



NAVICO
NAM VIET CORPORATION

NAM VIET CORPORATION FEBRUARY 2019

IR NEWS

VIETNAM PANGASIUS INDUSTRY OVERVIEW



FISCAL 2018 PERFORMANCE

HATCHERING AREA



+21.6% YOY

FARMING AREA



+3.3% YOY

HARVEST VOLUME



+13.6% YOY

EXPORT VALUE



+24.2% YOY

2019 TARGET

HARVEST VOLUME



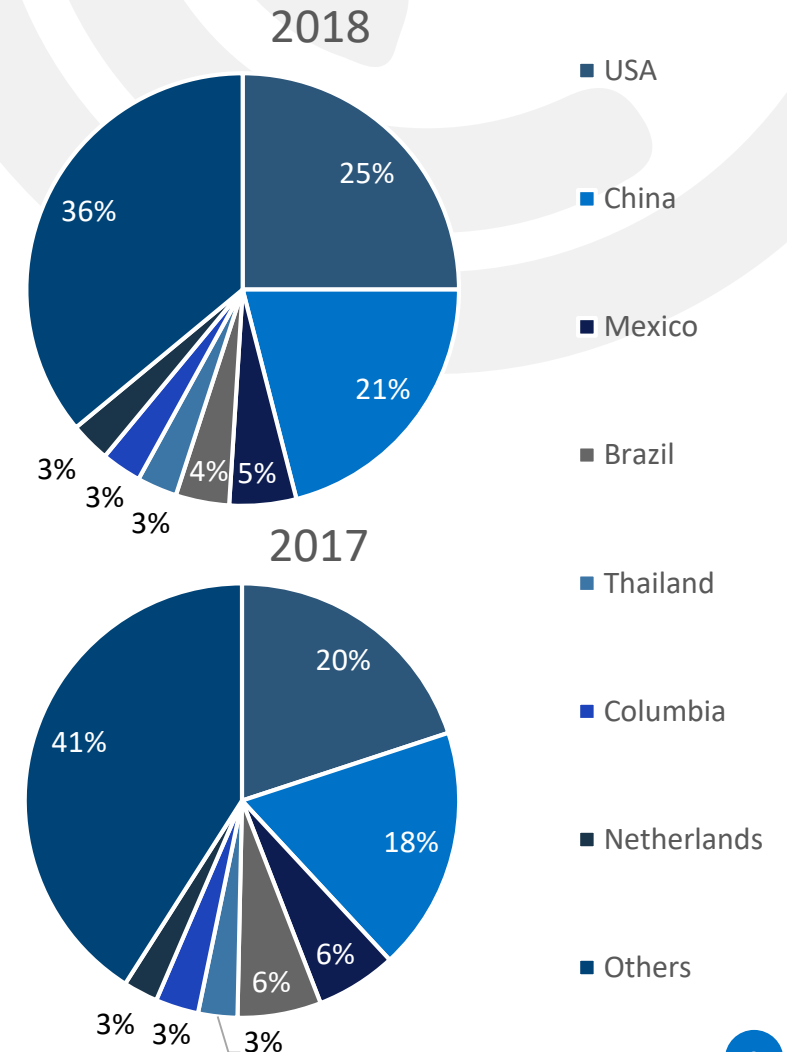
+6.6% YOY

EXPORT VALUE



+6.2% YOY

TOP 10 EXPORT MARKETS



EXPORT MARKET OVERVIEW

USA

After FSIS conducted the on-site inspection, **US announced the preliminary result that Vietnam had equivalent food safety controls, production chain and processing to those of the US.** Vietnam also had the largest support on the result from US citizen (80%), compared to that of China (57%) and Thailand (40%). The final result will be announced soon

China

China is a potential market but the requirements for quality and food safety in this country is getting stricter. Recently, China Customs Bureau has tightened border trading export issues and requires seafood shipments to be produced in the listed factories with NAFIQAD certification. There are 167 pangasius companies allowed to export to this market

EU

EU has very strict rules for food safety, including seafood import. **They are still very concerned on seafood shipments from Vietnam despite improvements since 2014.** DG SANTE has announced that antibiotic control of Vietnam is still ineffective and they will stop issuing certification for companies having antibiotic warnings on their shipments. In the next inspection, EU will focus on controlling antibiotic chemicals of seafood shipments imported to this market

Brazil

Brazil does not allow using additives in frozen pangasius fillet products. This market will stop importing products from facilities with too many violations and do not have on-time overcome method. Besides, Brazil is the only country that requires product-group brand name registration before exporting to Brazil, which causes extra time and cost of export companies. Vietnam is requiring Brazil to consider applying Codex rules and international standard instead

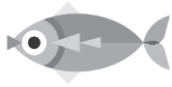
2019 VIETNAM PANGASIOUS OUTLOOK



Pangasius selling price might decrease slightly due to increasing supply of raw pangasius mainly from Vietnam and other countries such as India, Bangladesh and Indonesia



Export quantity will increase thanks to penetration to China market, EVFTA and increasing price of other whitefish might lead to a switch to pangasius



Fingerlings shortage might be slightly improved through focusing on investment from both Government and export companies



Food safety will be prioritized to qualify strict requirements from many countries



Sustainable and efficiency farming will be a trend for pangasius industry

NAVICO RESULTS



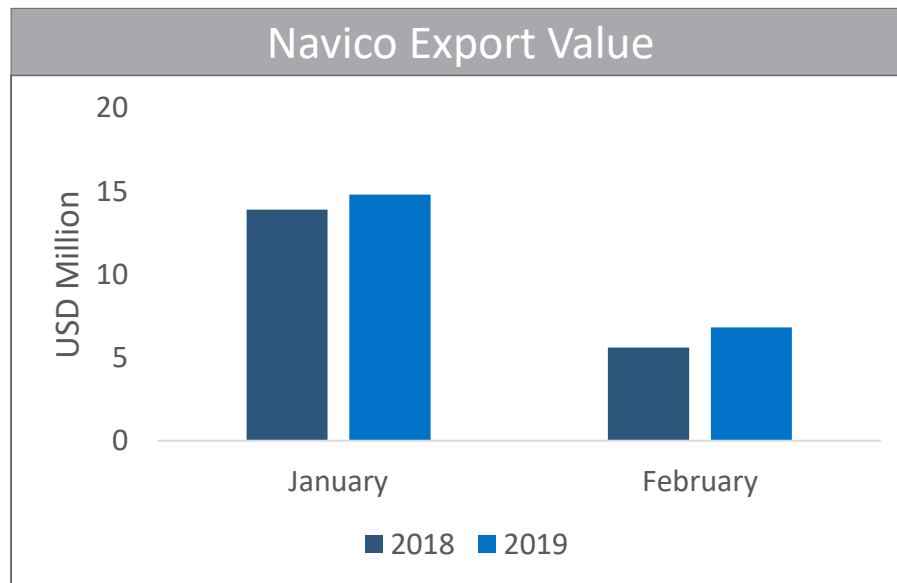
In the first 2 months of 2019, Navico estimates an export value of USD 17.7 million (+10.8% yoy). We expect to have better result for the next coming months thanks to increasing purchase orders

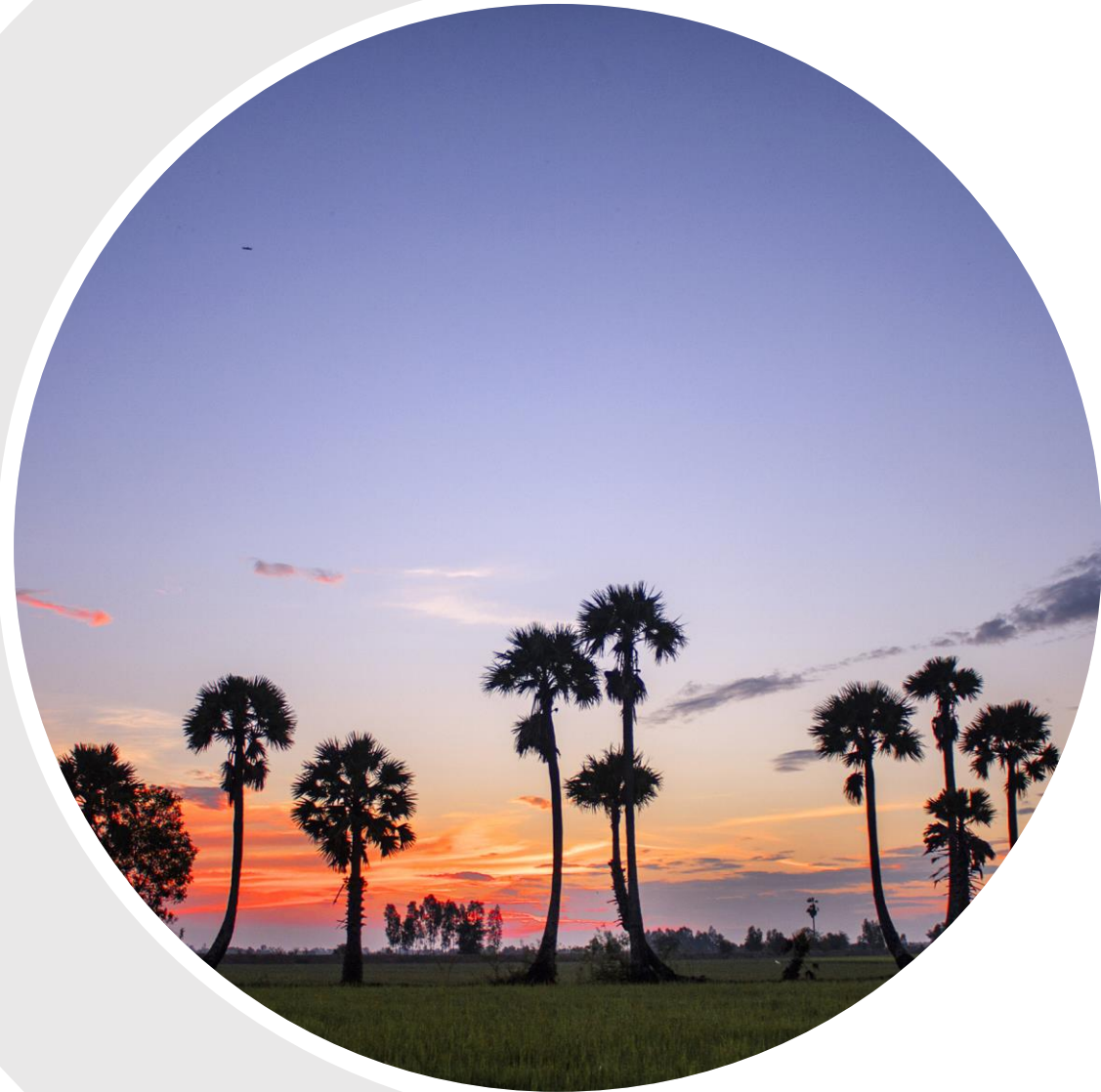


We have finished the construction of more than 100 ha in Binh Phu Farming Site, hatchery process will start from April and the first raw pangasius output will be in October



On February 17th, 2019, Minister of Ministry of Agriculture and Rural Development, Mr. Nguyen Xuan Cuong, visited pangasius farm and headquarter of Nam Viet Corporation. He showed great support on our high technology pangasius farming site project





[HTTP://WWW.NAVICORP.COM.VN/](http://www.navicorp.com.vn/)

THANK YOU

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