



INTERFOOD SHAREHOLDING COMPANY



2023 ANNUAL REPORT

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MESSAGE FROM CHAIRMAN OF THE BOARD

Dear valued Shareholders, Customers, Partners and all employees of Interfood Shareholding Company (“Interfood”).

Nearly 33 years of establishment and sustainable development, Interfood Shareholding Company (Interfood) is proud to overcome all difficulties and transform itself before the ups and downs of the economy of Vietnam and the world. Throughout that history, generations of the BOM and BOD members, shareholders, customers, business partners, employees build together core values and unique cultural identities for Interfood.

Especially in 2023, on behalf of the Board of Management of Interfood Shareholding Company, I would like to deeply thank all our shareholders, customers, business partners and other agencies/organizations for your support, adherence and along with IFS to overcome obstacles and complete the set objectives of profit in 2023.

In 2023, Interfood has made many efforts to improve product quality, control costs, restructure sales and human resources management processes as well as overcome many difficulties in production and business activities. by mobilizing all IFS resources and especially strong support from Kirin Group.

In 2024, whether the market is favorable or difficult, all Interfood members of the BOM, BOD and employees will always be steadfast in moving forward with the plans and goals ahead. The Company continues to take medium- to long-term perspective and has formulated a business plan for fiscal 2024 in order to accelerate the buildup a management base for sustainable growth while maintaining investments. The Company aims to achieve higher-than-market growth and increase sales volumes for our priority brands.

In order to achieve the above objectives, it is not only the Board of Management or the Board of Directors perform, but also I need you who are important factors of Interfood, to join me, the Board of Management, and the Board of Directors for creating a reputable Interfood that the whole society trusts and continues to grow sustainably in the future.

Let's try together to make this year continue to be a great year!

Again, I sincerely thank and look forward to continue receiving support from you. Wish you all good health and success.

Chairman of the Board of Management

(Signed and sealed)

SHOGO OKAMOTO

I. COMPANY OVERVIEW

1. GENERAL INFORMATION

- Trading name: Interfood Shareholding Company (Interfood)
- Certificate of enterprise registration No.: 3600245631
- Charter capital: 871.409.920.000 VND
- Address: Lot 13, Tam Phuoc IZ, Tam Phuoc Ward, Bien Hoa, Dong Nai, Viet Nam
- Tel: (0251) 511 138 - Fax: (0251) 512 498
- Website: www.wonderfarmonline.com
- Securities code: IFS

2. COMPANY HISTORY

1991 Interfood Shareholding Company - formerly Interfood Processing Industry Ltd. (“IFPI”) - was established on 16th November 1991 in accordance with the Investment license No. 270/GP issued by State Committee of Co-operation and Investment (now the Ministry of Plan and Investment). IFPI was a 100% FDI enterprise operating under the Vietnam Foreign Investment Law. Interfood’s original owner was Trade Ocean Exporters Sdn. Bhd. (Penang, Malaysia). In 1996, Interfood’s owner was changed to Trade Ocean Holdings Sdn. Bhd. (Penang, Malaysia) in accordance with the License No. 270/GPDC5 dated 26th February 1996 issued by the Ministry of Planning and Investment.

Initial main activities of the Company were processing agricultural products, seafood to canned, dried, frozen, preserved and pickled products. Total initial investment capital was US\$1,140,000.

1994 The Company’s business was expanded by penetrating into the biscuits segment.

2003 The Company was approved to produce carbonated fruit juices and fruit juices with low alcohol content (5%), and its investment capital increased to US\$23,000,000.

2004 In April 2004, Interfood signed a processing agreement with AVA Food Industries Ltd. to mitigate Interfood’s production, space and logistic constraints at its Bien Hoa factory whereby AVA would provide the production facilities and Interfood would provide the technology and machinery to manufacture Interfood’s products

2005 In January 2005, the Company was approved to produce purified water and PET bottle, its investment capital increased to US\$30,000,000.

From 09th August 2005, the Company was converted into a shareholding company which is now known as Interfood Shareholding Company (IFS) in accordance with License No. 270 CPH/GP granted by the Ministry of Planning and Investment. IFS was one of the first six FDI companies approved by the Ministry of Planning and

Investment on conversion activities from Limited Company into Shareholding Company under Decree No. 38/2003/ND – CP of the Government. Total investment capital and charter capital of the Company were US\$30,000,000 and US\$13,000,000 respectively.

- 2006** The Company moved its head quarter and factory to new location at Tam Phuoc Industrial Zone, Bien Hoa City, Dong Nai Province.

During this year, the Company increased its owned equity up to VND242,841,600,000 (equivalent to 24,284,160 shares with par value at VND10,000) and on 17th October 2006, listed 3,620,560 shares at the Ho Chi Minh City Securities Trading Centre (“HOSE”) under “IFS” code.

- 2007** On 16th October 2007, the Company issued bonus shares in ratio of 5:1, according to which total number of the Company’ shares are listed on the HOSE being 6,875,359 shares. Total registered capital of the Company increased to VND1,444,500,000,000 (approximately US\$90,000,000) and charter capital grew to VND291,409,920,000 (equivalent to 29,140,992 shares at par value of VND10,000).

In 2007, IFS acquired 90% contributed capital of Avafood Shareholding Company (“AVA”) and became the controlling shareholder of this company. The principal activities of AVA are to produce the processed products including fruit juice, purified water, biscuits, jams and sweets of all kinds, agricultural and aquatic products, livestock; and workshop for lease.

- 2008** Interfood Packaging Limited (formerly Interfood Packaging Shareholding Company) was established with 90% capital owned by the Company, total investment capital and charter capital registered as US\$32 million and US\$10 million respectively. The principal activity of Interfood Packaging Limited is to produce packaging materials for foods and soft drinks.

On 14th February 2008, Northern Interfood Shareholding Company was established in Bac Ninh Province with total investment capital and charter capital of US\$36 million and US\$11 million respectively and the Company owned 90% its charter capital. However, the Company could not arrange funding for the project activities and completed the termination of the project in December 2010.

- 2009** In late 2009, the Company ceased operations of its factory located in the urban area of Bien Hoa City, and relocated all production lines, equipment and inventory into its factory in Tam Phuoc Industrial Zone.

In 2009, the Company disposed 70% of its holding in Interfood Packaging Limited to Crown Packaging Investment Pte. Ltd. and became a minority shareholder holding 20% contributed capital of this company. Subsequently, Interfood Packaging Limited was renamed Crown Beverage Cans Dong Nai Ltd. (“Crown Dong Nai”).

- 2010** The Company disposed its 20% remained contributed capital at Crown Dong Nai to Crown Packaging Investment Pte. Ltd.

2011 On 11th March 2011, Kirin Holdings Company Limited (“Kirin”) acquired all shares of Trade Ocean Holding Sdn. Bhd. (“TOH”). Kirin was holding 57.25% shares in the Company through TOH. Kirin, a public company listed on the Tokyo Stock Exchange, is one of the largest beverage companies in the region.

2012 In June 2012, Kirin increased its stake in IFS to 80.37% (equivalent to 23,421,955 shares) through TOH by acquiring all outstanding shares of Indochina Beverage Holdings (“IBH”) who holds 23.12% (equivalent to 6,737,309 shares) of total shares of Interfood.

In December 2012, all shares in Grande Indigo Global Ltd. (including 1,938,327 shares of Interfood) were bought by Kirin, Grande Indigo Global Ltd. became an associate with TOH and IBH.

2013 The Company's charter capital increased from VND 291,409,920,000 to VND 501,409,920,000 (equivalence to 50,140,992 shares) through a private placement of shares to Kirin. After the purchase, Kirin increased its stake in the Company to 92.46%.

According to the Announcement No. 395/2013 of Ho Chi Minh Stock Exchange, the Company's shares were delisted from 3 May 2013 and thereafter trading on Vietnam Security Depository.

2014 The Company's charter capital increased from VND 501,409,920,000 to VND 711,409,920,000 (equivalence to 71,140,992 shares) through a private placement of 21,000,000 shares to Kirin Holdings Company Limited.

2015 The Company's charter capital increased from VND 711,409,920,000 to VND 871,409,920,000 (equivalence to 87,140,992 shares) through a private placement of 16,000,000 shares to Kirin Kirin Holdings Singapore Pte. Limited (“KHSPL”), 100%-owned subsidiary of Kirin Holdings Company, Limited (“Kirin”).

Aiming to integrate the business operation of its subsidiaries of the Group in South East Asia, at the end of December 2015, Kirin transferred all its shares of IFS to KHSPL, pursuant to which KHSPL currently owns 83,360,282 shares of IFS equivalent to 95.66% of total outstanding shares of the Company.

2016 Pursuant to Decision No. 717/QĐ-SGDHN of Hanoi Stock Exchange regarding approval for stock trading registration of Interfood Shareholding Company, on November 16th, 2016, IFS shares were officially traded on UPCOM system.

Pursuant to Resolution of Annual General Meeting of Shareholders in 2016, the Company implemented the termination of production and sales of biscuits in IFS and AVA to save its resources and focus on developing beverages business as its core business.

2020 On 7 April 2020, the Company's acquisition of shares from other shareholders of the subsidiary, being Avafood Shareholding Company ("AVA") to increase the Company's control power in AVA.

On 10 April 2020, The Annual General Meeting of Shareholders in 2020 approved the merger of AVAFOOD SHAREHOLDING COMPANY into INTERFOOD SHAREHOLDING COMPANY.



On 30 June 2020, the Department of Planning and Investment of Dong Nai province approved the merger of AVA into INTERFOOD SHAREHOLDING COMPANY. Accordingly, the Company shall inherit all assets, legitimate rights, obligations and interests of AVA in accordance with the regulations of Vietnam, concurrently terminate the legal existence of AVA.

3. BUSINESS LINES AND LOCALITIES

❖ MAIN LINES OF BUSINESS

STT	Main lines of business
1	Production of non-alcoholic beverages, mineral waters. In detail: processing carbonated and non-carbonated fruit-juice, processing noncarbonated soft drinks without alcohol or with low alcohol (less than 10%); production of filtered water.
2	Processing and preserving aquatic and processed products from aquatic. In detail: processing aquatic products into canned, dried, frozen, salted, vinegary products.
3	Processing and preserving of fruit and vegetables. In detail: processing agricultural products into canned, dried, frozen, salted, vinegary products.
4	Manufacture of cakes from flour. In detail: production of cakes.
5	Manufacture of dishes, fast food. In detail: production of snacks.
6	Manufacture of wooden packaging. In detail: manufacturing packaging for food and beverage.
7	Manufacture of corrugated paper and paperboard and packaging of paper and paperboard. In detail: manufacturing packaging for food and beverage.
8	Manufacture of plastics products. In detail: manufacturing packaging for food and beverage.
9	Manufacture of other fabricated metal products which are not categorized. In detail: manufacturing packaging for food and beverage.
10	Processing milk and milk products.
11	Exercising the rights to export and import of products suitable for business and production sectors of the Company in accordance with laws.

❖ BRANDS AND PRODUCT LINES

Brand	Description
	<p>WONDERFARM has been long existing drinks brand presented in Vietnamese families. With proper carefulness from Kirin Japan in selection of ingredients and manual production process, WONDERFARM products provide a deep and full taste of traditional Vietnamese drinks.</p> <p>WONDERFARM products are made from natural fruits, which contain high nutritional facts and healthy benefits. Through the advanced technologies and strict manufacture procedures, our beverages taste so natural and mildly sweet that consumers can enjoy their daily portions of nutritious fruit juices, in a comfortable and easy way.</p>
	<p>Over 100 year old Japanese brand KIRIN proudly brings pleasure and healthiness to consumer's life by providing high quality products produced under advanced technology from the group with more than 100 years of history in Japan.</p> <p>KIRIN brand products and WONDERFARM brand PET products are manufactured by ASEPTIC line - advanced aseptic filling technology of Japan in Vietnam KIRIN factory - that helps to preserve the natural flavor, ensure product quality and food safety without preservatives and artificial colorings.</p>

WONDERFARM PRODUCTS



WONDERFARM Trà Bí Đào

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 310 ml



WONDERFARM Trà Bí Đào

Giá chai: _____
Giá thùng: _____

Quy cách 24 chai x 280 ml



WONDERFARM Trà Bí Đào

Giá chai: _____
Giá thùng: _____

Quy cách 24 chai x 440 ml



WONDERFARM Trà Bí Đào Ít Đường

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 310 ml



WONDERFARM Trà Bí Đào

Giá lon: _____
Giá thùng: _____

Quy cách 30 lon x 240 ml



WONDERFARM Nước Sâm Cao Ly

Giá lon: _____
Giá thùng: _____

Quy cách 30 lon x 240 ml



WONDERFARM Nước Yến Ngân Nhĩ

Giá lon: _____
Giá thùng: _____

Quy cách 30 lon x 240 ml



WONDERFARM Nước Yến Cao Cấp

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 180 ml



WONDERFARM Nước Sữa Dừa

Giá lon: _____
Giá thùng: _____

Quy cách 30 lon x 240 ml



WONDERFARM Nước Me

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 310 ml



WONDERFARM Nước Chanh Dây

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 310 ml



WONDERFARM Trà Xanh Hương Chanh

Giá chai: _____
Giá thùng: _____

Quy cách 24 chai x 345 ml



WONDERFARM Nước Cốt Dừa

Giá lon: _____
Giá thùng: _____

Quy cách 24 lon x 400 ml



WONDERFARM Nước Cốt Dừa

Giá lon: _____
Giá thùng: _____

Quy cách 30 lon x 160 ml

Hotline:

028 3815 5855



CÔNG TY CỔ PHẦN THỰC PHẨM QUỐC TẾ

Office: Viettel Complex, Tòa tháp B, Tầng 16, 285 Cách Mạng Tháng Tám, Phường 12, Quận 10, Tp. HCM

WONDERFARM Winter Melon Tea: cooling characters that help cleanse and cool the body.



Well-known brand: popular for over 30 years, and recognized as the best selling Winter Melon Tea in Vietnam:

- Natural ingredient: made from actual winter melon fruits, hence provides natural and delightful taste and smell.
- Healthy: introducing Winter Melon Tea less sugar to capture health conscious customers.
- More choices with Winter Melon Tea in PET bottle which is easily portable for convenient use.

WONDERFARM Bird's Nest: nutrient-rich and suitable to gift to families and friends.



Bird's Nest White Fungus Drink and Bird's Nest Premium: nutritious ingredients are balanced with real bird's nests and sugar bar to deliver a delicious and healthy drink.

Drink it to recover your health or serve it to friends and family in your parties. WONDERFARM Bird's Nest is also an ideal gift.

WONDERFARM soft drinks

Our products contain the fresh and copious ingredients in Vietnam, whose origin and flavor are guaranteed and satisfactory for Vietnamese consumers.



WONDERFARM Coconut Milk: our condensed and aromatic ingredients are indispensable in the kitchens of Vietnamese ladies.



Our fresh coconut are directly selected from Ben Tre. With diverse flavors, our coconut products can be used in various ways. Each of our products can be used for many purposes.

This product was featured in Master Chef Vietnam and used in restaurants throughout VN.

KIRIN PRODUCTS

KIRIN

KIRIN Ice+ Nước Vị Trái Cây

Trái cây đông kết **-18°C**



Giá chai:
Giá thùng:

Quy cách
24 chai x 490 ml

Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

Ice+ Trà Trái Cây Đông Kết **-18°C**

Chứa Trà Xanh Nhật Bản



Đào

Táo & Kiwi

Giá chai:
Giá thùng:

Quy cách
24 chai x 490 ml

KIRIN Latte - Thức Uống Thiên Nhiên Pha Sữa



Giá chai:
Giá thùng:

Quy cách
24 chai x 440 ml

Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

Các sản phẩm khác

Kirin iMUSE



Giá chai:
Giá thùng:

Quy cách
24 chai x 280 ml

Kirin Vải Muối



Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

Tea Break Trà Sữa



Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

Trà Xanh Nhật Ít Đường



Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

Trà Xanh Nhật Không Đường



Giá chai:
Giá thùng:

Quy cách
24 chai x 345 ml

KIRIN Ice+

KIRIN Ice+ Nước Vị Trái Cây

Trái cây đông kết -18°C

Đào Cam Chanh Nho Đào



Quy cách
24 chai
x 345 ml

Giá chai: _____
Giá thùng: _____

Quy cách
24 chai x 490 ml

Giá chai: _____
Giá thùng: _____

Ice+ Trà Trái Cây Đông Kết -18°C

Chứa Trà Xanh Nhật Bản



Đào Táo & Kiwi

Giá chai: _____
Giá thùng: _____

Quy cách
24 chai x 490 ml

As the first fruit water in Vietnam, **Ice+** is made by the **advanced Aseptic's Japanese technology**. Ice+ harmonizes pure water and fruit juice. Our drinks are frozen at -18°C below zero to preserve the succulence of just-picked fruits and to maintain the absolute food safety without preservatives, colorings and odorants.

KIRIN LATTE

KIRIN Latte - Thức Uống Thiên Nhiên Pha Sữa



Giá chai:
Giá thùng:

Quy cách 24 chai x 440 ml

Giá chai:
Giá thùng:

Quy cách 24 chai x 345 ml

KIRIN LATTE:

With the Secrets of Creating Delicious Tastes from Japan, Latte combines the finest quintessence of natural extracts blended with milk. Latte delivers the pure flavors and mild after-taste to quench your thirst and gently refresh you.



KIRIN LATTE COFFEE & MILK:

Latte Cà Phê & Caramel



Latte Coffee & Milk is the unique formula of traditional authentic coffee combine with the imported milk from New Zealand, produce by modern Japanese technology. Delivering quality and convenient products with cheap price for everyone.

- Convenient Coffee Milk PET every time, everywhere.
- 100% Authentic coffee
- Cheap price for everyone.

CÁC SẢN PHẨM KHÁC

Các sản phẩm khác

Kirin iMUSE	Kirin Vải Muối	Tea Break Trà Sữa	Trà Xanh Nhật Ít Đường	Trà Xanh Nhật Không Đường
				
Giá chai: Giá thùng:	Giá chai: Giá thùng:	Giá chai: Giá thùng:	Giá chai: Giá thùng:	Giá chai: Giá thùng:
Quy cách 24 chai x 280 ml	Quy cách 24 chai x 345 ml	Quy cách 24 chai x 345 ml	Quy cách 24 chai x 345 ml	Quy cách 24 chai x 345 ml

KIRIN IMUSE:

We would catch a cold or flu through decrease of immune system function in our body.

Such body condition should affect our dairy life and relationship between family/friends.

L. Lactis strain Plasma is a specific strain of Lactococcus Lactis (strain different from Lactobacillus) that was found by Kirin, a Japanese company with over 100year history, which is unique in the world because it can help to activate the holistic immune system in your body. There are many medical studies that prove the effect against cold or other virus infections, including diseases such as dengue fever.

You can take this ‘L. Lactis Plasma’ by beverage with lemon and yogurt flavor.



- Over 100 billion L.Lactis Plasma from Japan
- Enhance total immune system in the body
- Easy to drink with yogurt and lemon

KIRIN TEA BREAK



Gogo no Kocho - Best-selling product in Japan now coming to Vietnam with a new name: **Tea Break**. This product is made from real English Tea leaves with classic style mixed with modern. Light sweetness taste and rich aroma of real tea will let you feel relax whenever you drink.

KIRIN TRÀ XANH NHẬT: 100% Green Tea leaf, brewed and extracted for the finest tea to relax your minds.

Fresh tea leaves from Shizuoka are collected, processed and direct to Viet Nam.

- Product uses pure water.
- Produced at exact temperature required real technology.
- Only extract first brew.
- PET bottle, less or no sugar.



KIRIN SALTY LITCHI:

Kirin Salty Litchi - a subtle combination of juicy litchi and a pinch of salt, gives you a new unique drink, only one in the Vietnamese market.

A little bit of traditional salt will add a more mild, refreshing taste of Litchi.

The drink provides a mineral that supports the hydration process extremely delicious. An effective refreshment and anti-heatstroke drink on hot days.

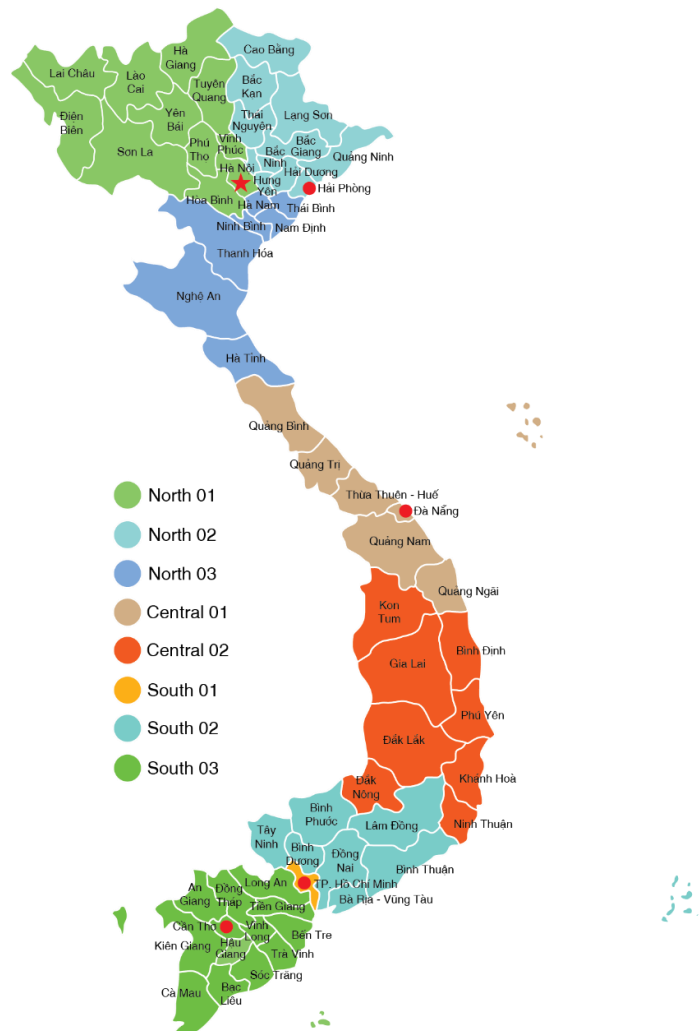
- Only one in the market
- Convenient PET bottle
- Valuable price



❖ LOCALITIES OF BUSINESS

Domestic market:

Domestic revenue is accounting for 99% of the total revenue of the Company and considered the main market in the Company's strategy. The distribution system of Interfood covers the 63 provinces with 148 distributors, over 87,011 retailers and all supermarket chains in Vietnam.

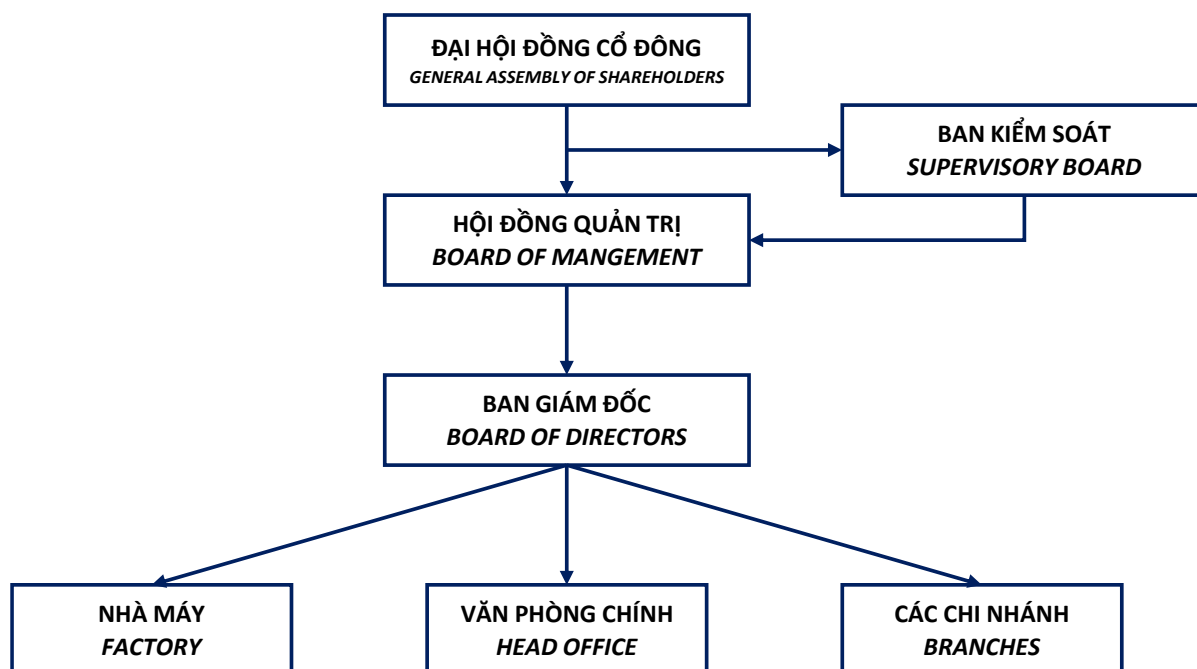


Overseas market:

Revenue from exporting market is accounting for 1% of total revenue of the Company. The main market is nations in Europe, Asia and America.

4. ORGANIZATION AND MANAGEMENT STRUCTURE

❖ ORGANIZATION STRUCTURE



❖ MANAGEMENT STRUCTURE

No	Name	Position
Board of Management (BOM)		
1	Mr. Shogo Okamoto	Chairman cum Member (from April 20, 2023)
2	Ms. Nguyen Thi Kim Lien	Chairman cum Member (until April 20, 2023)
3	Mr. Daisuke Hattori	Member (from April 20, 2023)
4	Mr. Hajime Kawasaki	Member (until April 20, 2023)
5	Mr. Hiroaki Takaoka	Member
Supervisory Board (SB)		
1	Mr. Nguyen Thanh Bach	Chief of SB
2	Ms. Thai Thu Thao	Member
3	Mr. Takashi Kobayashi	Member (from April 20, 2023)
4	Mr. Tsuneo Mitsudomi	Member (until April 20, 2023)
Board of Directors (BOD)		
1	Mr. Daisuke Hattori	General Director cum Director (from Mar 30, 2023)
2	Mr. Hajime Kawasaki	General Director cum Director (until Mar 30, 2023)
3	Mr. Koichi Noda	Director/ General Manager of Factory
4	Mr. Kenichiro Wada	Director/ General Manager of Marketing cum General Manager of Sales
5	Ms. Nguyen Thi Kim Lien	Director/ General Manager of Internal Control (until July 1, 2023)
6	Mr. Shogo Okamoto	Director/ General Manager of Planning cum General Manager of Internal Control (from July 1, 2023)

❖ BRANCHES AND FACTORIES

Branch and Factory	Address
Hanoi Branch	11 Floor, Vinafor Building, 127 Lo Duc, Dong Mac Ward, Hai Ba Trung District, Hanoi City, Vietnam
Hochiminh Branch	16 th Floor, Tower B, Viettel Complex Building, 285 Cach Mang Thang Tam street, Ward 12, District 10, Ho Chi Minh City, Vietnam
Long Thanh Factory	Lot 13, Tam Phuoc IZ, Tam Phuoc Ward, Bien Hoa City, Dong Nai Province, Vietnam

❖ **COMPANY AND ASSOCIATED COMPANIES**

Company INTERFOOD SHAREHOLDING COMPANY (INTERFOOD)



Address: Lot 13, Tam Phuoc IZ, Tam Phuoc Ward, Bien Hoa, Dong Nai, Viet Nam

Charter capital: VND 871,409,920,000

Associated company VIETNAM KIRIN BEVERAGES COMPANY, LIMITED



Address: Lot D-3A-CN, My Phuoc 2 IZ, My Phuoc Ward, Ben Cat Town, Binh Duong, Viet Nam

Major business lines: Production and processing of non-alcoholic drinks, Production of milk and soft drinks from milk, functional food production and liquid micronutrient supplements.

Charter capital: VND 795,800,000,000

Ownership rates of the Company: Non

5. DEVELOPMENT DIRECTIONS

New business vision



Business vision

(Our company's role in society, meaning of existence)

Building a new drink culture for healthy Vietnam

Since our establishment, we have pioneered the new beverage industry in Vietnam. From now on, we will also build new value that positively impacts the people, society and nature of Vietnam in all beverage related fields.

Desired Model by 2027



Vision (Desired Model by 2027)

Life partner

Innovation beverage Company contributes to people's health and happiness

Towards the goal of becoming the Beverage Company contributes the most to the mental and physical health of Vietnamese people by providing safe, secure, high-quality and innovative products and services.

Important values



**Important values to realize the Vision
(The image of the required qualities for employees)**

Sincerity

Collaboration

Challenge

1st important value



**Important values to realize the Vision
(The image of the required qualities for employees)**

Sincerity

We conduct business activities in the spirit of social justice, act rightly according to social norms and ethics. In addition, we provide safe, secure and high-quality products and services through processes that are guaranteed for reliability and transparency.

2nd important value



**Important values to realize the Vision
(The image of the required qualities for employees)**

Collaboration

We recognize and respect differences in individual values and viewpoints. In addition, in all aspects of our business, we hold constructive exchanges with stakeholders inside and outside the Company, working together to turn differences into new strengths.

3rd important value



**Important values to realize the Vision
(The image of the required qualities for employees)**

Challenge

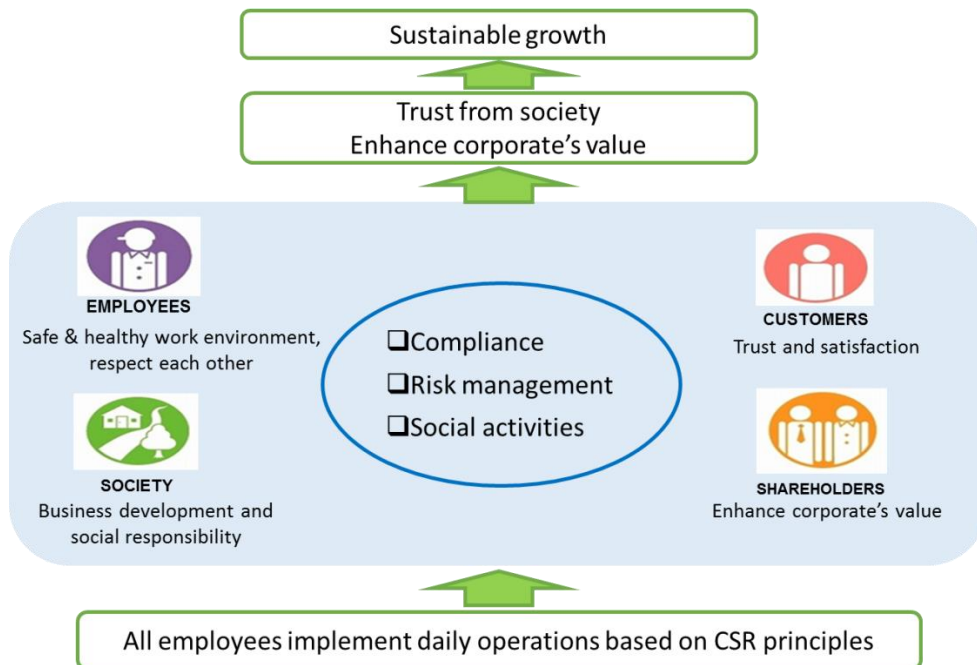
In order to create and nurture new products and services that contribute to the long-term prosperity of people, society and nature, we will continue to constantly innovate, not satisfied with the present to match with the pioneering spirit that we have inherited since the company's establishment

❖ **SUSTAINABLE GROWTH OBJECTIVES**

Compliance with legal and ethical requirements is the foundation for business success and sustainable growth. Developing and maintaining a culture of compliance is essential to building corporate reputation and enhancing competitiveness of the Company.

The Company is working to increase CSR (Corporate Social Responsibility) and compliance awareness among all IFS employees to ensure CSR, CSV (Creating Shared Value) -based management to be applied and observed throughout the company.

- CSR: our commitment by business to contribute to economic development while protecting the environment and improving our quality of life.
- CSV: formulating our CSV Purpose as a guideline to create shared value with society and promote sustainable growth.
- Compliance: observe laws and regulations, internal and external rules and regulations, fulfill legal obligations and social ethical responsibilities to maintain and increase the trust of the society.
- Risk Management: a system is designed to prevent and minimize losses due to unforeseen events by identifying and managing significant risks that could affect our business operations.



6. RISK MANAGEMENT

The Company establish risk management system as part of the management system of business activities and collaboration with the parent company to implement risk management program. The Company thoroughly implement compliance and risk management in order to prevent potential risks, through which can receive long-term trust of customers and society.

Risk Management Committee, directly controlled by the Board of Directors and comprised primarily of the heads of each business units, is established to monitor risk management activities. The Committee conducts periodic meetings twice a year and when necessary to review and oversee the implementation of risk management program and risk response plan throughout the Company.

❖ IMPLEMENTATION OF RISK MANAGEMENT IN 2023

- Establishment of Risk Management (RM) system and RM policy based on Kirin Group's RM program.
- Development of RM plan and crisis response manual and conduction of RM training to target employees.
- Establishment of internal control system to follow processes and monitor RM plan execution.

II. BUSINESS OPERATIONS

1. SITUATION OF BUSINESS OPERATIONS

❖ RESULTS OF BUSINESS OPERATIONS IN 2023

- The year 2023 continues to mark the period when the Company transitions from a state of recovery to a stage of sustainable growth, as shown by the Company's profit after tax of 209 billion VND, reaching 187% of the plan.
- Regarding sales revenue, in 2023 the Company continue to focus on improving key brand such as launching a new PET bottled Winter Melon Tea product, adding Ice+ Tea products and an improved Latte product with a larger bottle capacity to meet the diverse needs of customers, at the same time continues to spread the health contribution function of Imuse strategic product to consumers. As a result, total sales revenue reached 102% of the plan.
- Cost of goods sold in 2023 decreased to 64% of net revenue compared to the plan of 69%. The reason is due to price fluctuations of some key raw materials purchased during the period compare to the forecast price, as well as increased production volume in 2023, leading to a corresponding decrease in unit product cost.
- Financial revenue increased in 2023 when the Company continues to maintain a short-term deposit of VND 700 billion at a bank with higher actual interest rates compare the forecast rate.
- In year of 2023, the company continued to implement communication campaigns to promote products to promote sales growth and continue to implement sales support costs, plus the unit price of shipping costs is still unstable due to the general situation, As a result, in this period, the total ratio of selling expenses to net revenue remained at 21%, down 3% compared to the plan of 24%.
- Other income increased because the Company received compensation from a number of suppliers, but other fees also increased this year related to the processing of processed goods from suppliers.

❖ FINANCIAL PERFORMANCE

Description	Plan 2023	Actual 2023	Variance vs Plan 2023(%)
	VND '000	VND '000	%
Sales	1,974,316,841	1,995,034,345	101%
Deductions	137,416,795	126,736,274	92%
Net sales and services	1,836,900,047	1,868,298,071	102%
Cost of goods sold	1,260,226,302	1,197,411,653	95%
Gross profit	576,673,745	670,886,418	116%
Financial income	35,182,240	35,526,772	101%
Financial expenses	198,630	215,678	109%
Selling expenses	440,372,214	398,247,290	90%
General & administration expenses	34,578,399	43,342,788	125%
Net operating profit/(loss)	136,706,743	264,607,434	194%
Other income	773,704	3,064,897	396%
Other expenses	43,668	5,469,364	12525%
Other loss, net	730,036	(2,404,467)	-329%
Profit/ (Loss) before tax	137,436,779	262,202,967	191%
Current corporate income tax expenses	25,920,062	53,037,799	205%
Deferred corporate income tax expenses	-	570,399	-
Net profit/(loss) after tax	111,516,717	208,594,769	187%
Minority interest	-	-	-
Net Profit /(Loss) for the year	111,516,717	208,594,769	187%

2. ORGANIZATION STRUCTURE AND HUMAN RESOURCES

❖ BOARD OF MANAGEMENT

No	Name	Position	Birth year	Nationality	ID Card/ (Passport) number	Current residence	Ratio of voting shares owned
Board of Management							
1	Mr. Shogo Okamoto	Chairman	1982	Japanese	TS0161548	HCM, VN	0%
2	Ms. Nguyen Thi Kim Lien	Chairman	1967	Vietnamese	035167002515	Dong Nai, VN	0%
3	Mr. Hajime Kawasaki	Member	1971	Japanese	TR5534715	Japan	0%
4	Ông Daisuke Hattori	Member	1974	Japanese	MJ1808840	HCMC, VN	0%
5	Mr. Hiroaki Takaoka	Member	1970	Japanese	TR7559041	Japan	0%
Board of Directors							
1	Mr. Hajime Kawasaki	General director	1971	Japanese	TR5534715	Japan	0%
2	Ông Daisuke Hattori	General director	1974	Japanese	MJ1808840	HCMC, VN	0%
3	Mr. Koichi Noda	GM of Factory	1970	Japanese	TR6169885	HCMC, VN	0%
4	Mr. Kenichiro Wada	GM of Marketing cum GM of Sales	1980	Japanese	TK9170030	HCMC, VN	0%
5	Ms. Nguyen Thi Kim Lien	GM of Internal Control	1967	Vietnamese	035167002515	Dong Nai, VN	0%
6	Mr. Shogo Okamoto	GM of Planning cum GM of Internal Control	1982	Japanese	TS0161548	HCM, VN	0%
Chief Accountant							
1	Mr. Nguyen Hong Phong	Chief Accountant	1977	Vietnamese	040077009284	Dong Nai, VN	0%

❖ CHANGES IN THE BOARD OF MANAGEMENT

No	Name	Position		Birth year	Nation-ality	ID Card/ (Passport) number	Current resi- dence	Ratio of voting shares owned
		(before change)	(after change)					
Board of Management								
1	Ms. Nguyen Thi Kim Lien	Chairman cum Member	(resigned effective from 20/04/2023)	1967	Vietnamese	035167002515	Dong Nai, VN	0%
2	Mr. Shogo Okamoto		Chairman cum Member (appointed effective from 20/04/2023)	1982	Nhật Bản	TS0161548	HCM, VN	0%
3	Mr. Hajime Kawasaki	Member	(resigned effective from 20/04/2023)	1971	Japanese	TR5534715	Japan	0%
4	Mr. Daisuke Hattori	Member	(appointed effective from 20/04/2023)	1974	Japanese	MJ1808840	HCM, VN	0%
5	Mr. Hiroaki Takaoka	Member	Member	1970	Japanese	TR7559041	Japan	0%
Board of Directors								
1	Mr. Hajime Kawasaki	General Director	(Resigned effective from 30/03/2023)	1971	Japanese	TR5534715	Japan	0%
2	Ông Daisuke Hattori		General Director (appointed effective from 30/03/2023)	1974	Japanese	MJ1808840	HCM, VN	0%
3	Mr. Koichi Noda	GM of Factory	GM of Factory	1970	Japanese	TR6169885	HCMC, VN	0%
4	Mr. Kenichiro Wada	GM of Marketing cum GM of Sales	GM of Marketing cum GM of Sales	1980	Japanese	TK9170030	HCM, VN	0%
5	Ms. Nguyen Thi Kim Lien	GM of Internal Control	(Resigned effective from 01/07/2023)	1967	Vietnamese	035167002515	Dong Nai, VN	0%
6	Mr. Shogo Okamoto	GM of Planning	GM of Planning cum GM of Internal Control (appointed effective from 01/07/2023)	1982	Japanese	TS0161548	HCMC, VN	0%
Supervisory Board								
1	Mr. Nguyen Thanh Bach	Chief	Chief	1987	Vietnamese	001087035038	HCMC, VN	0%
2	Ms. Thai Thu Thao	Member	Member	1966	Vietnamese	079166013727	HCMC, VN	0%
3	Mr. Tsuneo Mitsudomi	Member	(Resigned effective from 20/04/2023)	1968	Japanese	TZ1268060	Japan	0%
4	Ông Takashi Kobayashi		(appointed effective from 20/4/2023)	1969	Japanese	TT2027730	Nhật Bản	0%

❖ **SUMMARY AND CHANGES IN THE PERSONNEL POLICIES**

- Number of employees: 897 (as at December 31, 2023).
- Summary and changes in the personnel policies:
 - Development of human resources, enhancement of organizational structure and improvement of management information system.
 - Strengthen the relationship between the Company and employees through the implementation of periodically monitoring meeting, the good policies based on the results of Employee's Awareness Survey (EAS), improving accuracy management data and governance performance based on adherence (compliance).
 - Develop and implement training programs tailored to staffs at each level and to each department.
 - Implement the personnel transfer based on the human resources development of the Company and career development plan of individuals.

3. SITUATION OF INVESTMENT AND PROJECT IMPLEMENTATION

In 2023, the Company did not implement any major investment project.

4. FINANCIAL SITUATION

❖ FINANCIAL SITUATION

Description	Actual 2022 VND	Actual 2023 VND	Variance (%)
Revenue from sale of goods	1,830,257,198,000	1,995,034,345,000	9%
Revenue deductions	117,545,282,000	126,736,274,000	8%
Net revenue and services	1,712,711,916,000	1,868,298,071,000	9%
Cost of sales	1,151,195,520,000	1,197,411,653,000	4%
Gross profit	561,516,396,000	670,886,418,000	19%
Financial income	22,130,875,000	35,526,772,000	61%
Financial expenses	466,995,000	215,678,000	-54%
- <i>In which: Interest expense</i>	-	-	
Selling expenses	359,312,454,000	398,247,290,000	11%
General & administration expenses	36,476,380,000	43,342,788,000	19%
Net operating profit (loss)	187,391,442,000	264,607,434,000	41%
Other income	7,902,438,000	3,064,897,000	-61%
Other expenses	1,749,715,000	5,469,364,000	213%
Results of other activities	6,152,723,000	(2,404,467,000)	-139%
Accounting profit before tax	193,544,165,000	262,202,967,000	35%
Income tax expense - current	36,151,167,000	53,037,799,000	47%
Income tax expense/(benefit) - deferred	1,747,368,000	570,399,000	-67%
Net profit (loss) after tax	155,645,630,000	208,594,769,000	34%
Basic earnings per share (in VND)	1,786	2,394	34%

❖ MAJOR FINANCIAL INDICATORS

Description	Year 2022	Year 2023	Notes
1. Solvency ratio:			
+ Current ratio	5.54	6.48	
+ Quick ratio	4.43	4.89	
2. Capital structure ratio:			
+ Debt / Total assets ratio	0.17	0.14	
+ Debt / Owners' Equity ratio	0.20	0.17	
3. Operation capability ratio:			
+ Inventory turnover	5.18	4.02	
+ Net revenue / Total assets ratio	1.26	1.28	
4. Target on Profitability			
+ Profit after tax / Net revenue Ratio	0.09	0.11	
+ Profit after tax / Total capital Ratio	0.13	0.17	
+ Profit after tax / Total assets Ratio	0.11	0.14	
+ Operating profit / Net revenue Ratio	0.11	0.14	

5. DECLARATION AND ALLOCATION OF DIVIDEND IN 2023

Based on the report of business performance in 2023 audited by the KPMG auditing firm as follows:

Description	Code	Amount ('000 VND)
Profit before tax	50	262,202,967
Current corporate income tax expenses	51	53,037,799
Deferred corporate income tax expenses	52	570,399
Net profit after tax	60	208,594,769

Based on the balance sheet as at December 31, 2023 audited by the KPMG auditing firm as follows:

Description	Code	Amount ('000 VND)
Owners' equity	410	1,255,648,610
Share capital	411	871,409,840
- Ordinary shares with voting rights	411a	871,409,840
Share premium	412	85,035,704
Other capital	420	90,034,048
Retained profits	420	209,169,018
- Accumulated losses brought forward	421a	574,249
- Retained profits for the current year	421b	208,594,769

The dividend allocation plan in 2023 as follows:

No	Description	Plan for 2023 (VND)
1	Retained profits	209,169,018,000
2	Profit allocation, in which	209,169,018,000
	Funds provision according to regulations	0
	Dividend allocation	209,138,361,600
	Dividend allocation ratio	24.00 %
	Dividend allocation amount per share	2,400 VND/ share
	Dividend payment date	09/09/2024
	Payment methods	Cash
3	Retained profits after allocation	30,656,400
4	Authorization of performance	BOM of the Company is responsible to complete all necessary procedure and documentation for declaration and settlement of above-mentioned dividend complying with current law and regulation

6. SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER'S EQUITY, DIVIDEND FOR SHAREHOLDERS

❖ NUMBER OF SHARES

No	Content	Quantity
1	Total number of shares	87,140,992
2	Treasury shares	8
3	Outstanding voting shares	87,140,984
4	Freely transferable shares	87,140,984
5	Conditionally transferable shares	0

❖ SHAREHOLDERS STRUCTURE (as of March 11th 2024)

No	Shareholders	Domestic shareholders		Foreign shareholders		Total	
		Quantity	%	Quantity	%	Quantity	%
1	Major shareholders (holding 5% or more)	-	0.00%	83,360,282	95.66%	83,360,282	95.66%
	- Individual	-	0.00%	-	0.00%	-	0.00%
	- Organization	-	0.00%	83,360,282	95.66%	83,360,282	95.66%
2	Other shareholders (holding less than 5%)	1,554,045	1.78%	2,226,657	2.56%	3,780,702	4.34%
	- Individual	1,553,931	1.78%	124,240	0.14%	1,678,171	1.93%
	- Organization	114	0.00%	2,102,417	2.41%	2,102,531	2.41%
3	Treasury shares		0.00%	8	0.00%	8	0.00%
4	Total	1,554,045	1.78%	85,586,947	98.22%	87,140,992	100.00%

❖ CHANGE IN THE OWNER'S EQUITY

- In 2023, the Company did not increase/ decrease Charter capital.

❖ TREASURY STOCKS

- Number of existing treasury stocks: 08
- Transactions of treasury stocks conducted in 2023: Non

❖ DIVIDEND FOR SHAREHOLDERS

- In September 2023, the Company has completed declaration and payment of dividend of the financial year in 2022 for shareholders under approval of AGM-2023.

III. REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

1. ASSESSMENT OF OPERATING RESULTS

- The year 2023 continues to mark the period when the Company transitions from a state of recovery to a stage of sustainable growth, as shown by the Company's profit after tax of 209 billion VND, reaching 187% of the plan.
- Key brands: new brands WMT440PET and Ice+Tea are selling very well and Latte after innovation has also continuously sold well.
- Continue dialogue about quality at the factory.
- Improve logistics work (Internal work, system)
- Apply a new human resources system for leadership, clearly stating the role of leadership in training human resources through work and begin to instill that understanding.
- In 2023, the Company has reaffirmed its core values, the Company has implemented communication activities to connect consumers. In addition, the Company accepted the challenge of expanding the sales area and marketing activities to increase the customer connection points for iMUSE products. And this is a typical success in the mid-term plan of incremental customer connection points.

2. FINANCIAL SITUATION

Description	Year 2022 VND'000	Year 2023 VND'000	Variance (%)
Total asset	1,444,729,737	1,465,584,858	1%
Net revenue	1,712,711,916	1,868,298,071	9%
Profit from operating activities	187,391,442	264,607,434	41%
Other profits	6,152,723	(2,404,467)	-139%
Profit before tax	193,544,165	262,202,967	35%
Profit after tax	155,645,630	208,594,769	34%

3. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT

❖ MANAGEMENT ACTIVITIES

Infrastructure reformation and development

- Implement remote working activities to match production and business activities and catch up with the lifestyle in the "new normal" era.
- Enhance DMS system functionality. Start reforming sales operations more effectively.
- Strengthen IT system, security system.
- Strengthen Management Accounting.

CSR-based (Corporate Social Responsibility-CSR) management is our commitment by business to contribute to economic development while protecting the environment and improving our quality of life. CSV, CSR-based management will focus on:

- Strengthen corporate governance, promote compliance and risk management system to achieve transparent management to win the trust of the society.
- Improving profession in departments or the whole company so that improvement projects add value to the Company.
- Enhance environmental awareness and positively participate in local community activities to contribute to social and economic development as a responsible corporate citizen.

Internal Control Department reduced the risks associated with our business operations in Vietnam by providing independent, objective assurance and consulting activities.

❖ SALES DIVISION

- Profit growth is based on sales expansion
- KIRIN growth in Vietnam market
- Growth in existing region
~Raising awareness of "KIRIN"~
- Challenges with new fields
~Health - Function: growth seed ~

❖ PRODUCTION DIVISION

- Maximize the production efficiency of the factory.
- Continuous implementation for low cost operations.
- Further improvement of product quality.
- Improving profession in departments or the whole company.
- Development and introduction of new products which come from nature and promote positive health and wellbeing for customers.

❖ BACK OFFICE

- Implement remote working activities to match production and business activities and catch up with the lifestyle in the "new normal" era.
- Development of human resources, enhancement of organizational structure and improvement of management information system.
- Improving profession in departments or the whole company so that improvement projects add value to the Company.
- Strengthen the relationship between the Company and employees through the implementation of periodically monitoring meeting, the good policies based on the

results of employee satisfaction survey (ESS), improving accuracy management data and governance performance based on adherence (compliance).

- Develop and implement training programs tailored to staffs at each level and to each department.
- Implement the personnel transfer based on the human resources development of the Company and career development plan of individuals.

4. DEVELOPMENT PLAN IN THE FUTURE

In 2023, the second year of the medium-term management plan 2022-2024, the Company continued to achieve record sales volume and sales.

The Company continues to take medium- to long-term perspective and has formulated a business plan for fiscal 2024 in order to accelerate the buildup a management base for sustainable growth while maintaining investments.

The Company aims to achieve higher-than-market growth and increase sales volumes for our priority brands, Winter Melon tea, Ice+ and Latte, by making their value proposition clear and maximizing touch points with customers through effective marketing strategies.

In addition, the Company continues to expand sales of iMUSE with its function that can contribute to health for Vietnamese people.

In terms of plant facilities, the Company invests in equipment, etc. that allows us to maintain quality and increase sales in light of recent strong sales volume and medium- to long-term manufacturing capacity.

At the same time, the Company continues to build more stable and efficient SCM (supply chain management) structure.

The Company will be continuously engaged in pursuing efficiency in business operation by utilizing IT solution, and then strengthens its organizational capability and human resources through various efforts such as internal penetration of company's policy and so on.

Due to the increase in input costs and personnel expenses in recent years, it is no longer possible to generate sufficient profits simply by increasing sales volume and reducing costs to a certain extent.

On the premise of securing a certain level of profit, in order to continuously build business foundation, earn profits, and invest in future growth, the Company also takes on the challenge of reducing costs across the entire company.

Total gross sales is expected to be approximately VND 2,132 billion and Net Profit for the year in 2024 is about VND 192 billion.

Description	Plan 2024	Actual 2023	%(+/-)
	VND'000	VND'000	
Sales	2,131,709,402	1,995,034,345	7%
Net sales and services	1,992,869,219	1,868,298,071	7%
Gross profit	708,126,022	670,886,418	6%
Net operating profit	238,192,161	264,607,434	-10%
Profit (Loss) before tax	239,738,610	262,202,967	-9%
Profit (Loss) after tax	191,862,362	208,594,769	-8%

5. EPORT ON ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

ENVIRONMENTAL INITIATIVES

We observe all laws and regulations related to the environment and continue to invest in equipment and technology research and development to provide environment friendly products and services.

- Continue efforts concerning awareness of personnel and measures to achieve true safety including safety education at monthly companywide meetings, confirmation of the status of measures to prevent reoccurrence of past accidents, checks of unsafe areas by periodic patrols to achieve intrinsic safety, and measures that rank priorities.
- Take measures to continuously improve quality including periodic checks of the implementation of measures to prevent reoccurrence with a focus on priority issues, deepening understanding of ISO and HACCP by personnel, and raising the effectiveness of systems.

6. CORPORATE RESPONSIBILITY TO THE LOCAL COMMUNITY

Ho Chi Minh City Department of Education and Training and KIRIN organized the contest "Beauty of our school"



The year 2023 marks a milestone of 10 years of efforts of the Department of Education and Training of Ho Chi Minh City and the KIRIN brand on the development journey of the country's preschools. With the theme "The beauty of our school", this year's contest, in addition to bringing useful knowledge, contributes to helping students and pupils express their pride in the learning environment through creative competition rounds; The competition also aims to build schools with all the criteria to support students in a healthy and happy environment.



Mr. Wada Kenichiro - Representative of KIRIN Vietnam spoke at the contest launching ceremony.

These values are inherited and applied from the "3P - Happy School" model with three core values of UNESCO including: People, Process and Place. "Happy school" is an environment that not only focuses on teaching but also does well on items that support children's physical and mental development.

In the "3P" model, health and nutrition factors play an important role in building a happy school. Understanding this, KIRIN with its companion product - KIRIN iMuse helps support the digestive system and immune system to support good health for students and pupils.

IV. ASSESSMENTS OF THE BOARD OF MANAGEMENT ON THE COMPANY'S OPERATION

1. ASSESSMENT ON THE COMPANY'S OPERATION

- In 2023, under the right operation and direction of the General Director and the Board of Directors, the second year of the medium-term management plan 2022-2024, the Company continued to achieve record sales volume and sales.
- The BOM and the BOD have agreed on the views and strategies to increase profits. It is an extremely important thing, which is to increase brand value through the development of each brand, this is reflected in the selling price of the product in order to improve profitability so that it can increase further investment, create growth. In 2022, in order to realize this strategy, the Company has increased product prices to offset the increase in costs and contribute to the improvement of the profit of 2022.
- In order to realize this strategy, the General Director and the Board of Directors aim to quickly restore production and business activities as before the COVID-19 epidemic. In order to demonstrate the building of the right strategy, goals and the greater empathy with the Company's visions and policies, the higher the level of implementation of the plan by the employees. The most honest picture reflecting for this, it is that the result is the Company's Net revenue increased by 9% and profit after tax increased by 34% compared to 2022.

FINANCIAL SITUATION

Description	Year 2022 VND'000	Year 2023 VND'000	Variance (%)
Total asset	1,444,729,737	1,465,584,858	1%
Net revenue	1,712,711,916	1,868,298,071	9%
Profit from operating activities	187,391,442	264,607,434	41%
Other profits	6,152,723	(2,404,467)	-139%
Profit before tax	193,544,165	262,202,967	35%
Profit after tax	155,645,630	208,594,769	34%

THE DIVIDEND ALLOCATION PLAN IN 2023 AS FOLLOWS:

No	Description	Plan for 2023 (VNĐ)
1	Retained profits	209,169,018,000
2	Profit allocation, in which	209,169,018,000
	Funds provision according to regulations	0
	Dividend allocation	209,138,361,600
	Dividend allocation ratio	24.00 %
	Dividend allocation amount per share	2,400 VNĐ/ cổ phiếu (share)
	Dividend payment date	09/09/2024
	Payment methods	Tiền/ Cash
3	Retained profits after allocation	30,656,400
4	Authorization of performance	BOM of the Company is responsible to complete all necessary procedure and documentation for declaration and settlement of above-mentioned dividend complying with current law and regulation

2. ASSESSMENT ON PERFORMANCE OF THE BOARD OF DIRECTORS

- GD and BOD has fulfilled the targets and tasks assigned, conducted business operation in compliance with applicable laws and regulations of the Company.
- Under the management and direction of the GD and BOD, the Company has conducted its business activities as assigned, increased market shares for its key products, diversified its product portfolios and expanded its distribution network to maintain and develop its business operation.

3. FUTURE PLAN OF THE BOARD OF MANAGEMENT

In 2024, the BOM performs its functions, rights and obligations in compliance with laws, Company's Charter and AGM resolutions in 2024.

- To decide the strategies and business plan in 2024 following the mid-term business plan in 2022-2024 of the Company
- To supervise, direct General Director and members of the Board of Directors to run daily business operation of the Company.
- To work closely with the management of the Company to provide appropriate business development direction, adequate support on implementation and development of business strategy and improvement of corporate governance of the Company to achieve sustainable business strategy of Interfood.
- To collaborate with Supervisory Board in supervising the activities of GD and BOD.

V. CORPORATE GOVERNANCE

1. BOARD OF MANAGEMENT

❖ INFORMATION ABOUT THE BOM MEMBERS

No	BOM's member	Position	Day becoming BOM member	Number of attendance of BOM meetings	%	Reason for absence
1	Ms. Nguyễn Thị Kim Liên	Chairman	15/08/2006	2/9	22%	Resigned effective from 20/04/2023
2	Mr. Hajime Kawasaki	Member	19/04/2021	2/9	22%	Resigned effective from 20/04/2023
3	Mr. Shogo Okamoto	Chairman	20/04/2023	7/9	78%	Appointed effective from 20/04/2023
4	Mr. Daisuke Hattori	Member	20/04/2023	7/9	78%	Appointed effective from 20/04/2023
5	Mr. Hiroaki Takaoka	Member	21/04/2022	9/9	100%	

❖ SUPERVISION BY THE BOM OVER GENERAL DIRECTORS AND THE BOARD OF DIRECTORS

Under the Charter and Corporate Governance Regulation of the Company, the BOM conducted its supervision on activities of General Director (GD) and the Board of Directors (BOD) in 2023 as follows::

- **Method of supervision:**

- Through BOM meetings organized periodically or as necessary, discussion and consultation conducted directly or via telephone and electronic mail.
- Through adequate, detailed and timely reports of GD and BOD reporting progress of business plan execution, pointing out its difficulties and obstacles as well as the causes and proposed solutions.
- Collaboration with Supervisory Board in supervising the activities of GD and BOD.

- **Contents of supervision:**

- Supervision and evaluation of the operational efficiency of GD and BOD on management, execution of BOM resolutions, implementation of business plan and investment project.

- **Results of supervision:**

- GD and BOD has fulfilled the tasks assigned, conducted business operation in compliance with applicable laws and regulations of the Company.
- Under the management and direction of the GD and BOD, the Company has conducted its business activities to be abreast of goals as assigned, increased market shares for key products, diversified product portfolios and expanded distribution network to maintain and develop business operation.
- The Company has a clear development in organizational capacity through strong growth in each area of the value chain. Various reforms have been implemented during 2023.
- The organization's human resources have developed more actively through the implementation of key issues of the medium-term business plan (consolidation, localization, mechanization).
- The General Director and the Board of Directors have implemented in accordance with the Company's major policy that is to build a foundation for sustainable growth and this will not change.
- Besides, the Company has organized the Annual General Meeting of Shareholders in 2023; implemented business plan and corporate governance activities in accordance with resolutions of AGM and BOM.

- ❖ **ACTIVITIES OF THE SUB-COMMITTEES OF BOM**

- The BOM has conducted its activities in compliance with laws, charter and corporate governance regulation of the Company, ensure the number of the meetings, attendance of the members, procedures for adopting decisions comply with applicable rules.
- Sub-Committees of BOM has not been established. However, BOM members worked with clear assignments and close coordination; appointed BOD members in charge of Sales, Marketing, Finance, Human Resources and Internal Control respectively to support BOM in management of the Company business activities.

❖ RESOLUTIONS/DECISIONS OF THE BOM

No	Resolution No.	Date	Contents
1	RBM230215	15/02/2023	Schedule to organize the Annual General Meeting of Shareholders in 2023 of the Company.
2	RBM230328	28/03/2023	Contents propose to adopt at the Annual General Meeting of Shareholders in 2023.
3	RBM230420	20/04/2023	Appointment of the Chairman of the BOM of the Company and select the independent auditing organization for the fiscal years 2024 and 2025 of the Company.
4	RBM230614	14/06/2023	Change of key members of the Company.
5	RBM230719	19/07/2023	Company declares and allocates dividend in 2022
6	RBM230720	20/07/2023	Contracts/ transactions between the Company with the related persons/ organizations, internal persons of the Company;
7	RBM230829	29/08/2023	Contracts/ transactions between the Company with the related persons/ organizations, internal persons of the Company; The change of two seals in use of the Company because of the worn seal.
8	RBM230921	21/09/2023	Contracts/ transactions between the Company with the related persons/ organizations, internal persons of the Company;
9	RBM231114	14/11/2023	The structure of Company's Board of Directors for tenure 2024-2026;

2. SUPERVISORY BOARD

❖ INFORMATION ABOUT MEMBERS OF SUPERVISORY BOARD (SB)

No	BOM's member	Position	Day becoming SB member	Number of attendance of SB meetings	%	Reason for absence
1	Mr. Nguyen Thanh Bach	Chief	12/04/2019	2/2	100%	
2	Ms. Thai Thu Thao	Member	12/04/2012	2/2	100%	
3	Mr. Tsuneo Mitsudomi	Member	21/04/2022	2/2	100%	
4	Mr. Takashi Kobayashi	Member	20/04/2023	0/2	0%	Appointed effective from 20/04/2023

❖ SUPERVISION ACTIVITIES OF THE SUPERVISORY BOARD TOWARD THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND SHAREHOLDERS

In 2023, the SB continued inspecting, supervising and recommending necessary changes to the BOM in order to ensure compliance with applicable laws, enhancing corporate governance and improve effectiveness of business operations of the Company. Main activities of the SB in 2023 were as follows:

- Supervision over the BOM, General Director (GD) and the Board of Directors (BOD) with respect to the management and administration of the Company to ensure the compliance with laws and Company’s rules.
- Supervision over the BOM, GD and BOD with respect to the issuance and execution of the resolutions of AGM and BOM, implementation of business plan and investment projects approved by the AGM.
- Review, inspection and evaluation of the effectiveness and efficiency of systems of internal control, internal audit, risk management and early warning of the Company.
- Review and inspection of the financial statements (quarterly, biannual and annual financial statement) in 2023 examined and audited by KPMG Vietnam to ensure the independency and objectiveness in auditing activities and ensure the transparency, accurate and reliability of the financial reports.

❖ COORDINATION AMONG THE SUPERVISORY BOARD WITH THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND OTHER MANAGERS

- Attend and/or discuss in the BOM meetings
- Collaborate with BOM in supervising the activities of GD and BOD.

❖ DECLARE AND ALLOCATE DIVIDEND IN 2023

The BOM proposes the Annual General Meeting of Shareholders 2024 (AGM-2024) to approve that the Company will declare and allocate dividend in 2023 as follows:

No	Description	Plan for 2023 (VNĐ)
1	Retained profits	209,169,018,000
2	Profit allocation, in which	209,169,018,000
	Funds provision according to regulations	0
	Dividend allocation	209,138,361,600
	Dividend allocation ratio	24.00 %
	Dividend allocation amount per share	2,400 VNĐ/ cổ phiếu (share)
	Dividend payment date	09/09/2024
	Payment methods	Tiền/ Cash
3	Retained profits after allocation	30,656,400
4	Authorization of performance	BOM of the Company is responsible to complete all necessary procedure and documentation for declaration and settlement of above-mentioned dividend complying with current law and regulation

The SB agrees with the proposal of the BOM with the above content.

3. REMUNERATION AND EXPENSES ON ACTIVITIES OF THE BOM, GENERAL DIRECTOR, THE OTHER EXECUTIVE RATIFIED BY THE BOM AND SB IN 2023

3.1 Expenses on activities of BOM:

No	Name	Position	Amount (VND)	Remarks
1	Mr. Shogo Okamoto	Member cum Chairman of the BOM (From 20/4/2023 until 31/12/2023)	Refer to “3.4- Activity expenses of the Other Executive ratified by the BOM”	
2	Ms. Nguyễn Thị Kim Liên	Member cum Chairman of the BOM (From 01/01/2023 until 20/04/2023)	Refer to “3.4- Activity expenses of the Other Executive ratified by the BOM”	
3	Mr. Daisuke Hattori	Member of the BOM (From 20/04/2023 until 31/12/2023)	Refer to “3.2- Activity expenses of the General Director”	
4	Mr. Hajime Kawasaki	Member of the BOM (From 01/01/2023 until 20/04/2023)	Refer to “3.2- Activity expenses of the General Director”	
	Total			

3.2 Expenses on activities of General Director:

No.	Name	Position	Amount (VND)	Remarks
1	Mr. Hajime Kawasaki	General Director (From 01/01/2023 until 30/03/2023)	427.140.000	Secondment fee
2	Mr. Daisuke Hattori	General Director (từ 30/03/2023 until 31/12/2023)	1.304.880.000	Secondment fee
	Total		1.732.020.000	

3.3 Remuneration of the BOM: Non

3.4 Activity expenses of the Other Executive ratified by the BOM

No.	Name	Position	Amount (VND)	Remarks
1	Mr. Shogo Okamoto	Director/ General Manager of Planning	1.154.680.000	Secondment fee (from 01/01/2023 to 31/12/2023)
2	Ms. Nguyễn Thị Kim Liên	Director/ General Manager of Internal Control	909.000.000	Salary (from 01/01/2023 to 30/06/2023)
3	Mr. Koichi Noda	Director/ General Manager of Factory	577.340.000	Secondment fee (from 01/01/2023 to 31/12/2023)
4	Mr. Kenichiro Wada	Director/ General Manager of Marketing cum General Manager of Sales	1.154.680.000	Secondment fee (from 01/01/2023 to 31/12/2023)
5	Mr. Nguyễn Hồng Phong	Chief Accountant cum Manager of Finance and Accounting	955.950.000	Salary (from 01/01/2023 to 31/12/2023)
	Total		4.751.650.000	

3.5. Activity expenses of Supervisory Board:

No.	Name	Position	Amount (VND)	Remarks
1	Mr. Nguyễn Thanh Bách	Chief of SB	652.752.000	Salary (from 01/01/2023 – 31/12/2023)
2	Ms.Thái Thu Thảo	Member	0	
3	Mr. Tsuneo Mitsudomi	Member	0	20/04/2023 (The date ceasing to be the member of the Board of Supervisors)
4	Mr. Takashi Kobayashi	Member	0	20/04/2023 (The date becoming to be the member of the Board of Supervisors)
	Total		652.752.000	

Notes: Secondment fee is the payment of the Company to Kirin Holdings Company, Limited under secondment agreement, no being paid directly to the relating members.

3.6.Remuneration of the SB: Non

4. SHARE TRANSACTIONS OF INTERNAL PERSONS, MAJOR SHAREHOLDERS AND AFFILIATED PERSONS

There were no share transaction of internal persons, major shareholders and affiliated persons in 2023.

5. CONTRACTS OR TRANSACTIONS OF INTERNAL PERSONS, MAJOR SHAREHOLDERS AND AFFILIATED PERSONS

- (A) Transaction between the Company and Vietnam Kirin Beverage Company, Limited. (VKBC) - (Unit in 1000 VND)
 - (1) Processing fee: 328,350,501
 - (2) Purchases of services: 4,620,336
 - (3) Sale of finished goods: 196,574
 - (4) Purchases of goods: 456,855

- (B) Transaction between the Company and Kirin Holdings Company, Limited. (KH) - (Unit in 1000 VND)
 - (1) Secondment fee: 7,958,918
 - (2) Purchases of services: 63,488

- (C) Transaction between the Company and Kyowa Hakko Bio Singapore Pte, Ltd - (Unit in 1000 VND)
 - (1) Purchases of goods: 4,081,250

- (D) Transaction between the Kirin Engineering Company, Limited - Taipei Branch -- (Unit in 1000 VND)
 - (1) Purchases of goods: 10,756,499

- (E) Transaction between the Company and Kirin Engineering Company, Limited - Vietnam Branch -- (Unit in 1000 VND)
 - (1) Purchases of goods: 164,624

- (F) Transaction between the Company and Kirin Holdings Singapre Pte, Ltd-- (Unit in 1000 VND)
 - (1) Purchases of services: 13,071
 - (2) Dividend paid: 148,381,302

VI. FINANCIAL STATEMENTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/12/2022 (ENCLOSED)

- STATEMENT OF THE BOARD OF DIRECTORS
- INDEPENDENT AUDITOR'S REPORT
- BALANCE SHEET
- STATEMENT OF INCOME
- STATEMENT OF CASH FLOWS
- NOTES TO THE FINANCIAL STATEMENTS

INTERFOOD SHAREHOLDING COMPANY
Legal Representative

(Signed and sealed)

DAISUKE HATTORI



Công ty Cổ phần Thực phẩm Quốc tế (Interfood)

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