

Vietnam's largest spices exporter Phởc Sinh JSC receives investment from EU

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Phởc Sinh JSC has announced that the company successfully sold shares to an investment fund from Europe with an undisclosed amount.

Phan Minh Thởng, General Director of Phởc Sinh JSC, said the fund would not participate in operating the business but simply provide financial support. This has been the first time the company received foreign investment in 22 years of operation. The deal was completed after 18 months of negotiation.

Phuc Sinh, Vietnam's largest pepper exporter, has been valued at \$320 million and will receive funding from a European investor to build two large coffee processing plants. The company holds 8% share of the world pepper market since 2007. Company has signed a deal for the investment from the fund and will help corporation achieve sustainable agriculture and enhance brand recognition, creating a premise for an overseas IPO. The company has coffee plant each in the Central Highlands province of Dak Lak and northern Son La Province with a total capacity of 30,000 tons per year.

"In the context of a limited capital market, having an investment with a moderate capital price is very meaningful. We are valued at \$320 million. The amount is not too large but not small either, which could help us build two coffee processing factories this year. Phuc Sinh has an annual turnover of around \$300 million and over 100 export markets," Thởng said.

He added that in recent years, many companies wanted to invest in Phởc Sinh. However, they were refused because of not properly evaluating Vietnamese agriculture value, which is very low compared to companies in Thailand, Malaysia, Indonesia, and even the Philippines.

"Vietnam's agricultural industry is developing strongly and has many opportunities to attract foreign investment. Phởc Sinh Group also wants to raise more capital to develop factories, and also call for additional capital specifically for the K-Coffee coffee chain. However, we only accept financial investment and do not need strategic investors," he said.

Established in 2001, Ph^oc Sinh Group is one of the leading exporters of pepper, coffee and agricultural products in the country. In the spice industry, the company has been leading since 2007.

A recent report from SFV-Export (the project to strengthen export capacity for small and medium enterprises in Vi^{et} Nam's spices, vegetables and fruits industry) showed that Ph^oc Sinh is the largest exporter of Vietnamese spices to the EU, with 15.1% market share, a sharp increase from 8.4% in 2022.