



Masan Consumer Corporation and its subsidiaries

Consolidated Interim Financial Statements
for the six-month period ended
30 June 2022



Masan Consumer Corporation Corporate Information

Enterprise Registration Certificate No.

0302017440

31 May 2000

The Enterprise Registration Certificate has been amended several times, the most recent of which is dated 26 October 2020. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Mr Danny Le	Chairman
Mr Truong Cong Thang	Member
Ms Nguyen Hoang Yen	Member
Mr Nguyen Thieu Quang	Member
Ms Nguyen Thi Thu Ha	Member
Ms Nguyen Thu Hien	Member

Board of Management

Mr Truong Cong Thang	Chief Executive Officer
Ms Nguyen Hoang Yen	Deputy Chief Executive Officer
Mr Pham Hong Son	Deputy Chief Executive Officer

Registered Office

12th Floor, MPlaza Saigon
39 Le Duan, Ben Nghe Ward
District 1, Ho Chi Minh City
Vietnam

Auditor

KPMG Limited
Vietnam

Masan Consumer Corporation Statement of the Board of Management

The Board of Management of Masan Consumer Corporation (“the Company”) presents this statement and the accompanying consolidated interim financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) for the six-month period ended 30 June 2022.

The Company’s Board of Management is responsible for the preparation and fair presentation of the consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting. In the opinion of the Company’s Board of Management:

- (a) the consolidated interim financial statements set out on pages 5 to 66 give a true and fair view of the consolidated financial position of the Group as at 30 June 2022, and of their consolidated results of operations and their consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying consolidated interim financial statements for issue.

On behalf of the Board of Management



Nguyen Hoang Yen
Authorised Representative

Ho Chi Minh City, 18 August 2022

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KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INTERIM FINANCIAL INFORMATION REVIEW REPORT

To the Shareholders Masan Consumer Corporation

We have reviewed the accompanying consolidated interim financial statements of Masan Consumer Corporation (“the Company”) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated balance sheet as at 30 June 2022, the consolidated statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 18 August 2022, as set out on pages 5 to 66.

Management’s Responsibility

The Company’s Board of Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Masan Consumer Corporation and its subsidiaries as at 30 June 2022 and of their consolidated results of operations and their consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 22-01-00305-22-2



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2018-007-1
Deputy General Director

Nguyen Thuy Ninh
Practicing Auditor Registration
Certificate No. 4623-2018-007-1

Ho Chi Minh City, **18-08-2022**



Masan Consumer Corporation and its subsidiaries
Consolidated balance sheet as at 30 June 2022

Form B 01a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2022 VND	1/1/2022 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		22,800,022,159,779	22,575,115,088,964
Cash and cash equivalents	110	8	5,703,146,321,419	13,013,125,962,658
Cash	111		186,654,161,419	107,325,962,658
Cash equivalents	112		5,516,492,160,000	12,905,800,000,000
Short-term financial investments	120		371,900,000,000	169,375,000,000
Held-to-maturity investments	123	9(a)	371,900,000,000	169,375,000,000
Accounts receivable – short-term	130		13,963,043,220,127	7,074,166,026,539
Accounts receivable from customers	131	10	511,181,812,255	600,955,375,527
Prepayments to suppliers	132		337,450,978,741	171,698,115,803
Short-term loans receivable	135	11	4,181,581,871,592	4,086,581,871,592
Other short-term receivables	136	12(a)	8,932,828,557,539	2,214,930,663,617
Inventories	140	13	2,672,435,323,610	2,254,893,287,268
Inventories	141		2,701,652,911,803	2,292,547,543,677
Allowance for inventories	149		(29,217,588,193)	(37,654,256,409)
Other current assets	150		89,497,294,623	63,554,812,499
Short-term prepaid expenses	151		22,093,596,379	16,622,626,382
Deductible value added tax	152		64,782,538,104	44,465,916,280
Taxes and other receivables from State Treasury	153		2,621,160,140	2,466,269,837

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated balance sheet as at 30 June 2022 (continued)

Form B 01a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2022 VND	1/1/2022 VND
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		7,835,974,710,745	7,629,035,070,177
Accounts receivable – long-term	210		265,274,827,896	215,103,634,496
Other long-term receivables	216	12(b)	265,274,827,896	215,103,634,496
Fixed assets	220		5,512,773,099,062	5,578,570,297,678
Tangible fixed assets	221	14	4,631,180,454,297	4,647,200,173,487
Cost	222		8,849,592,609,347	8,565,736,011,269
Accumulated depreciation	223		(4,218,412,155,050)	(3,918,535,837,782)
Intangible fixed assets	227	15	881,592,644,765	931,370,124,191
Cost	228		2,429,875,116,377	2,432,289,024,377
Accumulated amortisation	229		(1,548,282,471,612)	(1,500,918,900,186)
Investment property	230	16	8,149,033,838	9,510,404,068
Cost	231		18,627,973,918	18,627,973,918
Accumulated depreciation	232		(10,478,940,080)	(9,117,569,850)
Long-term work in progress	240		695,176,928,834	335,804,947,727
Construction in progress	242	17	695,176,928,834	335,804,947,727
Long-term financial investments	250		249,391,858,906	249,391,858,906
Investment in an associate	252	9(b)	249,391,858,906	249,391,858,906
Other long-term assets	260		1,105,208,962,209	1,240,653,927,302
Long-term prepaid expenses	261	18	677,258,191,762	693,721,935,242
Deferred tax assets	262	19	218,739,002,228	307,834,994,481
Goodwill	269	20	209,211,768,219	239,096,997,579
TOTAL ASSETS (270 = 100 + 200)	270		30,635,996,870,524	30,204,150,159,141

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated balance sheet as at 30 June 2022 (continued)

Form B 01a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2022 VND	1/1/2022 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		11,380,685,529,304	13,198,456,221,760
Current liabilities	310		10,269,380,373,305	11,883,095,769,452
Short-term accounts payable to suppliers	311	21	1,108,682,553,633	1,573,394,388,394
Advances from customers	312		80,557,638,516	123,923,953,891
Taxes payable to State Treasury	313	22	298,128,958,177	435,805,128,698
Payables to employees	314		92,293,272,383	12,442,848,485
Accrued expenses	315	23	1,579,572,383,554	2,205,738,422,400
Other short-term payables	319	24(a)	265,803,307,805	53,139,673,454
Short-term borrowings	320	25(a)	6,814,534,487,260	7,445,112,961,981
Bonus and welfare funds	322		29,807,771,977	33,538,392,149
Long-term liabilities	330		1,111,305,155,999	1,315,360,452,308
Long-term accounts payable to suppliers	331	21	21,724,180,625	25,013,545,000
Other long-term payables	337	24(b)	32,272,262,373	32,854,954,310
Long-term borrowings	338	25(b)	845,118,958,918	1,063,617,618,895
Deferred tax liabilities	341	19	199,962,427,497	181,875,776,881
Long-term provisions	342		12,227,326,586	11,998,557,222
EQUITY (400 = 410)	400		19,255,311,341,220	17,005,693,937,381
Owners' equity	410	26	19,255,311,341,220	17,005,693,937,381
Share capital	411	27	7,267,938,180,000	7,267,938,180,000
- Ordinary shares with voting rights	411a		7,267,938,180,000	7,267,938,180,000
Share premium	412	27	3,560,554,240,858	3,560,554,240,858
Other capital	414		(265,775,657,006)	(265,775,657,006)
Treasury shares	415	27	(994,666,327,121)	(994,666,327,121)
Foreign exchange differences	417		5,117,410,204	6,989,018,595
Investment and development fund	418		22,731,972,844	22,731,972,844
Undistributed profits after tax	421		9,015,675,718,947	6,816,958,384,098
- Undistributed profits after tax brought forward	421a		6,816,958,384,098	1,390,102,896,693
- Undistributed profit after tax for the current period/prior year	421b		2,198,717,334,849	5,426,855,487,405
Non-controlling interests	429		643,735,802,494	590,964,125,113
TOTAL RESOURCES (440 = 300 + 400)	440		30,635,996,870,524	30,204,150,159,141

18 August 2022

Prepared by:


Phan Thi Thuy Hoa
Chief Accountant

Approved by:


Huynh Viet Thang
Chief Financial Officer


Nguyen Hoang Yen
Authorised Representative

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries

Consolidated statement of income for the six-month period ended 30 June 2022

Form B 02a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended 30/6/2022 VND	30/6/2021 VND
Revenue from sale of goods and provision of services	01	29	11,886,012,184,690	11,249,126,938,898
Revenue deductions	02	29	67,558,564,742	227,793,462,024
Net revenue (10 = 01 - 02)	10	29	11,818,453,619,948	11,021,333,476,874
Cost of sales and services	11	30	6,893,664,185,325	6,514,679,501,713
Gross profit (20 = 10 - 11)	20		4,924,789,434,623	4,506,653,975,161
Financial income	21	31	402,110,053,492	367,645,971,723
Financial expenses	22	32	191,968,683,451	117,743,817,045
<i>In which: Interest expense</i>	23		139,147,523,806	105,978,152,374
Share of profit in an associate	24	9(b)	13,296,085,000	13,296,085,000
Selling expenses	25	33	2,077,409,105,915	1,975,013,302,023
General and administration expenses	26	34	451,498,194,517	455,017,533,522
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		2,619,319,589,232	2,339,821,379,294
Other income	31		823,339,916	558,910,251
Other expenses	32		5,331,823,877	10,335,855,631
Results of other activities (40 = 31 - 32)	40		(4,508,483,961)	(9,776,945,380)
Accounting profit before tax (50 = 30 + 40)	50		2,614,811,105,271	2,330,044,433,914
Income tax expense – current	51	35	256,139,443,724	300,282,893,929
Income tax expense – deferred	52	35	107,182,642,869	17,880,620,147
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		2,251,489,018,678	2,011,880,919,838

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated statement of income for the six-month period ended 30 June 2022
(continued)

Form B 02a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended	
			30/6/2022 VND	30/6/2021 VND
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		2,251,489,018,678	2,011,880,919,838
Attributable to:				
Equity holders of the Company	61		2,198,717,334,849	1,963,635,641,482
Non-controlling interests	62		52,771,683,829	48,245,278,356
Earnings per share				
Basic earnings per share	70	36	3,071	2,770

18 August 2022

Prepared by:


Phan Thi Thuy Hoa
Chief Accountant

Approved by:


Huynh Viet Thang
Chief Financial Officer


Nguyen Hoang Yen
Authorised Representative



The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated statement of cash flows for the six-month period ended 30 June 2022
(Indirect method)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2022 VND	30/6/2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	2,614,811,105,271	2,330,044,433,914
Adjustments for			
Depreciation and amortisation	02	415,453,512,544	416,351,129,844
Allowances and provisions	03	34,059,470,121	53,088,339,024
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	29,479,310,329	1,608,561,618
Losses on disposals and written off of fixed assets	05	1,422,793,439	3,500,130,008
Interest income from investing activities	05	(390,083,548,205)	(361,989,680,880)
Share of profit in an associate	05	(13,296,085,000)	(13,296,085,000)
Interest expense and other financial expenses	06	140,584,023,802	107,388,296,987
Operating profit before changes in working capital	08	2,832,430,582,301	2,536,695,125,515
Change in receivables and other assets	09	(23,113,845,112)	24,691,919,237
Change in inventories	10	(451,372,737,099)	(323,643,784,857)
Change in payables and other liabilities	11	(967,854,582,436)	183,037,932,654
Change in prepaid expenses	12	14,819,434,771	22,711,807,457
		1,404,908,852,425	2,443,493,000,006
Interest and other financial expenses paid	14	(133,482,727,015)	(110,599,742,164)
Corporate income tax paid	15	(345,283,020,552)	(445,682,911,703)
Other payments for operating activities	17	(3,730,620,172)	(1,885,998,652)
Net cash flows from operating activities	20	922,412,484,686	1,885,324,347,487

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated statement of cash flows for the six-month period ended 30 June 2022
(Indirect method – continued)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2022 VND	30/6/2021 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(790,851,543,355)	(532,577,241,578)
Proceeds from disposals of fixed assets	22	1,340,506,033	667,167,500
Payments for granting loans	23	(95,000,000,000)	(90,000,000,000)
Placements of term deposits to banks and other investments	23	(8,277,143,000,000)	(1,029,600,000,000)
Receipts from collecting loans	24	-	18,170,000,000
Withdrawals of term deposits from banks and other investments	24	1,644,618,000,000	933,900,000,000
Receipts of interest and dividends	27	167,416,402,206	70,281,770,509
Net cash flows from investing activities	30	(7,349,619,635,116)	(629,158,303,569)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank borrowings	33	9,740,306,033,666	11,332,211,617,975
Payments to settle loan principals to banks	34	(10,610,229,412,093)	(11,806,928,680,116)
Payments of dividends	36	(9,752,730,600)	(185,278,906,500)
Net cash flows from financing activities	40	(879,676,109,027)	(659,995,968,641)
Net cash flows during the period (50 = 20 + 30 + 40)	50	(7,306,883,259,457)	596,170,075,277
Cash and cash equivalents at beginning of the period	60	13,013,125,962,658	3,818,494,309,952
Effect of exchange rate fluctuations on cash and cash equivalents	61	17,222,662	1,167,313,536
Currency translation differences	61	(3,113,604,444)	(4,601,669,745)
Cash and cash equivalents at end of the period (70 = 50 + 60 + 61)	70	5,703,146,321,419	4,411,230,029,020

The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Consolidated statement of cash flows for the six-month period ended 30 June 2022
(Indirect method – continued)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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NON-CASH INVESTING AND FINANCING ACTIVITIES

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Collection of loans receivable through net-off with dividends payable		- 3,002,982,502,500

18 August 2022

Prepared by:


Phan Thi Thuy Hoa
Chief Accountant

Approved by:


Huynh Viet Thang
Chief Financial Officer



Nguyen Hoang Yen
Authorised Representative



The accompanying notes are an integral part of these consolidated interim financial statements

Masan Consumer Corporation and its subsidiaries
Notes to the consolidated interim financial statements for the six-month period ended
30 June 2022

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

These notes form an integral part of and should be read in conjunction with the accompanying consolidated interim financial statements.

1. Reporting entity

(a) Ownership structure

Masan Consumer Corporation (“the Company”) is a joint stock company incorporated in Vietnam. The consolidated interim financial statements for the six-month period ended 30 June 2022 comprise the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in an associate.

(b) Principal activities

The principal activities of the Company are to trade in food products; trade in non-alcoholic drinks, mineral water; trade in home care products; advise and execute trade promotion activities and provide architectural and related technical consultancy services under Enterprise Registration Certificate No. 0302017440 issued by the Department of Planning and Investment of Ho Chi Minh City (“DPI”) on 31 May 2000 and its amendments.

(c) Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

Masan Consumer Corporation and its subsidiaries**Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***(d) The Group's structure**

As at 30 June 2022, the Company has 5 directly owned subsidiaries, 18 indirectly owned subsidiaries and 1 associate (1/1/2022: 5 directly owned subsidiaries, 18 indirectly owned subsidiaries and 1 associate). Information of the subsidiaries and an associate are described as follows:

No.	Name	Principal activities	Address	Percentage of economic interests		Percentage of voting rights	
				30/6/2022	1/1/2022	30/6/2022	1/1/2022
Directly owned subsidiaries							
1	Masan Food Company Limited	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
2	Masan Beverage Company Limited	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
3	Masan Consumer (Thailand) Limited ("MTH")	Trading and distribution	No. 83, 4 th Floor, Amnuay Songkhram Road, Tanon Nakornchaisri Sub-District, Dusit District, Bangkok, Thailand.	99.99%	99.99%	99.99%	99.99%
4	Masan HPC Company Limited	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
5	Masan Innovation Company Limited	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%

Masan Consumer Corporation and its subsidiaries

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

No.	Name	Principal activities	Address	Percentage of economic interests		Percentage of voting rights	
				30/6/2022	1/1/2022	30/6/2022	1/1/2022
Indirectly owned subsidiaries							
1	Masan Industrial One Member Company Limited	(i) Seasonings, convenience food manufacturing and packaging	Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam.	100%	100%	100%	100%
2	Viet Tien Food Technology One Member Company Limited	(i) Seasonings and bottled water manufacturing	Lot III-10, Street No. 1, Industrial Group III, Tan Binh Industrial Park, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
3	Masan PQ Corporation	(i) Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam.	99.99%	99.99%	99.99%	99.99%
4	Masan Long An Company Limited	(i) Seasonings, convenience food manufacturing and packaging	Hamlet 2, Thanh Hoa Commune, Ben Luc District, Long An Province, Vietnam.	100%	100%	100%	100%
5	Masan HD One Member Company Limited	(i) Convenience food and seasonings manufacturing	Lot 22, Dai An Industrial Park, Tu Minh Ward, Hai Duong City, Hai Duong Province, Vietnam.	100%	100%	100%	100%
6	Masan MB One Member Company Limited	(i) Seasonings, convenience food, packaging and beverage manufacturing	Area B, Nam Cam Industrial Park, Dong Nam Nghe An Economic Zone, Nghi Long Ward, Nghi Loc District, Nghe An Province, Vietnam.	100%	100%	100%	100%
7	Masan HG One Member Company Limited	(i) Seasonings, convenience food, packaging and beverage manufacturing	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam.	100%	100%	100%	100%

Masan Consumer Corporation and its subsidiaries

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

No.	Name	Principal activities	Address	Percentage of economic interests		Percentage of voting rights	
				30/6/2022	1/1/2022	30/6/2022	1/1/2022
8	Masan JinJu Joint Stock Company (“MSJ”) and its branch	(i), Convenience food manufacturing and trading, (vii) processed meat manufacturing	Factory F5, Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam. Lot CN-02, Dong Van IV Industrial Park, Dai Cuong Commune, Kim Bang District, Ha Nam Province, Vietnam.	74.99%	74.99%	74.99%	74.99%
9	Nam Ngu Phu Quoc One Member Company Limited	(i) Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam.	100%	100%	100%	100%
10	Masan HN Company Limited	(i) Seasonings, convenience food manufacturing and packaging	Lot CN-08 and CN-14, Dong Van IV Industrial Park, Dai Cuong Commune, Kim Bang District, Ha Nam Province, Vietnam.	100%	100%	100%	100%
11	VinaCafé Bien Hoa Joint Stock Company	(ii) Beverage manufacturing and trading	Bien Hoa Industrial Park I, Bien Hoa City, Dong Nai Province, Vietnam.	98.79%	98.79%	98.79%	98.79%
12	Vinh Hao Mineral Water Corporation	(ii) Beverage manufacturing and trading and packaging	Vinh Son Hamlet, Vinh Hao Commune, Tuy Phong District, Binh Thuan Province, Vietnam.	90.18%	90.18%	90.18%	90.18%
13	Quang Ninh Mineral Water Corporation	(ii) Beverage manufacturing and trading	No. 3A, Area 4, Suoi Mo, Bai Chay Ward, Ha Long City, Quang Ninh Province, Vietnam.	65.85%	65.85%	65.85%	65.85%



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No.	Name	Principal activities	Address	Percentage of economic interests		Percentage of voting rights	
				30/6/2022	1/1/2022	30/6/2022	1/1/2022
14	KronFa., JSC	(iii) Beverage manufacturing	Km 37, Highway 27, Tan Son Town, Ninh Son District, Ninh Thuan Province, Vietnam.	90.18%	90.18%	99.999%	99.999%
15	Café De Nam Joint Stock Company	(iv) Beverage manufacturing and trading	Lot C I.III-3+5+7, Long Thanh Industrial Park, Tam An Commune, Long Thanh District, Dong Nai Province, Vietnam.	96.59%	96.59%	97.77%	97.77%
16	NET Detergent Joint Stock Company	(v) Home care products manufacturing and trading	D4 Street, Loc An – Binh Son Industrial Park, Binh Son Commune, Long Thanh District, Dong Nai Province, Vietnam.	52.25%	52.25%	52.25%	52.25%
17	Hi-Fresh Company Limited	(vi) Trading and distribution	8 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
18	Joins Pro Professional Laundry Company Limited	(vi) Providing laundry services	8 th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
An associate							
1	Cholimex Food Joint Stock Company	(i) Seasonings manufacturing and trading	Lot C40 – 43/I, Street No. 7, Vinh Loc Industrial Park, Binh Chanh District, Ho Chi Minh City, Vietnam.	32.83%	32.83%	32.83%	32.83%

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- (i) These subsidiaries and an associate are indirectly owned by the Company through Masan Food Company Limited.
- (ii) These subsidiaries are indirectly owned by the Company through Masan Beverage Company Limited.
- (iii) KronFa., JSC is indirectly owned by the Company through Vinh Hao Mineral Water Corporation.
- (iv) Café De Nam Joint Stock Company is indirectly owned by the Company through VinaCafé Bien Hoa Joint Stock Company.
- (v) NET Detergent Joint Stock Company is indirectly owned by the Company through Masan HPC Company Limited.
- (vi) These subsidiaries are indirectly owned by the Company through Masan Innovation Company Limited.
- (vii) Masan JinJu Joint Stock Company (“MSJ”), a subsidiary indirectly owned by the Company, entered into a business cooperation contract (“the BCC”) with a related party to cooperate in manufacturing of processed meat for a period of 10 years. In which, MSJ will contribute to the BCC by cash for capital expenditure and working capital purposes. The related party will contribute the rights to use all of its land and related infrastructures. MSJ and the related party will share profits according to the agreed ratio between the parties in the BCC, but guarantee that the related party will receive a minimum profit sharing annually.

During the period, in accordance with the Resolution of the Company’s Shareholders in Annual General Meeting No. 01/2022/NQ-DHDCD-MSJ dated 28 April 2022, the shareholders approved the plan to merge the Company to MasanConsumerHoldings Company Limited, the parent company. As at the date of this report, the merger exercise has yet to taken place.

MTH is incorporated in Thailand. Other subsidiaries and the associate are incorporated in Vietnam.

As at 30 June 2022, the Group had 5,597 employees (1/1/2022: 6,049 employees).

2. Basis of preparation

(a) Statement of compliance

These consolidated interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

(b) Basis of measurement

These consolidated interim financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

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(c) Accounting period

The annual accounting period of the Group is from 1 January to 31 December. These consolidated interim financial statements are prepared for the six-month period ended 30 June 2022.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated interim financial statements presentation purposes.

3. Significant accounting policies

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated interim financial statements.

The accounting policies that have been adopted by the Group in the preparation of these consolidated interim financial statements are consistent with those adopted in the preparation of the latest consolidated annual financial statements.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated interim financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with shareholders. Prior to 1 January 2015, the difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in other capital under equity. From 1 January 2015, as a result of the adoption of Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance ("Circular 202"), such difference is recorded directly in undistributed profits after tax under equity.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of income. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the separate financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

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(vii) Business combinations under non-common control

Non-common control business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in consolidated balance sheet, then amortised through to the consolidated statement of income (Note 3(1)). When the excess is negative (gain from bargain purchase), it is recognised in the consolidated statement of income for the current period after a reassessment has been performed to ensure that the measurement of identifiable assets acquired, liabilities and contingent liabilities assumed and the cost of the business combination appropriately reflects consideration of all available information as of the acquisition date.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Company or its subsidiaries most frequently conduct transactions.

All foreign exchange differences are recorded in the consolidated statement of income.

(ii) Foreign operations

All assets and liabilities of foreign operations are translated to VND at the average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Company most frequently conducts transactions. Capital is translated into VND at historical exchange rate. Accumulated losses are derived from the translated net loss from which they were appropriated. Revenue, income and expenses, and cash flows of foreign operations during the period are translated into VND at the exchange rates which approximate actual exchange rates ruling on the date of transactions.

Foreign currency differences arising from the translation of foreign operation's financial statements to VND are recognised in the consolidated balance sheet under the caption "Foreign exchange differences" in equity.

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(c) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) Investments

(i) Trading securities

Trading securities are those held by the Group for trading purpose i.e. purchased for resale with the aim of making profits over a short period of time. Trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less interest income for the period before investment acquisition date and allowance for diminution in value. An allowance is made for diminution in value of trading securities if there is evidence that market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are those that the Board of Management of the Company or its subsidiaries has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks and loans receivable. These investments are stated at costs less allowance for doubtful debts.

(e) Accounts receivable

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and the estimated costs to sell.

The Group applies the perpetual method of accounting for inventories.

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(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	4 – 30 years
▪ leasehold improvements	3 – 5 years
▪ machinery and equipment	3 – 25 years
▪ office equipment	3 – 10 years
▪ motor vehicles	3 – 10 years

(h) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over their estimated useful lives ranging from 19 years to 50 years.

(ii) Software

Cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over their estimated useful lives ranging from 4 years to 10 years.

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(iii) Exploitation rights for mineral water resources

Expenditure on obtaining exploitation rights for mineral water resources is capitalised and treated as an intangible fixed asset. Amortisation is computed on a straight-line basis over their estimated useful lives ranging from 4 years to 30 years.

(iv) Brand name

Cost of acquiring a brand name is capitalised and treated as an intangible fixed asset and is amortised on a straight-line basis over the estimated useful lives of 10 years.

The fair value of brand name that is acquired by the Group on the acquisition of a subsidiary is recognised as an intangible fixed asset and amortised on a straight-line basis over their estimated useful lives ranging from 10 years to 30 years. The fair value of brand name acquired in a business combination is determined based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned.

(v) Customer relationships

The fair value of customer relationships that is acquired by the Group on the acquisition of a subsidiary is capitalised and treated as an intangible fixed asset. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of customer relationships is amortised on a straight-line basis over their estimated useful lives ranging from 5 years to 15 years.

(vi) Mineral water resources

The fair value of mineral water resources that is acquired by the Group on the acquisition of a subsidiary is capitalised and treated as an intangible fixed asset. The fair value of mineral water resources acquired in a business combination is determined using either the direct comparison method or the multi-period excess earnings method. The direct comparison approach estimates the value of mineral water resources by comparing recent asking/transacted price of similar interests located in the same area. In the multi-period excess earnings method, subject assets are valued after deducting a fair return on all the assets that are part of creating the related cash flows. The fair value of mineral water resources is amortised on a straight-line basis over their estimated useful lives ranging from 10 years to 37 years.

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(i) Investment property held to earn rental

(i) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its buildings, infrastructures and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management of the Company's subsidiary. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repair and maintenance cost, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

- buildings 20 – 25 years
- infrastructures 5 – 20 years

(j) Construction in progress

Construction in progress represents the costs of construction, machinery and equipment which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(k) Long-term prepaid expenses

(i) Prepaid land costs and infrastructure usage fees

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the terms of the leases from 42 years to 50 years.

Infrastructure usage fees are prepaid expenses incurred in connection with securing the use of infrastructure in the industrial park. These costs are amortised on a straight-line basis over the term of the contract for using the infrastructure of 47 years.

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(ii) Goodwill from equitisation

Goodwill arising from equitisation of the state-owned enterprise is recognised as long-term prepaid expenses. Goodwill arising from equitisation of the state-owned enterprise includes brand name value and potential development value. Brand name value is determined on the basis of actual costs incurred for creation and protection of trademarks, trade name in the course of the enterprise's operation for the period of five years before the valuation date (including establishment costs and expenditures on training, advertising and promotional activities incurred to promote and introduce the enterprise and its products and website costs, etc.). Potential development value is evaluated on the basis of profitability of the enterprise in the future taking into account the enterprise's profit ratio and interest rates of 5-year government bonds. Goodwill arising from equitisation of the state-owned enterprise is amortised on a straight-line basis over 10 years starting from the date of transformation from a state-owned enterprise into a joint stock company (date of business registration certificate to transform to joint stock company).

(iii) Tools and supplies

Tools and supplies also include assets held for use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of those assets are amortised on a straight-line basis over a period ranging from 2 years to 3 years.

(iv) Loan arrangement costs

Loan arrangement costs are initially recognised at cost and amortised on a straight-line basis over the terms of the related loans.

(1) Goodwill

Goodwill arises on the acquisition of subsidiaries and associates. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition of a subsidiary is written down to recoverable amount as management determines that it is not fully recoverable.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and is not amortised.

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(m) Accounts payable

Accounts payable to suppliers and other payables are stated at their costs.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.

(o) Equity

(i) *Share capital and share premium*

Ordinary shares are classified as equity. Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issuance of shares, net of tax effects. Such costs are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

(ii) *Other capital*

Equity movements resulted from common control business combination and acquisition of/disposal to non-controlling interests for the period before 1 January 2015 that do not result in a loss of control are recorded in other capital under equity.

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(iii) Repurchase and reissue of ordinary shares (treasury shares)

Before 1 January 2021

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

From 1 January 2021

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the Company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan. In all other cases, when shares recognised as equity are repurchased, their par value amount is recognised as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

This change in accounting policy has been applied prospectively from 1 January 2021 due to change in applicable laws and regulations on buying back shares.

(p) Taxation

Income tax on the consolidated profit or loss for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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(q) Revenue

(i) Sale of goods

Revenue from sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue from sale of goods is recognised at the net amount after deducting sale discounts stated on the invoice.

(ii) Rental income

Rental income from leased property under operating lease is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

(iii) Provision of services

Revenue from provision of services is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(r) Financial income and financial expenses

(i) Financial income

Financial income mainly comprises interest income from deposits at banks, loans receivable and other investing activities and foreign exchange gains.

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(ii) Financial expenses

Financial expenses mainly comprise interest expense on borrowings from banks, foreign exchange losses and other financial expenses.

Borrowing costs are recognised as an expense in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

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(s) Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense, over the term of the lease.

(t) Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segment. The Group’s primary format and secondary format for segment reporting are based on business segments and geographical segments, respectively.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise cash and cash equivalents and related income, investments and related income, loans and borrowings and related expenses, the Company’s headquarters corporate assets, general and administration expenses, income tax assets and liabilities and expenses, and items that are attributable to more than one segment and cannot reasonably be allocated to a segment.

(v) Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

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(w) Comparative information

Comparative information in these consolidated interim financial statements is presented as corresponding figures. Under this method, comparative information for the prior period is included as an integral part of the current period consolidated interim financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current period. Accordingly, the comparative information included in these consolidated interim financial statements is not intended to present the Group's consolidated financial position, consolidated results of operations or consolidated cash flows for the prior period.

The comparative information as at 1 January 2022 was derived from the balances and amounts reported in the Group's consolidated annual financial statements as at and for the year ended 31 December 2021. The comparative information for the six-month period ended 30 June 2021 was derived from the balances and amounts reported in the Group's consolidated interim financial statements as at and for the six-month period ended 30 June 2021.

4. Seasonality of operation

Total revenue of the Group typically increases in the fourth quarter of each year as distributors prepare for an anticipated increase in consumer demand in the months leading up to the Tet (Lunar New Year) holidays, which occur in the first quarter of each year. Accordingly, the Group typically increases the production of seasonings, convenience food and non-alcoholic drink products and also increases advertising and promotional efforts in the fourth quarter of each year during the period leading to the festive season.

5. Changes in accounting estimates

In preparing these consolidated interim financial statements, the Board of Management of the Company and its subsidiaries have made several accounting estimates. Actual results may differ from these estimates. There were no significant changes in accounting estimates compared to those made in the most recent consolidated annual financial statements or those made in the same interim period of the prior year.

6. Changes in composition of the Group

There were no other significant changes in the composition of the Group since the end of the last annual accounting period which affect the Group's consolidated interim financial statements for the six-month period ended 30 June 2022.

Masan Consumer Corporation and its subsidiaries**Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***7. Segment reporting****(a) Business segments**

The Group classified its business segments into four main business segments which are food, beverage, home care products and others. Food segment includes seasonings and convenience food. Others segment includes warehouse rental and others.

For the six-month period ended 30 June 2022

	Food (*) VND	Beverage (*) VND	Home care products (*) VND	Others VND	Consolidated VND
Total segment revenue – net	8,284,771,804,649	2,788,321,130,614	715,257,719,489	30,102,965,196	11,818,453,619,948
Segment gross profit	3,425,511,360,155	1,326,444,836,240	161,676,224,680	11,157,013,548	4,924,789,434,623
Segment results	1,949,751,683,965	755,322,262,089	16,540,923,951	11,157,013,548	2,732,771,883,553
Unallocated general and administration expenses					(323,593,664,362)
Financial income					402,110,053,492
Financial expenses					(191,968,683,451)
Net operating profit					2,619,319,589,232
Other income					823,339,916
Other expenses					(5,331,823,877)
Income tax expense					(363,322,086,593)
Net profit after tax					2,251,489,018,678

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- (*) The segment results of the Food, Beverage and Home care products included amortisation of goodwill amounting to VND29,885 million (for the six-month period ended 30 June 2021: VND43,824 million), amortisation of fair values of intangible fixed assets and long-term prepaid expenses arisen in business combinations amounting to VND27,546 million (for the six-month period ended 30 June 2021: VND56,626 million), depreciation of fair values uplift of tangible fixed assets arisen in business combinations amounting to VND1,058 million (for the six-month period ended 30 June 2021: VND1,334 million) and depreciation of fair values uplift of investment property arisen in business combinations amounting to VND571 million (for the six-month period ended 30 June 2021: VND1,713 million) during the period.

As at 30 June 2022

	Food VND	Beverage VND	Home care products VND	Consolidated VND
Segment assets	7,201,754,679,276	2,600,644,580,375	1,126,778,112,315	10,929,177,371,966
Unallocated assets				19,706,819,498,558
Total assets				30,635,996,870,524
Segment liabilities	1,502,258,705,452	705,607,822,111	245,772,943,440	2,453,639,471,003
Unallocated liabilities				8,927,046,058,301
Total liabilities				11,380,685,529,304

For the six-month period ended 30 June 2022

Capital expenditure	621,142,057,616	163,270,866,127	3,533,012,934	787,945,936,677
Unallocated capital expenditure				10,601,115,818
Depreciation of tangible fixed assets and investment property	245,516,509,539	77,818,651,394	12,761,738,629	336,096,899,562
Unallocated depreciation of tangible fixed assets				2,107,812,196
Amortisation of intangible fixed assets, goodwill and long-term prepaid expenses	22,977,151,336	42,151,736,586	17,791,904,575	82,920,792,497
Unallocated amortisation of intangible fixed assets and long-term prepaid expenses				24,970,132,930

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As at 1 January 2022	Food VND	Beverage VND	Home care products VND	Consolidated VND
Segment assets	6,341,562,475,475	2,380,405,361,900	1,168,414,276,152	9,890,382,113,527
Unallocated assets				20,313,768,045,614
Total assets				30,204,150,159,141
Segment liabilities	1,689,753,295,769	665,686,754,449	349,239,405,269	2,704,679,455,487
Unallocated liabilities				10,493,776,766,273
Total liabilities				13,198,456,221,760
For the six-month period ended 30 June 2021				
Capital expenditure	460,060,307,155	57,069,915,650	7,338,098,152	524,468,320,957
Unallocated capital expenditure				18,724,529,728
Depreciation of tangible fixed assets and investment property	203,380,646,582	77,361,246,965	13,368,593,489	294,110,487,036
Unallocated depreciation of tangible fixed assets				2,982,756,012
Amortisation of intangible fixed assets, goodwill and long-term prepaid expenses	28,968,396,406	85,027,014,113	18,004,249,039	131,999,659,558
Unallocated amortisation of intangible fixed assets and long-term prepaid expenses				21,205,241,624

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Details of unallocated assets and unallocated liabilities are as follows:

	30/6/2022	1/1/2022
	VND	VND
Cash and cash equivalents	5,703,146,321,419	13,013,125,962,658
Short-term financial investments	371,900,000,000	169,375,000,000
Accounts receivable – short-term	13,177,023,976,731	6,363,180,191,833
Inventories	55,161,115,419	84,546,762,234
Other current assets	18,964,574,674	9,717,113,785
Accounts receivable – long-term	31,674,827,896	215,103,634,496
Fixed assets	58,586,847,084	76,630,882,912
Construction in progress	10,386,239,209	10,944,649,442
Other long-term assets	279,975,596,126	371,143,848,254
	<hr/>	<hr/>
Unallocated assets	19,706,819,498,558	20,313,768,045,614
	<hr/>	<hr/>
Short-term accounts payable to suppliers	62,515,866,417	375,966,761,609
Advances from customers	54,665,247,588	108,633,849,041
Taxes payable to State Treasury	217,249,306,646	345,264,391,415
Payables to employees	40,293,567,858	-
Accrued expenses	449,357,192,614	952,033,223,417
Other short-term payables	239,223,996,416	21,272,183,034
Other long-term payables	4,125,007,087	-
Short-term borrowings	6,814,534,487,260	7,445,112,961,981
Long-term borrowings	845,118,958,918	1,063,617,618,895
Deferred tax liabilities	199,962,427,497	181,875,776,881
	<hr/>	<hr/>
Unallocated liabilities	8,927,046,058,301	10,493,776,766,273
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(b) Geographical segments

The Group operates in Vietnam and Thailand. The Thailand business is currently immaterial to the Group.

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8. Cash and cash equivalents

	30/6/2022 VND	1/1/2022 VND
Cash on hand	1,037,628,006	1,062,071,013
Cash at banks	185,616,533,413	106,263,891,645
Cash equivalents	5,516,492,160,000	12,905,800,000,000
	<hr/>	<hr/>
	5,703,146,321,419	13,013,125,962,658

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transaction dates.

9. Financial investments

	30/6/2022 VND	1/1/2022 VND
Short-term financial investments		
Held-to-maturity investments (a)	371,900,000,000	169,375,000,000
	<hr/>	<hr/>
Long-term financial investments		
Investment in an associate (b)	249,391,858,906	249,391,858,906

(a) Held-to-maturity investments – short-term

	30/6/2022 VND	1/1/2022 VND
Term deposits at banks	371,900,000,000	169,375,000,000

Held-to-maturity investments – short-term represented term deposits at banks with remaining terms to maturity of twelve months or less from the end of the accounting period.



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(b) Investment in an associate

	30/6/2022			1/1/2022		
	Number of shares	% of equity owned and voting rights	Carrying value under equity method VND	Number of shares	% of equity owned and voting rights	Carrying value under equity method VND
Cholimex Food Joint Stock Company (“CLX”)	2,659,217	32.83%	249,391,858,906	2,659,217	32.83%	249,391,858,906

The Group has not determined the fair value of the investment in an associate for disclosure in the consolidated interim financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair value of the investment in an associate may differ from its carrying amount.

During the period, the Group does not have any significant transactions with CLX. Please see Note 1(d) for principal activities of CLX.

Movements of carrying value of investment in an associate of the Group during the period were as follows:

	VND
Carrying value of investment in an associate at beginning of the period	249,391,858,906
Share of post-acquisition profit in an associate during the period	13,296,085,000
Post-acquisition dividends receivable from an associate	(13,296,085,000)
	<hr/>
Carrying value of investment in an associate at end of the period	249,391,858,906

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10. Accounts receivable from customers

	30/6/2022	1/1/2022
	VND	VND
Receivable from related parties	316,550,096,193	281,512,098,593
Receivable from third parties	194,631,716,062	319,443,276,934
	<hr/>	<hr/>
	511,181,812,255	600,955,375,527
	<hr/>	<hr/>

Please see Note 37 for detailed balances with the related parties. The trade related amounts due from related parties were unsecured, interest free and are receivable within 30 to 180 days from invoice date.

11. Short-term loans receivable

	30/6/2022	1/1/2022
	VND	VND
Short-term loan receivable from the parent company	4,181,581,871,592	4,086,581,871,592
	<hr/>	<hr/>

The loans receivable from the parent company were unsecured and earned annual interest at 6.5% (1/1/2022: 6.5% per annum) during the period. These loans mature in December 2022. Interest is receivable on the maturity date of loan agreements. Please see Note 37 for detailed balances with the related parties.

Masan Consumer Corporation and its subsidiaries**Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***12. Other receivables****(a) Other short-term receivables**

	30/6/2022	1/1/2022
	VND	VND
Non-trade amounts due from related parties:		
▪ Accrued short-term interest receivable (i)	2,303,134,919,595	2,170,989,684,747
▪ Other receivables from related parties (ii)	42,507,348,526	3,881,928,929
▪ Short-term deposits (iii)	11,427,694,211	-
Short-term deposits for other investments (iv)	6,430,000,000,000	-
Accrued interest receivable from other investments (iv)	107,584,109,586	-
Accrued interest receivable from deposits at banks	17,044,874,178	20,810,987,613
Other short-term deposits	13,147,164,600	8,854,769,665
Others	7,982,446,843	10,393,292,663
	<hr/>	<hr/>
	8,932,828,557,539	2,214,930,663,617
	<hr/>	<hr/>

(b) Other long-term receivables

	30/6/2022	1/1/2022
	VND	VND
Receivable from a business cooperation contract (v)	182,300,000,000	178,300,000,000
Advance profits to a related party (vi)	51,300,000,000	-
Long-term deposits	31,674,827,896	36,803,634,496
	<hr/>	<hr/>
	265,274,827,896	215,103,634,496
	<hr/>	<hr/>

- (i) This represented interest income receivable from loans provided to the parent company. Please see note 37 for further information.
- (ii) Other receivables from related parties were unsecured, interest free and are receivable on demand.
- (iii) Short-term deposits represented deposits placed with a related party for warehouse rental.
- (iv) As at 30 June 2022, these balances represented the amounts deposited to third parties under business cooperation contracts. According to these contracts, these third parties committed to pay the Group a minimum rate of return on the deposit amount of 6.0% per annum.

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- (v) In 2021, a subsidiary indirectly owned by the Company entered into a business cooperation contract (“the BCC”) with a third party to cooperate in manufacturing of raw fish sauce for a period of 5 years. In which, this subsidiary will contribute to the BCC by cash for capital expenditure purpose. The third party will contribute the rights to use all of its lands, factory, warehouse, machinery, equipment and related infrastructures. This subsidiary and the third party will share profits of the BCC according to the agreed ratio between the parties in the BCC.
- (vi) As at 30 June 2022, the balance represented the advanced profit sharing according to the BCC contract with the related party.

13. Inventories

	30/6/2022		1/1/2022	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	92,187,991,559	-	114,697,400,084	-
Raw materials	1,390,959,722,948	(11,855,655,990)	1,106,109,126,231	(9,029,744,993)
Tools and supplies	93,345,776,218	(7,160,691,512)	94,383,205,147	(6,666,874,874)
Work in progress	219,699,455,720	-	212,766,270,021	-
Finished goods	845,801,980,004	(10,201,240,691)	703,560,948,856	(21,957,636,542)
Merchandise inventories	43,689,965,112	-	49,905,358,456	-
Goods on consignment	15,968,020,242	-	11,125,234,882	-
	<u>2,701,652,911,803</u>	<u>(29,217,588,193)</u>	<u>2,292,547,543,677</u>	<u>(37,654,256,409)</u>

Movements of the allowance for inventories during the period were as follows:

	Six-month period ended	
	30/6/2022 VND	30/6/2021 VND
Opening balance	37,654,256,409	31,613,801,268
Increase in allowance during the period	34,181,256,096	66,400,152,922
Allowance utilised during the period	(42,267,368,973)	(32,396,865,983)
Written back	(350,555,339)	(11,223,350,677)
Closing balance	<u>29,217,588,193</u>	<u>54,393,737,530</u>

Included in inventories of the Group as at 30 June 2022 was VND29,218 million (1/1/2022: VND37,654 million) of slow-moving inventories.

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14. Tangible fixed assets

	Buildings and structures VND	Leasehold improvements VND	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Total VND
Cost						
Opening balance	2,585,591,651,533	59,361,231,666	5,791,378,365,050	103,391,322,611	26,013,440,409	8,565,736,011,269
Additions during the period	-	-	39,675,134,158	41,245,000	54,000,000	39,770,379,158
Transfer from construction in progress	120,859,793,124	-	160,038,582,856	1,464,610,193	1,459,768,398	283,822,754,571
Transfer to long-term prepaid expenses	-	-	(22,687,000)	-	-	(22,687,000)
Disposals	-	-	(39,364,506,924)	(349,341,727)	-	(39,713,848,651)
Closing balance	2,706,451,444,657	59,361,231,666	5,951,704,888,140	104,547,836,077	27,527,208,807	8,849,592,609,347
Accumulated depreciation						
Opening balance	641,117,403,141	59,361,231,666	3,139,921,757,056	65,181,809,112	12,953,636,807	3,918,535,837,782
Charge for the period	60,668,503,289	-	269,186,384,688	5,413,163,509	1,575,290,042	336,843,341,528
Transfer to long-term prepaid expenses	-	-	(16,475,081)	-	-	(16,475,081)
Disposals	-	-	(36,601,207,452)	(349,341,727)	-	(36,950,549,179)
Closing balance	701,785,906,430	59,361,231,666	3,372,490,459,211	70,245,630,894	14,528,926,849	4,218,412,155,050
Net book value						
Opening balance	1,944,474,248,392	-	2,651,456,607,994	38,209,513,499	13,059,803,602	4,647,200,173,487
Closing balance	2,004,665,538,227	-	2,579,214,428,929	34,302,205,183	12,998,281,958	4,631,180,454,297

Included in tangible fixed assets of the Group were assets costing VND1,174,174 million which were fully depreciated as of 30 June 2022 (1/1/2022: VND1,172,193 million), but which are still in active use.

As at 30 June 2022 and 1 January 2022, certain of the Group's tangible fixed assets were pledged with banks as security for loans granted to the Group (Note 25).

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15. Intangible fixed assets

	Land use rights VND	Software VND	Exploitation rights for mineral water resources VND	Brand name VND	Customer relationships VND	Mineral water resources VND	Total VND
Cost							
Opening balance	119,085,818,402	304,069,093,651	73,012,186,348	1,099,626,396,615	423,797,765,850	412,697,763,511	2,432,289,024,377
Other decrease	-	-	(2,413,908,000)	-	-	-	(2,413,908,000)
Closing balance	119,085,818,402	304,069,093,651	70,598,278,348	1,099,626,396,615	423,797,765,850	412,697,763,511	2,429,875,116,377
Accumulated amortisation							
Opening balance	44,008,389,581	237,936,708,605	27,294,637,064	664,592,381,519	387,884,991,481	139,201,791,936	1,500,918,900,186
Charge for the period	1,476,606,756	18,474,451,212	1,665,097,302	11,944,332,816	2,835,749,202	10,967,334,138	47,363,571,426
Closing balance	45,484,996,337	256,411,159,817	28,959,734,366	676,536,714,335	390,720,740,683	150,169,126,074	1,548,282,471,612
Net book value							
Opening balance	75,077,428,821	66,132,385,046	45,717,549,284	435,034,015,096	35,912,774,369	273,495,971,575	931,370,124,191
Closing balance	73,600,822,065	47,657,933,834	41,638,543,982	423,089,682,280	33,077,025,167	262,528,637,437	881,592,644,765

Included in intangible fixed assets of the Group were assets costing VND16,091 million which were fully amortised as of 30 June 2022 (1/1/2022: VND15,790 million), but which are still in active use.

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16. Investment property

	Buildings VND	Infrastructures VND	Total VND
Cost			
Opening balance and closing balance	18,016,283,093	611,690,825	18,627,973,918
Accumulated depreciation			
Opening balance	8,993,965,684	123,604,166	9,117,569,850
Charge for the period	1,330,006,976	31,363,254	1,361,370,230
Closing balance	10,323,972,660	154,967,420	10,478,940,080
Net book value			
Opening balance	9,022,317,409	488,086,659	9,510,404,068
Closing balance	7,692,310,433	456,723,405	8,149,033,838

The fair value of investment property held to earn rental has not been determined as there was no recent market transaction for similar property in the same location as the Group's investment property.

17. Construction in progress

	VND
Opening balance	335,804,947,727
Additions during the period	654,134,108,724
Transfer to tangible fixed assets	(283,822,754,571)
Transfer to long-term prepaid expenses	(10,939,373,046)
Closing balance	695,176,928,834

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Major constructions in progress at the end of the accounting period were as follows:

	30/6/2022 VND	1/1/2022 VND
Machinery and equipment	463,893,730,430	243,285,141,722
Buildings and structures	197,886,302,264	73,435,772,954
Others	33,396,896,140	19,084,033,051
	695,176,928,834	335,804,947,727

As at 30 June 2022 and 1 January 2022, certain of the Group's construction in progress were pledged with banks as security for loans granted to the Group (Note 25).



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18. Long-term prepaid expenses

	Prepaid land costs and infrastructure usage fees VND	Goodwill from equitisation VND	Tools and supplies VND	Loan arrangement costs VND	Total VND
Opening balance	581,657,350,058	12,537,484,616	82,359,461,690	17,167,638,878	693,721,935,242
Additions during the period	567,322,200	-	7,128,186,940	-	7,695,509,140
Transfer from construction in progress	-	-	10,939,373,046	-	10,939,373,046
Transfer from tangible fixed assets	-	-	6,211,919	-	6,211,919
Reclassification from short-term prepaid expenses	-	-	1,219,710,737	-	1,219,710,737
Amortisation for the period	(6,883,938,192)	(1,567,185,576)	(25,045,003,383)	(2,828,166,642)	(36,324,293,793)
Currency translation differences	-	-	(254,529)	-	(254,529)
Closing balance	575,340,734,066	10,970,299,040	76,607,686,420	14,339,472,236	677,258,191,762

As at 30 June 2022 and 1 January 2022, certain of the Group's long-term prepaid expenses were pledged with banks as security for loans granted to the Group (Note 25).

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19. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

	30/6/2022		1/1/2022	
	Deferred tax assets VND	Deferred tax liabilities VND	Deferred tax assets VND	Deferred tax liabilities VND
Accrued advertising, promotion and sale support expenses	115,274,249,227	-	180,862,498,139	-
Accrued logistic expenses	24,348,649,903	-	44,210,972,873	-
Accrued sale discounts	6,360,190,041	-	8,179,375,186	-
Other accruals, allowances and provisions	43,754,556,018	(26,287,558,552)	45,188,166,530	(2,389,920,606)
Unrealised profits	29,001,357,039	-	29,393,981,753	-
Investment property	-	-	-	(114,232,802)
Tangible fixed assets	-	(8,095,356,476)	-	(8,307,043,765)
Intangible fixed assets	-	(165,579,512,469)	-	(171,064,579,708)
	218,739,002,228	(199,962,427,497)	307,834,994,481	(181,875,776,881)

20. Goodwill

	VND
Cost	
Opening balance and closing balance	882,432,759,448
Accumulated amortisation	
Opening balance	643,335,761,869
Charge for the period	29,885,229,360
Closing balance	673,220,991,229
Net book value	
Opening balance	239,096,997,579
Closing balance	209,211,768,219

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21. Accounts payable to suppliers

	30/6/2022	1/1/2022
	Cost/Amount	Cost/Amount
	within payment	within payment
	capacity	capacity
	VND	VND
Payable to third parties	1,114,528,339,956	1,584,541,695,493
Payable to related parties	15,878,394,302	13,866,237,901
	1,130,406,734,258	1,598,407,933,394
In which:		
- Short-term	1,108,682,553,633	1,573,394,388,394
- Long-term	21,724,180,625	25,013,545,000
	1,130,406,734,258	1,598,407,933,394

Please see Note 37 for detailed balances with the related parties. The trade related amounts due to related parties were unsecured, interest free and are payable within 90 days from invoice date.

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22. Taxes payable to State Treasury

	1/1/2022 VND	Incurred VND	Paid VND	Deducted/ Refunded VND	Reclassified VND	30/6/2022 VND
Value added tax	128,423,184,305	1,783,533,083,899	(276,288,835,081)	(1,553,315,790,491)	-	82,351,642,632
Import-export tax	-	10,786,561,493	(10,786,561,493)	-	-	-
Corporate income tax	299,094,511,749	256,139,443,724	(345,283,020,552)	-	(104,990,545)	209,845,944,376
Personal income tax	6,441,382,978	122,229,613,317	(120,395,837,934)	(4,366,200,982)	-	3,908,957,379
Others	1,846,049,666	88,509,381,723	(88,333,017,599)	-	-	2,022,413,790
	435,805,128,698	2,261,198,084,156	(841,087,272,659)	(1,557,681,991,473)	(104,990,545)	298,128,958,177



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23. Accrued expenses

	30/6/2022	1/1/2022
	VND	VND
Advertising, promotion and sale support expenses	593,181,254,694	970,882,886,772
Purchases not yet received invoices	275,907,179,115	302,283,867,154
Bonus and 13 th month salary	172,467,495,767	346,187,672,006
Logistic expenses	126,843,181,177	227,570,445,613
Construction in progress	113,178,704,576	37,264,002,911
Exhibition expenses	72,044,237,686	55,083,462,548
Accrued information and technology expenses	32,999,600,840	44,463,680,096
Sale discounts	31,800,950,204	40,896,875,933
Accrued interest expense	24,668,416,607	19,104,815,092
Market research expense	4,751,149,310	6,449,000,000
Others	131,730,213,578	155,551,714,275
	<hr/>	<hr/>
	1,579,572,383,554	2,205,738,422,400
	<hr/>	<hr/>

24. Other payables

(a) Other short-term payables

	30/6/2022	1/1/2022
	VND	VND
Obligation to issue shares	221,892,678,100	-
Dividends payable	19,116,438,500	28,869,169,100
Trade union fee, social, health and unemployment insurances	10,650,997,717	12,163,836,136
Short-term deposits received	2,904,492,736	3,087,444,442
Profit sharing payable to a related party (*)	1,850,000,000	-
Others	9,388,700,752	9,019,223,776
	<hr/>	<hr/>
	265,803,307,805	53,139,673,454
	<hr/>	<hr/>

(*) The non-trade related amounts payable to a related party represented the minimum profit sharing under the BCC as described in Note 1(d)(vii). The amounts were unsecured, interest free and are payable on demand.

(b) Other long-term payables

	30/6/2022	1/1/2022
	VND	VND
Long-term deposits received	32,272,262,373	32,854,954,310
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25. Borrowings

(a) Short-term borrowings

	1/1/2022 Carrying amount/ Amount within repayment capacity VND	Movements during the period			30/6/2022 Carrying amount/ Amount within repayment capacity VND
		Addition VND	Decrease VND	Revaluation VND	
Short-term borrowings	7,030,093,844,618	9,641,084,082,540	(10,426,913,868,703)	20,846,243,729	6,265,110,302,184
Current portion of long-term borrowings	415,019,117,363	317,720,611,103	(183,315,543,390)	-	549,424,185,076
	7,445,112,961,981	9,958,804,693,643	(10,610,229,412,093)	20,846,243,729	6,814,534,487,260

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Annual interest rate	30/6/2022 VND	1/1/2022 VND
Short-term borrowings				
▪ Secured bank loans	VND	3.70% - 3.88%	198,355,162,946	66,008,519,318
▪ Unsecured bank loans	VND	3.00% - 4.50%	4,898,350,303,135	5,430,728,735,864
▪ Unsecured bank loans	USD	1.45% - 3.05%	1,168,404,836,103	1,533,356,589,436
			6,265,110,302,184	7,030,093,844,618

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(b) Long-term borrowings

	30/6/2022	1/1/2022
	VND	VND
Long-term borrowings	1,394,543,143,994	1,478,636,736,258
Repayable within 12 months	(549,424,185,076)	(415,019,117,363)
	<hr/>	<hr/>
Repayable after 12 months	845,118,958,918	1,063,617,618,895
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Terms and conditions of outstanding long-term borrowings were as follows:

	Annual	Year of	30/6/2022	1/1/2022
Currency	interest rate	maturity	VND	VND
Long-term borrowings				
▪ Secured bank loans	VND 4.50% - 7.13%	2022 - 2025	1,394,543,143,994	1,478,636,736,258
			<hr/>	<hr/>

The secured bank loans – long-term of the Group were secured over tangible fixed assets, construction in progress and long-term prepaid expenses of the Group with carrying amounts of VND831,860 million, VND21,465 million and VND36,386 million, respectively (1/1/2022: tangible fixed assets, construction in progress and long-term prepaid expenses of the Group with carrying amounts of VND852,747 million, VND32,939 million and VND36,807 million, respectively).

As at 30 June 2022 and 1 January 2022, the secured bank loans – short-term and long-term of the subsidiaries of the Group were also guaranteed by the Company.

During the period, the Group complied with the loan covenants on the above borrowings.

As at 30 June 2022 and 1 January 2022, the Group did not have any overdue borrowings including principal and interest.

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26. Changes in owners' equity

	Share capital VND	Share premium VND	Other capital VND	Treasury shares VND	Foreign exchange differences VND	Investment and development fund VND	Undistributed profits after tax VND	Non-controlling interests ("NCI") VND	Total VND
Balance as at 1 January 2021	7,267,938,180,000	3,710,767,704,992	(265,775,657,006)	(1,640,252,631,255)	13,495,754,932	22,731,972,844	4,583,857,861,595	590,221,573,510	14,282,984,759,612
Net profit for the period	-	-	-	-	-	-	1,963,635,641,482	48,245,278,356	2,011,880,919,838
Dividends	-	-	-	-	-	-	(3,189,572,181,000)	-	(3,189,572,181,000)
Increase of economic interests in subsidiaries	-	-	-	-	-	-	(15,279,402,069)	15,279,402,069	-
Appropriation to bonus and welfare funds	-	-	-	-	-	-	(4,182,783,902)	(3,822,216,102)	(8,005,000,004)
Currency translation differences	-	-	-	-	(4,038,069,887)	-	-	(9,412)	(4,038,079,299)
Balance as at 30 June 2021	7,267,938,180,000	3,710,767,704,992	(265,775,657,006)	(1,640,252,631,255)	9,457,685,045	22,731,972,844	3,338,459,136,106	649,924,028,421	13,093,250,419,147
Balance as at 1 January 2022	7,267,938,180,000	3,560,554,240,858	(265,775,657,006)	(994,666,327,121)	6,989,018,595	22,731,972,844	6,816,958,384,098	590,964,125,113	17,005,693,937,381
Net profit for the period	-	-	-	-	-	-	2,198,717,334,849	52,771,683,829	2,251,489,018,678
Currency translation differences	-	-	-	-	(1,871,608,391)	-	-	(6,448)	(1,871,614,839)
Balance as at 30 June 2022	7,267,938,180,000	3,560,554,240,858	(265,775,657,006)	(994,666,327,121)	5,117,410,204	22,731,972,844	9,015,675,718,947	643,735,802,494	19,255,311,341,220



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27. Share capital, share premium and treasury shares

The Company's authorised and issued share capital were as follows:

	30/6/2022		1/1/2022	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	726,793,818	7,267,938,180,000	726,793,818	7,267,938,180,000
Treasury shares				
Ordinary shares	10,915,388	994,666,327,121	10,915,388	994,666,327,121
Shares currently in circulation				
Ordinary shares	715,878,430	7,158,784,300,000	715,878,430	7,158,784,300,000
Share premium		3,560,554,240,858		3,560,554,240,858

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. All rights of shares bought back by the Company are suspended until those shares are reissued.

Share premium represents the excess of the proceeds on issuance of shares over their par value.

There were no movements of shares currently in circulation during the period.

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28. Off balance sheet items

(a) Lease commitments

The future minimum lease payments under non-cancellable operating leases were as follows:

	30/6/2022	1/1/2022
	VND	VND
Within 1 year	135,399,467,491	161,732,899,181
Within 2 to 5 years	82,920,264,335	96,279,675,413
More than 5 years	339,359,665,354	289,982,680,106
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	557,679,397,180	547,995,254,700
	<hr/>	<hr/>

(b) Capital expenditure commitments

The Group had the following outstanding capital commitments approved but not provided for in the consolidated balance sheet:

	30/6/2022	1/1/2022
	VND	VND
Approved and contracted	867,440,429,015	546,592,450,245
Approved but not contracted	831,311,152,860	730,449,369,103
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	1,698,751,581,875	1,277,041,819,348
	<hr/>	<hr/>

(c) Foreign currencies

	30/6/2022		1/1/2022	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	961,851	22,249,863,258	221,857	5,025,075,872
EUR	207	4,958,324	213	5,597,207
THB	104,985,481	67,085,718,045	47,731,914	31,741,718,594
		<hr/>		<hr/>
		89,340,539,627		36,772,391,673
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29. Revenue from sale of goods and provision of services

Total revenue represented the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised of:

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Total revenue		
▪ Sale of goods	11,841,320,490,413	11,207,282,948,006
▪ Other sales	44,691,694,277	41,843,990,892
	<hr/>	<hr/>
	11,886,012,184,690	11,249,126,938,898
Less revenue deductions		
▪ Sale discounts	40,965,809,785	183,046,307,829
▪ Sale returns	26,592,754,957	44,747,154,195
	<hr/>	<hr/>
	67,558,564,742	227,793,462,024
Net revenue	<hr/>	<hr/>
	11,818,453,619,948	11,021,333,476,874

30. Cost of sales and services

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Total cost of sales and services		
▪ Goods sold	6,816,820,468,942	6,402,235,425,016
▪ Other cost of sales	43,013,015,626	57,267,274,452
▪ Allowance for inventories	33,830,700,757	55,176,802,245
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	6,893,664,185,325	6,514,679,501,713

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31. Financial income

	Six-month period ended	
	30/6/2022 VND	30/6/2021 VND
Interest income from loans provided to a related party	132,145,234,848	214,590,554,643
Interest income from deposits at banks and other investments	257,938,313,357	147,399,126,237
Foreign exchange gains	12,026,505,287	5,656,290,843
	402,110,053,492	367,645,971,723

32. Financial expenses

	Six-month period ended	
	30/6/2022 VND	30/6/2021 VND
Interest expense on borrowings from banks	139,147,523,806	105,978,152,374
Foreign exchange losses	35,686,883,351	5,968,772,214
Borrowing costs	1,436,499,996	1,410,144,613
Others	15,697,776,298	4,386,747,844
	191,968,683,451	117,743,817,045

33. Selling expenses

	Six-month period ended	
	30/6/2022 VND	30/6/2021 VND
Advertising, promotion and sale support expenses	1,287,957,576,823	1,263,001,447,453
Logistic expenses	402,618,637,019	359,564,679,347
Staff costs	268,822,392,229	246,816,891,752
Exhibition expenses	61,264,453,647	52,871,672,815
Leased line system and information technology services	22,807,516,915	18,770,999,200
Marketing research expense	6,814,275,057	12,746,081,568
Others	27,124,254,225	21,241,529,888
	2,077,409,105,915	1,975,013,302,023



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34. General and administration expenses

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Staff costs	217,421,714,047	191,788,764,580
Leased line system and information technology services	48,259,220,451	47,223,893,928
Research and development expenses	35,465,472,751	21,330,946,672
Office rental	34,303,399,718	32,961,212,380
Amortisation of goodwill	29,885,229,360	43,823,943,738
Depreciation and amortisation of fair value uplift of fixed assets, long-term prepaid expenses and investment property arising in business combination	29,175,986,468	59,673,266,299
Depreciation and amortisation of fixed assets	23,332,318,722	22,374,330,395
Others	33,654,853,000	35,841,175,530
	<hr/>	<hr/>
	451,498,194,517	455,017,533,522
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35. Income tax

(a) Recognised in the consolidated statement of income

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Current tax expense		
Current period	225,838,277,622	299,965,451,720
Under provision in prior periods	30,301,166,102	317,442,209
	<hr/>	<hr/>
	256,139,443,724	300,282,893,929
Deferred tax expense		
Origination and reversal of temporary differences	107,182,642,869	17,880,620,147
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Income tax expense	363,322,086,593	318,163,514,076
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(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Accounting profit before tax	2,614,811,105,271	2,330,044,433,914
Tax at the Company's income tax rate	522,962,221,054	466,008,886,783
Tax losses utilised	(155,050,399)	(277,817,125)
Effect of incentive tax rates in subsidiaries	(208,182,935,573)	(162,421,690,257)
Effect of share of profit in an associate	(2,659,217,000)	(2,659,217,000)
Non-deductible expenses	4,454,593,355	6,385,806,840
Under provision in prior periods	30,301,166,102	317,442,209
Effect of amortisation of goodwill	5,977,045,874	8,764,788,748
Change in unrecognised deferred tax assets (*)	10,624,263,180	2,045,313,878
	363,322,086,593	318,163,514,076

(*) Deferred tax assets have not been recognised in certain subsidiaries because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits therefrom.

(c) Applicable tax rates

The Company has an obligation to pay corporate income tax to the government at usual income tax rate of 20% of taxable profits.

The Company's subsidiaries enjoy various tax incentives which provide some subsidiaries with further tax incentives.

(d) Tax contingencies

The taxation laws and their application in Vietnam are subject to interpretation and change over time as well as from one tax office to another. The final tax position may be subject to audit by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Vietnam that are substantially more significant than in other countries. The Board of Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, including transfer pricing requirements and computation of corporate income tax. However, the relevant authorities may have differing interpretations and the effects could be significant.

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36. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share for the six-month period ended 30 June 2022 was based on the profit attributable to ordinary shareholders of the Company after deducting the amounts appropriated to bonus and welfare funds for the period, of VND2,198,717 million (for the six-month period ended 30 June 2021: VND1,963,636 million) and a weighted average number of ordinary shares outstanding of 715,878,430 (for the six-month period ended 30 June 2021: 708,793,818 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Net profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds	2,198,717,334,849	1,963,635,641,482

(ii) Weighted average number of ordinary shares

	Six-month period ended	
	30/6/2022	30/6/2021
Issued ordinary shares at the beginning of the period – currently in circulation/Weighted average number of ordinary shares during the period – currently in circulation	715,878,430	708,793,818

(iii) Basic earnings per share

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Basic earnings per share	3,071	2,770

(b) Diluted earnings per share

As at 30 June 2022 and 1 January 2022, the Company did not have any potential ordinary shares, therefore the presentation of diluted earnings per share is not applicable.

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37. Significant transactions and balances with related parties

During the period and as at the period/year end, the Group had the following transactions and balances with its related parties:

Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		Six-month period ended 30/6/2022 VND	30/6/2021 VND	30/6/2022 VND	1/1/2022 VND
Ultimate parent company					
Masan Group Corporation	Sale of goods	55,756,814	47,529,455	38,012,561	5,739,999
	Management fee	1,001,886,300	1,822,481,038	3,431,971,409	2,430,085,109
Parent company					
Masan Consumer Holdings Company Limited	Loans provided	95,000,000,000	90,000,000,000	4,181,581,871,592	4,086,581,871,592
	Collection of loans by cash	-	18,170,000,000	-	-
	Collection of loans through net-off with dividends payable	-	3,002,982,502,500	-	-
	Interest income receivable from loans	132,145,234,848	214,590,554,643	2,303,134,919,595	2,170,989,684,747
	Dividends declared	-	3,021,089,152,500	-	-
	Dividends paid by cash	-	18,106,650,000	-	-
Associate					
Cholimex Food Joint Stock Company	Post-acquisition dividends received	13,296,085,000	13,296,085,000	-	-
Other related parties					
Masan Master Brewer Company Limited	Sale of goods	690,526	947,232	223,252	-

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Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		Six-month period ended 30/6/2022 VND	30/6/2021 VND	30/6/2022 VND	1/1/2022 VND
Masan Brewery PY One Member Company Limited	Sale of goods	24,362,971	21,250,239	8,409,177	-
Masan Brewery Distribution One Member Company Limited	Sale of goods	290,267,774	50,346,241	-	-
	Purchase of goods	4,522,925,597	865,597,590	(5,696,000)	-
	Management fee	18,541,237,386	17,854,686,694	40,442,167,657	25,645,053,000
Masan Brewery HG One Member Company Limited	Sale of goods	2,836,231,207	21,002,393	3,097,670,884	-
	Purchase of goods and services	1,145,499,378	511,500,000	(340,857,680)	(300,217,500)
	Management fee	38,348,311	1,132,843,084	2,907,127,252	2,868,778,941
Masan Brewery MB Company Limited	Management fee	714,524,676	-	714,524,676	-
	Deposits	11,427,694,211	-	11,427,694,211	-
MML Farm Nghe An Company Limited	Sale of goods	-	75,792,465	-	-
	Management fee	378,273,269	1,145,578,474	402,964,859	1,600,876,379
Masan MEATLife Corporation	Sale of goods	16,728,182	68,673,981	4,359,273	2,800,001
	Management fee	17,855,641,435	5,534,722,859	17,855,641,435	3,460,908,168
MEATDeli Saigon Company Limited	Sale of goods and services	1,030,231,196	295,071,299	635,473,529	114,244,571
	Purchase of goods	15,024,568,828	21,910,050,015	(2,430,976,258)	(3,300,454,639)
	Management fee	3,394,067,914	2,207,168,477	3,556,933,978	3,575,300,853



Masan Consumer Corporation and its subsidiaries

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		Six-month period ended 30/6/2022 VND	30/6/2021 VND	30/6/2022 VND	1/1/2022 VND
MEATDeli HN Company Limited	Sale of goods and services	23,597,668,589	671,081,840	4,317,383,759	510,203,536
	Prepayment for purchase of goods	87,120,034,297	281,683,695	87,120,034,297	-
	Purchase of goods and services	37,499,677,035	6,997,006,637	(6,311,272,776)	(3,541,747,791)
	Purchase of fixed assets	161,372,550,562	-	(1,333,132,134)	-
	Management fee	1,918,296,986	3,624,066,200	(1,132,322,500)	5,377,861,008
	Minimum profit sharing incurred	4,550,000,000	-	(1,850,000,000)	-
	Advance minimum profit sharing	54,000,000,000	-	51,300,000,000	-
3F VIET Food Company Limited	Sale of goods and services	810,337,274	908,882,456	658,740,833	1,284,042,751
	Purchase of goods	24,338,314,800	9,066,747,340	(4,074,118,500)	(5,747,520,000)
	Management fee	186,942,990	-	190,757,886	-
3F VIET Joint Stock Company	Sale of goods	2,086,838	24,399,003	-	-
	Purchase of goods	3,014,682,100	-	(2,334,629,660)	-
Nui Phao Mining Company Limited	Sale of goods	702,544,205	604,929,153	207,915,036	80,359,849
	Management fee	646,956,702	603,657,889	1,512,186,781	865,230,079
Wincommerce General Commercial Services Joint Stock Company	Sale of goods	579,611,003,522	426,124,391,052	274,223,585,866	236,713,736,562
	Purchase of goods and services	67,575,338,279	25,410,312,657	(331,022,824)	(833,797,971)
	Purchase of fixed assets	-	133,282,065	-	-
	Payment in advance for purchase of goods	100,161,000	-	100,161,000	-
	Office rental support fee	11,257,500,962	8,775,000,000	163,017,368	-
	Settlement discount and other sale support payable	11,908,018,689	4,316,688,961	-	-
	Other receivables	-	-	17,000,000	124,280,000

Masan Consumer Corporation and its subsidiaries

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		30/6/2022 VND	30/6/2021 VND	30/6/2022 VND	1/1/2022 VND
Wineco Agricultural Investment Development and Production Limited Liability Company	Sale of goods	-	1,952,273	-	-
	Purchase of goods	2,876,455,000	1,766,260,000	(874,435,000)	(142,500,000)
	Office rental support fee	405,516,408	225,000,000	81,916,922	-
Phuc Long Heritage Joint Stock Company	Sale of goods	7,610,581,528	-	1,340,542,104	858,806,716
	Purchase of goods	10,190,451	-	-	-
	Management fee	1,197,033,900	-	1,197,033,900	-
Mobicast Joint Stock Company	Purchase of services	690,065,608	-	(18,633,970)	-
The Surpa Corporation	Sale of goods	33,896,720	-	24,832,310	-
Agro Nutrition International Joint Stock Company (*)	Sale of goods	-	56,596,640	-	-
	Management fee	-	970,162,210	-	-
MNS Feed Tien Giang Company Limited (*)	Sale of goods	-	5,112,473	-	-
	Management fee	-	458,694,819	-	-
MNS Feed Thai Nguyen Company Limited (*)	Sale of goods	-	28,404,690	-	-
	Management fee	-	570,316,600	-	-
MNS Feed Vinh Long Company Limited (*)	Management fee	-	155,333,798	-	-
MNS Feed Hau Giang Company Limited (*)	Sale of goods	-	5,112,473	-	-
	Management fee	-	466,290,622	-	-

Masan Consumer Corporation and its subsidiaries

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		30/6/2022 VND	30/6/2021 VND	30/6/2022 VND	1/1/2022 VND
MNS Feed Nghe An Company Limited (*)	Sale of goods Management fee	-	34,834,955 742,306,754	-	-
Vietnamese – French Cattle Feed Joint Stock Company (*)	Sale of goods Management fee	-	299,960,196 2,751,083,593	-	-
Proconco Can Tho One Member Company Limited (*)	Sale of goods Management fee	-	434,872,180 1,137,938,517	-	-
Conco Binh Dinh Co., Ltd (*)	Sale of goods Management fee	-	9,643,263 694,091,665	-	-
Proconco Hung Yen Manufacturing and Trading Company Limited (*)	Sale of goods Management fee	-	5,150,909 98,003,747	-	-
Key management personnel	Remuneration to key management personnel (**)	46,622,672,986	40,496,178,856	-	-

As at 30 June 2022 and 1 January 2022, the Company and its subsidiaries had current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank, a related party, at normal commercial terms.

(*) As at 1 December 2021, there was a change in control which resulted in these companies were not the related parties of the Group from 1 December 2021.

(**) No board fees were paid to members of the Board of Directors of the Company for the six-month periods ended 30 June 2022 and 2021.


38. Post balance sheet events

In July 2022, the Company's Board of Directors approved the plan for the issuance of shares to its employees under employees stock ownership plan ("ESOP") at VND85,000 per share after obtaining shareholders' approval at the Annual General Meeting of Shareholders in April 2022. As at the reporting date, the issuance of its shares has been completed.

There have been no other significant events occurred after the balance sheet date which would require adjustments or disclosures to be made in these consolidated interim financial statements.

18 August 2022

Prepared by:


Phan Thi Thuy Hoa
Chief Accountant

Approved by:


Huynh Viet Thang
Chief Financial Officer


Nguyen Hoang Yen
Authorised Representative



