

On January 8<sup>th</sup>, 2019, Nam Viet – Binh Phu Aquaculture One Member Co., LTD held groundbreaking ceremony for Binh Phu High-Technology Farming Site with the presence of more than 400 guests. The project's investment decision is granted by An Giang Province People's Committee, which includes 600 ha of high-technology farming site (VND 4,000 billion investment capital).



*Mr. Doan Chi Thien (CEO of Nam Viet – Binh Phu Aquaculture One Member Co., LTD) receives investment decision*

In November 2018, Navico decided to invest VND 540 billion to found Nam Viet – Binh Phu Aquaculture One Member Co., LTD with 100% ownership. This strategy of expanding more farming site will guarantee pangasius supply for export market expansion. Navico currently owns land use right of 500 ha in this project.

The project will be executed from 2019 to 2020 and is the largest pangasius farming site in Vietnam with high concentration and technology. This farm can fulfill the most strictly standards on uniform size, exact timing, environment-friendly, etc. and 100% products will be exported.

The project is divided into two areas, including high quality three-stage pangasius broodstock production site (150 ha area, VND 1,000 billion investment capital) and high-technology farming site (450 ha area, VND 3,000 billion investment capital).



*Nam Viet – Binh Phu High Technology Aquaculture Map*

The high technology includes automatic managements and operations such as: water pumping, feeding, harvesting, transportation, origin tracking, etc. It can protect the environment efficiently through Japan technology that uses nano and bakture for pond water treatment, limit pumping sewage into the enviroment and skip the mud scraping. Moreover, researching and selecting broodstock with Israel technology will help increase aquaculture efficiency.

Curently, Navico has 330 ha of farming site which supplies 95,000 tons pangasius fish each year. This capacity will be increased to 120,000 tons each year after the project starts operating in Q4.2019. Total export value of Navico will be doubled, reaching USD 250-300 million per year, in which USD 150 million is from this project.

Besides, the project will have tax exemption thanks to high-technology farming activity: 0% tax rate for the first 3 years, 5% tax rate for the next 9 years and 10% tax rate for the next following years.

Nam Viet Corporation will complete the integrated value-chain from feed to end-product with the foundation of this farming site and ensure 100% supply of high-quality broodstock for farming and export, maximizing economies of scale. The export business performance of Navico is in good



position with estimated export value of USD 147 million in 2018. In 2019, Nam Viet targets VND 6,000 billion revenue and VND 700 billion profit after tax thanks to increase supply of pangasius from Binh Phu Farming Site and reach efficient business scale.



*Groundbreaking Ceremony*