



The journey
We take

ANNUAL REPORT 2022

2022 SCORECARD



NET PROFIT AFTER TAX
IN 2022

5,533

VND billion



TOTAL ASSETS AS OF
31 DECEMBER 2022

33,517

VND billion



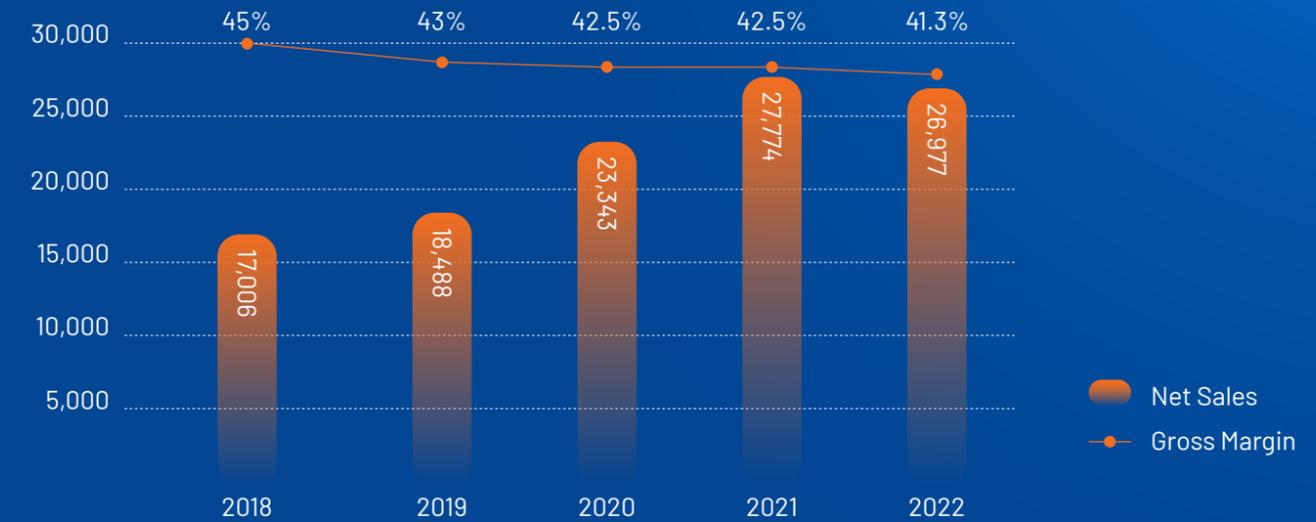
CASH ON HAND AS OF
31 DECEMBER 2022 (*)

5,790

VND billion

(*) Including cash and cash equivalents and more-than-3-month term deposits

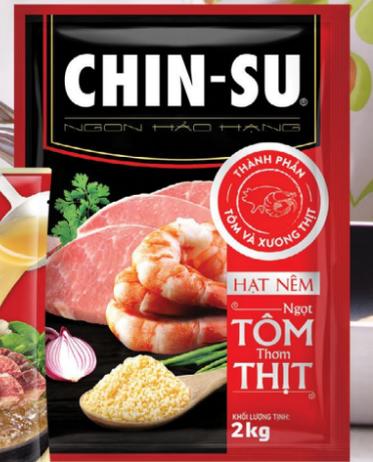
NET SALES (VND BILLION) AND GROSS MARGIN (%)



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OUR STORY



Our Story



To improve the spiritual and material lives of Vietnamese consumers each and every day

Masan Consumer (the “Company” and “Masan” and “MSC”) is one of Vietnam’s leading food and beverage companies and have recently entered into the home and personal care (“HPC”) space. At Masan Consumer, our business commitment is **“to improve the spiritual and material lives of Vietnamese consumers each and every day”**. We are true to our commitment as we are a consumer-centric company that provides innovative solutions to solve consumers’ daily basic needs with quality and affordable staple products while also introducing more premium products to service our consumers as Vietnam develops. Our belief in the potential of serving Vietnamese consumers, along with their growing demands, concerns, interests and tastes have been with us since the beginning and are reflected in everything we do.

We have been particular successful serving rural consumers, where nearly 70% of Vietnamese population resides. In the spirit of journeying with our consumers who are becoming more affluent and are urbanizing, we are also growing the fastest in the modern retail channel. Being everywhere for our consumers is important to Masan because half of their daily spending is on goods such as meat, food and beverage, but often they receive subpar product quality. We want to remedy this situation and satisfy their “big unmet needs” with trusted products. This is a huge opportunity for business growth as well as creating long-term value for all stakeholders.

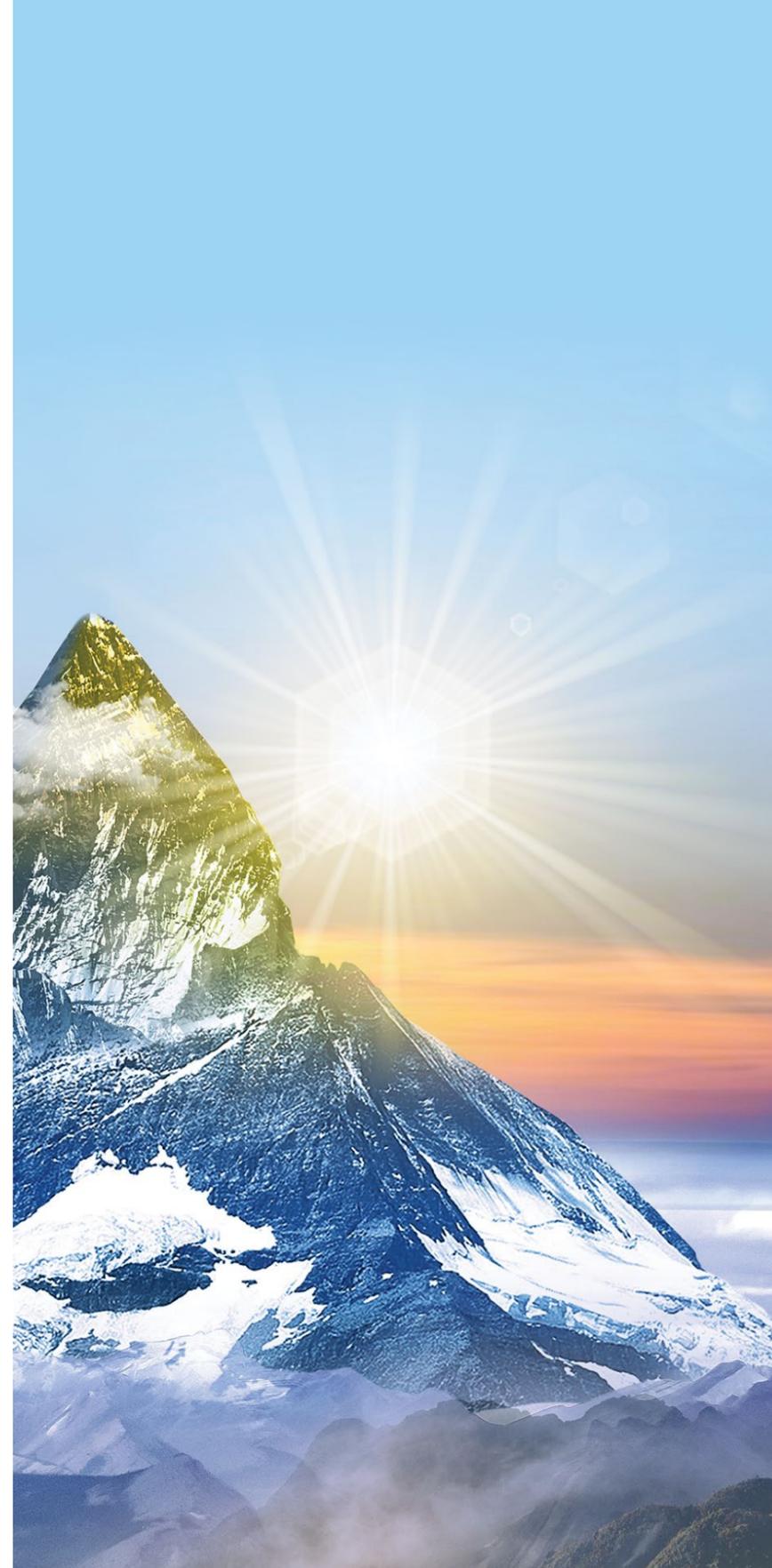
Our history and track record give us reasons to believe in our ability to better serve and expand our consumer base successfully. Founded in 1996, Masan Consumer quickly became a market leader in the domestic food and beverage industry after

transitioning away from an export model. Today, Masan Consumer is a billion-dollar revenue business with a diverse portfolio of trusted brands and products in the fast-moving consumer goods (“FMCG”) sector. Our products include soy sauce, fish sauce, chili sauce, convenience foods, congee, sausage, instant coffee, cereals, bottled beverages, and HPC products. We also have an extensive distribution network in Vietnam. As a result, **98% of Vietnamese households have at least one Masan product** (Kantar Worldpanel).

In 2022, we have continued to grow our portfolio of offerings with healthy, breakthrough innovations and high-quality products across a wide range of price points.



Today, Masan Consumer is a billion-dollar revenue business with a diverse portfolio of trusted brands and products in the fast-moving consumer goods (“FMCG”) sector.



OUR 2025 VISION

We envision:

- To be a leading consumer player in Vietnam in terms of sales, profits and brand recognition;
- To address daily needs of 100 million Vietnamese consumers;
- To attract top talents and to be recognized as one of Vietnam’s best workplaces and become a hallmark of quality and pride of Vietnamese.

2025 OBJECTIVES

- 12 brands ranked No.1 in different FMCG categories
- Average revenue growth of over 20% per annum during the period of 2022-2025
- Top 3 best place to work in Vietnam by 2025.

Our Story *(continued)*

OUR JOURNEY IS THE CONSUMERS' JOURNEY

Our execution strategy is to:

Exceptional Execution

- » Build power brands, that are loved and trusted; brands that are top-of-mind for consumers and game-changers;
- » Deliver on new innovations, launch new and essential products for consumer's daily basic needs. In 2022, we introduced 30 initiatives to our product pipeline;
- » For categories where we are already the market leader, up-trade consumers in the economy segment to mainstream and premium segments with value-added innovations;
- » Invest in technology and human resource to strengthen research and development capabilities, allowing us to develop in alignment with the latest market and consumer trends. We want to deliver new and innovative products that are accessible at every price point;
- » Boost coverage and product availability through improvements in our distribution system, building it into the distribution system of the future for consumer goods in Vietnam;
- » Uphold our "3A" mantra of Affordability, Availability and Assurance of Quality. It's easier to deliver on two of the three A's but being able to fulfill all 3A's makes Masan unique;
- » Grow our beverage business to ensure 50:50 revenue contribution from food and beverage by 2025; and
- » Be the employer of choice and a place where entrepreneurial talent is nurtured and developed.

We have a disciplined financial strategy. We:

Financial discipline

- » Follow the strategy of "Becoming a company owning the leading technology platform", in order to best manage sales and control costs, promoting sales growth and profit as well as offering more benefits to consumers.
- » Focus on opportunities where we can achieve 30%+ gross margins, allowing us to invest in building power brands and innovations that can add value to our consumers.
- » Prioritize allocation for brand building efforts to ensure sustainable growth.



Our Story (continued)

PLATFORM FOR BREAKTHROUGH GROWTH

Building Power Brands

We have transformed our branded food and beverage platform to become a market leader across many different categories with strong brand equity. Our approach to organically develop or acquire power brands which are trusted by consumers is in line with our belief in focusing on consumer's daily basic needs. Our seasonings and coffee products are market leaders in their respective categories, while in instant noodles, we are the number one player in the premium segment. We have a fast-growing beverages business due to our strong brands in the energy drinks category.

We develop strong brands by leveraging our deep understanding of the Vietnamese consumers and implementing multinational practices, resulting in what we believe is an unrivaled portfolio. In a largely price-driven market, we take pride in being able to transform products that were once seen as commodities, into distinct brands that can command customer loyalty across different price points and meet the diverse needs of Vietnamese consumers.

Masan Consumer's key brands include Chin-Su, Nam Ngu, Tam Thai Tu, Omachi, Kokomi, Heo Cao Boi, Vinacafé, Wake-Up, Wake-Up 247, Compact Cherry, Vinh Hao, Vivant, Lemona and Quang Hanh, many of which have been ranked, for many years, as the fastest growing and most chosen brands by Vietnamese consumers. In 2022, Masan Consumer has launched Chanté brand, an eight-in-one liquid detergent, and Homey brand, a premium dishwashing liquid which are positively welcomed by consumers.

At the end of 2022, Masan Consumer had five brands with sales over VND2,000 billion, proud to be leading brands in large product categories.

Brands with revenue of over VND2,000 billion in 2022



Our Story (continued)

REACHING NEW HEIGHTS – LEADING THE WAY WITH INNOVATIONS



In 2022, our Researching and Development (R&D) team launched more than 30 new products.

Our trademarks are always associated with the innovations that provide consumers with practical values. In 2022, our Researching and Development (R&D) team launched more than 30 new products with many breakthrough products that have left a strong impression on Vietnamese consumers.

Convenience foods sector continued to maintain its leading position as successfully launching Omachi Instant Cold Noodles Apple Sauce product which is the result of long-term research by Korean experts to produce a first generation of cold noodles with unique taste. Omachi Instant Noodles of Thai Hot Pot Sour and Shrimp flavor with innovative design and new flavor promises to be a breakthrough in sour and spicy flavored noodle products. Kokomi Noodles Mixed with Green Mango and Shrimp has also created a strong reputation thanks to its natural and unique flavor, enriching mixed noodle products on the market. In addition, Chin-Su Foods brand with the kit of 7 breakfast products which have been comprehensively upgraded, providing the consumers with more choices for an interesting and nutritious breakfast. For processed meat category, we have unveiled new innovations to create new consumption trends, enriching snack products. We have received positive feedback through our pork and chicken jerky products. In addition, sausage product line has also introduced a new taste with Heo Cao Boi Shake Sausage flavored grilled meat and cheese.

As a core product category, seasonings category with its leading the market share and outstanding profit margin, continued to launch many new products. Chin-Su Ca Com Bien Dong 720 high-end fish sauce has a unique production process, full of Vietnamese flavors. New generation of Tam Thai Tu soy sauce with the kit of three products for Dipping, Stir-Frying, and Frying is an innovation in taste, processing, and image, affirming its leading position. Besides, the spicy

and delicious Chin-Su chili sauce has marked its first steps in the journey to conquer international taste. The product has been officially present on international e-commerce site to bring Vietnamese foods to consumers around the world with diverse product lines such as original chili sauce, Pho chili sauce, Chi Thien chili sauce and Truffle chili sauce.

Soft drinks, coffee, nutritious food and drinks categories in 2022 were focused on improving production efficiency and optimizing new production lines to create quality products with affordable prices. Energy drink products such as Compact flavored green apple and kiwi have been developed to provide more choices for the youth. In addition, Vinacafé product has been improved to meet the local tastes, best serving the consumer nationwide.

Personal care products which were launched in the market have motivated and opened opportunities for Masan to go further in this segment. LaPetal whitening and antibacterial shower gel products have been launched and promised to achieve success in the coming time. Chanté high-end and Sopa laundry detergents are the first product focusing on bringing high-end smell for clothes. In addition, Super Net laundry powder and detergent with smart cleaning technology, removing not only dirty but also killing virus, allowing consumer to have peace of mind when their clothes are comprehensively cleaned.

In 2023, with our focus on consumption behaviors and habits, researching the increasing demand of consumers, coordinating with the leading international experts and deeply investing in human resources, we believe that R&D will always be a pioneer in finding new initiatives and leaving a strong impression on consumers with delicious, nutritious and convenient products with affordable prices.

Our Story *(continued)*

REACHING NEW HEIGHTS – LEADING THE WAY WITH INNOVATIONS *(Continued)*

Being Everywhere for Everyone

Masan Consumer operates one of the largest food and beverage distribution networks in Vietnam, providing significant competitive advantages such as the ability to deliver our products to customers efficiently, while minimizing logistics costs. This is critical as nearly 70% of Vietnam's population is still rural and the retail sector continues to be led by general trade. However, in 2020, the shift from general trade to modern traded accelerated, driven by the Covid-19 pandemic and the general urbanization trend. We believe we are well positioned to benefit from this consumer trend as we are part of The CrownX Corporation, the consumer-retail platform of Masan Group Corporation. The CrownX is the owner of one of Vietnam's largest modern retailers, WinCommerce General Commercial Services Joint Stock Company ("WCM", operators of WinMart supermarkets and WinMart+ minimarkets). While we do not benefit from more favorable terms, we do achieve wider availability and can sharpen our strategy to gain share in the modern trade channel in general.

As a result, Masan Consumer is now one of the few companies in Vietnam that covers all of the various food and beverage distribution channels. We have grown our points of sale to approximately 300,000 of which 194,000 carry all product lines produced and sold by Masan Consumer with nearly 2,700 salesmen. This vast network reflects the strength of our distribution network in rural areas, where we have the strongest coverage and route-to-market strategies and also gives us greater speed to market for new product launches and promotional initiatives.

We are a "one-stop" solution for nearly 196 distributors, 100 stores and 188 stores specializing in sales of beer and 20L Vinh Hao water bottles, respectively, as our wide product portfolio caters to daily Vietnamese needs, allowing us to have loyal and close relationships with these distributors. Furthermore, our strategically located distribution centers provide us with the ability to distribute food and beverage products within a single day to each distributor nationwide. This also gives us the unique capability to test new products efficiently and cost-effectively across Vietnam. This strong network can also be leveraged to help us grow our new category, HPC.

Due to the Covid-19 pandemic as well as the changing shopping habits of the many consumers, we have gradually established an ecommerce platform and aim to expand it significantly in 2022. This platform allows us to promote online distribution so that products can be delivered to consumers anywhere with the shortest lead time.

With the merger of WCM and our direct parent company, Masan Consumer Holdings, to establish The CrownX Corporation, we are now part of a consumer retail platform with more than 3,000 retail locations. However, we do not expect to receive any special commercial advantages over other FMCG peers as we believe it is important for our products to be able to stand and win on their own. However, we will at least be able to ensure the availability of our products in more types of channels and gain some insight into consumer behavior to better serve them.

Best-in-Class Facilities



We believe that the quality of products and services play a very important role in developing brand and attracting consumers. This belief motivates Masan Consumer to continuously research, invest and apply high-tech facilities and modern automatic equipment to reduce labor cost and power consumption, meeting the requirements of production, maintaining the Company's competitiveness as well as providing Vietnamese consumers with premium products.

2022 was a challenging and difficult year because of the slow recovery after Covid-19 pandemic, the impact of Russia - Ukraine prolonged war, leading to rising inflation, reducing consumption and tightening spending, the global increase in raw materials and equipment prices and prolonged shipment time from 1.5 to 3 times that in 2020 and before. However, thanks to the efforts of all leaders and employees, we have turned challenges into opportunities to find solutions for cost and time savings to ensure investment efficiency and produce high quality products with the most affordable prices.

New production lines which were invested in 2021-2022 were completed and put into operation on schedule in 2022. To meet the increasing consumption of chili sauce, especially at HORECA channel, we have upgraded chili sauce production line into automation with capacity of 30 tons to 35 tons per day. In addition, production line of B'fast nutritious milk has been upgraded to capacity of 12-12.5 million of boxes per month. Processed meats are the key product of Masan Consumer. Meat processing plant in Ha Nam with the capacity of

over 14,000 tons/year for pasteurized and sterilized sausage. Chicken and pork jerky production lines with capacity of 210 tons/year have also been operated throughout, providing a large volume of goods to the market to meet the needs of consumers.

In 2023, we continue to invest in factories and production lines to quickly complete and put them into use to meet market demand on new products. For examples, B'fast fruit milk production line that can produce both nut milk and cocoa milk with a capacity of 12-12.5 million boxes/month is expected to be completed in the first quarter of 2023 for nut milk and cocoa production and in the third quarter of 2023 for fruit milk. We continue to improve capacity of chili sauce production line No.3 at Binh Duong factory to 2,400 tons/month. This work is expected to complete in the third quarter of 2023. In addition, new products of seasonings such as mayonnaise, satay, cooking sauce, etc., beverage (canned) and personal care such as shower gel, facial cleanser, shampoo, etc. are being prepared and implemented to meet the Company's 2023 business goals.

Besides, Masan Consumer is active in using clean energy through our projects such as replacing forklifts at factories by electricity-powered ones; Inviting investment in rooftop solar power at factories in the South with the goals of saving power costs and environmental friendliness.

“*We believe that the quality of products and services play a very important role in developing brand and attracting consumers.***”**

Our Story (continued)

REACHING NEW HEIGHTS – LEADING THE WAY WITH INNOVATIONS (Continued)



The “Consumer-Centric” Team

Masan Consumer is led by a team of professionals, comprised of both foreign and local talents with a track record of building sustainable businesses and iconic brands in emerging markets. Many of our team members are also shareholders, resulting in our entrepreneurial culture and “can do” attitude. To continue building on our success, Masan will do its best to become Vietnam’s most preferred place to work and build a passionate culture that puts consumers first.

In accordance with our talent-centric strategy, we believe that the most valuable asset of the company is our people. We are proud to be one of the best companies to work for in Vietnam and have long-term vision to become an attractive place for talented people to build their future. Our mission is not only to improve the lives of consumers but also to develop the country’s next generation of business leaders. To do this, our Human Resources (“HR”) Department plans to focus on four areas:

- » Building a robust and professional human resource function to serve both Masan’s immediate and future development;
- » Building a compensation strategy to ensure rewards are linked strongly to performance and potential for growth. We want people who contribute to our success to experience great financial achievement. This is why we are also committed to creating opportunities for our employees to invest in their future;
- » Building an effective, simple and practical HR management system so employees can unlock their potential to contribute to the growth of the organization; and
- » Building a winning culture where talented people can work together in successful teams while also developing leadership and winning spirit.



In accordance with our talent-centric strategy, we believe that the most valuable asset of the company is our people.

In 2022, HR achieved the following:

- » Continued to develop the “HR business partner/specialist” model and a capable team to understand and contribute to the Company’s operational activities;
- » Consistently applied “Performance Management” procedures to all departments and subsidiaries. In 2022, 5,211 employees took part in this “Performance Management” program;
- » Became an employer that attracts and nurtures aspiration and talents. In 2022, Masan Consumer attracted 15 management personnel from other famous enterprises in the market (both multinational and domestic ones). In addition, together with member companies, we have initially deployed “Marketing Young Talents” and “Masan Young Entrepreneurs” program providing many career opportunities for young people possessing high potential to be trained and developed to become future leaders;
- » Through internal evaluation, we discovered promising internal talents. The Company has designed a training, development and nurturing program for these talents following a 70-20-10 model, ensuring a seamless succession plan for key executive roles. Applying this model for the staff facilitated both the learning professional skills and the sharing of experiences from current managers with immersion in practical work. In 2022, there were 379 promotions for those who met work requirements;
- » Under the “Connecting with Universities” program, we participate in “Career Talk – Career Orientation” events for seniors at universities, such as University of Technology, University of Economics, Hong Bang University, University of Technology and Education, Foreign Trade University.

Moreover, we organized online consulting seminars in which senior managers in each department share and orient for nearly 2,000 students on both professional knowledge and actual working experience in a dynamic and developing environment like Masan;

- » In 2022, we arranged 508 training courses, with 84,561 hours of training through seminars with curriculum in line with the practices and the requirements of Masan for 8,993 employees, including senior management. Programs focused on developing and building a team inheriting potential, courage, and confidence to undertake assigned tasks.
- » Marking the milestone of the Company’s 20 years serving Vietnamese consumers (from 18 December 2002 to 18 December 2022), in addition to the production and business, the Company has organized many activities for several months to connect employees such as cooking contest using Chin-Su seasonings, music performance nationwide, week of administration team joining business team to serve consumers, celebration to honor employees with excellent contribution in the past 20 years, young employees’ engagement to accompany the Company in the future.
- » Masan Consumer is committed to becoming a place where professionals are warmly welcomed and supported to reach their potential. Only with this commitment can our long-term goal as a company be reached in a sustainable manner.



Masan will do its best to become Vietnam’s most preferred place to work.

Doing well by doing good



Masan Consumer is one of the leading FMCG companies in Vietnam. We are committed to improving the spiritual and material lives of our Vietnamese consumers by making quality staple products that are affordable and widely available.

In this spirit, we have strived to consistently implement sustainable business practices to ensure all stakeholders can benefit from our business operations. As with any other businesses of Masan Group, our parent company, Masan Consumer views sustainability as an integral part of our strategy. Not only do we believe in making staple products that brings value to our consumers, we also aim to contribute to society and the environment in the process.

INNOVATION

Product Innovation

Of all the values that founded Masan, the belief in “Doing well by doing good” has been our guide to channel our passion for the greater good. At Masan Consumer, “doing good” means more than just corporate social responsibility (“CSR”). It is our fundamental responsibility to improve the material and spiritual lives of Vietnamese through our products and innovations.

We usually ask ourselves: “How do we offer daily essentials to Vietnamese consumers for half the price? How can children in rural areas receive the same nutritional food products as their counterparts in the cities? How do we bridge the productivity gap between Vietnam and the rest of the world?”

With those questions, we keep challenging ourselves to bring the best to consumers, demonstrated by many of our successful innovations. Through economies of scale, we can make our products at affordable price points across different market segments and invest into the latest technology.

Please refer to our product innovation in the section “Reaching New Heights – Leading The Way with Innovations” for more details.

Procurement Management

Our main production materials are the ingredients of our food products and packing materials. The principal raw materials used in production are flour, cooking oil, coffee, sugar, fish sauce, anchovies, meat, vegetables, dehydrated vegetables, soybean, mineral water additives and other condiments. In addition, packaging materials such as plastic bottles, glass, carton boxes, paper labels, paper-based cups/bowls and composite membranes, are also significant components in the production cost of our products.

Expenditures of imported raw material and raw material with imported origin take up to 70% of our total material cost. To ensure the quality and traceability of all our raw materials, we have certificates of origin, analysis, non-genetic modification of plant-based materials. Local suppliers must have controlled system of quality, hygiene safety, animal quarantine and good agriculture practice. Suppliers whose long-term performance record with us demonstrates reliability over time are considered “approved suppliers” and will continue to be engaged under annual contracts.

2022 was a challenging year with many fluctuations due to the war between Russia and Ukraine and high increase in freight affecting supply sources of materials. In addition to strictly complying with material quality standards, ensuring produce traceability, we have always followed the market closely and managed risks to ensure QUALITY – QUANTITY – REASONABLE COST.

Beside Hedging to ensure stable production costs, we always aim to cooperate with strategic suppliers, jointly following the market under “win-win” principle. In addition, we apply technology to operation process to ensure accurate and transparent information between departments and suppliers such as eOffice and Website booking for suppliers.

Masan Consumer believes that a network of domestic, regional and global strategic partners and suppliers will ensure the Company will not depend on any one supplier for its requirements. The quality and stable supply of input raw materials are key to delivering high product quality to our consumers.

Safety

Our employees are our value asset. We are committed to the well-being of our employees, which is reflected by our safety track record. We are responsible for providing our employees with sufficient protective equipment, occupational safety and hygiene, and comfortable working conditions in the work- place. We have also conducted extensive workshops to train employees our positive safety habits not only for work, but also for their daily activities.

In 2022, despite difficult production, we provided 34,857 hours of training on labor safety, firefighting, first-aid, food hygiene, etc. for more

than 8,268 employees. In addition to training to improve knowledge, our factories have upgraded transmission equipment, installed new machines, modern production lines and renovated factories to improve the safety conditions for our employees.

Our facilities conform to HACCP processing standards, and have obtained ISO 9001 (Quality Management System), ISO 22000 (Food Safety Management System) and SA8000 (Social Accountability Systems Certifications), and BRC, FSSC, HALAL, ISO 14001, ISO 45001 (Occupational Health and Safety Management Systems) certifications.

Doing well by doing good (Continued)

TALENT SUSTAINABILITY

Masan Consumer Corporation has

5,211
employees

All of Masan achievements came from the Company's greatest asset - our employees. We are committed to recruiting and developing the best talents in the industry. We treat our employees as partners and create an inclusive and diverse environment to foster a strong and winning culture.

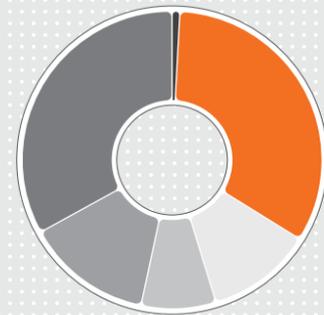
As a result, we are proud to be one of the best places to work in Vietnam. Our purpose has always been to improve the material and spiritual lives of Vietnamese consumers and this includes our

valued employees. Our job offers provide steady income and contribute to social development, both on a local and national scale.

As of 31 December 2022, Masan Consumer Corporation has 5,211 employees, of which 3,329 are males (64%) and 1,882 are females (36%). The team is well-trained with high qualifications.

Masan Consumer's employees are classified as follows:

Qualification	Quantity	Percentage
● Post graduate	52	1%
● University graduate	1,829	35.1%
○ College graduate	578	11.1%
○ Intermediate college graduate	438	8.4%
○ High school graduate	610	11.7%
● Secondary school graduate	1,704	32.7%



Note: Majority of employees having qualification from intermediate college or lower include employees working as direct employees of factories, warehouses, or as points of sale promotion employees, drivers or working in janitorial positions.



We treat our employees as partners and create an inclusive and diverse environment to foster a strong and winning culture.



Today, we have facilities operating in 10 provinces in Vietnam, including Ho Chi Minh City, Phu Quoc Binh Duong, Dong Nai, Binh Thuan, Ninh Thuan, Nghe An, Hai Duong, Hau Giang and Quang Ninh. In order to foster development at local levels, we always prioritize recruiting local human resources and intensively train our staff to meet ever-changing business demands.

Doing well by doing good (Continued)

TALENT SUSTAINABILITY (Continued)

Our human resources policies comply with the Labor Code and are designed to ensure the best working environment for our employees:

Working regulations The Company is committed to creating working opportunities for employees through business growth and market share expansion. Masan Consumer manages its human resources proactively and is also committed to creating favorable working conditions for employees to develop and be promoted throughout their careers. In order to provide employment for about 5,211 employees, the Management Board is committed to growing the business by expanding the Company's business lines, seeking new customers, partnering with new domestic and foreign partners, and expanding its addressable market;

Annual leave, holidays and Tet holiday Employees are entitled to paid holidays and Tet holiday in accordance with the Labor Code. Employees who have worked for the full year will be entitled to 12 days of annual leave;

Working conditions Masan Consumer's working offices are periodically enlarged and renovated, equipped with modern equipment, and fully provided with labor protection equipment. The Company commits to establishing a professional, friendly working environment for all employees so that they can be fully productive and creative;

Salary regulations Employees are remunerated based on their pay grade, capabilities, position, Company's salary scale, and the Company's business performance. The Company pays a lot of attention to the income levels and living conditions of its employees;

Bonus regulations In order to motivate employees to contribute their best to the Company, we also pay out periodic bonuses annually for individuals and teams who have outperformed. Such bonuses, given to those who have demonstrated value, encourage employees to provide their best effort and take initiatives to optimize results, to innovate, save costs and enhance the Company's competitiveness. Masan Consumer's ESOP program is also a way to recognize and reward outstanding employees, especially in manufacturing and sales.

Insurance and welfare The Company adequately provides social insurance and medical insurance for all employees. In addition, the Company provides 24/24 accident insurance for its employees, as well as health insurance for executives and above in order for them to receive care from local and leading international hospitals operating in Vietnam.

HR policies Our HR policies help attract and retain the best talents in the industry.

Recruitment

The objective of the Company's HR policy is to attract talent to grow our business. This requires the Company to have set expectations and qualifications for its various positions. However, all employees must meet basic requirements such as having relevant qualifications and background, being dynamic, enthusiastic and creative. For senior or critical positions, the Company has a more stringent set of criteria, which includes working experience, analytical skills, management skills, and foreign language proficiency, etc. We are also interested in hiring senior professionals from outside to supplement our human resources and to ensure our competitiveness.

Training

Masan Consumer invests in training and professional development of its employees. We always aim to create favorable conditions for employees to take part in internal and external training courses to improve their existing capabilities and learn new skills in order to meet the current and future requirements of the Company. At the same time, Masan Consumer subsidizes all costs related to approved training courses including training salary and rewards for employees who do well in their learning. Programs and contents of training courses are specifically designed to be suitable to each position and the need of employees in skill and professional training, thus, not only meeting the requirements of the Company and the expectation of employees but also gradually building next generation of leaders for the Company;

Retain talents

Our approach to retaining talents is clearly defined: We foster experience and leadership, create a performance-based culture, supplement technical and soft skills and ensure our people's well-being. We also have long-term plans to prepare our best employees for future executive roles through rigorous training sessions.

ENVIRONMENT SUSTAINABILITY

20%
of their area for trees and plants

At Masan, we care about our environmental footprint. We aim to ensure green practices across our all of our operations, which we believe can be achieved without sacrificing business performance. Thorough waste treatment and sustainable resource usage are critical parts of our decision-making process and operations across all of our businesses, from the manufacturing of consumer products to processing minerals. Whenever a new project is under development, we take into account any potential adverse impact to the environment to develop mitigation and compliance plans before groundbreaking.

Our businesses are subject to relevant Vietnamese national and local environmental laws and regulations, which require taking preventative measures; monitor and protect environment. We regularly carry out environment monitoring, factory machinery inspecting, fire prevention and closely cooperate with government office in checking and reporting periodically. During the production process, sanitary/industrial sewage from our plants are strictly handled in accordance with national and international regulations. To comply with current regulations, we have applied modern wastewater treatment practices which adhere both local and international regulatory standards. If possible, we also recycle wastes, including solid, liquid, and gaseous ones.

Our Legal and Compliance department and our Safety, Health, and Environment department are responsible for nationwide compliance and monitoring of environmental laws and regulations.

In addition, the technical department of each of our operating subsidiaries carries out sample testing of waste discharge on a periodic basis to monitor compliance with relevant environmental laws and regulations. We believe we are in full compliance in all material respects with applicable environmental regulations in Vietnam. In addition, we are subject to strict standards imposed on us by our international customers and the foreign regulatory bodies that regulate imported products.

In 2022, we focused on developing technical solutions to continuously improve upstream wastewater treatment systems, gas treatment systems to ensure that the test results always meet the operating capacity of the Wastewater Treatment Systems and comply with Vietnam's environmental laws. In addition, our major facilities have dedicated 20% of their area for trees and plants to provide greener and friendlier workplaces for our employees.

We have also successfully upgraded our Occupational Health and Safety Management Systems, from ISO 18000 to ISO 45001, while further upholding ISO 14001 environmental standards to improve management efficiency.



Therefore, we believe that our Company is a leading enterprise in the country with regards to environmental standards.



We aim to ensure green practices across our all of our operations, which we believe can be achieved without sacrificing business performance.

Water

One of our key priorities with regards to environmental protection is the preservation of our water resources. With the help of technology, we are able to monitor our water usage and replenish water sources more efficiently than ever before.

We aim to be the best in the areas of wastewater treatment, demonstrated by our investment in advanced water treatment technology and constant monitoring of any potential environmental hazard to the surroundings.

We have invested in Dutch-designed wastewater treatment systems at production facilities in Binh Duong, Hai Duong and Nghe An. All discharged water samples comply with Vietnam's highest standard of class "A".

Masan Consumer's monitoring system reports online and on a real-time basis to the Department of Natural Resources and Environment of Binh Duong, the first company in Vietnam to do so.

Clean & Renewable Energy

Global climate is witnessing unprecedented changes, as traditional energy sources are dwindling but demand for energy for manufacturing and domestic consumption is ever increasing. As a result, we focus on reducing our carbon footprint with energy-saving and resource optimization initiatives.

At Masan Consumer, we have implemented at all key factories the "Idea for energy saving" program, which encompasses:

- » Optimizing our processes to minimize our energy usage, such as utilizing our heat waste in our frying and pasteurizing processes, avoiding heat changing processes, and applying energy saving technologies;

- » Training employees to develop habits to use less electricity by cleaning and maintaining machinery frequently to optimize energy usage, saving water and recycling; and

- » Using biogas created from husk and sawdust to generate energy in our facilities. Biogas is not only a cost-effective energy source but also create jobs for local people.

In 2022, we used more than 102 million tons of steam generated from diesel oil or biomass boilers and used 45 million of KW of electricity. We believe these ideas are essential in improving factory efficiency and preserving natural resources.

Doing well by doing good (Continued)

CORPORATE SOCIAL RESPONSIBILITY

Community Enhancement

At Masan Consumer, many of our sustainable initiatives are to empower people and support them in times of need. We try to bring about positive social changes and share with all stakeholders the value of sustainable growth and development.

Responding to the “For the national sea and islands – For the fatherland frontline” campaign by the Vietnam Fatherland Front Central Committee in HCMC in 2022, Masan Consumer has donated VND5 billion to sponsor the meaningful activities of VFF such as “Directly visit and encourage people and soldiers in Truong Sa Island, DK1 Platforms and other islands in the Southwest of Vietnam”; “Build a multi-purpose cultural house on Thuyen Chai B Island valued at VND40 billion”; “Visit, encourage and presented gifts to training units for new soldiers enlisted in 2022”; “Organize Border Loving (Nghia Tinh Bien Cuong) program, perform fresh water works in border areas, give solidarity houses to ethnic minorities in border areas in

central provinces”; “Give scholarships and living means for households with difficult circumstance in communes and towns with sea border in Can Gio District”, and other meaningful activities.

On 2th October 2022, a very heavy rain occurred in Ky Son, a mountain district in Nghe An Province, causing a historical flood in Ta Ca Commune and other communes. The flood also caused losses and damages for more than 100 households and authority offices in Ta Ca Commune. Sharing difficulties with the people and the authorities in the locality, Masan Consumer and Nghe An Public Security have jointly visited and presented gifts and cash valued up to VND1 billion.

In December 2022, Ho Chi Minh City Farmers Association organized “Tet of Love – Year of the Cat” program to raise funds serving social security for more than 4,000 members who are the poor farmers, near-poor farmers and households in difficult circumstances in HCMC with total estimated budget of VND10.21 billion. Accompanying this program, Masan Consumer has contributed VND2 billion to share with local authorities in giving the people a warm and full Tet holiday.

Responding the program of Tet sharing with the people in remote areas, on 09 January 2023, Masan Consumer and Nghe An People’s Committee jointly visited and presented gifts to 600 households in 3 mountain districts i.e. Tuong Duong, Quy Hop and Tan Ky. The Company has given more than VND400 billion in gifts and cash.



Masan Consumer is always looking for opportunities to improve public health through practical and meaningful activities.



Healthcare

Masan Consumer is always looking for opportunities to improve public health through practical and meaningful activities.

In 2022, Masan Consumer continued to accompany Ho Chi Minh City Sponsoring Association for Poor Patients in eye surgery program for 1,000 cataract cases with difficult circumstance in Ham Tan District, Binh Thuan Province and Vinh Thuan District, Ha Tien City, Kien Giang Province. This is the 5th consecutive year that Masan accompanies and supports public health programs such as heart surgery for children with congenital heart disease and eye surgery for patients with difficult circumstance in Ho Chi Minh City and other provinces in the South.

Doing well by doing good (Continued)

AWARDS



Our commitment to sustainable business practices over the years have led to third party recognition by both domestic and international agencies:

- TOP 10 Beverage Companies in 2022**
- Masan Consumer became the most prestigious food company in 2022 according to Vietnam Report for the 5th consecutive year.
 - Vinacafé Bien Hoa was a “Top 10 Beverage Companies” in 2022 according to Vietnam Report.
 - Vinacafé Bien Hoa received the title of Vietnam National Brand for the next two years 2022-2024. This is the 8th consecutive time that Vinacafé Bien Hoa has won this noble award (from 2008 to 2022).



LOOKING TOWARDS SUSTAINABILITY DEVELOPMENT

At Masan, sustainability means harmonious co-existence and interaction between the Company's profitability and the environment. Our belief in “Doing well by doing good” exemplifies our commitment to sustainable business practices and has underpinned our remarkable achievements over the course of our corporate history.

For us, success is not only measured by our financial results but also from the positive social impact we create. Our sustainable business practices are a natural extension of our core desire to enable Vietnamese consumers to pay less for their daily basic needs, leaving them with more to improve their lives and invest in their future.



MANAGEMENT REPORT



Management Report

OVERVIEW



Masan Consumer expects that in 2023, it will continue to achieve double-digit revenue and profit growth due to our premiumization strategy for more established key categories, and significant growth in newer key categories such as beverages, processed meat and HPC.

Revenue
26,977
VND billion

Net profit after tax
5,533
VND billion

In 2022, the world economy was expected to recover after the Covid-19 pandemic. However, the year 2022 has marked a new conflict, inflation at a record high and climate-related disasters. This is a “multi-crisis” year.

After the global crisis due to the Covid-19 pandemic in 2020, consumer price started to rise in 2021 as many countries lifted lockdown and other restrictions. Central banks forecast that high inflation would be temporary as the economies return to normal. However, the Russia and Ukraine conflict occurring at the end of February 2022 has raised energy and food prices. Many countries are grappling with cost-of-living crisis as wages do not keep up with inflation, forcing households to tighten their spending.

In 2022, Vietnam’s economy had a slight recovery and growth compared to other countries in the region, especially in Asia. GDP reached 8% (higher than expected); inflation was high but still in control, at 3.1%.

Given the situation of the global and national economy, especially FMCG when the consumers are striving to cut off spending due to inflation, Masan Consumer has regulated its production and distribution strategies in a more effective way. The Company’s revenue in 2022 witness a slowdown from 2021 (-2.9%), reaching VND26,977 billion from VND27,774 billion in 2021, mainly due to the consumption reduction in seasonings and convenience foods. These are staple products that consumers heavily stockpiled in response to

nationwide Covid-lockdowns in 2021, creating a high base against which 2022 revenue is compared. Processed meat reached a breakthrough growth at 54.7% thanks to new products. Revenue from beverages increased by 9% in 2022 thanks to the marketing activities to connect with consumers. Home and personal care (HPC) – a new category of Masan Consumer – has grew 4% year-over-year.

Gross profit margin in 2022 reached 41.3%, slightly reduced from 2021 due to the increase in raw material expenses. Net profit after tax post minority interest (“NPAT Post-MI”) reached VND5,533 billion vs. VND5,526 billion in 2021 despite rising operational cost.

Masan Consumer expects that in 2023, it will continue to achieve double-digit revenue and profit growth due to our premiumization strategy for more established key categories, and significant growth in newer key categories such as beverages, processed meat and HPC. We do not believe the pullback we saw in 2022 was permanent. Masan Consumer’s 2023 growth forecast will be shared in more detail at the 2023 Annual General Meeting of Shareholders.

Management Report (Continued)

OVERVIEW (Continued)

Business Environment

Masan Consumer's existing operations are focused primarily on Vietnam and our performance, and the quality of our assets depend substantially on the stability of Vietnamese economy. Hence, going forward, economic environment in Vietnam may significantly impact Masan's operations, in addition to a variety of external factors, including economic developments throughout Asia and the rest of the world.

It is predicted that the price of key input materials of Masan in 2023 will increase. Suppliers play an important role in determining input costs. This may adversely impact profit margins of Masan's business lines. Besides, some economic elements such as inflation, high interest rate, foreign exchange rate will have impacts on our cost of capital and business expansion strategy.

Vietnam Consumer Sector

Fast-Moving Consumer Goods (FMCG) achieved slight growth in general, mainly being driven by average price increase. In urban areas, the recovery of food and drinks, HPC has contributed to the overall growth of FMCG market. In rural areas, all sectors have witnessed the growth, except for convenience foods, which had a slow increase compared to 2021.

As of the fourth quarter of 2022, the online shopping channel growth has slowed down as compared to the same period in 2021, but still in double-digit growth, along with convenience stores and specialized stores. The value of modern and traditional shopping channels (especially wet markets) is recovering after falling in the third quarter of 2022.

From a consumer perspective, unemployment rate going up due to the reduction of the global export activities in addition to the high increase of CPI up to 4.4% (in the fourth quarter of 2022) have attracted more customer attention (as compared to the first three quarters of 2022) to 3 key issues

including food safety, steady income and rising prices (according to the Report on Consumer confidence in Urban by Kantar World Panel).

Given the situation of unstable economic growth and consumption, some consumers' trends have been observed and will continue in the coming time, for examples, more controlled consumption and spending, significant reduction of "excitement shopping" behavior, looking for the most affordable products among the products/brands without much different in quality and functionality; prioritizing "big-pack size" products due to "affordable price" mindset and habit of stocking up due to increasing prices and supply and demand fluctuations; considering "extra benefits" which are really felt, seen and measured in buying decision (demand actualization); products with function integral for cost saving and time saving (such as air fryer, built-in washing and rinsing, etc.). However, there are still customers who are ready to pay more for health value added products, which are verified by prestigious international organizations to ensure the reliability of the products.

Net Revenue
7,551
VND billion



Convenience Foods

In 2022, net revenue from convenience foods reached VND7,551 billion, in which Kokomi brand recorded the growth rate of 18% (compared to 2021). As the leading brand in maintaining the Company's market share and gross profit in noodle segment in the context of consumption decline after pandemic and high increase in input materials, despite its negative growth rate (i.e. -16%) in 2022 after 2 years of breakthrough growth in 2020 and 2021 (+25%), Omachi has still maintained its leading position in premium noodle segment with a lot of products and advertising activities of brand rejuvenation in 2022.

Management Report (Continued)

OVERVIEW (Continued)

Sauces, Condiments and Dressings

Sales of seasonings in 2022 reached VND10,028 billion (including export sales), down -8% versus 2021. The Company's business strategy in 2022 as well as in the coming years is "premiumization" seasonings product lines in which Chin-Su brand is the key. Chin-Su Ca Com Bien Dong, Chin-Su Shiitake Mushroom soy sauce and Chin-Su chili sauce have had a strong market position in the past years.

In addition, with the desire of bringing the "bursting of flavors" for thousands of delicious dishes of Chin-Su to the world, the presence of Chin-Su chili sauce on Amazon US in 2022 is the first step for the coming years.

Sales of seasonings category

10,028
VND billion
(including export sales)



Net Revenue

3,968
VND billion



Soft Drinks

In 2022, Masan Consumer's Net Revenue from soft drinks reached VND3,968 billion, up 9% versus 2021. At the end of 2022, Wake-up 247 continued to solidify its position in the energy drink market when reaching 16% of revenue growth. To achieve this success, Wake-up 247 has deployed many marketing campaigns to connect the consumers with the brand, in which the most impressive promotion program was "Open bottle caps to get motorbikes - 7 motorbikes given every 24 hours", which was taken place from 15 June 2022 to 13 August 2022. The program has attracted millions of participants nationwide and has built the habit of drinking Wake-up 247 to rise revenue stably.

Management Report (Continued)

OVERVIEW (Continued)

Coffee, nutritious food and drinks

Sales of coffee in 2022 reached VND1,457 billion, down -7% versus 2021. Vinacafé brand re-launched Vinacafé Gold product to serve the specific tastes of regional consumers with high-end package design and new advertising activities. The product has gradually received positive feedback from the market as a motivation for new innovations in 2023.

Nutritious foods and drinks will also expand its product portfolio to serve people of all ages, the Company focuses on investing in modern production technology as well as researching “healthy”, “delicious” and “nourishing” products to meet the increasing demand of Vietnamese consumers nowadays.

Net Revenue
1,457
VND billion



NẠC VÂN HOA - ÁP CHẢO !!!

BẢO QUẢN TỰ NHIÊN
TỪ CHIẾT XUẤT CẦN TÂY ✓



Net Revenue
1,974
VND billion

Processed Meat

In 2022, processed meat contributed VND1,974 billion, witnessing a breakthrough growth of 57.4% versus 2021 thanks to new product lines, creating a strong foundation for the significant development of processed meat products with high and unique values in the future (such as Snack flavored chicken dried, Pan-fried meat, Pönnie pork dried, etc.). Heo Cao Boi continued to solidify its position as the most favorite brand among children when launching Cheese BBQ Sauce and Shake, reaching base growth of 45% to become a VND100 billion brand. Besides, sterilized sausage brand Pönnie achieved impressive development progress when successfully levelling with competitors and conducting mass trial of superior products, reaching 65% of base growth in 2022 and achieving revenue of VND90 billion/month.

Management Report (Continued)

OVERVIEW (Continued)

Home and Personal Care

In 2022, our HPC category contributed VND1,569 billion to net revenue, up 4% versus 2021 (NETCO included) thanks to new products. Chanté laundry detergent was successfully launched at Winmart supermarkets in September 2022 and achieved more than 30% of market share. LaPetal shower gel which was launched in November 2022 was the first step of Masan in personal care category. In addition, Super Net premium laundry detergent and powder was launched in November 2022 to strengthen the presence of Net product lines nationwide.

Sales of HPC category

1,569
VND billion



SỮA TẮM KHÁNG KHUẨN & MỀM MỊN



FACTORS AFFECTING OUR BUSINESS AND RESULTS OF OPERATIONS

Masan Consumer's business outlook is directly tied to the economic prospects of Vietnam

In 2022, the lower-than-expected recovery of the global economy after pandemic as well as the high increase in energy and food prices has a significant impact on socio-economic aspects in Vietnam. However, Vietnam's economy has overcome all challenges and difficulties to show its growth, creating a foundation for the continuous recovery in 2023. Therefore, Masan Consumer has planned the growth rates from 20% to 30% for the Company's net revenue and net profit after tax. However, the war between Russia and Ukraine continues to prolong, increasing the prices of cruel oil, materials and packaging, rising inflation and affecting consumer spending behavior. As a business operating in consumer staples industry, we realize that high inflation will affect the Company's revenue and profit plan. Therefore, the budget plan for the fiscal year 2023 is tentative. The details will be shared at the 2023 Annual General Meeting of Shareholders.



Masan Consumer's subsidiaries and associates operate in industries that face significant competition, and our market-leading positions may be challenged if our competitors make significant strides to capture market share

Masan Consumer competes mainly on the basis of brand image, pricing, distribution network and product mix. The entrance of established foreign brands and companies has heightened the competitiveness of the FMCG market in Vietnam. Competition may cause competitors to significantly increase their advertising expenditures and promotional activities or, to engage in irrational or predatory pricing behavior. Masan Consumer may be required to make greater investments in research and development, as well as promotions and marketing. These expenditures may lower our profit margins and thereby adversely affect our results of operations.

Masan Consumer's cost is not always stable

Our production cost much depends on supply of raw material. The Covid-19 pandemic has seriously affected us due to disruptive supply chain. Despite having multiple suppliers for our materials, we do not depend on any single supplier for any material, we may still face possible shortages. If we do not have sufficient materials in terms of quantity and quality as required by us, or at prices and other conditions that we can accept, product quality, production capacity and our revenue may be adversely affected.

On the other hand, raw material prices may fluctuate as a result of unforeseeable events such as weather conditions, climate, and fluctuation in commodity prices, currency and government policies regarding agriculture. If we cannot manage these costs and increase our product selling prices, our business, financial condition, results of operations and prospects might be considerably and adversely affected.

Masan Consumer depends on a continued ability to recruit or retain appropriately skilled personnel for its key management positions

Although Masan Consumer is not dependent on any one member of our respective Board of Directors, Supervisory Boards, Management Boards or senior management teams, our success depends to a significant extent on their skills, capabilities and efforts, as well as our ability to recruit and retain them and other appropriately skilled personnel. Due to the intense competition in Vietnam, we face a continuing challenge in recruiting and retaining a sufficient number of skilled professionals. A loss of key personnel may have a material adverse effect on our business, financial condition, results of operations and prospects.

Management Report *(Continued)*

FACTORS AFFECTING OUR BUSINESS AND RESULTS OF OPERATIONS *(Continued)*

We depend on our existing distribution network

We rely on our relationships with a network of distributors to sell our products. Our competitors may offer more favorable conditions or larger promotions to our distributors, causing them to end their distribution contract with us. In a situation where our relationships with a large number of distributors worsen, our business, financial condition, results of operations and prospects might be considerably and adversely affected.

Masan Consumer's sales are affected by our brand image

Masan Consumer strives to protect our image as a successful company that is committed to improving the spiritual and material lives of our consumers. Nevertheless, unexpected events can occur which may impact our image, such as unhealthy competition. Our brand image affects our sales heavily, and we might suffer loss in sales which results in lower revenue as well as higher expenses to protect our image.

We may not be successful in the development of new products

We have an in-house research and development team, dedicated to developing new products and new variations of existing products. In particular, it focuses on creating new innovative, healthy, affordable and convenient products. The development and launch of new products may require substantial expenditure, including higher cost in administration, production and marketing.

Successful market acceptance of our new products is largely dependent on our ability to successfully cater to the market's demands, taste and the changing dietary preference of consumers. We cannot assure that the market will respond favorably to the new products that we produce. If our products are not successful, we will not be able to recover the research and development expenses incurred and this may have an adverse effect on our business, financial condition, results of operation and prospects.

We may face product contamination and any such case may cause us to receive public backlash and hold responsible for that product

Contamination is a possible risk in the food and beverage business. Despite our best efforts, including frequent inspection at manufacturing plants and of our raw materials, we cannot completely rule out all possible causes for contamination. Not all of our processes is automated, as such, human risk is still a possibility, thus increasing the risk of contamination. As a result, it is possible that we may be held responsible for any product contamination and be forced to recall our product or exit the market, and this may have an adverse effect on our business, financial condition, results of operation and prospects. Although product liability is not fully recognized in Vietnam, we cannot guarantee that we may not face complaints or court orders regarding our product's safety and quality.

Management Report (Continued)

AUDITED FINANCIAL RESULTS

Consolidated Statement of Income

	2022	2021
<i>Figures in VND million</i>	<i>Audited</i>	<i>Audited</i>
Total Revenue	27,178,348	28,098,885
Less Sales Deductions	(201,075)	(325,250)
Net sales	26,977,273	27,773,635
Cost of Goods Sold	(15,845,759)	(15,982,696)
Gross profit	11,131,514	11,790,939
Selling, General & Administrative Expenses	(5,428,060)	(5,853,052)
Financial Income	934,533	720,072
Financial Expenses	(385,172)	(258,011)
Share of Profit in an Associate	13,296	13,296
Net Operating Profit	6,266,111	6,413,244
Results of Other Activities	(22,751)	(2,678)
Profit Before Tax	6,243,360	6,410,566
Tax	(710,554)	(884,389)
Net Profit After Tax	5,532,806	5,526,177
Attributable to		
Non-controlling Interests	81,688	84,042
Equity Holders of the Company	5,451,118	5,442,135

Consolidated Balance Sheet

	31 December 2022	31 December 2021
<i>Figures in VND million</i>	<i>Audited</i>	<i>Audited</i>
CURRENT ASSETS	26,092,453	22,575,115
Cash and cash equivalents	5,588,278	13,013,126
Short-term Investments	1,403,815	169,375
Net Operating Receivables	991,923	772,653
Other Short-term Receivables	15,534,686	6,301,513
Inventories - Net	2,501,748	2,254,893
Other Current Assets	72,003	63,555
LONG-TERM RECEIVABLES	7,424,193	7,629,034
Long-term Receivables	192,573	215,103
Fixed Assets	5,099,952	5,588,080
Tangible Fixed Assets	4,256,150	4,647,200
Intangible Fixed Assets	836,443	931,370
Investment Properties	7,359	9,510
Construction in Progress	810,615	335,805
Long-term Investments	249,392	249,392
Other Long-term Investments	1,071,661	1,240,654
TOTAL ASSETS	33,516,646	30,204,149

Management Report (Continued)

AUDITED FINANCIAL RESULTS (Continued)

Consolidated Balance Sheet (Continued)

	31 December 2022	31 December 2021
<i>Figures in VND million</i>	<i>Audited</i>	<i>Audited</i>
CURRENT LIABILITIES	10,061,229	11,883,094
Short-term Debt	6,626,217	7,445,113
Current Account Payables	1,495,520	1,573,394
Advance from Customers	57,801	123,924
Tax Payables	225,676	435,805
Payroll Payables	588	12,442
Accrued Expense	1,521,372	2,205,738
Other Payables	134,055	86,678
LONG TERM LIABILITIES	1,009,771	1,315,362
Long-term Debt	774,749	1,063,618
Other Long-term Liabilities	235,022	251,744
TOTAL LIABILITIES	11,071,000	13,198,456
EQUITY	22,445,646	17,005,693
Chartered Capital	7,274,619	7,267,938
Capital Surplus	3,610,329	3,560,554
Other Capital	(265,776)	(265,776)
Treasury Shares	(994,666)	(994,666)
Foreign Exchange Differences	7,419	6,989
Investment and Development Fund	22,732	22,732
Retained Earnings	12,263,423	6,816,958
Non-controlling Interests	527,566	590,964
TOTAL RESOURCES	33,516,646	30,204,149

Financial Ratios

	2022	2021
Current Ratio	2.6x	1.9x
Quick Ratio	2.3x	1.7x
Debt/EBITDA	1.12x	1.24x
Debt/Total Assets	0.22x	0.28x
Inventory Turnover	6.7x	7.8x
Days Inventory(days)	55	47
ROE	28.0%	34.8%
ROA	17.4%	19.8%
Net Sales/Total Assets	84.7%	99.7%
Net Margin	20.5%	19.9%
EBIT Margin	21.1%	21.4%
EBITDA Margin	24.4%	24.7%

Management Report (Continued)

DISCUSSION ON AUDITED RESULTS

26,977
VND billion
↓2.9% compared to 2021

Net Revenue

In 2022, Masan Consumer's net revenue reached VND26,977 billion, down 2.9% compared to 2021 as the decrease in revenue from convenience foods and seasonings offsets against the growth of beverage and home care products. The other is management's strict discipline to keep a normal stock level at distributors, allowing the Company to facilitate new product introductions in the first half of 2023.

41.3%
↓ compared to 2021

Gross Profit

In 2022, Masan Consumer's gross profit margin decreased slightly to 41.3% compared to 42.5% in 2021, despite the impact of inflation on macro market and the consumers' tightening spending. Thanks to strong brand and effective cost optimization initiatives, gross profit margin reduction was still kept at a low level in spite of consumption decline and inflationary cost pressure.

5,428
VND billion

Selling, General and Administration Expenses

In 2022, Selling, General and Administration Expenses ("SG&A") reached VND5,428 billion, decreasing by VND425 billion from VND5,853 billion in 2021, mainly driven by the decreases in promotion, advertising and exhibiting expenses.

549
VND billion
↑19% compared to 2021

Net Financial Income

Net financial profit is determined by financial incomes minus financial expenses, reaching VND549 billion in 2022 from VND462 billion in 2021, increasing by 19% due to cash flow optimization.

5,533
VND billion
↑0.2% compared to 2021

Net Profit After Tax

In 2022, net profit after tax reached VND5,533 billion, increasing by 0.2% compared to 2021, thanks to brand strength and effective cost optimization initiatives.

5,790
VND billion
↓56% compared to 2021

Cash and Cash Equivalents

As at 31 December 2022, Masan Consumer holds VND5,790 billion in cash, in which cash and cash equivalents and more-than-3-month deposits, decreased by 56% from VND13,183 billion as of 31 December 2021, mainly due to the optimization of cash flow used for investment activities to increase financial profit, contributing to the Group's net profit growth.

5,911
VND billion
↓0.2% compared to 2021

Fixed Assets

As at 31 December 2022, the carrying value of fixed assets (including unfinished construction expenses) reached VND5,911 billion, slightly decreasing by 0.2% from VND5,924 billion compared to that as of 31 December 2021. Fixed assets increased mainly from new investment in Hau Giang factories and expansion in Nghe An and Binh Duong factories with the aim to increase capacity and upgrade modern machinery and equipment, such as convenience foods' production lines and common utility assets offsetting against the fixed asset decrease due to the transfer of a subsidiary as restructuring of Masan Group.

32.8%
of economic interest in Cholimex
Food Joint Stock Company

Investment in Associates

The investment in associates includes 32.8% of economic interest in Cholimex Food Joint Stock Company as at 31 December 2022. During the year, the Group also received VND13 billion in cash dividend from this investment.

33,517
VND billion
↑11% compared to 2021

Total Assets

As at 31 December 2022, total assets increased by 11% from VND30,204 billion to VND33,517 billion, mainly due to the increase in receivables from investment activities which is the result of cash flow optimization to increase financial profit offsetting against the decrease in other assets.

7,401
VND billion
↓13% compared to 2021

Borrowings

As at 31 December 2022, short-term and long-term loans decreased by 13% from VND8,509 billion to VND7,401 billion, mainly the decrease in short-term loans. Actively reducing short-term loans in the context of rising interest rates also helps the Group reduce interest expense and proactive in cash flow management for production and business activities.

22,446
VND billion
↑32% compared to 2021

Owners' Equity

As at 31 December 2022, owners' equity reached VND22,446 billion, increasing by 32% from VND17,006 billion on 31 December 2021. The increase was mainly due to growth in net profit after tax.

Management Report *(Continued)*

2023 FINANCIAL OUTLOOK

The year 2023 promises to bring both opportunities and challenges. Vietnam's GDP growth in 2023 is forecast to be 6.2% due to the world economic recession, causing stronger impact than expected to the manufacturing and export sectors of Vietnam. Given that situation, Masan Consumer has made budget for net sales and net profit after tax growth from 20% to 30%. On the other hand, the prolonged war between Russia and Ukraine has caused high increase in the price of crude oil, materials and packaging while the inflation still shows no sign of sustained subsiding, affecting consumer spending behaviors. As a business operating in consumer staples industry, we realize that high inflation will potentially affect the Company's revenue and profit plan. Therefore, the budget plan for the fiscal year 2023 is tentative. The details will be shared at the 2023 Annual General Meeting of Shareholders.



FINANCIAL STATEMENTS



MASAN CONSUMER CORPORATION AND ITS SUBSIDIARIES

Consolidated Financial Statements for the year
ended 31 December 2022

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 29 August 2022. 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

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Masan Consumer Corporation (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) for the year ended 31 December 2022.

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

- (a) the consolidated financial statements set out on pages 61 to 121 give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to 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 financial statements for issue.

On behalf of the Board of Management



Nguyen Hoang Yen
Authorised Representative

Ho Chi Minh City, 1 March 2023

INDEPENDENT AUDITOR’S REPORT

TO THE SHAREHOLDERS MASAN CONSUMER CORPORATION

We have audited the accompanying consolidated 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 31 December 2022, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 1 March 2023, as set out on pages 61 to 121.

MANAGEMENT’S RESPONSIBILITY

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

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company’s Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

AUDITOR'S OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Masan Consumer Corporation and its subsidiaries as at 31 December 2022 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG LIMITED'S BRANCH IN HO CHI MINH CITY

Vietnam
Audit Report No.: 22-01-00679-23-2



Nelson Rodriguez Casifan
Practicing Auditor Registration
Certificate No. 2225-2023-007-1
Deputy General Director

Ho Chi Minh City, 1 March 2023

Nguyen Thuy Ninh
Practicing Auditor Registration
Certificate No. 4623-2023-007-1

CONSOLIDATED BALANCE SHEET

as at 31 December 2022

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		26,092,449,023,518	22,575,115,088,964
Cash and cash equivalents	110	6	5,588,278,453,404	13,013,125,962,658
Cash	111		93,843,655,219	107,325,962,658
Cash equivalents	112		5,494,434,798,185	12,905,800,000,000
Short-term financial investments	120		1,403,814,717,880	169,375,000,000
Trading securities	121	7(a)	1,202,171,717,880	-
Held-to-maturity investments	123	7(b)	201,643,000,000	169,375,000,000
Accounts receivable - short-term	130		16,526,609,661,885	7,074,166,026,539
Accounts receivable from customers	131	8	663,867,546,603	600,955,375,527
Prepayments to suppliers	132		328,055,851,416	171,698,115,803
Short-term loans receivable	135	9	6,047,191,980,732	4,086,581,871,592
Other short-term receivables	136	10(a)	9,487,494,283,134	2,214,930,663,617
Inventories	140	11	2,501,747,857,460	2,254,893,287,268
Inventories	141		2,531,009,688,650	2,292,547,543,677
Allowance for inventories	149		(29,261,831,190)	(37,654,256,409)
Other current assets	150		71,998,332,889	63,554,812,499
Short-term prepaid expenses	151		21,864,190,200	16,622,626,382
Deductible value added tax	152		46,519,568,421	44,465,916,280
Taxes and other receivables from State Treasury	153		3,614,574,268	2,466,269,837

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2022 (continued)

Form B 01 – DN/HN

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		7,424,194,062,002	7,629,035,070,177
Accounts receivable – long-term	210		192,573,706,896	215,103,634,496
Other long-term receivables	216	10(b)	192,573,706,896	215,103,634,496
Fixed assets	220		5,092,592,979,450	5,578,570,297,678
Tangible fixed assets	221	12	4,256,149,930,619	4,647,200,173,487
Cost	222		8,642,295,346,974	8,565,736,011,269
Accumulated depreciation	223		(4,386,145,416,355)	(3,918,535,837,782)
Intangible fixed assets	227	13	836,443,048,831	931,370,124,191
Cost	228		2,396,630,305,722	2,432,289,024,377
Accumulated amortisation	229		(1,560,187,256,891)	(1,500,918,900,186)
Investment property	230	14	7,359,461,196	9,510,404,068
Cost	231		18,627,973,918	18,627,973,918
Accumulated depreciation	232		(11,268,512,722)	(9,117,569,850)
Long-term work in progress	240		810,614,752,363	335,804,947,727
Construction in progress	242	15	810,614,752,363	335,804,947,727
Long-term financial investments	250		249,391,858,906	249,391,858,906
Investment in an associate	252	7(c)	249,391,858,906	249,391,858,906
Other long-term assets	260		1,071,661,303,191	1,240,653,927,302
Long-term prepaid expenses	261	16	667,880,246,079	693,721,935,242
Deferred tax assets	262	17	250,748,144,987	307,834,994,481
Goodwill	269	18	153,032,912,125	239,096,997,579
TOTAL ASSETS (270 = 100 + 200)	270		33,516,643,085,520	30,204,150,159,141

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2022 (continued)

Form B 01 – DN/HN

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		11,070,997,878,366	13,198,456,221,760
Current liabilities	310		10,061,228,330,556	11,883,095,769,452
Short-term accounts payable to suppliers	311	19	1,495,519,562,993	1,573,394,388,394
Advances from customers	312		57,801,371,025	123,923,953,891
Taxes payable to State Treasury	313	20	225,676,023,072	435,805,128,698
Payables to employees	314		587,599,793	12,442,848,485
Accrued expenses	315	21	1,521,371,528,492	2,205,738,422,400
Other short-term payables	319	22(a)	106,179,705,073	53,139,673,454
Short-term borrowings	320	23(a)	6,626,217,014,520	7,445,112,961,981
Bonus and welfare funds	322		27,875,525,588	33,538,392,149
Long-term liabilities	330		1,009,769,547,810	1,315,360,452,308
Long-term accounts payable to suppliers	331	19	24,324,232,000	25,013,545,000
Other long-term payables	337	22(b)	31,756,586,755	32,854,954,310
Long-term borrowings	338	23(b)	774,748,996,895	1,063,617,618,895
Deferred tax liabilities	341	17	166,878,229,906	181,875,776,881
Long-term provisions	342		12,061,502,254	11,998,557,222

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2022 (continued)

Form B 01 – DN/HN

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
EQUITY (400 = 410)	400		22,445,645,207,154	17,005,693,937,381
Owners' equity	410	24	22,445,645,207,154	17,005,693,937,381
Share capital	411	25	7,274,618,790,000	7,267,938,180,000
- Ordinary shares with voting rights	411a		7,274,618,790,000	7,267,938,180,000
Share premium	412	25	3,610,328,815,858	3,560,554,240,858
Other capital	414		(265,775,657,006)	(265,775,657,006)
Treasury shares	415	25	(994,666,327,121)	(994,666,327,121)
Foreign exchange differences	417		7,418,664,660	6,989,018,595
Investment and development fund	418		22,731,972,844	22,731,972,844
Undistributed profits after tax	421		12,263,423,092,167	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 year/prior year	421b		5,446,464,708,069	5,426,855,487,405
Non-controlling interests	429		527,565,855,752	590,964,125,113
TOTAL RESOURCES (440 = 300 + 400)	440		33,516,643,085,520	30,204,150,159,141

1 March 2023

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 financial statements

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2022

Form B 02 – DN/HN

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

	Code	Note	2022 VND	2021 VND
Revenue from sale of goods and provision of services	01	27	27,178,348,373,405	28,098,885,084,926
Revenue deductions	02	27	201,075,203,377	325,249,867,193
Net revenue (10 = 01 - 02)	10	27	26,977,273,170,028	27,773,635,217,733
Cost of sales and services	11	28	15,845,758,614,044	15,982,695,703,768
Gross profit (20 = 10 - 11)	20		11,131,514,555,984	11,790,939,513,965
Financial income	21	29	934,533,482,162	720,071,573,861
Financial expenses	22	30	385,172,202,557	258,011,430,302
<i>In which: Interest expense</i>	23		307,330,035,566	226,159,178,618
Share of profit in an associate	24	7(c)	13,296,085,000	13,296,085,000
Selling expenses	25	31	4,527,142,745,516	4,780,144,882,655
General and administration expenses	26	32	900,917,485,901	1,072,906,794,191
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		6,266,111,689,172	6,413,244,065,678
Other income	31		3,300,140,266	5,273,852,200
Other expenses	32		26,050,918,673	7,951,540,992
Results of other activities (40 = 31 - 32)	40		(22,750,778,407)	(2,677,688,792)
Accounting profit before tax (50 = 30 + 40)	50		6,243,360,910,765	6,410,566,376,886
Income tax expense - current	51	33	669,373,615,088	979,174,066,988
Income tax expense/(benefit) - deferred	52	33	41,180,186,596	(94,784,688,617)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		5,532,807,109,081	5,526,176,998,515

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

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2022 (continued)

Form B 02 – DN/HN

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

	Code	Note	2022 VND	2021 VND
Net profit after tax (brought forward from previous page)			5,532,807,109,081	5,526,176,998,515
Attributable to:				
Equity holders of the Company	61		5,451,118,633,692	5,442,134,889,474
Non-controlling interests	62		81,688,475,389	84,042,109,041
Earnings per share				
Basic earnings per share	70	34	7,612	7,657

1 March 2023

Prepared by:



Phan Thi Thuy Hoa
Chief Accountant

Approved by:



Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2022 (Indirect method)

Form B 03 – DN/HN

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

	Code	2022 VND	2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	6,243,360,910,765	6,410,566,376,886
Adjustments for			
Depreciation and amortisation	02	814,270,399,742	839,204,262,978
Allowances and provisions	03	76,909,069,186	82,469,518,725
Exchange (gains)/losses arising from revaluation of monetary items denominated in foreign currencies	04	(88,121,775)	6,477,154,390
Losses on disposals and written off of fixed assets and investment in a subsidiary	05	7,621,992,370	6,358,286,108
Interest income from investing activities	05	(899,616,238,833)	(703,428,185,639)
Share of profit in an associate	05	(13,296,085,000)	(13,296,085,000)
Interest expense and other financial costs	06	310,203,035,562	228,945,751,950
Operating profit before changes in working capital	08	6,539,364,962,017	6,857,297,080,398
Change in receivables and other assets	09	(83,797,854,940)	(303,216,460,758)
Change in inventories	10	(323,700,694,346)	(498,548,625,942)
Change in payables and other liabilities	11	(1,397,713,341,246)	1,095,034,760,680
Change in prepaid expenses	12	41,017,991,792	44,454,027,100
Change in trading securities	13	(1,202,171,717,880)	-
		3,572,999,345,397	7,195,020,781,478
Interest and other financial costs paid	14	(294,397,896,986)	(234,375,420,069)
Corporate income tax paid	15	(789,711,507,804)	(1,140,974,863,110)
Other payments for operating activities	17	(4,697,076,597)	(3,323,458,012)
Net cash flows from operating activities	20	2,484,192,864,010	5,816,347,040,287
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(1,243,183,928,156)	(959,414,551,044)
Proceeds from disposals of fixed assets and other long-term assets	22	3,638,838,655	1,822,564,680
Payments for granting loans	23	(190,000,000,000)	(180,000,000,000)
Placements of term deposits to banks and payments for other investments	23	(11,061,143,000,000)	(3,769,075,000,000)
Receipts from collecting of loans	24	-	18,170,000,000
Withdrawals of term deposits from banks and collections of other investments	24	2,013,875,000,000	6,562,000,000,000
Net cash flows from deconsolidation of investments in a subsidiary and transactions with non-controlling interests	26	240,054,419,416	-
Receipts of interest and dividends	27	964,303,835,358	426,167,016,641
Net cash flows from investing activities	30	(9,272,454,834,727)	2,099,670,030,277

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

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2022 (Indirect method - continued)

Form B 03 - DN/HN

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

	Code	2022 VND	2021 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from shares issued	31	56,455,185,000	-
Proceeds from treasury shares reissued	31	-	495,372,840,000
Proceeds from shares issued in a subsidiary	31	38,345,000,000	-
Proceeds from bank borrowings	33	19,834,325,634,311	23,796,206,009,438
Payments to settle loan principals to banks	34	(20,452,689,345,551)	(22,742,364,432,151)
Payments of dividends	36	(113,973,663,980)	(263,824,043,500)
Net cash flows from financing activities	40	(637,537,190,220)	1,285,390,373,787
Net cash flows during the year (50 = 20 + 30 + 40)	50	(7,425,799,160,937)	9,201,407,444,351
Cash and cash equivalents at beginning of the year	60	13,013,125,962,658	3,818,494,309,952
Effect of exchange rate fluctuations on cash and cash equivalents	61	(35,107,277)	332,968,447
Currency translation differences	61	986,758,960	(7,108,760,092)
Cash and cash equivalents at end of the year (70 = 50 + 60 + 61) (Note 6)	70	5,588,278,453,404	13,013,125,962,658

NON-CASH INVESTING AND FINANCING ACTIVITIES

	2022 VND	2021 VND
Collection of loans receivable through net-off with dividends payable	-	3,002,982,502,500
Conversion of interest income receivables to principal of loans receivable	1,770,610,109,140	-

1 March 2023

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 financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022

Form B 09 - 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 financial statements.

1. REPORTING ENTITY

(a) Ownership structure

Masan Consumer Corporation ("the Company") is a joint stock company incorporated in Vietnam. The consolidated financial statements for the year ended 31 December 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 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.

(d) The Group's structure

As at 31 December 2022, the Company has 5 directly owned subsidiaries, 17 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	
				31/12/2022	1/1/2022	31/12/2022	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%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
				31/12/2022	1/1/2022	31/12/2022	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%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
				31/12/2022	1/1/2022	31/12/2022	1/1/2022
8	Masan JinJu Joint Stock Company and its branch	(i), (vii) Convenience food manufacturing and trading, 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%
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	Masan HG 2 Company Limited ("MH2")	(i) (viii) Seasonings, convenience food, beverage manufacturing and packaging	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam.	100%	-	100%	-
12	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%
13	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.	89.52%	90.18%	89.52%	90.18%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
				31/12/2022	1/1/2022	31/12/2022	1/1/2022
14	KronFa., JSC	(iii) Beverage manufacturing	Km 37, Highway 27, Tan Son Town, Ninh Son District, Ninh Thuan Province, Vietnam.	89.52%	90.18%	99.999%	99.999%
15	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%
16	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%	-	97.77%
17	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%
18	Hi-Fresh Company Limited	(vi) Trading and distribution	8th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
19	Joins Pro Professional Laundry Company Limited	(vi) Providing laundry services	8th 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) In September 2022, VinaCafé Bien Hoa Joint Stock Company (“VCF”) transferred 92.76% and 5.01% of share capital that it owned in Café De Nam Joint Stock Company (“CDN”) to Vinh Hao Mineral Water Corporation (“VHC”) and a third party, respectively.

By implementing the internal restructuring of Masan Group, in December 2022, Vinh Hao Mineral Water Corporation completed the issuance of new shares to swap its shares with non-controlling interests’ share in CDN under the swap ratio in the merger agreement and to merge CDN into VHC. As a result of this transaction, the Company’s equity interest in VHC has reduced from 90.18% to 89.52% and at the date of issuance of this report, CDN has been completed to merge into VHC.

- (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) By implementing the internal restructuring of Masan Group, in September 2022, Masan Food Company Limited (“MSF”) transferred all equity interests that it owned in Masan JinJu Joint Stock Company (“MSJ”) to the parent company of the Company. As a result of this transaction, MSJ is no longer the subsidiary of MSF and the Company.
- (viii) In December 2022, the Company has completed to establish its new subsidiary, Masan HG 2 Company Limited (“MH2”), through Masan Food Company Limited (“MSF”). Subsequently, MH2 is being a new subsidiary indirectly owned by the Company, through MSF.

During the year, in accordance with the Resolution of the Company’s Shareholders in Annual General Meeting No. 01/2022/NQ-DHDCD-MSF 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 31 December 2022, the Group had 5,211 employees (1/1/2022: 6,049 employees).

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2. BASIS OF PREPARATION

(a) Statement of compliance

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

(b) Basis of measurement

These consolidated 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.

(c) Annual accounting period

The annual accounting period of the Group is from 1 January to 31 December.

(d) Accounting and presentation currency

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

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(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.

(iv) Associates (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of the equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the consolidated statement of income (such as revaluation of fixed assets, or foreign exchange translation differences, etc.). When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term financial investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(v) Transactions eliminated on consolidation

Intra-group transactions, balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

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(vi) Business combinations under common control

Business combination where the same group of shareholders (“the Controlling Shareholders”) control the combining companies before and after the business combination meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard No. 11 – *Business Combination* and in selecting its accounting policies with respect to such transaction, the Group has considered Vietnamese Accounting Standard No. 01 – *Framework* and Vietnamese Accounting Standard No. 21 – *Presentation of Financial Statements*. Based on these standards, the Group has adopted the merger (“carry-over”) basis of accounting. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders’ perspective. Prior to 1 January 2015, any difference between the cost of acquisition and net assets value acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in other capital under equity. From 1 January 2015, as a result of the adoption of Circular 202, such difference is recorded in undistributed profits after tax under equity.

The consolidated statement of income and consolidated statement of cash flows include the results of operations of the combining companies as if the group structure had been in existence from the Controlling Shareholders’ perspective throughout the entire periods presented, or where the companies were incorporated at a date later than the beginning of the earliest periods presented, for the periods from the date of incorporation to the end of the relevant reporting periods.

(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 year 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.

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(b) Foreign currency

(i) Foreign currency transactions

Transactions in currencies other than VND during the year 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 annual 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 annual 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 year 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.

(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.

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(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. 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.

(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 year 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

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(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.

(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.

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(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.

(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 year 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.

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(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.

(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 year 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 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 these 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.

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(l) 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.

(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 annual 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.

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(ii) Other capital

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

(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 profit or loss for the year 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 year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

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 annual 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 year 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.

(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.

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(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 annual accounting period) by the weighted average number of ordinary shares outstanding during the year. 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 and expenses, 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.

(w) Comparative information

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

Comparative information was derived from the balances and amounts reported in the Group’s consolidated financial statements as at and for the year ended 31 December 2021.

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4. 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.

	Food		Beverage		Home care products		Others		Consolidated	
	2022 VND	2021 VND	2022 VND	2021 VND	2022 VND	2021 VND	2022 VND	2021 VND	2022 VND	2021 VND
Total segment revenue – net	19,131,728,610,458	20,136,187,694,031	6,203,181,502,646	6,058,993,152,705	1,612,960,435,818	1,515,168,671,398	29,402,621,106	63,285,699,599	26,977,273,170,028	27,773,635,217,733
Segment gross profit	7,913,633,764,884	8,573,930,090,490	2,802,893,099,647	2,814,586,561,063	408,312,430,555	380,641,253,135	6,675,260,898	21,781,609,277	11,131,514,555,984	11,790,939,513,965
Segment results	4,699,560,491,896	5,295,436,104,620	1,602,769,873,678	1,336,208,187,088	70,520,960,117	17,394,770,025	6,675,260,898	21,781,609,277	6,379,526,586,589	6,670,820,671,010
Unallocated general and administration expenses									(662,776,177,022)	(719,636,748,891)
Financial income									934,533,482,162	720,071,573,861
Financial expenses									(385,172,202,557)	(258,011,430,302)
Net operating profit									6,266,111,689,172	6,413,244,065,678
Other income									3,300,140,266	5,273,852,200
Other expenses									(26,050,918,673)	(7,951,540,992)
Income tax expense									(710,553,801,684)	(884,389,378,371)
Net profit after tax									5,532,807,109,081	5,526,176,998,515

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	Food		Beverage		Home care products		Consolidated	
	31/12/2022 VND	1/1/2022 VND	31/12/2022 VND	1/1/2022 VND	31/12/2022 VND	1/1/2022 VND	31/12/2022 VND	1/1/2022 VND
Segment assets	6,061,217,312,836	6,341,562,475,475	2,485,099,017,086	2,380,405,361,900	1,142,748,260,755	1,168,414,276,152	9,689,064,590,677	9,890,382,113,527
Unallocated assets							23,827,578,494,843	20,313,768,045,614
Total assets							33,516,643,085,520	30,204,150,159,141
Segment liabilities	1,566,471,651,304	1,689,753,295,769	538,029,940,485	665,686,754,449	323,937,928,398	349,239,405,269	2,428,439,520,187	2,704,679,455,487
Unallocated liabilities							8,642,558,358,179	10,493,776,766,273
Total liabilities							11,070,997,878,366	13,198,456,221,760
	2022 VND	2021 VND	2022 VND	2021 VND	2022 VND	2021 VND	2022 VND	2021 VND
Capital expenditure	853,860,039,613	824,511,240,305	359,864,556,246	99,497,876,840	4,247,818,197	13,428,784,970	1,217,972,414,056	937,437,902,115
Unallocated capital expenditure							38,285,553,753	45,316,925,367
Depreciation of tangible fixed assets and investment property	482,858,841,527	424,086,500,012	151,337,077,469	157,878,386,269	24,617,619,546	26,905,566,112	658,813,538,542	608,870,452,393
Unallocated depreciation of tangible fixed assets							4,671,686,840	4,858,533,036
Amortisation of intangible fixed assets, goodwill and long-term prepaid expenses	39,216,396,843	48,630,726,333	84,248,789,612	155,064,571,335	35,596,177,625	35,914,600,587	159,061,364,080	239,609,898,255
Unallocated amortisation of intangible fixed assets and long-term prepaid expenses							52,707,880,718	44,520,181,864

(b) Geographical segments

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

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5. CHANGES IN INTERESTS IN THE SUBSIDIARIES

(a) Masan JinJu Joint Stock Company (“MSJ”)

By implementing the internal restructuring of Masan Group, in September 2022, Masan Food Company Limited (“MSF”), a directly owned subsidiary of the Company, transferred its equity interests (equivalent to 74.99% share capital) in MSJ to the parent company of the Company at consideration of VND315,033,720,000.

The share transfer had the following effect on the Group’s assets and liabilities on transfer date:

	Carrying amount VND
Cash and cash equivalents	78,902,585,584
Accounts receivable from customers	182,106,557,701
Prepayments to suppliers	151,102,592,287
Inventories – net	85,436,781,167
Other current assets	22,055,083,092
Tangible fixed assets – net	433,360,510,127
Intangible fixed assets – net	5,774,393,522
Goodwill – net	29,580,330,095
Construction in progress	133,178,705,955
Other non-current assets	54,202,926,349
Short-term accounts payable to suppliers	(119,419,225,850)
Taxes payable to State Treasury	(51,460,873,973)
Short-term borrowings	(479,284,129,571)
Other current liabilities	(97,656,711,285)
Long-term borrowings	(9,467,153,242)
Deferred tax liabilities	(1,154,878,735)
Non-controlling interests (Note 24)	(96,919,860,885)
Net assets and liabilities transferred	320,337,632,338
Cash and cash equivalents of MSJ at the transfer date	(78,902,585,584)
Consideration received from the share transfer	315,033,720,000
Net cash inflow from the share transfer	236,131,134,416

(b) Café De Nam Joint Stock Company (“CDN”)

As noted in Note 1(d), the internal restructuring in relation to CDN merger has not had material effects on the Group’s consolidated financial statements.

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6. CASH AND CASH EQUIVALENTS

	31/12/2022 VND	1/1/2022 VND
Cash on hand	1,050,088,807	1,062,071,013
Cash at banks	92,793,566,412	106,263,891,645
Cash equivalents	5,494,434,798,185	12,905,800,000,000
Cash and cash equivalents in the consolidated statement of cash flows	5,588,278,453,404	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.

7. FINANCIAL INVESTMENTS

	31/12/2022 VND	1/1/2022 VND
Short-term financial investments		
Trading securities (a)	1,202,171,717,880	-
Held-to-maturity investments (b)	201,643,000,000	169,375,000,000
	1,403,814,717,880	169,375,000,000
Long-term financial investments		
Investment in an associate (c)	249,391,858,906	249,391,858,906

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(a) Trading securities

	31/12/2022				1/1/2022			
	Quantity VND	Cost VND	Fair value VND	Allowance for diminution in value VND	Quantity VND	Cost VND	Fair value VND	Allowance for diminution in value VND
Corporate bonds issued by a third party	12,000,000	1,202,171,717,880	(*)	-	-	-	-	-

The Group purchased these bonds for trading purpose over a short period of time. The bonds have remaining terms to maturity of 27 months from the end of the annual accounting period and earn interest rate of 9.03% per annum for the first-four interest periods and 1.8% per annum plus medium and long-term lending rates quoted by selected bank to corporate customers for remaining interest periods. These bonds are secured by guaranteed letter issued by Vietnam Technological and Commercial Joint Stock Bank, a related party and by assets of a third party. The Group has a commitment from a related party to purchase these bonds before 29 December 2023.

(*) The Group has not determined the fair value of the trading securities for disclosure in the consolidated 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 trading securities may differ from their carrying amounts.

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

	31/12/2022 VND	1/1/2022 VND
Term deposits at banks	201,643,000,000	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 annual accounting period.

(c) Investment in an associate

	31/12/2022			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 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 value.

Please see Note 1(d) for principal activities of CLX.

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

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

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8. ACCOUNTS RECEIVABLE FROM CUSTOMERS

	31/12/2022 VND	1/1/2022 VND
Receivable from related parties	382,713,005,733	281,512,098,593
Receivable from third parties	281,154,540,870	319,443,276,934
	663,867,546,603	600,955,375,527

Please see Note 35 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 issued date.

9. SHORT-TERM LOANS RECEIVABLE

	31/12/2022 VND	1/1/2022 VND
Short-term loans receivable from the parent company	6,047,191,980,732	4,086,581,871,592

The short-term loans receivable from the parent company were unsecured and earned annual interest as stipulated in the loan agreements. These loans mature in December 2023. Interest is receivable on the maturity date of loan agreements. Please see Note 35 for detailed balances with the related parties.

10. OTHER RECEIVABLES

(a) Other short-term receivables

	31/12/2022 VND	1/1/2022 VND
Non-trade amounts due from related parties:		
» Short-term accrued interest receivable from loans receivable (i)	-	2,170,989,684,747
» Short-term deposits (ii)	54,871,988,576	-
» Other receivables	43,814,136	3,881,928,929
Short-term deposits for other investments (iii)	9,015,000,000,000	-
Accrued interest receivable from other investments (iii)	347,321,164,376	-
Accrued interest receivable from deposits at banks and from trading securities	28,874,209,236	20,810,987,613
Other short-term deposits	33,849,261,670	8,854,769,665
Others	7,533,845,140	10,393,292,663
	9,487,494,283,134	2,214,930,663,617

(i) This represented short-term interest income receivable from loans provided to the parent company. As at 31 December 2022, an amount of VND1,770,610,109,140 interest receivables was converted to principal of loans receivable. Please see Note 9 and Note 35 for further information.

(ii) This represented deposits placed with a related party for warehouse rental.

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(iii) As at 31 December 2022, these balances represented the amounts deposited to third parties under investment cooperation contracts. According to these contracts, these third parties committed to pay the Group a minimum rate of return as agreed in the investment cooperation contracts.

(b) Other long-term receivables

	31/12/2022 VND	1/1/2022 VND
Receivable from a business cooperation contract (iv)	182,300,000,000	178,300,000,000
Long-term deposits	10,273,706,896	36,803,634,496
	192,573,706,896	215,103,634,496

(iv) 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.

11. INVENTORIES

	31/12/2022		1/1/2022	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	105,747,622,863	-	114,697,400,084	-
Raw materials	1,217,432,443,405	(17,539,183,873)	1,106,109,126,231	(9,029,744,993)
Tools and supplies	77,536,763,185	(1,197,147,302)	94,383,205,147	(6,666,874,874)
Work in progress	209,765,004,307	-	212,766,270,021	-
Finished goods	846,757,477,607	(10,509,751,502)	703,560,948,856	(21,957,636,542)
Merchandise inventories	68,186,986,806	(15,748,513)	49,905,358,456	-
Goods on consignment	5,583,390,477	-	11,125,234,882	-
	2,531,009,688,650	(29,261,831,190)	2,292,547,543,677	(37,654,256,409)

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

	2022 VND	2021 VND
Opening balance	37,654,256,409	31,613,801,268
Increase in allowance during the year	82,682,297,477	96,927,983,681
Allowance utilised during the year	(82,668,524,669)	(79,241,695,229)
Written back during the year	(5,836,173,323)	(11,645,833,311)
Deconsolidation of a subsidiary	(2,570,024,704)	-
Closing balance	29,261,831,190	37,654,256,409

Included in inventories of the Group as at 31 December 2022 was VND29,262 million (1/1/2022: VND37,654 million) of slow-moving inventories.

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12. 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 year	-	-	42,007,737,156	125,404,000	139,000,000	42,272,141,156
Transfer from construction in progress	288,219,853,430	-	368,416,757,487	4,286,731,267	6,412,197,035	667,335,539,219
Transfer to long-term prepaid expenses	-	-	(22,687,000)	-	-	(22,687,000)
Disposals	(7,418,191,292)	-	(65,809,960,995)	(919,021,653)	(1,355,142,213)	(75,502,316,153)
Written off	-	-	(178,800,000)	-	-	(178,800,000)
Deconsolidation of a subsidiary	(125,195,085,562)	-	(428,931,155,510)	(4,545,209,407)	1,326,908,962	(557,344,541,517)
Closing balance	2,741,198,228,109	59,361,231,666	5,706,860,256,188	102,339,226,818	32,536,404,193	8,642,295,346,974
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 year	124,237,297,660	-	523,078,838,320	10,855,932,163	3,162,214,367	661,334,282,510
Transfer to long-term prepaid expenses	-	-	(16,475,081)	-	-	(16,475,081)
Disposals	(5,196,253,422)	-	(62,074,980,178)	(919,021,653)	(1,355,142,213)	(69,545,397,466)
Written off	-	-	(178,800,000)	-	-	(178,800,000)
Deconsolidation of a subsidiary	(617,696,621)	-	(122,958,088,362)	(1,735,155,369)	1,326,908,962	(123,984,031,390)
Closing balance	759,540,750,758	59,361,231,666	3,477,772,251,755	73,383,564,253	16,087,617,923	4,386,145,416,355
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	1,981,657,477,351	-	2,229,088,004,433	28,955,662,565	16,448,786,270	4,256,149,930,619

Included in tangible fixed assets of the Group were assets costing VND1,297,724 million which were fully depreciated as of 31 December 2022 (1/1/2022: VND1,172,193 million), but which are still in active use.

As at 31 December 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 23).

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13. 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
Additions during the year	-	144,900,000	6,570,000,000	-	-	-	6,714,900,000
Transfer from construction in progress	-	847,745,163	-	-	-	-	847,745,163
Written off	-	-	(208,706,681)	-	-	-	(208,706,681)
Deconsolidation of a subsidiary	-	156,480,877	-	(14,298,498,242)	(26,456,731,772)	-	(40,598,749,137)
Other decrease	-	-	(2,413,908,000)	-	-	-	(2,413,908,000)
Closing balance	119,085,818,402	305,218,219,691	76,959,571,667	1,085,327,898,373	397,341,034,078	412,697,763,511	2,396,630,305,722
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 year	2,953,213,512	36,971,069,594	3,157,274,747	23,613,694,508	5,671,498,364	21,934,668,276	94,301,419,001
Written off	-	-	(208,706,681)	-	-	-	(208,706,681)
Deconsolidation of a subsidiary	-	156,480,877	-	(8,524,104,720)	(26,456,731,772)	-	(34,824,355,615)
Closing balance	46,961,603,093	275,064,259,076	30,243,205,130	679,681,971,307	367,099,758,073	161,136,460,212	1,560,187,256,891
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	72,124,215,309	30,153,960,615	46,716,366,537	405,645,927,066	30,241,276,005	251,561,303,299	836,443,048,831

Included in intangible fixed assets of the Group were assets costing VND887,757 million which were fully amortised as of 31 December 2022 (1/1/2022: VND887,365 million), but which are still in active use.

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14. 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 year	2,088,216,364	62,726,508	2,150,942,872
Closing balance	11,082,182,048	186,330,674	11,268,512,722
Net book value			
Opening balance	9,022,317,409	488,086,659	9,510,404,068
Closing balance	6,934,101,045	425,360,151	7,359,461,196

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.

Included in investment property of the Group were assets costing VND9,447 million which were fully depreciated as of 31 December 2022 (1/1/2022: 2,545 million), but which are still in active use.

15. CONSTRUCTION IN PROGRESS

	VND
Opening balance	335,804,947,727
Additions during the year	1,310,823,819,336
Transfer to tangible fixed assets	(667,335,539,219)
Transfer to intangible fixed assets	(847,745,163)
Transfer to long-term prepaid expenses	(34,652,024,363)
Deconsolidation of a subsidiary	(133,178,705,955)
Closing balance	810,614,752,363

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

	31/12/2022 VND	1/1/2022 VND
Machinery and equipment	637,988,338,119	243,285,141,722
Buildings and structures	126,909,501,231	73,435,772,954
Others	45,716,913,013	19,084,033,051
	810,614,752,363	335,804,947,727

As at 31 December 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 23).

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16. 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 year	567,322,200	-	12,506,717,453	-	13,074,039,653
Transfer from construction in progress	-	-	34,652,024,363	-	34,652,024,363
Transfer from tangible fixed assets	-	-	6,211,919	-	6,211,919
Reclassification from short-term prepaid expenses	-	-	1,184,201,820	-	1,184,201,820
Amortisation for the year	(13,770,910,197)	(3,134,371,153)	(49,789,827,895)	(5,656,333,311)	(72,351,442,556)
Disposals	-	-	(232,794,950)	-	(232,794,950)
Deconsolidation of a subsidiary	-	-	(2,173,931,691)	-	(2,173,931,691)
Currency translation differences	-	-	2,279	-	2,279
Closing balance	568,453,762,061	9,403,113,463	78,512,064,988	11,511,305,567	667,880,246,079

As at 31 December 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 23).

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17. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

	31/12/2022		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	152,534,227,134	-	180,862,498,139	-
Accrued logistic expenses	17,253,390,773	-	44,210,972,873	-
Accrued sale discounts	9,889,377,519	-	8,179,375,186	-
Other accruals, allowances and provisions	28,440,734,928	-	45,188,166,530	(2,389,920,606)
Unrealised profits	42,630,414,633	-	29,393,981,753	-
Investment property	-	-	-	(114,232,802)
Tangible fixed assets	-	(7,883,669,190)	-	(8,307,043,765)
Intangible fixed assets	-	(158,994,560,716)	-	(171,064,579,708)
	250,748,144,987	(166,878,229,906)	307,834,994,481	(181,875,776,881)

18. GOODWILL

	VND
Cost	
Opening balance	882,432,759,448
Deconsolidation of a subsidiary	(131,468,133,902)
Closing balance	750,964,625,546
Accumulated amortisation	
Opening balance	643,335,761,869
Charge for the year	56,483,755,359
Deconsolidation of a subsidiary	(101,887,803,807)
Closing balance	597,931,713,421
Net book value	
Opening balance	239,096,997,579
Closing balance	153,032,912,125

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19. ACCOUNTS PAYABLE TO SUPPLIERS

	31/12/2022	1/1/2022
	Cost/Amount within payment capacity VND	Cost/Amount within payment capacity VND
Payable to third parties	1,360,413,359,945	1,584,541,695,493
Payable to related parties	159,430,435,048	13,866,237,901
	1,519,843,794,993	1,598,407,933,394
In which:		
- Short-term	1,495,519,562,993	1,573,394,388,394
- Long-term	24,324,232,000	25,013,545,000
	1,519,843,794,993	1,598,407,933,394

Please see Note 35 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 issued date.

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20. TAXES PAYABLE TO STATE TREASURY

	1/1/2022 VND	Incurred VND	Paid VND	Deducted/Refunded VND	Deconsolidation of a subsidiary VND	Reclassified VND	31/12/2022 VND
Value added tax	128,423,184,305	3,981,014,207,777	(650,227,718,197)	(3,373,927,397,757)	(30,674,579,036)	(81,253,704)	54,526,443,388
Import-export tax	-	36,817,473,994	(36,817,473,994)	-	-	-	-
Corporate income tax	299,094,511,749	669,373,615,088	(789,711,507,804)	4,116,252,414	(20,475,631,524)	816,558,891	163,213,798,814
Personal income tax	6,441,382,978	163,108,886,737	(158,736,796,485)	(4,427,046,757)	(310,663,413)	-	6,075,763,060
Others	1,846,049,666	165,578,414,217	(165,564,446,073)	-	-	-	1,860,017,810
	435,805,128,698	5,015,892,597,813	(1,801,057,942,553)	(3,374,238,192,100)	(51,460,873,973)	735,305,187	225,676,023,072

21. ACCRUED EXPENSES

	31/12/2022 VND	1/1/2022 VND
Advertising, promotion and sale support expenses	795,007,028,724	970,882,886,772
Bonus and 13th month salary	216,914,450,978	346,187,672,006
Purchases not yet received invoices	136,490,994,684	302,283,867,154
Logistic expenses	89,456,440,246	227,570,445,613
Sale discounts	49,446,887,596	40,896,875,933
Interest expense	34,555,531,409	19,104,815,092
Construction in progress	33,514,858,628	37,264,002,911
Exhibition expenses	30,866,532,380	55,083,462,548
Information and technology expenses	23,662,966,359	44,463,680,096
Market research expenses	6,997,977,043	6,449,000,000
Others	104,457,860,445	155,551,714,275
	1,521,371,528,492	2,205,738,422,400

22. OTHER PAYABLES

(a) Other short-term payables

	31/12/2022 VND	1/1/2022 VND
Dividends payable	9,984,601,600	28,869,169,100
Trade union fee, social, health and unemployment insurances	8,553,330,849	12,163,836,136
Short-term deposits received	2,954,492,736	3,087,444,442
Others	84,687,279,888	9,019,223,776
	106,179,705,073	53,139,673,454

(b) Other long-term payables

	31/12/2022 VND	1/1/2022 VND
Long-term deposits received	31,756,586,755	32,854,954,310

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23. BORROWINGS

(a) Short-term borrowings

	1/1/2022					Movements during the year					31/12/2022	
	Carrying amount/ Amount within repayment capacity VND	Addition VND	Decrease VND	Revaluation VND	Deconsolidation of a subsidiary VND	Carrying amount/ Amount within repayment capacity VND						
Short-term borrowings	7,030,093,844,618	19,444,275,719,311	(20,000,683,519,245)	(649,575,408)	(460,349,823,091)	6,012,686,646,185						
Current portion of long-term borrowings	415,019,117,363	613,530,368,335	(396,084,810,883)	-	(18,934,306,480)	613,530,368,335						
	7,445,112,961,981	20,057,806,087,646	(20,396,768,330,128)	(649,575,408)	(479,284,129,571)	6,626,217,014,520						

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

	Currency	Lãi suất năm	31/12/2022 VND	1/1/2022 VND
» Secured bank loans	VND	-	-	66,008,519,318
» Unsecured bank loans	VND	5.10% - 8.84%	5,869,909,782,253	5,430,728,735,864
» Unsecured bank loans	USD	3.00% - 3.60%	142,776,863,932	1,533,356,589,436
			6,012,686,646,185	7,030,093,844,618

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(b) Long-term borrowings

	31/12/2022 VND	1/1/2022 VND
Long-term borrowings	1,388,279,365,230	1,478,636,736,258
Repayable within 12 months	(613,530,368,335)	(415,019,117,363)
Repayable after 12 months	774,748,996,895	1,063,617,618,895

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

	Currency	Annual interest rate	Year of maturity	31/12/2022 VND	1/1/2022 VND
» Secured bank loans	VND	4.60% - 12.10%	2023 - 2025	1,388,279,365,230	1,478,636,736,258

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 value of VND808,731 million, VND291,966 million and VND35,965 million, respectively (1/1/2022: VND852,747 million, VND32,939 million and VND36,807 million, respectively).

As at 31 December 2022 and 1 January 2022, the secured bank loans – long-term of the subsidiaries of the Group were also guaranteed by the Company.

During the year, the Group complied with the loan covenants on the above borrowings. As at 31 December 2022 and 1 January 2022, the Group did not have any overdue borrowings including principal and interest.

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24. 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 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
Treasury shares reissued	-	(150,213,464,134)	-	645,586,304,134	-	-	-	-	495,372,840,000
Net profit for the year	-	-	-	-	-	-	5,442,134,889,474	84,042,109,041	5,526,176,998,515
Dividends	-	-	-	-	-	-	(3,189,572,181,000)	-	(3,189,572,181,000)
Dividends declared by subsidiaries	-	-	-	-	-	-	-	(94,756,729,000)	(94,756,729,000)
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	-	-	-	-	(6,506,736,337)	-	-	(14,405)	(6,506,750,742)
Balance as at 31 December 2021	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

	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 VND	Total VND
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
Share capital issued (Note 25)	6,680,610,000	49,774,575,000	-	-	-	-	-	-	56,455,185,000
Net profit for the year	-	-	-	-	-	-	5,451,118,633,692	81,688,475,389	5,532,807,109,081
Increase of capital in a subsidiary	-	-	-	-	-	-	-	38,345,000,000	38,345,000,000
Dividends declared by subsidiaries	-	-	-	-	-	-	-	(95,089,096,480)	(95,089,096,480)
Deconsolidation of a subsidiary (Note 5(a))	-	-	-	-	-	-	-	(96,919,860,885)	(96,919,860,885)
Transactions with non-controlling interest	-	-	-	-	-	-	(4,653,925,623)	8,577,210,623	3,923,285,000
Currency translation differences	-	-	-	-	429,646,065	-	-	1,992	429,648,057
Balance as at 31 December 2022	7,274,618,790,000	3,610,328,815,858	(265,775,657,006)	(994,666,327,121)	7,418,664,660	22,731,972,844	12,263,423,092,167	527,565,855,752	22,445,645,207,154

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25. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

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

	31/12/2022		1/1/2022	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	727,461,879	7,274,618,790,000	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	716,546,491	7,165,464,910,000	715,878,430	7,158,784,300,000
Share premium		3,610,328,815,858		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.

Movements of shares currently in circulation during the year were as follows:

	2022		2021	
	Number of shares	Par value VND	Number of shares	Par value VND
Balance at beginning of the year – currently in circulation	715,878,430	7,158,784,300,000	708,793,818	7,087,938,180,000
Issuance of new shares by cash	668,061	6,680,610,000	-	-
Reissuance of treasury shares by cash	-	-	7,084,612	70,846,120,000
Balance at end of the year – currently in circulation	716,546,491	7,165,464,910,000	715,878,430	7,158,784,300,000

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26. OFF BALANCE SHEET ITEMS

(a) Lease commitments

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

	31/12/2022 VND	1/1/2022 VND
Within 1 year	95,359,587,077	161,732,899,181
Within 2 to 5 years	70,502,619,625	96,279,675,413
More than 5 years	284,273,062,662	289,982,680,106
	450,135,269,364	547,995,254,700

(b) Capital expenditure commitments

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

	31/12/2022 VND	1/1/2022 VND
Approved and contracted	266,292,999,337	546,592,450,245
Approved but not contracted	308,788,352,300	730,449,369,103
	575,081,351,637	1,277,041,819,348

(c) Foreign currencies

	31/12/2022		1/1/2022	
	Original currency	equivalent VND	Original currency	equivalent VND
USD	630,464	14,758,126,880	221,857	5,025,075,872
EUR	202	4,983,736	213	5,597,207
THB	45,255,027	29,823,058,621	47,731,914	31,741,718,594
		44,586,169,237		36,772,391,673

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27. 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:

	2022 VND	2021 VND
Total revenue		
» Sale of goods	27,074,705,589,790	27,999,230,928,349
» Other sales	103,642,783,615	99,654,156,577
	27,178,348,373,405	28,098,885,084,926
Less revenue deductions		
» Sale discounts	94,595,670,924	244,667,387,063
» Sale returns	106,479,532,453	80,582,480,130
	201,075,203,377	325,249,867,193
Net revenue	26,977,273,170,028	27,773,635,217,733

28. COST OF SALES AND SERVICES

	2022 VND	2021 VND
Total cost of sales and services		
» Goods sold	15,645,513,344,636	15,813,601,098,017
» Other cost of sales	123,399,145,254	83,812,455,381
» Allowance for inventories	76,846,124,154	85,282,150,370
	15,845,758,614,044	15,982,695,703,768

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29. FINANCIAL INCOME

	2022 VND	2021 VND
Interest income from loans provided to related parties	272,287,917,543	345,963,757,888
Interest income from deposits at banks and other investments	627,328,321,290	357,464,427,751
Foreign exchange gains	34,917,243,329	16,643,388,222
	934,533,482,162	720,071,573,861

30. FINANCIAL EXPENSES

	2022 VND	2021 VND
Interest expense on borrowings from banks	307,330,035,566	226,159,178,618
Foreign exchange losses	46,175,725,060	21,614,401,833
Borrowing costs	2,872,999,996	2,786,573,332
Others	28,793,441,935	7,451,276,519
	385,172,202,557	258,011,430,302

31. SELLING EXPENSES

	2022 VND	2021 VND
Advertising, promotion and sale support expenses	3,015,416,983,635	3,205,403,255,800
Logistic expenses	839,223,610,343	874,184,868,727
Staff costs	500,970,049,848	479,176,976,563
Exhibition expenses	46,538,728,773	125,478,343,563
Leased line system and information technology services	48,966,751,027	37,670,191,141
Marketing research expenses	16,273,363,715	20,122,936,911
Others	59,753,258,175	38,108,309,950
	4,527,142,745,516	4,780,144,882,655

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32. GENERAL AND ADMINISTRATION EXPENSES

	2022 VND	2021 VND
Staff costs	410,879,640,007	440,359,941,893
Leased line system and information technology services	97,557,649,628	105,244,799,899
Research and development expenses	79,947,780,164	50,170,764,759
Office rental	70,813,506,602	67,646,874,314
Amortisation of fair value uplift of fixed assets, long-term prepaid expenses and investment property arising in business combination	57,505,837,808	110,261,415,873
Amortisation of goodwill	56,483,755,359	83,001,649,350
Depreciation and amortisation of fixed assets	46,773,916,821	44,929,195,775
Others	80,955,399,512	171,292,152,328
	900,917,485,901	1,072,906,794,191

33. INCOME TAX

(a) Recognised in the consolidated statement of income

	2022 VND	2021 VND
Current tax expense		
Current year	675,300,683,622	978,856,624,779
(Over)/under provision in prior years	(5,927,068,534)	317,442,209
	669,373,615,088	979,174,066,988
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	41,180,186,596	(101,784,688,617)
Other changes in deferred tax assets	-	7,000,000,000
	41,180,186,596	(94,784,688,617)
Income tax expense	710,553,801,684	884,389,378,371

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(b) Reconciliation of effective tax rate

	2022 VND	2021 VND
Accounting profit before tax	6,243,360,910,765	6,410,566,376,886
Tax at the Company's income tax rate	1,248,672,182,153	1,282,113,275,377
Tax loss utilised	(4,625,722,462)	(345,921,523)
Effect of incentive tax rates in subsidiaries	(530,531,361,372)	(426,399,510,660)
Effect of share of profit in an associate	(2,659,217,000)	(2,659,217,000)
Non-deductible expenses	10,373,490,929	5,774,170,250
(Over)/under provision in prior years	(5,927,068,534)	317,442,209
Effect of amortisation of goodwill	11,296,751,077	16,600,329,870
Change in unrecognised deferred tax assets (*)	1,558,399,127	1,988,809,848
Other changes in temporary differences	(18,664,434,701)	7,000,000,000
Effect of deconsolidation of a subsidiary	1,060,782,467	-
	710,553,801,684	884,389,378,371

(*) 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 different tax offices. 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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34. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 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 year, of VND5,451,119 million (2021: VND5,442,135 million) and a weighted average number of ordinary shares outstanding of 716,132,842 shares (2021: 710,715,398 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2022 VND	2021 VND
Net profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds	5,451,118,633,692	5,442,134,889,474

(ii) Weighted average number of ordinary shares

	2022 Shares	2021 Shares
Issued ordinary shares at beginning of the year – currently in circulation	715,878,430	708,793,818
Effect of shares issued during the year	254,412	-
Effect of treasury shares reissued during the year	-	1,921,580
Weighted average number of ordinary shares for the year – currently in circulation	716,132,842	710,715,398

(iii) Basic earnings per share

	2022 VND	2021 VND
Basic earnings per share	7,612	7,657

(b) Diluted earnings per share

As at 31 December 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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35. SIGNIFICANT TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		2022 VND	2021 VND	31/12/2022 VND	1/1/2022 VND
Intermediate parent companies					
Masan Group Corporation	Sale of goods	203,421,872	84,243,994	18,881,346	5,739,999
	Management fee	6,961,885,607	2,209,168,281	10,088,159,277	2,430,085,109
The CrownX Corporation	Sale of goods	622,914	-	-	-
	Management fee	6,184,540,884	-	(6,679,304,155)	-
Parent company					
MasanConsumerHoldings Company Limited	Loans provided, including conversion of interest income receivables to principal of loans receivable	1,960,610,109,140	180,000,000,000	6,047,191,980,732	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	269,620,424,393	345,963,757,888	-	2,170,989,684,747
	Dividends declared	-	3,021,089,152,500	-	-
	Dividends paid by cash	-	18,106,650,000	-	-
	Proceeds from transfer of an investment	315,033,720,000	-	-	-
Associate					
Cholimex Food Joint Stock Company	Post-acquisition dividends received	13,296,085,000	13,296,085,000	-	-

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Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		2022 VND	2021 VND	31/12/2022 VND	1/1/2022 VND
Other related parties					
Masan JinJu Joint Stock Company ("MSJ") and its branch (Note 5(a))	Sale of goods	34,276,977,663	-	5,428,719,336	-
	Purchase of goods	439,020,868,191	-	(146,162,162,871)	-
	Collection of loans by cash	291,000,000,000	-	-	-
	Interest income receivable from loans	2,667,493,150	-	-	-
	Management fee	1,509,308,583	-	43,814,136	-
Masan Master Brewer Company Limited	Sale of goods	1,392,392	947,232	181,412	-
Masan Brewery PY One Member Company Limited	Sale of goods	55,737,068	21,250,239	12,191,338	-
Masan Brewery Distribution One Member Company Limited	Sale of goods	13,187,030,020	293,746,266	3,337,160,542	-
	Purchase of goods	9,404,455,886	10,493,923,889	(633,006,000)	-
	Management fee	35,540,419,406	31,836,087,648	43,423,973,251	25,645,053,000
Masan Brewery HG One Member Company Limited	Sale of goods	2,701,644,142	21,002,393	12,517,422	-
	Purchase of goods and services	4,009,729,325	2,825,257,000	(552,827,601)	(300,217,500)
	Purchase of fixed assets	658,119,415	-	(559,266,341)	-
	Management fee	152,467,607	2,607,980,855	2,654,132,879	2,868,778,941
Masan Brewery MB Company Limited	Management fee	1,705,044,885	-	1,841,448,476	-
	Deposits for warehouse rental	54,871,988,576	-	54,871,988,576	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
		2022 VND	2021 VND	31/12/2022 VND	1/1/2022 VND
Masan MEATLife Corporation	Sale of goods	35,686,364	76,855,801	5,576,728	2,800,001
	Management fee	40,311,911,535	8,607,773,646	44,338,995,834	3,460,908,168
MML Farm Nghe An Company Limited	Sale of goods	-	75,792,465	-	-
	Management fee	377,092,445	2,600,920,637	73,923,379	1,600,876,379
MEATDeli HN Company Limited	Sale of goods and services	36,339,060,845	1,961,801,584	39,480,000	510,203,536
	Sale of fixed assets	30,000,000	-	-	-
	Purchase of goods and services	50,915,043,441	18,474,017,663	-	(3,541,747,791)
	Purchase of fixed assets	186,781,103,729	-	-	-
	Management fee	5,791,448,325	7,822,891,631	1,592,653,552	5,377,861,008
MEATDeli Sai Gon Company Limited	Sale of goods and services	2,308,790,725	794,967,983	79,417,000	114,244,571
	Purchase of goods	24,771,872,183	40,470,776,427	(92,918,733)	(3,300,454,639)
	Management fee	3,879,530,906	4,892,782,698	1,991,201,521	3,575,300,853
3F VIET Food Company Limited	Sale of goods and services	1,339,409,731	2,295,297,104	15,397,130	1,284,042,751
	Purchase of goods	37,012,747,140	35,082,724,115	-	(5,747,520,000)
	Management fee	184,581,341	-	147,846,759	-
3F VIET Joint Stock Company	Sale of goods	2,086,838	24,399,003	-	-
	Purchase of goods	13,219,612,800	-	-	-
Nui Phao Mining Company Limited	Sale of goods	1,524,892,691	1,180,851,176	318,612,735	80,359,849
	Management fee	122,030,349	786,572,799	999,463,463	865,230,079
Jinju Ham Company Limited	Capital contribution	38,344,780,000	-	-	-
	Dividends declared	38,344,787,200	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
		2022 VND	2021 VND	31/12/2022 VND	1/1/2022 VND
Wincommerce General Commercial Services Joint Stock Company	Sale of goods	1,118,826,761,706	1,399,516,804,928	254,999,528,515	236,713,736,562
	Purchase of goods and services	217,592,394,769	272,867,386,250	(3,525,947,783)	(833,797,971)
	Purchase of fixed assets	-	1,218,665,532	-	-
	Office rental support fee	23,400,773,330	17,550,000,000	3,342,739,292	-
	Settlement discount and other sale support payable	19,187,456,253	10,106,180,275	-	-
	Other receivables	-	-	17,000,000	124,280,000
Wineco Agricultural Investment Development and Production Limited Liability Company	Sale of goods	-	1,952,273	7,572,247	-
	Purchase of goods	7,644,407,463	6,858,914,000	(586,696,000)	(142,500,000)
	Office rental support fee	811,032,816	450,000,000	74,344,675	-
Phuc Long Heritage Corporation	Sale of goods and services	17,966,668,052	1,468,423,379	4,996,732,505	858,806,716
	Purchase of goods	8,931,082,113	521,126,917	(871,192,978)	-
	Management fee	1,889,883,833	-	2,041,074,540	-
Mobicast Joint Stock Company	Sale of goods	9,238,570	-	9,977,656	-
	Purchase of services	4,669,694,202	-	(203,500,568)	-
The Surpa Corporation	Sale of goods	126,046,020	-	13,376,167	-
	Purchase of services	653,654,856	-	(117,585,596)	-
	Management fee	747,895,144	-	807,726,756	-
Techcom Securities Joint Stock Company (*)	Purchase of trading securities	3,087,046,500,000	-	-	-
	Sale of trading securities	1,859,179,000,000	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2022 (continued)

Form B 09 – 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	
		2022 VND	2021 VND	31/12/2022 VND	1/1/2022 VND
Key management personnel (**)	Remuneration to key management personnel	74,565,470,035	77,591,062,765	-	-

(*) As at 31 December 2022 and 1 January 2022, the Company and its subsidiaries had current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank ("Techcombank"), a related party, at normal commercial terms.

(**) Included in the remuneration to key management personnel, the actual board fees, salary and bonus for each member of the Company's Board of Directors and the Company's Chief Executive Officer were as follows:

Name	Position	2022 VND	2021 VND
Board of Directors			
<i>Fee and bonus</i>			
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			
<i>Salary, bonus and other benefits</i>			
Mr Truong Cong Thang	Chief Executive Officer	6,592,776,987	17,767,338,616

36. POST BALANCE SHEET EVENTS

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

1 March 2023

Prepared by:

Approved by:



Phan Thi Thuy Hoa
Chief Accountant




Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

GENERAL CORPORATE INFORMATION



General Corporate Information

MASAN CONSUMER'S CORPORATE HISTORY AND GROUP STRUCTURE

Corporate History

1996

- On 01 April 1996: Masan established an import company based in Russia to sell food products in the Eastern European market.
- On 20 June 1996: Viet Tien Industry - Technology - Trading JSC was established, specializing in food processing and food seasoning.

2000

- On 31 May 2000: Minh Viet Industrial Import - Export JSC was established, specializing in trading food products.

2003

- On 01 August 2003: Viet Tien Industry - Technology - Trading JSC merged with Minh Viet Industry Import - Export JSC and changed its name to Ma San Trading Corporation (the "Company") with total charter capital of VND28,500,000,000.

2004

- On 14 June 2004: the Company increased its charter capital to VND45,000,000,000.

2006

- On 20 July 2006: the Company increased its charter capital to VND72,250,000,000.
- On 14 September 2006: the Company increased its charter capital to VND85,000,000,000.

2007

- On 28 February 2007: the Company increased its charter capital to VND113,395,360,000.
- On 25 December 2007: the Company increased its charter capital to VND138,395,360,000.

2008

- On 10 May 2008: the Company increased its charter capital to VND257,191,230,000.
- On 11 December 2008: the Company changed its name to Ma San Food Corporation.

2009

- On 11 June 2009: the Company increased its charter capital to VND630,000,000,000.
- On 01 July 2009: the Company added an additional business line: producing seasoning (not producing at its head office) and spices (excluding basic chemicals production).
- On 22 December 2009: the Company moved its head office to 12th Floor, Kumho Asiana Plaza Saigon Building, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City.

2010

- On 29 September 2010: the Company increased its charter capital to VND1,300,000,000,000.

2011

- On 9 March 2011: the Company changed its name to Ma San Consumer Corporation.
- On 15 April 2011: the Company issued ordinary shares to KKR, representing a 10% equity interest in Ma San Consumer.
- On 20 July 2011: the Company increased its charter capital to VND2,500,000,000,000.
- On 17 October 2011 and 04 November 2011: the Company acquired 50.25% of Vinacafé Bien Hoa.

2012

- On 08 June 2012: the Company increased its charter capital to VND5,025,000,000,000.
- In December 2012: the Company acquired an additional 2.95% equity interest in Vinacafé Bien Hoa, increasing its ownership to 53.20%.

2013

- On 01 February 2013: the Company acquired a 24.9% equity interest in Vinh Hao Mineral Water Corporation.
- On 06 February 2013: the Company increased its charter capital to VND5,253,409,090,000 by issuing additional shares to its strategic shareholder, KKR, an equivalent to 4.35% of its enlarged charter capital, increasing KKR's (through the funds they manage) total ownership to 18.04%.

- On 27 March 2013: the Company acquired a 38.61% equity interest in Vinh Hao Mineral Water Corporation, increasing its ownership to 63.51%.
- On 01 July 2013: the Company increased its charter capital to VND5,273,359,100,000.

2014

- On 27 June 2014: the Company increased its charter capital to VND5,313,263,220,000.
- On 30 December 2014: Masan Food Company Limited, a subsidiary of the Company, acquired 32.84% of Cholimex Food Joint Stock Company.

2015

- On 14 January 2015: Masan Food Company Limited, a subsidiary of the Company, acquired 99.99% of Saigon Nutri Food Joint Stock Company.
- On 10 June 2015: the Company changed its name to Masan Consumer Corporation.
- On 6 August 2015: the Company increased its charter capital to VND5,351,601,170,000.
- On 25 December 2015: Masan Beverage Company Limited, a subsidiary of the Company, acquired 65% of Quang Ninh Mineral Water Corporation.

General Corporate Information (Continued)

MASAN CONSUMER'S CORPORATE HISTORY AND GROUP STRUCTURE (Continued)

Corporate History (Continued)

2016

- On 06 January 2016: Masan Beverage Company Limited, a subsidiary of the Company, acquired an additional 20.29% equity interest in Vinh Hao Mineral Water Corporation, increasing its ownership to 84.23%.
- On 22 February 2016: Masan Beverage Company Limited also increased its direct ownership in Vinacafé to 60.16%.
- On 28 April 2016: Masan Beverage Company Limited acquired an additional 4.32% stake in Vinh Hao Mineral Water Corporation, increasing its ownership to 88.56%.
- On 23 May 2016: Vinacafé Bien Hoa Joint Stock Company acquired 85% stake of CDN Production Trading Corporation - a company in the coffee business.
- On 21 June 2016: Masan Food Company Limited established a subsidiary company, Nam Ngu Phu Quoc One Member Limited in Phu Quoc Island.
- On 08 July 2016: a subsidiary of the Company is Masan Consumer (Thailand) Limited was established at Thailand.
- On 04 August 2016: the Company increased its charter capital to VND5,381,601,170,000.

- On 06 October 2016: Masan Food Company Limited increased its stake in Masan PQ Corporation to 99.99%.
- On 09 December 2016: Masan Beverage Company Limited also increased its direct ownership in Vinacafé to 68.46% by tender offer.

2017

- On 02 August 2017: the Company increased its charter capital to VND5,431,327,770,000.

2018

- On 05 February 2018: Masan Beverage Company Limited increased its direct ownership in Vinacafé to 98.49% by a tender offer.
- In 2018: Saigon Nutri Food Joint Stock Company ("SNF") signed a strategic cooperation with Jinju Ham Co., Ltd., Korea's leading branded processed meat company. Jinju Ham Co., Ltd. bought a 25% equity stake in SNF through primary shares and SNF was renamed to Masan Jinju Joint Stock Company.
- On 26 July 2018: the Company increased its charter capital to VND5,483,736,040,000.
- On 14 September 2018: the Company increased its charter capital to VND6,279,291,230,000.

2019

- On 30 July 2019: the Company increased its charter capital to VND6,309,784,480,000.
- On 12 September 2019: the Company increased its charter capital to VND7,229,246,040,000.
- In December 2019: a wholly-owned home and personal care subsidiary - Masan HPC was established.

2020

- On 12 October 2020: the Company increased its charter capital to VND7,267,938,180,000
- December 2020: the Company established Masan Innovation Co., Ltd. and Hi-Fresh Co., Ltd. with operations in the retail sector, selling consumer products in specialty stores.

2022

- On 29 August 2022: the Company increased its charter capital to VND7,274,618,790,000.
- In September 2022, the Company restructured Masan Jinju Corporation ownership to MasanConsumerHoldings Company Limited.
- In December 2022: Café' De Nam Corporation fulfilled the merging with Vinh Hao Mineral Water Corporation. Simultaneously, the Company added Masan HG 2 limited company to extend the factory and distribution in Mekong and South of Viet Nam.

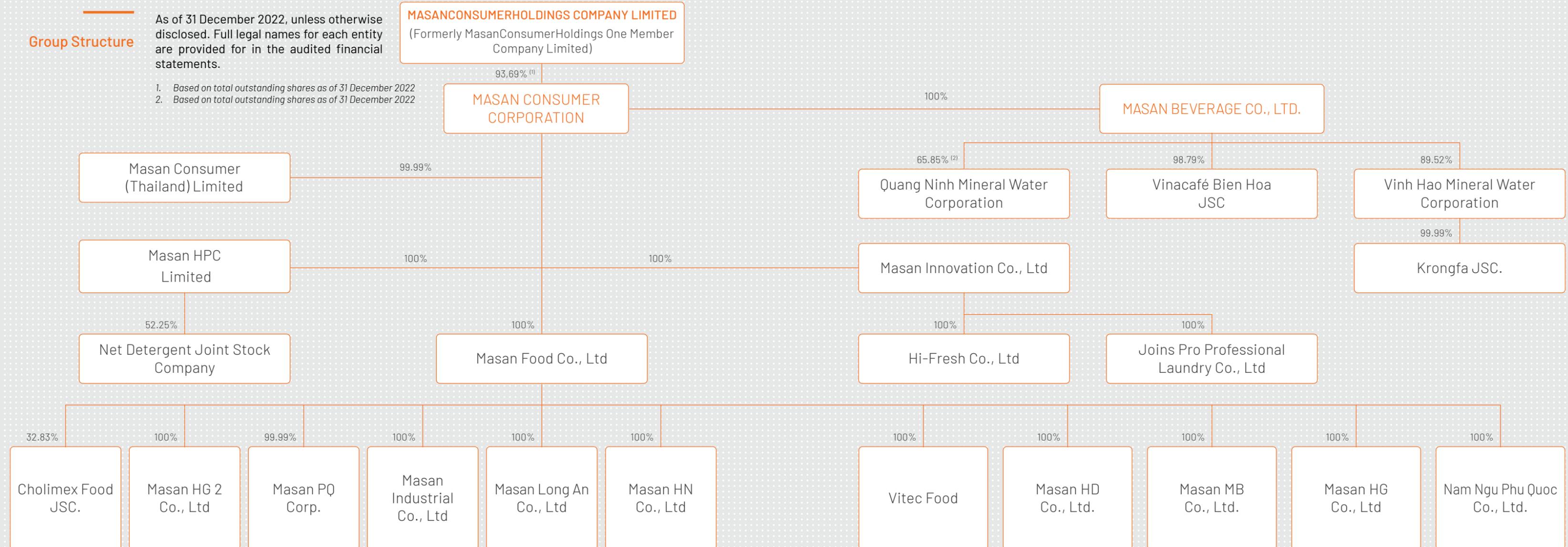
General Corporate Information (Continued)

MASAN CONSUMER'S CORPORATE HISTORY AND GROUP STRUCTURE (Continued)

Group Structure

As of 31 December 2022, unless otherwise disclosed. Full legal names for each entity are provided for in the audited financial statements.

1. Based on total outstanding shares as of 31 December 2022
2. Based on total outstanding shares as of 31 December 2022



General Corporate Information (Continued)

ORGANIZATION AND HUMAN RESOURCES

Organization	BOARD OF DIRECTORS	AUDIT COMMITTEE
	<ul style="list-style-type: none"> ● Chairman Full name : Danny Le Gender : Male Year of birth : 1984 Qualification : University graduate ● Member Full name : Truong Cong Thang Gender : Male Year of birth : 1973 Qualification : University graduate ● Member Full name : Nguyen Hoang Yen Gender : Female Year of birth : 1963 Qualification : University graduate ● Member Full name : Nguyen Thieu Quang Gender : Male Year of birth : 1959 Qualification : University graduate ● Member Full name : Nguyen Thu Hien Gender : Female Year of birth : 1978 Qualification : Master's Degree ● Member Full name : Nguyen Thi Thu Ha Gender : Female Year of birth : 1974 Qualification : University graduate 	<ul style="list-style-type: none"> ● Chair of board Full name : Nguyen Thu Hien Gender : Female Year of birth : 1978 Qualification : Master's Degree ● Member Full name : Nguyen Thieu Quang Gender : Male Year of birth : 1959 Qualification : University graduate
		MANAGEMENT BOARD
		<ul style="list-style-type: none"> ● Mr. Truong Cong Thang - Chief Executive Officer ● Ms. Nguyen Hoang Yen - Deputy Chief Executive Officer ● Mr. Pham Hong Son - Deputy Chief Executive Officer

CORPORATE GOVERNANCE

As at 31 December 2022

Board of Directors	Name of members	Position	Number of share	Shareholding (%)
	Danny Le	Chairman	-	-
	Truong Cong Thang	Member	-	-
	Nguyen Hoang Yen	Member	894,712	0.123%
	Nguyen Thieu Quang	Member	145,776	0.02%
	Nguyen Thi Thu Ha	Member	-	-
	Nguyen Thu Hien	Member	-	-

ACTIVITIES OF BOARD OF DIRECTORS

The Board of Directors is elected by shareholders to oversee the activities of the Company. Members of the Board of Directors regularly meet to discuss strategic decisions raised by the Management Board. The Board of Directors has a minimum of five members and maximum of 11 members. In 2022, the Board of Directors has 6 members.

The Board of Directors can hold periodical meetings or extraordinary meetings at the head office of the Company or other places. Periodical meetings are organized on a quarterly basis.

The Board of Directors passes decisions by voting at meetings or by collecting opinions in writing. Each member of Board of Directors has one vote.

In 2022, Board of Directors participated in:

- Overseeing the activities of the Chief Executive Officer and other managers related to the daily operations of the Company;
- Coordinating closely with the Chief Executive Officer and Management Board to discuss strategy and issues of the Company;
- Deciding on restructuring the business model and organizational structure of the Company to be more efficient; and
- Deciding on investment projects of the Company and its subsidiaries.

In 2022, there were no transactions between Masan Consumer Corporation and members of the Board of Directors of the Company.

In 2022, the Board of Directors received no compensation.

ACTIVITIES OF CHIEF EXECUTIVE OFFICER AND MANAGEMENT BOARD

The Management Board is responsible for implementing the Company's business strategy and managing day to day operations. The Chief Executive Officer chairs the Management Board.

General Corporate Information (Continued)

	Name of members	Position	Number of share	Shareholding
Audit Committee	Nguyen Thu Hien	Chairman	-	-
	Nguyen Thieu Quang	Member	145,776	0.02%

ACTIVITIES OF AUDIT COMMITTEE IN 2022

Audit Committee is a professional body under the Board of Directors and has 2 or more members. Currently, the Company's Audit Committee has 2 members.

Chairman of Audit Committee must be an independent member of the Board of Directors. Other members of the Audit Committee must be non-executive members of BOD.

Audit Committee shall adopt the decision by voting at the meeting, collecting opinions in written or by other means prescribed by the Company's Charter or its operating regulations. Each member of Audit Committee has one vote.

ACTIVITIES OF SUPERVISORY BOARD IN 2022

In 2022, the Supervisory Board:

- The Management Board has properly and fully performed its responsibilities for operating the Company's business in compliance with the Law on Enterprise, the Law on Securities, the Company's Charter, the Resolutions of the General Meeting of Shareholders, the Resolutions of the Board of Directors and other provisions of law.
- The Company's quarterly financial statements have been prepared to truly reflect the financial results of the Company.
- The Resolutions of the Board of Directors have been issued in accordance with the competence of the Board of Directors and the contents of these resolutions are complied with the Resolutions of the General Meeting of Shareholders, the Law on Enterprises, the Law on Securities, the Company's Charter, and other provisions of law.

THE CO-OPERATION BETWEEN AUDIT COMMITTEE AND OPERATION OF BOARD OF DIRECTORS, MANAGEMENT BOARD AND OTHER MANAGERS

- Reviewed the Company's internal control and risk management system. Reviewed the Company's procedures in issuing rules, policies, processes and other documents;
- Reviewed the reasonability, legality, integrity and carefulness in business management, accounting, statistics and financial reporting;
- Monitored the truthfulness of all the Company's financial statements and the Company's financial performance;
- Monitored and evaluated the independence and objectivity of the audit firm and the effectiveness of the audit process. Reviewed the reports from the Independent Auditors and the internal control of the Company prior to the Board of Directors' approval; provided opinions on the appointment of an Independent Auditor. Business performance and financial statements were strictly reviewed, ensuring the accuracy and legality in financial recording. The Company and its subsidiaries' financial statements were audited by KPMG Vietnam Ltd. to ensure that these reports gave a true and fair view, in all material aspects, in accordance with Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting;
- Evaluated reports on business performance, the Company's half year and full year financial statements, reported on the assessment of the Board of Directors' oversight; evaluated Annual General Meetings' documents;
- Evaluated reports on business performance, the Company's half year and full year financial statements, reported on the assessment of the Board of Directors' oversight; evaluated Annual General Meetings' documents;
- In 2022, the Supervisory Board met 2 times to discuss the issues within their responsibilities.
- In 2022, the Supervisory Board received no compensation.

SHAREHOLDER INFORMATION

Total shares as at 31 December 2022	Total outstanding shares as at 31 December 2022	Total treasury shares as at 31 December 2022
727,461,879 shares	716,546,491 shares	10,915,388 shares

DOMESTIC SHAREHOLDERS

Domestic shareholder ownership: 98.10%⁽¹⁾

DETAILED INFORMATION ABOUT MAJOR SHAREHOLDERS

Name of shareholder	Place of permanent residence/head office	Occupation/business lines	Number of shares	Percent %
MasanConsumerHoldings Company Limited	Room 802, Floor 8, Central Plaza Building, 17 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City	Investment	671,353,145	93.69%

FOREIGN SHAREHOLDERS

Foreign shareholder ownership: 1.90%⁽²⁾

There are no major foreign shareholders.

⁽¹⁾ Based on latest shareholder list as at 28 March 2022 and total outstanding shares as at 31 December 2022.

⁽²⁾ Based on total outstanding shares as at 31 December 2022.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

For regulatory purposes, this document shall be deemed the official Annual Report of Masan Consumer Corporation for the financial year 2020. For the additional information about our Company, please refer to the Masan Group's official annual report, which shall be publicly available on Masan Group's website and the Annual General Meeting.

All statements contained in this report that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms, such as "anticipate", "believe", "can", "could", "estimate", "anticipate", "project", "expect", "intend", "may", "plan", "aim", "will" and "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), planned projects and other matters discussed in this document regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this report involve known and unknown risks, uncertainties and other factors that may cause our actual financial results, performance or achievements to be materially different from any future financial results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Forward-looking statements are based on our beliefs and assumptions, which in turn are based on currently available information. Our outlook is predominantly based on our interpretation of what we consider to be the key economic factors affecting our business, the Vietnamese economy and the sectors we operate in. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors, many of which are beyond our control. Accordingly, investors are cautioned not to place undue reliance on the forward-looking statements in this report. These statements speak only as of the date of this report or the respective dates indicated in this report, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

CONTACT

Masan Consumer Corporation

Abbreviated name : **MSC or MASAN CONSUMER CORPORATION**
 Head office : 12th floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
 Tel: : +84 902 662 660
 Website: : www.masanconsumer.com
 Tax code : 0302017440
 Charter capital : VND 7,274,618,790,000
 (Seven thousand two hundred seventy-four billion, six hundred eighteen million, seven hundred ninety thousand Vietnamese Dongs).

GLOSSARY OF TERMS

BOD	Board of Directors
CEO	Chief Executive Officer
Cholimex	Cholimex Food Joint Stock Company
Covid-19	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
CSR	Corporate Social Responsibility
ESOP	Employees' Share Ownership Program
GDP	Gross Domestic Product
FMCG	Fast-moving Consumer Goods
HCMC	Ho Chi Minh City
HORECA	Hotel, restaurants, and cafes
HPC	Home and Personal Care
HR	Human Resources
IMF	International Monetary Fund
Ltd	Limited Liability Company
M&A	Mergers and Acquisitions
Masan or Masan Consumer	Masan Consumer Corporation and its subsidiaries; the Company
Masan Consumer Holdings	MasanConsumerHoldings Company Ltd
MNC	Multinational Company
MT	Modern Trade
NETCO	Net Detergent Joint Stock Company
Quang Ninh Mineral Water	Quang Ninh Mineral Water Corporation
R&D	Research and Development
RTE	Ready-to-Eat
SG&A	Sales, General and Administrative Expenses
Singha	Singha Asia Holding One Pte Ltd,
SNF	Saigon Nutri Food Joint Stock Company
The Group or the Company	Masan Consumer
US\$	United States Dollar, U.S. Dollar
WCM	WCM Services and Trading Development Joint Stock Company
Vinacafé Bien Hoa	Vinacafé Bien Hoa Joint Stock Company
Vinacafé	Trade mark of Vinacafé Bien Hoa Joint Stock Company
Vinh Hao	Vinh Hao Mineral Water Corporation
VND	Vietnamese Dong
YoY	Year-over-year



MASAN CONSUMER CORPORATION

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