system has a deodorizing tower installed at the balance tank, treating odors from the input water stage, ensuring a fresh atmosphere without affecting the surrounding area.
3. Quarterly, the company conducts periodic environmental monitoring and the indicators are within the acceptable limits.

In early 2019, MML Farm Nghe An (formally known as MNS Farm Nghe An) was granted the GLOBALG.A.P. Certification for its completion of internationally recognized set of farm standards dedicated to Good Agricultural Practices. The high-tech pig farm in MML Farm Nghe An is considered to be Vietnam's most environmentally friendly, able to produce biogas from its operations and generate enough electricity to be self-sufficient. The high-tech pig farm in MML Farm Nghe An is also equipped with a modern wastewater treatment system to ensure sustainable operation of the farm in compliance with national environmental standards. In particular, MML Farm Nghe An has invested in two wastewater treatment systems with a capacity of treating up to 4,000 m<sup>3</sup> of livestock wastewater per day, while generating biogas used for power generation to serve farm production activities. The company has conducted periodic sampling for environmental monitoring, which shows that the analyzed wastewater achieved column B under technical regulation QCVN 62-MT:2016/BTNMT. No waste from the farm is discharged into the environment. 100% of treated wastewater is reused by the farm for barn cleaning, surface soaking and plant watering, thereby minimizing the consumption of increasingly scarce groundwater. In 2021, the Company invested in an additional wastewater treatment system for the above mentioned system, aiming to Class A treated wastewater.

From 2020, after merging with a new member - 3F VIET, the company has a closed chain from the grandparent, parent chicken farms to the poultry slaughterhouse. All farms have an environmental impact assessment and comply with regulations throughout the project operation. Particularly, 3F VIET egg incubation factory is invested with the most modern machinery in Vietnam to optimize the use of materials such as electricity, water, etc. The factory is equipped with a wastewater treatment system to treat all wastewater from production and the staff and employees' daily activities, ensuring that the output achieved Class B according to QCVN 62-MT/BTNMT. The factory complies with photometric regulations to ensure that the wastewater always meets the allowable standards. Particularly, the poultry slaughtering and processing factory in Binh Duong is equipped with a wastewater treatment system capable of 600 m<sup>3</sup>/day to treat all of the factory's wastewater to achieve Class A output of QCVN 40-2011/BTNMT standard on industrial wastewater, which is the strictest standard today.

## Talent Sustainability

Qualification	Number	Percentage
Post graduate	20	0.91%
University graduate	635	28.75%
College graduate	183	8.28%
Intermediate college graduate	148	6.70%
High school graduate	366	16.57%
Secondary school graduate	660	29.88%
Others	197	8.92%
<b>Total</b>	<b>2,209</b>	<b>100.00%</b>

*Note: Majority of employees having qualification from intermediate college or lower include employees working as direct employees of factories, warehouses, or as points of sale promotion employees, drivers or working in janitorial positions.*

As of December 2021, Masan MEATLife has a total of 2,209 employees, of which nearly 45% have intermediate or higher education. We are proud to be one of the best workplaces in Vietnam, where everyone has a better chance than yesterday. This can be attributed to the Company's ongoing empowerment to motivate their development by pursuing personal goals, autonomy at work and in projects assigned to them.

We always uphold the human factor, provide them with decent jobs and stable incomes, and care about their cultural, spiritual, and sport life. The company has built spacious and clean dormitories and installed air conditioners, wifi connection; built sports fields (soccer, volleyball, badminton, table tennis) and entertainment areas. Since then, each person tries their best to dedicate themselves in labor and be attached to the company for a long time, contribute to improving the brand value and corporate culture.

Our ideal is to improve the material and spiritual life of Vietnamese people. First of all, we start with implementing this ideal well for each employee. Our responsibility is to bring stable income and maintain jobs for existing employees. Since then, each employee tries their best to dedicate themselves in labor and be attached to the company for a long time, contribute to improving the brand value and corporate culture. We have been delivering long-term training plans to prepare our good and skilled employees for future leader's roles through regular and continuous training programs.

We always encourage employees to look at the problem differently, thereby recognizing their capabilities and facilitating to maximize human resource development. By carefully screening and placing faith in the dynamic young generation, the company's employees are given the opportunity to experience and handle challenges. They work with confidence, independence and responsibility, always keep an entrepreneurial spirit, a willingness to sacrifice, and be not afraid to be judged when they come up with new ideas. We understand that the growth comes from the physical, mental and emotional well-being and stability of all employees across all functions to inspire their engagement, devotion and sense of belonging.

We focus on providing training for our employees to improve their professional skills and knowledge on a monthly and annual basis across different departments at factories. Annually, we plan and organize short and long-term courses/training courses to improve professional qualifications and skills to improve labor efficiency and nurture the next management generations such as: Training courses in chemical safety, occupational safety and health, first aid, fire prevention and fighting.

We appreciate ensuring the benefits and rewarding employees fairly and proportionally with actual competence and their contribution and also creativity to the development of the Company. It is certain that our key talents are also shareholders, who work with all their dedication and promote an entrepreneurial spirit and long-term thinking.

In addition, as part of our fringe benefit program, we buy extra package of health and accident insurance for all employees in addition to insurance regulated by Law. We also comply with the Labor Code by providing standard working hours, break hours and annual leave as regulated.

## Awards

For three consecutive years (2019, 2020 and 2021), MEATDeli - Masan's chilled meat product is named among the Top 10 "Vietnam's Most Trusted Brands and Products" since its official market launch in December 2018.

# MANAGEMENT REPORT

## Focus resources on building branded meat products

Masan's journey is the consumers' journey. As consumer demand for safer and healthier products grows, Masan MEATLife aims to be the first mover in providing branded, affordable, traceable, fresh, delicious, and safe meat products. Since 2015, Masan MEATLife has been on a journey to build a fully integrated value chain from animal feed to branded meat.

The year 2021 marks another important milestone in Masan MEATLife's development journey when it successfully implemented the transformation of the branded meat business model by specialization and cooperation with strategic partners. The strategic partnership between Masan MEATLife and De Heus Vietnam, which has 100 years of experience in the field of animal nutrition and animal husbandry, is considered a promising combination that can accelerate the modernization of the animal protein value chain, and is expected to promote the increase in productivity, quality and sustainability of the 3F integrated supply chain model. In particular, De Heus Vietnam will supply up to 70% of the feed demand of MML's farms and at least 2.8 million live porkers over the next 5 years. The cooperation agreement between the two parties will ensure high-quality, standardized pig inputs for Masan MEATLife at stable prices to serve consumers with safe, delicious meat products at reasonable prices.

The financial results for 2021 show that Masan MEATLife's 2021 revenue has grown by 17% compared to 2020 driven by growth across all business segments including animal feed, farm and meat business. In particular, our nascent meat business kept on going strong to gain a foothold in the market, with sales growing 88.6% in 2021, compared to 2020.

Following the success of expansion into the poultry market by acquiring 51% capital of 3F VIET Joint Stock Company in November 2020, Masan MEATLife has focused on developing and launching new chicken products with high nutritional value and origin traceability. In the near future, we plan to introduce the best chicken products to Vietnamese consumers.

With high quality products, Masan MEATLife aims to build and develop an integrated ecosystem that brings maximum convenience to consumers through a unique association between a manufacturer and Vietnam's largest modern retailer WinCommerce. We will continue to serve nearly 100 million consumers nationwide with our safe, fresh, nutritious, and affordable meat products.

As of December 2021, MEATDeli products are distributed at more than 3,000 points of sale at supermarkets and minimarkets such as WinMart, WinMart+, Co.opmart, Co.opXtra, Big C, etc. besides other modern retailers, MEATDeli stores and independent mom and pop grocers whom we refer to as agents.

## Realizing Vietnam's meat potential

The pork market, estimated at more than USD10 billion is the largest segment in Vietnam's food and beverage ("F&B") sector. With a population of nearly 100 million people and continuously growing disposable incomes, increase the demand for clean and traceable meat. However, this is a non-standardized market as more than 90% of pork products on the market are unbranded, while consumers are increasingly paying attention to traceable products. This provides MML's MEATDeli clean meat products significant potential and an opportunity for the Company to set a new standard in consuming high-quality, safe, fresh, and affordable meat for Vietnamese consumers.

In addition to the fresh meat segment where MML competes with chilled products, we see many opportunities in the processed meat market. Today, value-added processed meat products contribute less than 1% of the meat market in Vietnam. Innovative products will contribute to the meat consumption in Vietnam, especially in rural areas where approximately 70% of the population lives. This is also the driving force behind the growth of meat consumption in China, where producers can provide value-added processed meat products to meet consumers' daily needs at much lower prices than fresh meat.

According to Frost & Sullivan, processed pork accounts for 25% of total pork consumption in China and is growing twice as fast as fresh meat. We think a similar trend will happen in Vietnam soon, and we will be the market leader in providing innovative, delicious, safe, and reasonably priced products to consumers.

Vietnam's integration with the global economy is offering many opportunities, but also challenges. With free trade agreements going into effect in the near future, many foreign meat producers will be importing their products into Vietnam and competition will be increasingly fierce. However, there will still be opportunities for domestic companies like Masan MEATLife to transform the market as there will always be demand for fresh/chilled meat over frozen imports.

Vietnam's meat value chain has great potential for growth, which will require companies to develop the market and drive change. From 2022 onwards, Masan MEATLife will focus on expanding its product portfolio with the launch of processed pork and chicken products. Processed meat will be a key driver of growth, not only in terms of revenue, but also profitability. We believe that Masan MEATLife would be the leader in this industry, as we have invested early, created the scale required to achieve higher productivity, and built brands that consumers trust.

## Performance Highlights

Indicator	December 31, 2021	December 31, 2020
<b><u>Liquidity ratios</u></b>		
Current ratio	1.7 x	0.8 x
Quick ratio	1.5 x	0.5 x
<b><u>Capital structure</u></b>		
Total Debt/EBITDA	2.7 x	3.6 x
Total Debt/Total Assets	0.4 x	0.4 x
Inventory Turnover	11.8 x	7.1 x
Inventory Days	31	51
<b><u>Profitability ratio</u></b>		
ROE	23.9%	4.8%
ROA	8.4%	3.0%
Net Sales/Total Assets	159.1%	89.8%
EBIT Margin	3.4%	6.8%
EBITDA Margin	9.7%	11.7%
Net Margin	6.6%	3.1%

## Discussion on audited results

### Net Revenue

Net revenue in 2021 was VND18,891 billion, up by 17.2% compared to last year. The expansion of the integrated meat business and strong growth confirms the Company's right direction when divesting from animal feed business to focus its resources on developing branded meat products.

Integrated branded meat business, which includes Masan MEATLife's farm supply chain, delivered 2021 net revenue of VND4,500 billion, accounting for 24% of Masan MEATLife's consolidated net revenue, double compared to 2020.

### Gross Profit & Gross Margin

Masan MEATLife's 2021 gross profit reached VND2,303 billion, a decline from VND2,725 billion in 2020. Gross profit margin in 2021 was 12.2%, lower than that of 16.9% in 2020 due to higher commodity prices that reduced the profit margin of the animal feed segment and the impact of 3F VIET's consolidation.

- Integrated pork segment delivered gross profit margin of 18.5% in 2021, compared to 17.5% in 2020 thanks to higher synergies in the integrated pork segment, along with the increase in scale and capacity for pork processing.
- Integrated chicken segment delivered gross margin of (2.4)% in 4Q2021, compared to (17.4)% in 9M2021. Profits are expected to improve further in 2022 thanks to a higher share of B2C sales and increasing synergies with deeper integration into Masan's ecosystem.

### Financial income

Financial income increased by 1,290% to VND1,521 billion in 2021 compared to VND109 billion in 2020, mainly due to the recognition of one-off income as a result of deconsolidation of feed segment.

### Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

EBITDA margin for 2021 was 9.7%, versus 11.7% in 2020.

- The integrated pork segment delivered an EBITDA margin of 13.4% in 2021, compared with 7.8% in 2020.
- Management aims to improve MML's EBITDA margin for chicken segment and consolidated EBITDA margin by upscaling with a diverse product portfolio, increasing customer reach through the WCM chain and other distribution channels.

### Net Profit after Tax and Minority Interest

In 2021, Masan MEATLife reported net profit after tax and minority interest of VND1,331 billion, up by 405% compared to VND263 billion in 2020. As a result, the Company's NPAT Post-MI Margin in 2021 increased to 7.0% from 1.6% in 2020. This increase in NPAT Post-MI Margin can be mainly attributed to improved financial income.

### Cash and Cash Equivalents

Masan MEATLife had consolidated cash and cash equivalents (including short-term financial investments) of VND471 billion as of December 31, 2021, down 73.4% compared to VND1,771 billion as of December 31, 2020 mainly due to the deconsolidation of the feed segment.

### Fixed Assets

As of December 31, 2021, fixed assets decreased to VND4,208 billion, compared to VND8,385 billion on December 31, 2020 due to the deconsolidation of the feed segment.

### Total Assets

Masan MEATLife's total assets as of December 31, 2021 were VND11,871 billion, down 34% from VND17,957 billion as of December 31, 2020 due to the deconsolidation of the feed segment.

### Borrowings

As of December 31, 2021, short-term and long-term borrowings decreased by 28% YoY to VND4,936 billion, compared to VND6,841 billion, mainly due to the deconsolidation of the feed segment.

### Owner's Equity

MML owner's equity decreased by 32% to VND5,751 billion as of December 31, 2021 from VND8,463 billion as of December 31, 2020, mainly due to the deconsolidation of the feed segment.

### 2022 Plan

In 2022, Masan MEATLife aims to grow revenue in the range of VND5,000 billion - 6,000 billion, an increase of 11% - 45% compared to VND4,500 billion in 2020 (excluding animal feed segment) by expanding the branded pork and chicken portfolio and increasing distribution capacity. Profits are expected to improve further thanks to higher capacity utilization and processed meat sales growth.

# GENERAL CORPORATE INFORMATION

## Masan MEATLife's Corporate History and Structure

### Corporate History

Masan MEATLife Corporation ("Masan MEATLife") (formerly known as "Masan Nutri-Science Corporation") was incorporated on October 7, 2011. Today, Masan MEATLife, a subsidiary of Masan Group Corporation ("Masan Group"), is Vietnam's largest fully-integrated ("Feed – Farm – Food" business model) branded meat platform, focused on driving productivity in Vietnam's animal protein industry and ultimately directly serving consumers with traceable, quality and affordable meat products in a USD 15 billion opportunity.

In 2021, Masan MEATLife sold 1.35 million tons of animal feed through its national network of over 2,500 dealers and 13 feed facilities. By implementing an FMCG approach to the feed business, Masan MEATLife has successfully developed the umbrella brand "Bio-zeem" and quickly captured significant market share in the pig feed market.

With a strong cash flow from the feed business, Masan MEATLife has developed an integrated 3F (Feed-Farm-Food) model with the commissioning of its high-tech pig farm in Nghe An and its meat processing complex in Ha Nam. In Quarter 4, 2018, Masan MEATLife successfully launched MEATDeli – the first chilled meat product ever introduced in Vietnam. With this milestone, Masan MEATLife officially completed the integrated 3F value chain, a key factor that ensures quality control of our consumer products from end to end and enables us to become a branded meat company.

In October and November 2020, Masan MEATLife achieved two strategic milestones in our journey to bring fresh, delicious, and nutritious meat to nearly 100 million Vietnamese consumers: (i) inaugurated MEATDeli Saigon Processing Complex worth VND1,800 billion in Long An; and (ii) expanded operations into the poultry market by investing VND613 billion to own 51% of 3F VIET JSC - a national leading poultry meat production platform.

In November 2021, Masan MEATLife transferred the animal feed business and entered into a strategic partnership with De Heus Co., Ltd ("De Heus Vietnam", a subsidiary of Royal De Heus Group from the Netherlands). This strategic partnership is expected to increase productivity, quality and sustainability of the 3F integrated supply chain model. Specifically, De Heus Vietnam will supply up to 70% of the feed demand for Masan MEATLife's farms and at least 2.8 million pigs for Masan MEATLife's chilled and processed meat products in the next 5 years. With this partnership agreement, Masan MEATLife has completed its transformation into a branded meat supplier.

Key events in Masan MEATLife's history include:

- In October 2011, Masan MEATLife was incorporated under the name Hoa Kim Ngan Company Limited;
- In November 2012, Hoa Kim Ngan Company Limited changed its name into Sam Kim Company Limited;
- In July 2014, Sam Kim Company Limited acquired 70% stake in Agro Nutrition International Joint Stock Company (ANCO);
- In late 2014, Sam Kim Company Limited acquired Shika Company Limited, a company with a 40% stake in Vietnamese – French Cattle Feed Joint Stock Company (Proconco);

- In January and February 2015, through a subsidiary, Sam Kim Company Limited acquired an additional 13.06% stake in Proconco;
- In April 2015, Masan Group acquired Sam Kim Company Limited, the controlling shareholder of Proconco and ANCO. The acquired company was subsequently renamed Masan Nutri-Science Company Limited (Masan Nutri-Science). The acquisition of Masan Nutri-Science immediately made Masan Group one of the largest animal feed players in Vietnam. Masan Nutri-Science aims to transform Vietnam's animal protein industry and ultimately reach consumers with fresh and delicious branded meat products;
- In March 2016, Masan Nutri-Science was converted into a joint stock company and was renamed as Masan Nutri-Science Corporation; ANCO acquired a 14% stake in Vissan Joint Stock Company (Vissan);
- In May 2016, Masan Nutri-Science increased its direct ownership in ANCO from 70% to 99.99%;
- In June 2016, ANCO increased its stake in Vissan to 24.94%;
- In June 2016, Masan Nutri-Farm Company Limited (Nghe An) was established;
- In November 2016, Masan Nutri-Farm Company Limited (Nghe An) broke ground the high-tech pig farm in Nghe An;
- In April 2017, global investment firm KKR entered a definitive agreement to invest USD150 million to purchase a 7.5% stake in Masan Nutri-Science;
- In August 2017, MNS Meat Processing Company Limited was established;
- In February 2018, Masan Nutri-Science held a groundbreaking ceremony of its meat processing complex in Ha Nam with the aim of providing fresh chilled meat products to consumers;
- In December 2018, Masan Nutri-Science inaugurated its meat processing complex in Ha Nam and successfully launched its fresh chilled meat product branded as "MEATDeli";
- In January 2019, MNS Farm Nghe An Company Limited was certified by GLOBALG.A.P. for adhering to international standards for good agricultural practices;
- In March 2019, MNS Meat Sai Gon Company Limited was established;
- In May 2019, Proconco was re-granted the GLOBALG.A.P. CFM certificate;
- In August 2019, Masan Nutri-Science was renamed as Masan MEATLife Corporation and increased its charter capital to VND 3,243 billion;
- In September 2019, MNS Meat Ha Nam Company Limited was granted the BRC certification – the global standards for food safety;
- In November 2019, MEATDeli was named in the Top 10 Most Trusted Brands in Vietnam in 2019 by consumer polls;
- In December 2019, shares of Masan MEATLife Corporation were listed on the stock market of unlisted public companies under Decision No. 804/QD-SGDHN issued by the Hanoi Stock Exchange;
- In January 2020, MNS Feed Nghe An Company Limited was re-granted the GLOBALG.A.P. CFM certificate;

- In February 2020, MNS Farm Nghe An Company Limited was re-granted the GLOBALG.A.P. Certification and Con Co Binh Dinh Company Limited was re-granted the GLOBALG.A.P. CFM certificate;
- In September 2020, Masan MEATLife was named among the World's Top Feed Companies 2019 by Feed Strategy Magazine;
- In October 2020, Masan MEATLife inaugurated of the VND1,800 billion MEATDeli Sai Gon Meat Processing Complex in Long An;
- In October 2020, MNS Feed Nghe An Company Limited was re-granted the HACCP certificate;
- In November 2020, Masan MEATLife completed the acquisition of 51% capital in 3F VIET Joint Stock Company, entering the poultry meat market;
- In November 2020, Proconco and MNS Feed Nghe An Company Limited were re-granted the GLOBALG.A.P. CFM certificate;
- In December 2020, Masan MEATLife was named in the Top 50 Vietnamese Leading Brands in 2020 by Forbes Vietnam, MEATDeli was named in the Top 10 Most Trusted Brands in Vietnam in two consecutive years 2019 and 2020 by consumers voting, and Proconco was named in the Top 3 Most Prestigious Animal Feed Companies in Vietnam in 2020 by Vietnam Report;
- In December 2020, Proconco, Con Co Binh Dinh Company Limited, MNS Feed Thai Nguyen Company Limited, MNS Feed Tien Giang Company Limited and MNS Feed Hau Giang Company Limited were re-granted the HACCP certificate;
- In January 2021, Masan MEATLife was named in the Top 50 Largest Private Enterprises in Vietnam in 2020 – VNR500 by Vietnam Report, and VietnamNet Online Newspaper;
- In January 2021, MNS Farm Nghe An Company Limited was re-granted the GLOBALG.A.P. certificate;
- In November 2021, Masan MEATLife transferred the animal feed segment and entered into a strategic partnership with De Heus Co., Ltd (“De Heus Vietnam”, a subsidiary of Royal De Heus Group from the Netherlands) in organizing the supply sources of animal feed and pigs for Masan MEATLife's chilled and processed meat processing complexes in the next 5 years;
- In December 2021, Masan MEATLife completed the transfer of 20,180,026 shares of Vissan Joint Stock Company from Agro Nutrition International Joint Stock Company (ANCO).

## Corporate Governance

### Corporate Structure

<b>Approval</b>	<b>General Meeting of Shareholders</b>	
<b>Validation</b>	Board of Directors	Audit Committee
<b>Masan MEATLife Strategic Management</b>	Board of Management <ul style="list-style-type: none"> <li>▪ Chief Executive Officer</li> <li>▪ Chief Accountant</li> </ul>	

## Board of Directors

The Board of Directors is elected by shareholders to oversee the activities of Masan MEATLife. Members of the Board of Directors meet regularly to discuss the strategic decisions raised by the Management Board. Details on the responsibilities of the Board are presented in the Board of Directors section.

## Board of Management

The Board of Management's primary responsibilities include strategic management, resource allocation at the senior management level, financial accounting and controls, capital management, corporate governance, and internal control.

## Audit Committee

The Audit Committee is a specialized committee under the Board of Directors, which is responsible for directing and overseeing a number of specific areas of governance including the establishment, implementation, and assurance of internal audits.

### BOARD OF DIRECTORS' RESPONSIBILITIES AND AUTHORITY

The Board of Directors is chaired by the Chairman.

Members of the Board of Directors include:

- **Mr. Danny Le, Chairman of the Board of Directors**

Mr. Danny Le played a critical role in the transformation of Masan MEATLife from a pure feed manufacturer into a branded meat platform. He is responsible for the strategic direction of Masan MEATLife and forged a partnership with global investment firm KKR.

Prior to joining Masan Group, Mr. Danny Le advised financial institutions at Morgan Stanley, New York, working with multinational clients to execute M&A, capital markets and privatization transactions. Mr. Danny Le is currently Chief Executive Officer of Masan Group, the Chairman of the Board of Directors of Masan High-Tech Materials Corporation, Masan Consumer Corporation, Masan Blue Corporation, Blue Tek Vietnam Joint Stock Company; a member of the Board of Directors of The CrownX Corporation; a member of the Board of Members of The Sherpa Company Limited, a member of the Board of Directors of Mobicast JSC and a member of the Board of Members of Nui Phao Mining Company Limited.

Mr. Danny Le has a Bachelor's degree from Bowdoin College, USA.

- **Mr. Pham Trung Lam, Member**

Mr. Pham Trung Lam was the Chief Executive Officer of Masan MEATLife, Proconco and ANCO until November 2021. He has been instrumental in the successful integration and transformation of Proconco and ANCO, merging them to become Masan MEATLife, a leading company in Vietnam's non-captive animal feed industry. Prior to joining Masan MEATLife, he led the development of Masan Consumer's sales platform, which is today Vietnam's largest FMCG distribution network.

Before joining Masan Group, he had worked at Unilever and Nestlé Vietnam.

Mr. Pham Trung Lam has a bachelor's degree in Business Administration from University of Economics Ho Chi Minh City.

- **Mr. Neal Leroux Kok, Member**

Mr. Neal Leroux Kok joined KKR in 2014 and is a member of the private equity team of KKR. Prior to joining KKR, Mr. Neal Leroux Kok worked at an Australian advisory firm - Treadstone Partners, and prior to that, the investment banking division of Goldman Sachs & Co. (Sydney). He holds a Bachelor of Laws (Hons) and Bachelor of Commerce (Finance and Accounting) from University of Notre Dame, Australia. He is now a Director of KKR Singapore. Mr. Neal has submitted his resignation letter to the Board of Directors from October 12, 2021.

- **Mr. Tran Phuong Bac, Member**

Mr. Tran Phuong Bac was elected to the Board of Directors of Masan MEATLife in the 2018 Annual General Meeting of Shareholders. Mr. Tran Phuong Bac is the General Counsel of Masan Group, in charge of all legal & compliance matters of the Group and its subsidiaries, including Masan MEATLife.

Prior to joining Masan Group, Mr. Tran Phuong Bac was a Partner of a prestigious local law firm, he had also worked for leading MNCs in finance and FMCG. He used to be a Commercial Law lecturer at Ho Chi Minh City University of Law. Mr. Tran Phuong Bac is currently a member of the Board of Directors of Masan Blue Corporation, WCM Services and Trading Development Joint Stock Company, WinCommerce General Commercial Services Joint Stock Company, Quang Ninh Mineral Water Corporation, Cholimex Food Joint Stock Company; a member of the Board of Members of The Sherpa Company Limited; a member of the Board of Directors of The CrownX Corporation and the Chairman of the Board of Directors of Supra JSC.

Mr. Tran Phuong Bac is a lawyer registered with the HCMC Bar, he holds a Bachelor of Laws (LLB) from Ho Chi Minh City University of Law and a Master of Comparative Laws (LLM) from Groningen University (the Netherlands).

- **Mr. Huynh Viet Thang, Member**

Mr. Huynh Viet Thang was elected to the Board of Directors of Masan MEATLife in the 2021 Annual General Meeting of Shareholders. Mr. Huynh Viet Thang is the Finance Director of Masan Consumer Holdings and MasanConsumerHoldings Co., Ltd.; Deputy Chief Executive Officer of Masan Master Brewer Company Limited and a member of the Board of Directors of NET Detergent Joint Stock Company.

Before joining Masan Group, he had worked at Unilever and Coca-Cola Vietnam.

The Chairman plays an important leadership role and is involved in:

- Chairing meetings of the Board and providing effective leadership;
- Maintaining dialogue with the Management Board and providing appropriate strategic input; and
- Monitoring the performance of the Board of Directors and the Board of Management.

As of 31 December 2021, details of the Masan MEATLife's stock ownership of members of the Board of Directors are as follows:

<b>Board of Directors</b>	<b>Position</b>	<b>Number of shares</b>	<b>Ratio (%)</b>
Mr. Danny Le	Chairman	0	0
Mr. Pham Trung Lam	Member	1,760,920	0.54%
Mr. Neal Leroux Kok	Member	0	0
Mr. Tran Phuong Bac	Member	0	0
Mr. Huynh Viet Thang	Member	0	0

## BOARD MEETINGS

The Board regularly meets to discuss the direction, strategy and progress of the business. Typically, the topics at the Board meetings include:

- Reports on major projects and current business issues of Masan MEATLife and its subsidiaries;
- Reports on financial performance and corporate governance;
- Specific business proposals; and
- Minutes from the previous meeting and outstanding issues.

## ACTIVITIES OF THE BOARD

In 2021, the Board of Directors was mainly involved with the discussion and approval of the following items:

- Approving the capital contribution to subsidiaries;
- Approving the Masan MEATLife's lending to subsidiaries and guaranteeing subsidiaries to mobilize capital at banks for production and business purposes;
- Approving the Company's public offering of bonds according to the bond issuance plan;
- Approving the issuance of new shares under the employee stock option plan (ESOP);
- Approving the increase of charter capital of Masan MEATLife;
- Approving the internal restructuring to separate the animal feed business of Masan MEATLife;
- Approving the appointment of Chief Executive Officer of Masan MEATLife;
- Approving the Company's receipt of the transfer of 20,180,026 shares of the Vissan Joint Stock Company from Agro Nutrition International Joint Stock Company (ANCO);
- Approving the dismissal of the Chief Financial Officer position of Masan MEATLife; Approving the 2021 dividend advance paid in cash to its shareholders with a dividend rate of 49%;
- Deciding business development plans and annual budgets for each of its businesses and subsidiaries; and
- Other activities.

## BOARD OF MANAGEMENT

The Board of Management is responsible for implementing Masan MEATLife's business development plan and reporting business performance. The Chief Executive Officer chairs the Management Board.

Currently, the Board of Management consists of 2 members who are in charge of all activities of Masan MEATLife, specifically:

## Strategic management of the whole of Masan MEATLife's business activities

### ▪ Mr. Nguyen Quoc Trung - Chief Executive Officer

Mr. Nguyen Quoc Trung was appointed by the Board of Directors to act as a Chief Executive Officer from November 2021. Mr. Nguyen Quoc Trung is currently the Chairman of the Board of Directors, the Chief Executive Officer of 3F VIET Joint Stock Company and the Director of 3F VIET Food Company Limited.

Mr. Nguyen Quoc Trung holds a Master of Business Administration (MBA) from Solvay Brussels School, University Libre de Bruxelles (ULB), Belgium.

### ▪ Mr. Nguyen Thanh Tung – Chief Accountant

Prior to joining Masan Group, Mr. Nguyen Thanh Tung had more than 8 years of experience in auditing practice at PwC Vietnam as the Head of Auditing Services Department. He is responsible for auditing domestic companies and FIEs in various sectors including consumption, manufacturing, textiles, education, digital advertising, retail, real estate. In addition, he also helps clients in completing their internal audit system, financial due diligence and capital raising in the international market. Mr. Tung holds a bachelor's degree from the University of Economics Ho Chi Minh City and is a member of the Association of Chartered Certified Accountants (ACCA). As of 31 December 2020, details of the Masan MEATLife's stock ownership of members of the Board of Management are as follows:

Board of Management	Position	Number of shares	Ratio (%)
Mr. Nguyen Quoc Trung	Chief Executive Officer	0	0
Mr. Nguyen Thanh Tung	Chief Accountant	0	0

## AUDIT COMMITTEE

Audit Committee is established by the Board of Directors.

The Audit Committee is composed of the following members:

- Mr. Huynh Viet Thang - Chairman of the Audit Committee
- Mr. Nguyen Phuong Bac – Member of the Audit Committee

As of 31 December 2021, details of the Masan MEATLife's stock ownership of members of the Audit Committee are as follows:

Audit Committee	Position	Number of shares	Ratio (%)
Mr. Huynh Viet Thang	Chairman	0	0
Mr. Tran Phuong Bac	Member	0	0

## ACTIVITIES OF THE AUDIT COMMITTEE

The Supervisory Board oversees activities of the Board of Directors and the Board of Management in compliance with the Charter of Masan MEATLife and Vietnam law. Particularly, the Audit Committee participates in regular and irregular meetings of the Board of Directors and the General Meeting of Shareholders.

## Shares Information

As of 31 December 2021, Masan MEATLife's charter capital is VND 3,269,884,470,000; and is divided into 326,988,447 common shares.

Number of treasury shares: 0 share

Number of outstanding voting shares: 326,988,447 shares, of which the number of shares restricted from transfer is 273,600, the number of shares freely transferable is 326,714,847 shares.

### Shareholdings Structure as of 31 December 2021

On the basis of percent ownership:

- Major shareholders are as follows:

No.	Shareholder	Number of shares	Ratio (%)
1	Masan Group Corporation	257,248,169	78.67
2	Masan Horizon Corporation	29,794,265	9.11
	<b>Total</b>	<b>287,042,434.00</b>	<b>87.78</b>

On the basis of institutional and individual shareholders: As of 31 December 2021, Masan MEATLife has 739 shareholders, of which 725 individual shareholders holding 10,888,799 shares corresponding to 3.33%; and 14 institutional shareholders holding 316,099,648 shares corresponding to 96.67%.

On the basis of domestic and foreign shareholders: As of 31 December 2021, Masan MEATLife has 699 domestic shareholders holding 319,885,068 shares corresponding to 97.83%; and 40 foreign shareholders holding 7,103,379 shares corresponding to 2.17%.

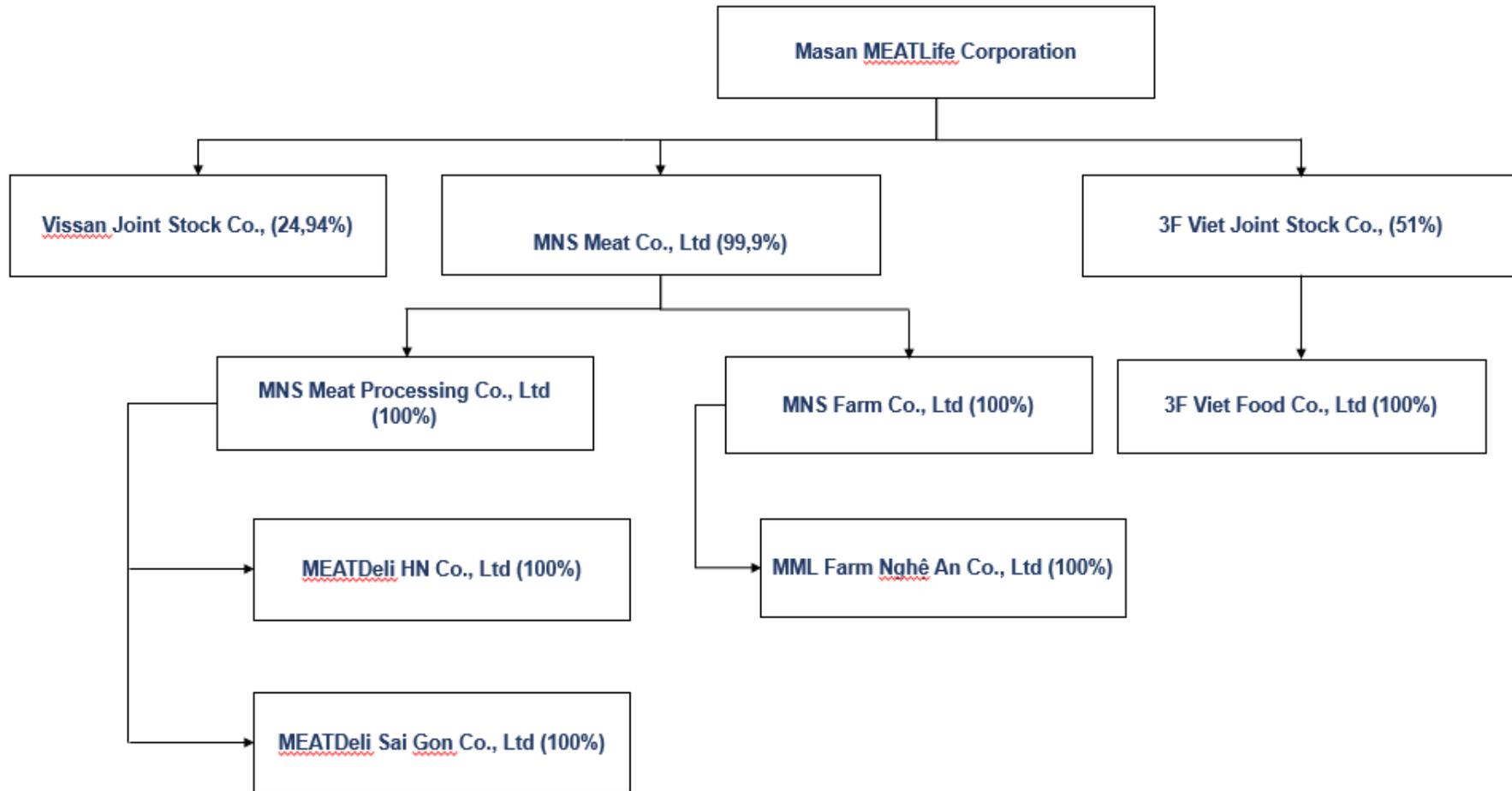
### Change of the charter capital

In 2021, Masan MEATLife increased its charter capital from VND 3,267,148,470,000 to VND 3,269,884,470,000. The increase of charter capital is from the issuance of new shares under the employee stock option plan (ESOP).

As of the end 2021, Masan MEATLife did not have any treasury shares.

## Corporate structure

As of 31 December 2021, Masan MEATLife has 09 subsidiaries and affiliates.



(\*) For ease of reference, companies in the chart are presented with respective ownership ratio in parentheses.

## Subsidiaries & Affiliates

### 3F VIET Joint Stock Company (3F VIET)

3F VIET was established on August 8, 2014. It is one of the first Vietnamese companies to implement the “Feed – Farm – Food” model to realize the “farm-to-fork” concept.

3F VIET mission is to “create unique nutritional values from animal protein to improve the quality of life for the community.” In addition, 3F VIET products are supplemented with nutrients that aid the body and brain development, including DHA, vitamins, Omega 3, 6, 9 and minerals.

3F VIET platform spans across the value chain, from breeders, hatcheries, meat farms to large-scale food processing and packaging facilities. All adhere to strict environmental standards in food hygiene and safety. The company’s products and processing systems have been recognized with reputable quality certifications such as the HACCP, ISO 22000 and especially the FSSC 22000 by the Foundation FSSC 22000 headquartered in the Netherlands.

### MML Farm Nghe An Company Limited (MML Farm Nghe An)

MML Farm Nghe An is Masan MEATLife’s large-scale, hi-tech pig farm in Nghe An province. With nearly 200 hectares of land for the project, the farm is the largest pig farm in the province. MML Farm Nghe An is expected to produce up to 250,000 pigs per year. MML Farm Nghe An has implemented internationally recognized set of farm standards dedicated to good agricultural practices and was granted the GLOBALG.A.P. certificate for the first time on January 15, 2019 and re-granted for the following times since.

### MEATDeli HN Company Limited (MEATDeli HN)

MEATDeli HN (formerly known as "Ha Nam MNS Meat Company Limited) is a 10-hectare meat processing complex in Ha Nam province with modern technology and equipment imported from Europe. The complex has a capacity of 1.4 million porkers/year, equivalent to 140,000 tons/year. MEATDeli HN is capable of meeting the increasing demand of Vietnamese people for fresh, safe and traceable meat products. After registering for amendment of investment projects in 2021, the complex currently has the following production scale: (i) Pig slaughtering capacity is 1.4 million porkers/year, equivalent to 140,000 tons/year, chicken slaughtering capacity is 52,000,000 heads/year, equivalent to 130,000 tons/year, in which the seasoned products (carcasses, thighs, wings, breasts, legs, heads, necks, organs) total 26,000 tons/year; (ii) Production and processing capacity of meat products is 105,000 tons of products/year, including: Braised meat with eggs (5,000 tons/year), Meatball (5,000 tons/year), Vietnamese Sausages (8,500 tons/year), Pork floss (6,500 tons/year), sausages of all kinds (15,000 tons/year), and other pork products (15,000 tons/year), production capacity of processed meat products package/box instant meat pellets, animal protein (fish, shrimp, crab, squid), meat bag, animal protein (fish, shrimp, crab, squid) retort bag, instant snacks from animal protein (50,000 tons/year); (iii) Biological production (from blood and slaughter by-products) is 2,000 tons/year, natural pig intestines are 200 tons/year, retort products (porridge) are 10,000 tons/year.

## MEATDeli Sai Gon Company Limited (MEATDeli Sai Gon)

Commenced in May 2019, the MEATDeli Sai Gon Meat Processing Complex project in Long An is built on an area of 20 hectares. It is designed to process 1.4 million porkers per year, with total investment of VND 1,800 billion.

Similar to the slaughter and meat processing line in Ha Nam, MEATDeli Sai Gon processing line is supplied by Marel – the world’s leading company in meat processing equipment from the Netherlands, including an automation system with 3 robots. The plant operation adheres to BRC – the world’s leading food safety standards. It is HACCP certified and is directly operated, supervised, and tested by experienced EU experts. MEATDeli chilled meat meets the National Standard (TCVN 12429:2018) on Chilled Meat proposed by the Ministry of Agriculture and Rural Development and issued by the Ministry of Science and Technology. MEATDeli adopts “three-tier” quality control according to the guidance of the Ministry of Agriculture and Rural Development and the Department of Food Safety – Ministry of Health, to ensure safety as our products reach consumers.

In phase 1, the complex aims to supply 140,000 tons of chilled meat per year; and processed meat such as ham, sausage, pork floss, and others at 15,000 tons per year. In phase 2, the complex will expand the processed meat output to 25,000 tons per year, and introduce new products such as: blood powder, blood plasma, collagen, bone and meat powder, etc. at a capacity of 14,000 tons per year.

# GLOSSARY OF TERMS

3F	Feed – Farm – Food
3F VIET	3F VIET Joint Stock Company
ANCO	Agro Nutrition International Joint Stock Company
ASF	African swine flu
CEO	Chief Executive Officer
FCR	Feed Conversion Ratio
FMCG	Fast-moving Consumer Goods
JSC	Joint Stock Company
M&A	Mergers and Acquisitions
Masan Group/ the Group	Masan Group Corporation
MML/Company/Masan MEATLife	Masan MEATLife Corporation
MML Farm Nghe An	MML Farm Nghệ An Co., Ltd
MEATDeli HN	Meat Processing Complex in Ha Nam
MEATDeli SG/MEATDeli Saigon	Meat Processing Complex In Long An
MNC	Multinational Company
Proconco	Vietnamese – French Cattle Feed Joint Stock Company
R&D	Research and Development
The Board	The Board of Directors
YoY	Year over Year
USD	U.S. Dollar
VISSAN	Vissan Joint Stock Company
VND	Vietnamese Dong

# CONTACTS



## **Masan MEATLife Corporation**

Enterprise Registration Certificate No.: 0311224517 (1<sup>st</sup> issuance dated October 7, 2011, 19<sup>th</sup> amendment dated December 8, 2021)

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Tax Code: 0311224517

Security Code: MML