



CONSUMER OF THINGS

KẾT NỐI VẠN NHU CẦU



2021 SCORECARD



TOTAL ASSETS as of 31 December 2021

30,204 VND billion



CASH ON HAND as of 31 December 2021

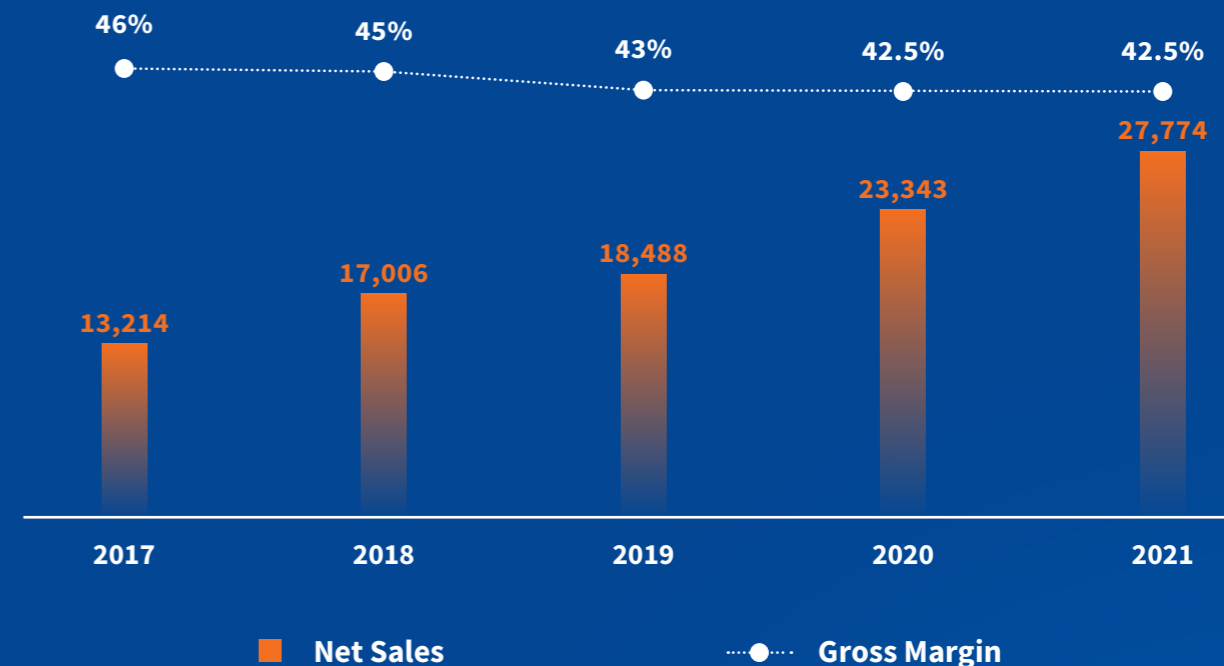
13,183 VND billion



NET PROFIT AFTER TAX in 2021

5,526 VND billion

Net Sales (VND billion) and Gross Margin (%)



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OUR STORY



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

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.

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 everyone.

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 2021, we have continued to grow our portfolio of offerings with healthy, breakthrough innovations and high-quality products across a wide range of price points.

OUR 2025 VISION

2025 OBJECTIVES

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 representation of quality and pride of Vietnamese.

- 12 brands ranked No.1 in different FMCG categories
- Average revenue growth of over 20% per annum during the period of 2020-2025
- Top 3 most favored place to work in Vietnam by 2025.

OUR STORY (continued)

OUR JOURNEY IS THE CONSUMERS' JOURNEY

Exceptional Execution

Our execution strategy is to:

- 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 plan to introduce approximately 50 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.

Financial discipline

We have a disciplined financial strategy. We:

- 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 in 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.



PLATFORM FOR BREAKTHROUGH GROWTH

BUILDING POWER BRANDS

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.

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, Ponnie, 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 2021, Masan Consumer has launched Homey brand, a premium dishwashing liquid which is positively welcomed by consumers.

At the end of 2021, 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 2021



PLATFORM FOR BREAKTHROUGH GROWTH (continued)

REACHING NEW HEIGHTS – LEADING THE WAY WITH INNOVATIONS



In 2021, Masan Consumer's R&D team introduced of 36 innovations.

2021 was a challenging and difficult year for Vietnam and the rest of the world due to the Covid-19 pandemic. Despite this environment, our company was able to confront the challenges head on, finding opportunities and solutions to continue introducing innovations and delivering growth. In 2021, Masan Consumer's R&D team introduced of 36 innovations, which not provided consumers outstanding food and beverage products, but also promoted the premiumization trend to meet the needs of the modern consumers.

The convenience food category maintained its leading position with the introduction of new Omachi shrimp spicy sauce noodles with unique flavors and Super Energy Instant Noodle Kokomi 90 that provides extra calories for consumers to feel fully fed and energized as they accomplish their daily tasks. The introduction of the 4-minute cooking noodle Kokomi 90 Kayakay seafoods flavor is the result of long-term research by our Korean experts, giving birth to a new generation of delicious and chewy noodles. Mixed instant noodle Kokomi Green Mango and Shrimp flavor, launched at the end of 2021, really resonated with its unique and natural flavor. In 2021, we also launched many innovations in the seasonings category. The fish sauce category was further strengthened with the comprehensive upgrade of the Chin-Su and Nam Ngu fish sauce portfolio, creating new breakthroughs not only in taste but also with regards to long-term health benefits. Chin-Su Ca Com Bien Dong fish sauce with salt reduction technology promotes cardiovascular health while still retaining its harmonious taste. The brand-new Chin-Su Shiitake soy sauce fortified our leading position in the category with a breakthrough in taste and packaging. We also launched our slightly sweet Chin-Su granule with nutritional value five times higher than that of condensed stew bone. Other categories saw new innovations as well. In the processed meat category, new Ponnie beef-flavored pasteurized sausage received positive feedback from the market, contributing to enriching the snack portfolio. In the beverage category, energy drink Wake-Up 247 launched a new line of low-sugar coffee-flavored energy drink that helps maintain alertness with reduced calories, offering more choices for young consumers. In addition, we relaunched Ho Van energy drink with a new bottle design, offering more choices of flavors for younger consumers. In the coffee category, the brand "The Wake-Up Coffee & Time" has launched a duo of products – Vietnamese Iced Black Coffee and Vietnamese Iced Brown Coffee at the end of August 2021, and their delicious taste resulted in strong growth in sales in 4Q2021.

Following the spirit of "Masaners for Vietnamese", our R&D team has always been well-prepared for any situation and changing market dynamics. This is evident during the Covid-19 pandemic, when more than 60 R&D staffs worked and lived on-site 110 days, constantly creating new products even in the most difficult times. We wish to shine a spotlight on their efforts and recognize our young generation of R&D specialists who are full of enthusiasm, passion, expertise and willingness to take on challenges to reach the common goals of the Company as well as for the best benefits of consumers.

2021 was a memorable year and we are extremely proud of our achievements. Welcoming the new year, we have many reasons to believe 2022 will be an even more successful year for Masan Consumer, underpinned by an innovation pipeline that aims to serve Vietnamese consumers with delicious and nutritious food and beverage products as their needs evolve.



• PLATFORM FOR BREAKTHROUGH GROWTH (continued)

BEING EVERYWHERE FOR EVERYONE

We have grown our points of sale to 194,000 carry all product lines produced and sold by Masan Consumer with nearly 2,700 salesmen.

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 nearly 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



By the end of 2021, many expansion projects are our factories were completed, increasing their capacity to promptly respond to the demands of the market.

We believe that product and service quality are critical to brand development and winning customers. This belief is why Masan Consumer has continued to research, invest and apply modern

technology and advanced equipment to maintain our competitive advantages while providing exceptionally high-quality products to Vietnamese consumers.

2021 was a challenging year due to the impacts of the Covid-19 pandemic. However, to the credit of the entire management team and our employees, Masan Consumer turned the challenging period into an opportunity. Production lines invested in 2020 have been

completed and put into operation as planned in 1Q2021, including noodle production lines in Nghe An and Hau Giang with a total capacity of 9 million packs/month.

By the end of 2021, many expansion projects are our factories were completed, increasing their capacity to promptly respond to the demands of the market. Along with taking advantage of existing infrastructure, we use optimal technical solutions and cutting-edge technologies in the world to produce high quality products at the most affordable price for consumers. New factories and production lines are going to be put into operation, including 2 B'fast milk lines with a capacity of 31 million liters/year/line that planned to be handed over for official operation in early July 2022. Noodle production lines in Nghe An and Hau Giang with a total capacity of 29.2 million products/month are expected to be put into operation in September 2022. The factory producing spice package for noodles in Binh Duong with a capacity of 4 billion packs/year are expected to be put into operation in February 2022. In addition, the renovation and upgrading of the chili sauce line in Binh Duong should also result in capacity increasing by 20%. We also plan to increase capacity of packaged coffee by 28%.

THE “CONSUMER-CENTRIC” TEAM



Masan will do its best to become Vietnam’s most preferred place to work and build a passionate culture that puts consumers first.

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 to our talent-centric strategy, we believe that the most valuable asset of the company is our people. In 2021, despite the

impact of the Covid-19 pandemic, we did our utmost to ensure the well-being and safety for all employees. We also favorably adjusted salary, bonus, and welfare policies during the pandemic outbreak to properly compensate our people during times of hardship.

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 to our talent-centric strategy, we believe that the most valuable asset of the company is our people ”

In 2021, 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 2021, more than 6,049 employees took part in this “Performance Management” program;
- Became an employer that attracts and nurtures aspirations and talents. In 2021, Masan Consumer attracted 7 management personnel from other famous enterprises in the market (both multinational and domestic ones). Besides, together with our associates, we organize the “Masan Young Entrepreneur” 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 2021, there were 342 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. Moreover, we organized 9 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 2021, we arranged 508 training courses, relating to Masan’s practical requirements for 2,924 employees, including senior management. Programs focused on developing and building a team inheriting potential, courageousness, and confidence to undertake assigned tasks.
- 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.

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 are able to 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, which has 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 controlling 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.

Due to the impact of the pandemic in 2021, steady supply of input material at reasonable costs became more challenging; therefore, we have implemented hedging strategies (managing the risk of price increases of input materials) to ensure the stable supply of input materials for production and minimize higher prices for our consumers.

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. We realize that this is a challenge as well as a responsibility of the Company and we can only get the best result through building long-term partnerships that are “win-win” with our suppliers.

Safety

Our employees are our most valuable 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 in order to train employees our positive safety habits not only for work, but also for their daily activities.

In 2021, given the complicated and unpredictable developments due to the Covid-19 pandemic, we strived to organize work during social distancing and offered 9,719 hours of online training on occupational hygiene and safety, fire prevention and fighting, first aid, etc. for more than 7,390 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.

TALENT SUSTAINABILITY

“ As a result, we are proud to be one of the best places to work in Vietnam ”

Employees

6,049

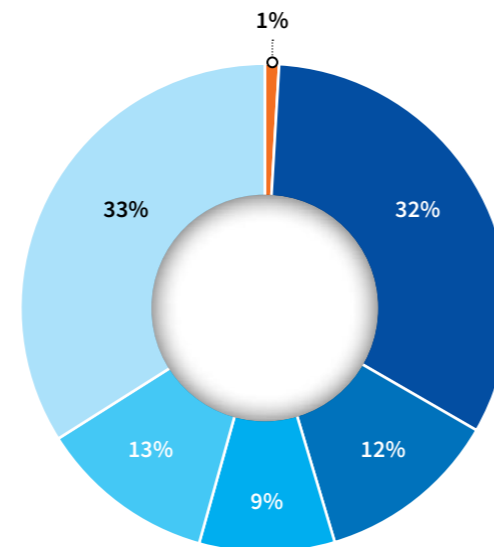
All of Masan achievements came from the Company’s greatest asset – our employees. We are committed to recruiting and developing the best talents in the industry. We treat our employees as partners and create an inclusive and diverse environment to foster a strong and winning culture.

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 2021, Masan Consumer Corporation has 6,049 employees, of which 3,866 are males (64%) and 2,183 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	1,918	32%
● College graduate	705	12%
● Intermediate college graduate	528	9%
● High school graduate	824	13%
● Secondary school graduate	2,022	33%



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.



Facilities

15

Today, we have 15 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 6,049 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; In 2021, we built incentive programs for individuals and departments that have made outstanding contributions to the Covid-19 pandemic prevention, maintaining the Company's production and business activities.

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. Especially, amidst the challenging conditions due to the Covid-19 pandemic in 2021, Masan Consumer provided support packages with a total value of more than VND10 billion to those who were affected by Covid-19 including rapid test, masks, hand sanitizers and Vitamin C supplements at the Company's offices and factories.

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.
- **Retain talents:** Our approach to retain 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

“ We believe we are in full compliance in all material respects with applicable environmental regulations in Vietnam ”

Area for trees and plants

20%

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. In order 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 2021, 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.

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.

In 2021, we used over 2.3 million m3 of industrial and domestic water. All wastewater was treated by a high-tech wastewater treatment system. About 7% of our water waste is recycled for plant watering and cleaning the facilities.

Clean & Renewable Energy

Global climate is causing 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 2021, we used more than 297 million tons of steam generated from diesel oil or biomass boilers and used 116 million of KW of electricity. We believe these ideas are essential in improving factory efficiency and preserving natural resources.

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.

Healthcare

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

In 2021, the Covid-19 pandemic adversely impacted the economic and social life in Vietnam. The pandemic outbreak disrupted production, business and living activities of the people across the country, especially in the South of Vietnam. Given such situation, apart from ensuring our own production and business were not interrupted to supply essential food products to the market, Masan Consumer

proactively supported programs to assist affected people and the frontline workers battling against Covid-19. Masan Consumer donated more than VND100 billion in the form of indirect and direct support through State management agencies in charge of health and Covid-19 treatment hospitals and medical facilities in order to better take care of patients.

To meet the urgent need for essential medical supplies for Covid-19 treatment in Ho Chi Minh City and some other provinces across the country, Masan Consumer promptly offered modern medical equipments including 8 extracorporeal

membrane oxygenation (ECMO) machines, 65 non-invasive and invasive ventilators, 50 automatic infusion machines, 20 monitoring screens, nearly 100,000 rapid test kits, over 100,000 medical protection suits, hundreds of thousands of medical masks, antibacterial spray kits, and medical gloves for frontline hospitals in Ho Chi Minh City, Hanoi, Hai Duong, Nghe An, Phu Yen, Dong Nai, Binh Duong, Long An, etc.

In addition to specialized medical equipment, Masan Consumer also provided accommodation for the doctors and the nurses at Trung Vuong Hospital, which was the first centralized facility for Covid-19 treatment in Ho Chi Minh City and provided essential supplies to the frontline workers against the pandemic, including energy drinks, instant noodles, sausages, coffee, etc.

Apart from supporting the frontline workers against the pandemic, we also worked with the People's Committee of Ho Chi Minh City, the Fatherland Front of Ho Chi Minh City, social affair centers and State management agencies of Ho Chi Minh City as well as other provinces to take care of the people in affected areas. We have given significant amounts of essential foods such as meat, milk, noodles, sausages, coffee, and drinking water to people affected by food shortages due to periods of lockdown.



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:



The most prestigious food company in 2021



Masan Consumer became the most prestigious food company in 2021 according to Vietnam Report for the 4th consecutive year.



Ho Chi Minh City Gold Brand 2021-2022



Masan Consumer, the most prestigious food company, was honored to receive the award “Ho Chi Minh City Gold Brand 2021-2022” by the People’s Committee of Ho Chi Minh City.



Top 10 Beverage Companies



Vinacafé Bien Hoa was a “Top 10 Beverage Companies” in 2021 according to Vietnam Report.



Vietnam National Brand



Vinacafé Bien Hoa received the title of Vietnam National Brand for the next two years 2020-2022. This is the 7th 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.

“ Doing well by doing good ”

MANAGEMENT REPORT



OVERVIEW



“ Masan Consumer expects that in 2022, 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. ”

After two years of headwinds from the Covid-19 pandemic, the world economy in 2021 seemed to have emerged from the shadow of recession and showed signs of a faster-than-expected recovery. Despite uneven economic growth and the risks from of new variants, supply chain disruptions and inflationary pressures, we see 2022 to be a promising year, with higher vaccination rates and governmental support and growth policies.

The global GDP growth in 2021 was estimated at 5.5% compared to negative growth rate of 3.6% in 2020 (source: IMF). However, the global economic growth is now facing double challenges of inflation and pandemic with spread of new Covid-19 variants. Travel restriction may exacerbate supply shortage, bottlenecks in manufacturing chain and international trade. High price and negative growth combined may likely lead to unexpected “scenario” of global economy including inflation and recession.

Regardless of the challenges caused by the Delta variant, Vietnam’s economy in 2021 still maintained positive growth with GDP hitting 2.58%, lower than in 2020 of 2.91%, thanks to the quick recovery in the 4th quarter of 2021 and low CPI. However, there are still hidden challenges in 2022 with imminent return of high inflation due to high oil price and high unemployment rate/business closures.

The Covid-19 pandemic adversely impacted businesses and economic

activities of the whole economy Masan Consumer was not spared. Social distancing measures lasting 4 consecutive months from June to September 2021 created many difficulties to production activities, especially with regards to supply chain disruptions, high raw material costs, and shortages of workforce. However, we made great best efforts to maintain production activities, ensuring supply of goods as requested by State management agencies who wanted to ensure the needs of consumers were met. As a result, in 2021, Masan Consumer delivered net revenue growth of 19% to VND27,774 billion compared to VND23,343 billion in 2020 thanks to strong growth in the convenience foods category of 25.4% versus 2020, driven by growth in two key brands, Omachi and Kokomi, in instant noodles. The processed meat category grew 51.7% due to new product launches. Total seasoning sales increases by 18.8% in 2021 due to upgraded seasonings category. The coffee category increased by 10% thanks to remarkably new ideas of launching two key products including Wake-up Cafe and Phinn 2 in 1 coffee brands while the beverage segment enjoys a slight drop compared to 2020. Although home and personal care (HPC) category is a new category for us, we still delivered a 20% growth compared to 2020.

Gross profit margin in 2021 reached 42.5%, similar to last year’s despite higher material costs. Net profit after tax post minority interest (“NPAT Post-MI”) reached VND5,526 billion, up 20% versus VND4,598 billion in 2020 thanks to

increased net revenue and optimization of sale and marketing expenses.

Masan Consumer expects that in 2022, 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 momentum we saw in 2021 was temporary. Masan Consumer’s 2022 growth forecast will be shared in more detail at the 2022 Annual General Meeting of Shareholders.

Net revenue

27,774 VND billion
a growth of 19% compared to 2020

Net profit after tax

5,526 VND billion
up 20% versus 2020

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 2022 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

In 2021, Vietnam consumer goods market experienced a tough year due to the 4th wave of Covid-19 pandemic outbreak in big cities, especially Southern region. Strict shutdown and social distancing measures, supply chain disruptions, labor shortages, and full and partial closures of production facilities resulted in occasional panic buying by consumers. The consumer goods sector saw growth slowing down compared to its peak in 2020 due to household consumption declining. In the second year of the Covid-19 pandemic, packaged foods, milk and dairy products drove the growth in 4 main cities and in rural areas. Beverage category seemed to have suffered the most during the 4th wave of the Covid-19 pandemic, especially in rural areas. Such decline in consumer spending were due to higher unemployment and lower incomes. Since social distancing measures lifted, consumers' economic outlook and financial situation improved during 4Q2021 thanks to high vaccination rate and the resumption of business and production activities, although still at levels below the pre-pandemic period.

The Covid-19 pandemic outbreak which made its impacts felt in 2020 has changed the Vietnamese consumption habits and this became more evident in 2021. When social distancing and shutdown measures tightened, a large number of people worked from home or gathered at production facilities and factories for longer periods. Health, food safety and convenience became their top concern. Due to "working from home" protocols, branded and packaged products, milk and dairy products have seen growth in both urban and rural areas. Online retail sales grew as consumers preferred to use online shopping channels, door-to-door delivery services, and nearby mini markets rather than offline channels such as wet market, general trade stores or big supermarkets.

In 2022, with the Covid-19 pandemic still not completely under control, consumers have rationalized their spending more. However, despite being more frugal, particularly with discretionary items, they are more opened to spend for in-home consumption and paying more for healthier options.

CONVENIENCE FOODS

Net revenue in 2021

8,629 VND billion

up 25.4% versus 2020

In 2021, net revenue for convenience foods reached VND8,629 billion, up 25.4% versus 2020. Omachi increased by 25.1% while Kokomi increased by 33.5% in the same period. The success of convenience foods was due to strong growth of Kokomi 90 in the mid-end segment and stable investment for the Omachi & Kokomi brands.

In 2021, the launch of Chin-Su 7-day breakfast portfolio successfully grew our convenience foods category within the premium segment. For the first time, consumers can enjoy the nutritional 7-dishes in 7-days breakfast with real meat. These products only take 5 minutes to prepare a quality breakfast at home. Especially during social distancing period, families search for convenient, delicious meals that suits the favorite taste of family members.



MANAGEMENT REPORT (continued)

SAUCES, CONDIMENTS AND DRESSINGS

Sales of seasonings in 2021 reached VND10,028 billion including export sales, a 18.4% growth versus 2020 thanks to upgrading seasonings portfolio and an increase in demand for seasonings during a period when people spent more time cooking at home. Chin-Su and Nam Ngu fish sauces become an indispensable part in every meal as we differentiate our products by making them more delicious and safe for health. For example, Masan fish sauce products have applied production technology to reduce salt content to improve cardiovascular health. Today, the Chin-Su brand makes up approximately 30% of total seasoning turnover. Our new innovations in the premium segment have been well-received by consumers:

- Chin-Su seasoning granule with 5 times as much flavor concentration as condensed bone broth stew is a seasoning granule product with highest content of bone stew in the seasoning category.
- Chin-Su chili sauce enjoyed a 40% growth supported by our marketing campaign that emphasized the “bursting of flavors” for thousands of delicious dishes. Every dish served or prepared with Chin-Su chili sauce will be enhanced with spicy, fragrant flavors for family members to enjoy.

Sales of seasonings

10,028 VND billion

a 18.4% growth versus 2020



SOFT DRINKS

Net revenue for beverage category

3,654 VND billion

Vietnam's bottled beverage sector in 2021 struggled with negative growth of approximately 2-8% in both urban and rural areas (source: Kantar Worldpanel 2021) due to big impacts caused by social distancing measures from the 4th wave of the Covid-19 pandemic.

Net revenue for Masan Consumer's beverage category reached VND3,654 billion, a negative growth (-2%) versus 2020. We took the opportunity to introduce new innovations such as Wake-up 247, Ho Van PET Bottle, Vivant Spring, Wake-up Cola to stimulate in-home consumption.

It is expected in 2022 Masan Consumer will recover its growth momentum with a target sale of VND6,000 billion – 6,500 billion by launching new products, building new distribution and trial stimulus models in line with the “new normal”.



MANAGEMENT REPORT (continued)

COFFEE, NUTRITIOUS FOOD AND DRINKS

Sales of coffee, nutritious food and drinks

VND 2,197 billion

up 20% compared to 2020

Coffee category of Masan Consumer successfully implemented its marketing plan and launched new innovations, penetrating into the premium 2-in-01 and 3-in-1 segments with Wake-up Black Coffee and 2-in-1 coffee with a market share of 21%-24%. The coffee category achieved sales of VND1,569 billion, up 10.2% compared to 2020, on the back of stronger brand building investments to support Vinacafé and Wake-up products to be No.1 in their respective coffee segments in Vietnam.

Nutritious food and drink category of Masan Consumer increased by 54% versus 2020 thanks to expansion of product portfolio and the launch of low-sugar cereal and increased distribution coverage of B'fast barley milk nationwide.



PROCESSED MEAT

Sales of processed meat category

VND 1,276 billion

grew by 51.7% compared to 2020

Processed meat category grew by 51.7% compared to 2020 (VND1,276 billion in 2021 vs VND841 billion in 2020). Of which, Ponnie brand contributed 41% and Heo Cao Boi contributed 59% to the total sales. Ponnie brand initially penetrated into pasteurized sausage market, building a pipeline for cool and frozen products in the future. In 2022, it is expected to increase the level of consumption and consumer frequency by developing formulas with variety of choices, targeting young consumers – a big and extremely high potential segment. In addition, processed meat category is expected to enter segments. In 2022, new product categories such as snack, canned food are targeted to be introduced.



MANAGEMENT REPORT (continued)

HOME AND PERSONAL CARE

Net revenue in 2021

VND **1,502** billion

Up 20% versus 2020

In 2021, our HPC category contributed VND1,502 billion to net revenue, up 20% versus 2020 (NETCO included) thanks to successful launch of new products including Joins 2-in-1 powder detergent and Homey dishwashing liquid, contributing to expansion of product portfolio to meet diverse demand of consumers in both urban and rural areas. These two new products are growing its market share at WinCommerce supermarkets and holding the their largest market share since September 2021.



FACTORS AFFECTING OUR BUSINESS AND RESULTS OF OPERATIONS

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

Our business outlook is directly tied to the economic prospects of Vietnam. Thus, if Vietnam should experience an economic recession, it would materially impact us. Considering the recent outbreak of coronavirus across the world and in Vietnam, consumer confidence, spending and outlook may be severely impacted, which could have adverse consequences on our financial results. While our products are daily consumer staples and we were able to grow our business in 2021 despite the impact of Covid-19, the timing of the post pandemic recovery is not certain, and the continuation of the pandemic may impact Vietnam's economy, which could have adverse consequences on our financial results.

The impact of Covid-19 pandemic.

The severe and prolonged Covid-19 pandemic has seriously affected business and production activities of Masan Consumer, especially production and supply chain categories. For production, workers and employees must live, eat and work in the factory to ensure stable production activities night and day, maintain a good supply chain and meet demands of Vietnamese consumers during social distancing period. A disruptive supply chain around the world in general and in Vietnam and in Masan Consumer in particular, shortage of truck, container drivers (infected with Covid-19) have pushed the transportation costs of material and products to the highest level in several recent years.

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.

FACTORS AFFECTING OUR BUSINESS AND RESULTS OF OPERATIONS

(continued)

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.

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.

AUDITED FINANCIAL RESULTS

CONSOLIDATED STATEMENT OF INCOME

	2021	2020
Figures in VND million	Audited	Audited
Total Revenue	28,098,885	23,988,059
Less Sales Deductions	(325,250)	(645,324)
Net sales	27,773,635	23,342,735
Cost of Goods Sold	(15,982,696)	(13,423,520)
Gross profit	11,790,939	9,919,215
Selling, General & Administrative Expenses	(5,853,052)	(4,964,974)
Financial Income	720,072	754,808
Financial Expenses	(258,011)	(315,433)
Share of Profit in an Associate	13,296	13,296
Net Operating Profit	6,413,244	5,406,912
Results of Other Activities	(2,678)	(15,884)
Profit Before Tax	6,410,566	5,391,028
Tax	(884,389)	(793,457)
Net Profit After Tax	5,526,177	4,597,571
Attributable to		
Non-controlling Interests	84,042	77,272
Equity Holders of the Company	5,442,135	4,520,299

CONSOLIDATED BALANCE SHEET

	31 December 2021	31 December 2020
Figures in VND million	Audited	Audited
CURRENT ASSETS	22,575,115	9,510,248
Cash and cash equivalents	13,013,126	3,818,494
Short-term Investments	169,375	212,300
Net Operating Receivables	772,653	651,911
Other Short-term Receivables	6,301,513	2,863,176
Inventories	2,254,893	1,841,627
Other Current Assets	63,555	122,740
LONG-TERM ASSETS	7,629,034	16,023,158
Long-term Receivables	215,103	8,785,436
Fixed Assets	5,588,080	5,288,328
Tangible Fixed Assets	4,647,200	4,211,296
Intangible Fixed Assets	931,370	1,062,514
Investment Properties	9,510	14,518
Construction in Progress	335,805	441,991
Long-term Investments	249,392	249,392
Other Long-term Investments	1,240,654	1,258,011
TOTAL ASSETS	30,204,149	25,533,406

AUDITED FINANCIAL RESULTS (continued)

CONSOLIDATED BALANCE SHEET (continued)

Figures in VND million	31 December 2021	31 December 2020
	Audited	Audited
CURRENT LIABILITIES	11,883,094	10,195,795
Short-term Debt	7,445,113	6,660,449
Current Account Payables	1,573,394	1,164,839
Advance from Customers	123,924	39,399
Tax Payables	435,805	613,245
Payroll Payables	12,442	17,171
Accrued Expense	2,205,738	1,632,365
Other Payables	86,678	68,327
LONG TERM LIABILITIES	1,315,362	1,054,627
Long-term Debt	1,063,618	787,689
Other Long-term Liabilities	251,744	266,938
TOTAL LIABILITIES	13,198,456	11,250,422
EQUITY	17,005,693	14,282,984
Chartered Capital	7,267,938	7,267,938
Capital Surplus	3,560,554	3,710,768
Other Capital	(265,776)	(265,776)
Treasury Shares	(994,666)	(1,640,253)

Figures in VND million	31 December 2021	31 December 2020
	Audited	Audited
Foreign Exchange Differences	6,989	13,496
Investment and Development Fund	22,732	22,732
Retained Earnings	6,816,958	4,583,857
Minority Interest	590,964	590,222
TOTAL RESOURCES	30,204,149	25,533,406

FINANCIAL RATIOS

	2021	2020
Current Ratio	1.9x	0.9x
Quick Ratio	1.7x	0.8x
Debt/EBITDA	1.24x	1.3x
Debt/Total Assets	0.28x	0.29x
Inventory Turnover	7.8x	8.9x
Days Inventory (days)	47	41
ROE	34.8%	33.9%
ROA	19.8%	20.0%
Net Sales/Total Assets	99.7%	101.5%
Net Margin	19.9%	19.7%
EBIT Margin	21.4%	21.2%
EBITDA Margin	24.7%	24.9%

DISCUSSION ON AUDITED RESULTS

Net revenue

27,774 VND billion

an increase of 19% compared to 2020

NET REVENUE

In 2021, Masan Consumer's net revenue reached VND27,774 billion, an increase of 19% compared to 2020, which is driven by the growth of seasonings, convenience food and processed meat categories.

Gross Profit

42.5%

GROSS PROFIT

In 2021, despite the impact of the Covid-19 pandemic on the market, Masan Consumer's gross profit margin was unchanged and remained at 42.5% compared to 2020. Gross profit margin was consistent thanks to initiatives to save production costs, stabilize local production and improve profit margins of high-margin categories.

Selling, General and Administration Expenses

5,853 VND billion

an increase of 21% compared to 2020

SELLING, GENERAL AND ADMINISTRATION EXPENSES

In 2021, Selling, General and Administration Expenses ("SG&A") reached VND5,853 billion, an increase of VND888 billion compared to VND4,965 billion in 2020. The percentage of SG&A on net revenue in 2021 is equivalent to that in 2020 at 21%.

Net Financial Income

462 VND billion

an increase of 5.17% compared to 2020

NET FINANCIAL INCOME

In 2021, net financial income reached VND 462 billion compared to VND439 billion in 2020, increased by 5.17% due to optimization of cash flows.

Net Profit After Tax

5,526 VND billion

Increasing by 20.2% compared to 2020

NET PROFIT AFTER TAX

In 2021, net profit after tax reached VND5,526 billion, increasing by 20.2% compared to 2020, thanks to net revenue growth and cost-effective initiatives.

Cash and Cash Equivalents

19,440 VND billion

an increase of 20% compared to 2020

CASH AND CASH EQUIVALENTS

As at 31 December 2021, Masan Consumer had a VND19,440 billion cash balance (including deposits and other fixed income investments), an increase of 20% from VND15,534 billion as at 31 December 2020. This year's increase comes from higher operating cash flows, in which cash flows from production and business activities have kept positive over the years and increased by 24% compared to the previous year.

Fixed Assets

5,924 VND billion

an increase of 3% compared to 2020

FIXED ASSETS

As at 31 December 2021, the carrying value of fixed assets (including unfinished construction expenses) reached VND5,924 billion, increased by 3% from VND5,730 billion compared to as of 31 December 2020. 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 innovate modern machinery and equipment, such as convenience foods' production lines and general utility assets.

Investment in Associates

32.8%

INVESTMENT IN ASSOCIATES

The investment in associates includes 32.8% of economic interest in Cholimex Food Joint Stock Company as at 31 December 2021.

Total Assets

30,204 VND billion

an increase of 18% compared to 2020

TOTAL ASSETS

As at 31 December 2021, total assets increased by 18.0% from VND25,533 billion on 31 December 2020 to VND30,204 billion, primarily due to the increase in cash and cash equivalents resulting from the increase in cash flows offset against the decrease in other financial investments.

Borrowings

8,508 VND billion

an increase of 14% compared to 2020

BORROWINGS

As at 31 December 2021, short and long-term borrowings increased to VND8,508 billion, a 14% increase from VND7,448 billion on 31 December 2020, mainly due to increase in short-term borrowings to serve working capital and increase in long-term borrowings to finance fixed asset investment.

Owners' Equity

17,006 VND billion

an increase of 19% compared to 2020

OWNERS' EQUITY

As at 31 December 2021, owners' equity reached VND17,006 billion, increasing by 19% from VND14,283 billion on 31 December 2020. The increase was mainly due to growth in net profit after tax.

2022 FINANCIAL OUTLOOK

“ In 2021, the return and prolonged outbreak of the Covid-19 pandemic had a significant impact on all socio-economic aspects of Vietnam. However, overcoming difficulties and challenges, the economy still had many achievements. This will create an opportunity for Vietnam’s economy to recover in 2022; therefore, Masan Consumer plans to budget for both net revenue and net profit after tax to grow from 20% to 30%. However, the situation in Ukraine starting in February 2022 is expected to cause oil prices, materials and packaging prices to rise, leading to an increase in inflation, affecting consumer spending behavior. As a business operating in the consumer staples industries, we realize that high inflation will affect the Company’s revenue and profit plans. Therefore, the final 2022 financial budget is still pending and shall be presented in greater detail at the 2022 Annual General Meeting. ”



BỮA SÁNG ĐỦ ĐẦY
Cả ngày hạnh phúc



FINANCIAL STATEMENTS



MASAN CONSUMER CORPORATION AND ITS SUBSIDIARIES

Consolidated Financial Statements
for the year ended 31 December 2021

CORPORATE INFORMATION

ENTERPRISE REGISTRATION CERTIFICATE NO.

0302017440

31 May 2000

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

BOARD OF DIRECTORS

Mr **Danny Le**

Chairman

Mr **Truong Cong Thang**

Member

Mr **Nguyen Dang Quang**

Member
(until 1 September 2021)

Bà **Nguyen Hoang Yen**

Member

Mr **Nguyen Thieu Quang**

Member

Ms **Nguyen Thi Thu Ha**

Member
(from 1 April 2021)

Ms **Nguyen Thu Hien**

Member
(from 1 April 2021)

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 2021.

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 119 give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, 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, 8 March 2022

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 2021, 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 8 March 2022, as set out on pages 61 to 119.

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 2021 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.: 21-01-00353/2-22-2



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

Ho Chi Minh City, 8 March 2022

Trieu Tich Quyen
Practicing Auditor Registration
Certificate No. 4629-2018-007-2

CONSOLIDATED BALANCE SHEET

as at 31 December 2021

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

	Code	Note	31/12/2021 VND	1/1/2021 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		22,575,115,088,964	9,510,248,113,897
Cash and cash equivalents	110	6	13,013,125,962,658	3,818,494,309,952
Cash	111		107,325,962,658	146,894,309,952
Cash equivalents	112		12,905,800,000,000	3,671,600,000,000
Short-term financial investments	120		169,375,000,000	212,300,000,000
Held-to-maturity investments	123	7(a)	169,375,000,000	212,300,000,000
Accounts receivable – short-term	130		7,074,166,026,539	3,515,086,732,291
Accounts receivable from customers	131	8	600,955,375,527	399,157,914,891
Prepayments to suppliers	132		171,698,115,803	252,752,655,991
Short-term loans receivable	135	9(a)	4,086,581,871,592	-
Other short-term receivables	136	10(a)	2,214,930,663,617	2,863,176,161,409
Inventories	140	11	2,254,893,287,268	1,841,626,811,696
Inventories	141		2,292,547,543,677	1,873,240,612,964
Allowance for inventories	149		(37,654,256,409)	(31,613,801,268)
Other current assets	150		63,554,812,499	122,740,259,958
Short-term prepaid expenses	151		16,622,626,382	17,740,280,348
Deductible value added tax	152		44,465,916,280	104,031,879,014
Taxes and other receivables from State Treasury	153		2,466,269,837	968,100,596

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2021 (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	31/12/2021 VND	1/1/2021 VND
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		7,629,035,070,177	16,023,158,439,128
Accounts receivable – long-term	210		215,103,634,496	8,785,436,801,907
Long-term loans receivable	215	9(b)	-	6,927,734,374,092
Other long-term receivables	216	10(b)	215,103,634,496	1,857,702,427,815
Fixed assets	220		5,578,570,297,678	5,273,809,928,250
Tangible fixed assets	221	12	4,647,200,173,487	4,211,295,739,877
Cost	222		8,565,736,011,269	7,542,782,663,774
Accumulated depreciation	223		(3,918,535,837,782)	(3,331,486,923,897)
Intangible fixed assets	227	13	931,370,124,191	1,062,514,188,373
Cost	228		2,432,289,024,377	2,421,367,789,360
Accumulated amortisation	229		(1,500,918,900,186)	(1,358,853,600,987)
Investment property	230	14	9,510,404,068	14,517,800,560
Cost	231		18,627,973,918	18,627,973,918
Accumulated depreciation	232		(9,117,569,850)	(4,110,173,358)
Long-term work in progress	240		335,804,947,727	441,990,679,037
Construction in progress	242	15	335,804,947,727	441,990,679,037
Long-term financial investments	250		249,391,858,906	249,391,858,906
Investment in an associate	252	7(b)	249,391,858,906	249,391,858,906
Other long-term assets	260		1,240,653,927,302	1,258,011,370,468
Long-term prepaid expenses	261	16	693,721,935,242	705,514,305,140
Deferred tax assets	262	17	307,834,994,481	230,398,418,399
Goodwill	269	18	239,096,997,579	322,098,646,929
TOTAL ASSETS (270 = 100 + 200)	270		30,204,150,159,141	25,533,406,553,025

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2021 (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	31/12/2021 VND	1/1/2021 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		13,198,456,221,760	11,250,421,793,413
Current liabilities	310		11,883,095,769,452	10,195,795,172,819
Short-term accounts payable to suppliers	311	19	1,573,394,388,394	1,164,838,936,675
Advances from customers	312		123,923,953,891	39,399,035,761
Taxes payable to State Treasury	313	20	435,805,128,698	613,244,655,520
Payables to employees	314		12,442,848,485	17,172,287,679
Accrued expenses	315	21	2,205,738,422,400	1,632,364,860,850
Other short-term payables	319	22(a)	53,139,673,454	39,469,891,268
Short-term borrowings	320	23(a)	7,445,112,961,981	6,660,448,654,909
Bonus and welfare funds	322		33,538,392,149	28,856,850,157
Long-term liabilities	330		1,315,360,452,308	1,054,626,620,594
Long-term accounts payable to suppliers	331	19	25,013,545,000	27,667,776,000
Other long-term payables	337	22(b)	32,854,954,310	25,234,542,936
Long-term borrowings	338	23(b)	1,063,617,618,895	787,689,223,375
Deferred tax liabilities	341	17	181,875,776,881	199,223,889,416
Long-term provisions	342		11,998,557,222	14,811,188,867

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

CONSOLIDATED BALANCE SHEET

as at 31 December 2021 (continued)

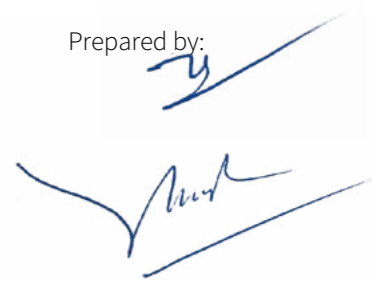
Form B 01 – DN/HN

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

	Code	Note	31/12/2021 VND	1/1/2021 VND
EQUITY (400 = 410)	400		17,005,693,937,381	14,282,984,759,612
Owners' equity	410	24	17,005,693,937,381	14,282,984,759,612
Share capital	411	25	7,267,938,180,000	7,267,938,180,000
- Ordinary shares with voting rights	411a		7,267,938,180,000	7,267,938,180,000
Share premium	412	25	3,560,554,240,858	3,710,767,704,992
Other capital	414		(265,775,657,006)	(265,775,657,006)
Treasury shares	415	25	(994,666,327,121)	(1,640,252,631,255)
Foreign exchange differences	417		6,989,018,595	13,495,754,932
Investment and development fund	418		22,731,972,844	22,731,972,844
Undistributed profits after tax	421		6,816,958,384,098	4,583,857,861,595
- Undistributed profits after tax brought forward	421a		1,390,102,896,693	72,233,419,086
- Undistributed profit after tax for the current year/prior year	421b		5,426,855,487,405	4,511,624,442,509
Non-controlling interests	429		590,964,125,113	590,221,573,510
TOTAL RESOURCES (440 = 300 + 400)	440		30,204,150,159,141	25,533,406,553,025

8 March 2022

Prepared by:



Phan Thi Thuy Hoa
Chief Accountant

Approved by:



Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

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

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2021

Form B 02 – DN/HN

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

	Code	Note	2021 VND	2020 VND
Revenue from sale of goods and provision of services	01	28	28,098,885,084,926	23,988,058,548,405
Revenue deductions	02	28	325,249,867,193	645,324,067,008
Net revenue (10 = 01 - 02)	10	28	27,773,635,217,733	23,342,734,481,397
Cost of sales and services	11	29	15,982,695,703,768	13,423,520,341,046
Gross profit (20 = 10 - 11)	20		11,790,939,513,965	9,919,214,140,351
Financial income	21	30	720,071,573,861	754,808,423,442
Financial expenses	22	31	258,011,430,302	315,433,247,596
<i>In which: Interest expense</i>	23		226,159,178,618	286,495,734,730
Share of profit in an associate	24	7(b)	13,296,085,000	13,296,085,000
Selling expenses	25	32	4,780,144,882,655	4,071,091,999,434
General and administration expenses	26	33	1,072,906,794,191	893,881,875,904
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		6,413,244,065,678	5,406,911,525,859
Other income	31		5,273,852,200	2,151,494,345
Other expenses	32		7,951,540,992	18,035,234,109
Results of other activities (40 = 31 - 32)	40		(2,677,688,792)	(15,883,739,764)
Accounting profit before tax (50 = 30 + 40)	50		6,410,566,376,886	5,391,027,786,095
Income tax expense – current	51	34	979,174,066,988	877,546,842,929
Income tax benefit – deferred	52	34	(94,784,688,617)	(84,090,312,176)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		5,526,176,998,515	4,597,571,255,342

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

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2021 (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	2021 VND	2020 VND
Net profit after tax (brought forward from previous page)	60		5,526,176,998,515	4,597,571,255,342
Attributable to:				
Equity holders of the Company	61		5,442,134,889,474	4,520,298,845,178
Non-controlling interests	62		84,042,109,041	77,272,410,164
Earnings per share				
Basic earnings per share	70	35	7,657	6,403

8 March 2022

Prepared by:



Phan Thi Thuy Hoa
Chief Accountant

Approved by:



Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021 (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	2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	6,410,566,376,886	5,391,027,786,095
Adjustments for			
Depreciation and amortisation	02	839,204,262,978	784,557,565,693
Allowances and provisions	03	82,469,518,725	53,082,363,339
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	6,477,154,390	(201,663,077)
Losses on disposals and written off of fixed assets and other long-term assets	05	6,358,286,108	13,587,327,990
Interest income from investing activities	05	(703,428,185,639)	(738,150,351,781)
Share of profit in an associate	05	(13,296,085,000)	(13,296,085,000)
Interest expense and other financial costs	06	228,945,751,950	286,953,132,557
Operating profit before changes in working capital	08	6,857,297,080,398	5,777,560,075,816
Change in receivables and other assets	09	(303,216,460,758)	(75,081,420,768)
Change in inventories	10	(498,548,625,942)	(600,009,848,785)
Change in payables and other liabilities	11	1,095,034,760,680	379,878,201,175
Change in prepaid expenses	12	44,454,027,100	36,760,539,972
Change in trading securities	13	-	150,604,109,559
		7,195,020,781,478	5,669,711,656,969
Interest and other financial costs paid	14	(234,375,420,069)	(306,744,653,150)
Corporate income tax paid	15	(1,140,974,863,110)	(682,614,892,702)
Other payments for operating activities	17	(3,323,458,012)	(2,013,648,867)
Net cash flows from operating activities	20	5,816,347,040,287	4,678,338,462,250

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021 (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	2021 VND	2020 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(959,414,551,044)	(1,469,923,979,055)
Proceeds from disposals of fixed assets and other long-term assets	22	1,822,564,680	2,784,546,167
Payments for granting loans	23	(180,000,000,000)	(4,085,000,000,000)
Placements of term deposits to banks and payments for other investments	23	(3,769,075,000,000)	(3,752,000,000,000)
Receipts from collecting of loans	24	18,170,000,000	3,615,000,000,000
Withdrawals of term deposits from banks and collections of other investments	24	6,562,000,000,000	895,900,000,000
Acquisition of a subsidiary, net of cash acquired	25	-	(511,583,019,206)
Payments for acquisition of non-controlling interests in subsidiaries	25	-	(28,815,172,375)
Receipts of interest and dividends	27	426,167,016,641	122,092,343,504
Net cash flows from investing activities	30	2,099,670,030,277	(5,211,545,280,965)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share capital issued	31	-	193,460,700,000
Proceeds from treasury shares reissued	31	495,372,840,000	-
Proceeds from bank borrowings	33	23,796,206,009,438	22,549,387,230,018
Payments to settle loan principals to banks	34	(22,742,364,432,151)	(20,364,621,307,169)
Payments of dividends	36	(263,824,043,500)	(219,040,639,500)
Net cash flows from financing activities	40	1,285,390,373,787	2,159,185,983,349

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021 (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)

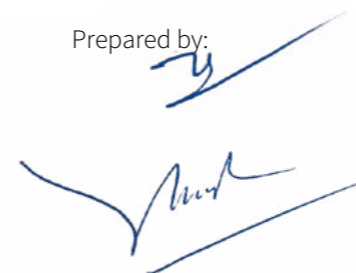
	Code	2021 VND	2020 VND
Net cash flows during the year (50 = 20 + 30 + 40)	50	9,201,407,444,351	1,625,979,164,634
Cash and cash equivalents at beginning of the year	60	3,818,494,309,952	2,191,361,038,968
Effect of exchange rate fluctuations on cash and cash equivalents	61	332,968,447	556,238,144
Currency translation differences	61	(7,108,760,092)	597,868,206
Cash and cash equivalents at end of the year (70 = 50 + 60 + 61) (Note 6)	70	13,013,125,962,658	3,818,494,309,952

NON-CASH INVESTING AND FINANCING ACTIVITIES

	2021 VND	2020 VND
Collection of loans receivable through net-off with dividends payable	3,002,982,502,500	3,002,982,502,500

8 March 2022

Prepared by:



Phan Thi Thuy Hoa
Chief Accountant

Approved by:



Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021

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 2021 comprise the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in an associate.

(b) Principal activities

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

(c) Normal operating cycle

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

(d) The Group’s structure

As at 31 December 2021, the Company has 5 directly owned subsidiaries, 18 indirectly owned subsidiaries and 1 associate (1/1/2021: 5 directly owned subsidiaries, 17 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	
				31/12/2021	1/1/2021	31/12/2021	1/1/2021
Directly owned subsidiaries							
1	Masan Food Company Limited	Trading and distribution	12th 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	12th 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, 4th 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	12th 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	12th 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 2021 (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	
				31/12/2021	1/1/2021	31/12/2021	1/1/2021
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%
8	Masan JinJu Joint Stock Company	(i) Convenience food manufacturing and trading	Factory F5, Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam.	74.99%	74.99%	74.99%	74.99%
9	Nam Ngu Phu Quoc One Member Company Limited	(i) Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam.	100%	100%	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (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	
				31/12/2021	1/1/2021	31/12/2021	1/1/2021
10	Masan HN Company Limited	(i) Seasonings, convenience food manufacturing and packaging	Lot CN-08 and CN-14, Dong Van IV Industrial Park, Dai Cuong Commune, Kim Bang District, Ha Nam Province, Vietnam.	100%	100%	100%	100%
11	VinaCafé Bien Hoa Joint Stock Company	(ii) Beverage manufacturing and trading	Bien Hoa Industrial Park I, Bien Hoa City, Dong Nai Province, Vietnam.	98.79%	98.79%	98.79%	98.79%
12	Vinh Hao Mineral Water Corporation	(ii) Beverage manufacturing and trading and packaging	Vinh Son Hamlet, Vinh Hao Commune, Tuy Phong District, Binh Thuan Province, Vietnam.	90.18%	90.18%	90.18%	90.18%
13	Quang Ninh Mineral Water Corporation	(ii) Beverage manufacturing and trading	No. 3A, Area 4, Suoi Mo, Bai Chay Ward, Ha Long City, Quang Ninh Province, Vietnam.	65.85%	65.85%	65.85%	65.85%
14	KronFa., JSC	(iii) Beverage manufacturing	Km 37, Highway 27, Tan Son Town, Ninh Son District, Ninh Thuan Province, Vietnam.	90.18%	90.17%	99.999%	99.998%
15	Café De Nam Joint Stock Company	(iv) Beverage manufacturing and trading	Lot C.I.III-3+5+7, Long Thanh Industrial Park, Tam An Commune, Long Thanh District, Dong Nai Province, Vietnam.	96.59%	83.97%	97.77%	85.00%
16	NET Detergent Joint Stock Company	(v) Home care products manufacturing and trading	D4 Street, Loc An – Binh Son Industrial Park, Binh Son Commune, Long Thanh District, Dong Nai Province, Vietnam.	52.25%	52.25%	52.25%	52.25%
17	Hi-Fresh Company Limited	(vi) Trading and distribution	8th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	100%	100%	100%
18	Joins Pro Professional Laundry Company Limited	(vi) Providing laundry services	8th Floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100%	-	100%	-
An associate							
1	Cholimex Food Joint Stock Company	(i) Seasonings manufacturing and trading	Lot C40 – 43/1, Street No. 7, Vinh Loc Industrial Park, Binh Chanh District, Ho Chi Minh City, Vietnam.	32.83%	32.83%	32.83%	32.83%

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- (i) These subsidiaries and an associate are indirectly owned by the Company through Masan Food Company Limited.
- (ii) These subsidiaries are indirectly owned by the Company through Masan Beverage Company Limited.
- (iii) KronFa., JSC is indirectly owned by the Company through Vinh Hao Mineral Water Corporation.
- (iv) Café De Nam Joint Stock Company is indirectly owned by the Company through VinaCafé Bien Hoa Joint Stock Company.
- (v) NET Detergent Joint Stock Company is indirectly owned by the Company through Masan HPC Company Limited.
- (vi) These subsidiaries are indirectly owned by the Company through Masan Innovation Company Limited. Joins Pro Professional Laundry Company Limited (“JPR”) was established on 9 November 2021 under the Enterprise Registration Certificate No. 0317020365 issued by the Department of Planning and Investment of Ho Chi Minh City. As at the date of issuance of these consolidated financial statements, JPR has not yet started its operations.

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

As at 31 December 2021, the Group had 6,049 employees (1/1/2021: 5,575 employees).

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.

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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.

(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.

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(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.

(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 period 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(l)). 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 to 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 to 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 rights 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.

(vi) Mineral water resources

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

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(i) Investment property held to earn rental

(i) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its buildings, infrastructures and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management of the Company's subsidiary. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repair and maintenance cost, is charged to the consolidated statement of income in the 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 năm
- infrastructures 5 – 20 năm

(j) Construction in progress

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

(k) Long-term prepaid expenses

(i) Prepaid land costs and infrastructure usage fees

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

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

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(ii) Goodwill from equitisation

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

(iii) Tools and supplies

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

(iv) Loan arrangement costs

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

(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 to suppliers and other payables

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

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(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.

(ii) *Other capital*

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

(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.

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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 the change in applicable laws and regulations on buying back shares.

(p) Taxation

Income tax on the consolidated 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.

(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.

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(ii) Rental income

Rental income from leased property 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.

(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, interest income from 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 consolidated 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 consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

(u) Segment reporting

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

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

(v) Related parties

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

(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 as at 1 January 2021 was derived from the balances and amounts reported in the Group’s audited consolidated financial statements as at and for the year ended 31 December 2020.

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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.

For the year ended 31 December 2021	Food (*) VND	Beverage (*) VND	Home care products (*) VND	Others VND	Consolidated VND
Total segment revenue – net	20,136,187,694,031	6,058,993,152,705	1,515,168,671,398	63,285,699,599	27,773,635,217,733
Segment gross profit	8,573,930,090,490	2,814,586,561,063	380,641,253,135	21,781,609,277	11,790,939,513,965
Segment results	5,295,436,104,620	1,336,208,187,088	17,394,770,025	21,781,609,277	6,670,820,671,010
Unallocated general and administration expenses					(719,636,748,891)
Financial income					720,071,573,861
Financial expenses					(258,011,430,302)
Net operating profit					6,413,244,065,678
Other income					5,273,852,200
Other expenses					(7,951,540,992)
Income tax expense					(884,389,378,371)
Net profit after tax					5,526,176,998,515

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For the year ended 31 December 2020	Food (*) VND	Beverage (*) VND	Home care products (*) VND	Others VND	Consolidated VND
Total segment revenue – net	16,236,990,127,888	5,792,463,891,997	1,305,743,684,209	7,536,777,303	23,342,734,481,397
Segment gross profit	6,819,280,274,383	2,745,806,065,195	349,565,095,870	4,562,704,903	9,919,214,140,351
Segment results	4,091,945,361,963	1,414,822,519,732	25,650,193,255	4,562,704,903	5,536,980,779,853
Unallocated general and administration expenses					(569,444,429,840)
Financial income					754,808,423,442
Financial expenses					(315,433,247,596)
Net operating profit					5,406,911,525,859
Other income					2,151,494,345
Other expenses					(18,035,234,109)
Income tax expense					(793,456,530,753)
Net profit after tax					4,597,571,255,342

Segment results represent segment net revenue less segment cost of sales and services, directly attributable selling expenses and general and administration expenses, and indirectly attributable selling expenses and general and administration expenses which can be allocated on a reasonable basis.

Unallocated expenses represent general and administration expenses which the Company's Board of Management assesses cannot be allocated to each segment on a reasonable basis. These expenses are incurred at the corporate level.

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(*) The segment results of the Food, Beverage and Home care products included amortisation of goodwill amounting to VND83,002 million (2020: VND84,507 million), amortisation of fair values of intangible fixed assets and long-term prepaid expenses arisen in business combinations amounting to VND104,188 million (2020: VND111,588 million), depreciation of fair values uplift of tangible fixed assets arisen in business combinations amounting to VND2,646 million (2020: VND3,952 million) and depreciation of fair values uplift of investment property arisen in business combinations amounting to VND3,427 million (2020: VND2,856 million) during the year.

As at 31 December 2021				
	Food VND	Beverage VND	Home care products VND	Consolidated VND
Segment assets	6,341,562,475,475	2,380,405,361,900	1,168,414,276,152	9,890,382,113,527
Unallocated assets				20,313,768,045,614
Total assets				30,204,150,159,141
Segment liabilities	1,689,753,295,769	665,686,754,449	349,239,405,269	2,704,679,455,487
Unallocated liabilities				10,493,776,766,273
Total liabilities				13,198,456,221,760
For the year ended 31 December 2021				
Capital expenditure	824,511,240,305	99,497,876,840	13,428,784,970	937,437,902,115
Unallocated capital expenditure				45,316,925,367
Depreciation of tangible fixed assets and investment property	424,086,500,012	157,878,386,269	26,905,566,112	608,870,452,393
Unallocated depreciation of tangible fixed assets				4,858,533,036
Amortisation of intangible fixed assets, goodwill and long-term prepaid expenses	48,630,726,333	155,064,571,335	35,914,600,587	239,609,898,255
Unallocated amortisation of intangible fixed assets and long-term prepaid expenses				44,520,181,864

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As at 1 January 2021				
	Food VND	Beverage VND	Home care products VND	Consolidated VND
Segment assets	5,508,223,504,330	2,657,566,827,661	1,168,098,039,093	9,333,888,371,084
Unallocated assets				16,199,518,181,941
Total assets				25,533,406,553,025
Segment liabilities	1,245,516,882,503	509,129,738,294	342,197,039,797	2,096,843,660,594
Unallocated liabilities				9,153,578,132,819
Total liabilities				11,250,421,793,413
For the year ended 31 December 2020				
Capital expenditure	1,046,021,150,505	418,284,145,218	10,845,452,246	1,475,150,747,969
Unallocated capital expenditure				19,204,890,324
Depreciation of tangible fixed assets and investment property	377,306,766,937	137,909,650,317	21,903,196,876	537,119,614,130
Unallocated depreciation of tangible fixed assets				13,173,181,352
Amortisation of intangible fixed assets, goodwill and long-term prepaid expenses	47,645,508,530	172,338,223,663	30,066,166,192	250,049,898,385
Unallocated amortisation of intangible fixed assets and long-term prepaid expenses				36,371,516,398

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Details of unallocated assets and unallocated liabilities are as follows:

	31/12/2021 VND	1/1/2021 VND
Cash and cash equivalents	13,013,125,962,658	3,818,494,309,952
Short-term financial investments	169,375,000,000	212,300,000,000
Accounts receivable – short-term	6,363,180,191,833	2,959,815,772,943
Inventories	84,546,762,234	28,942,269,523
Other current assets	9,717,113,785	8,316,156,522
Accounts receivable – long-term	215,103,634,496	8,785,436,801,907
Fixed assets	76,630,882,912	97,794,178,017
Construction in progress	10,944,649,442	53,188,521,918
Other long-term assets	371,143,848,254	235,230,171,159
Unallocated assets	20,313,768,045,614	16,199,518,181,941
Short-term accounts payable to suppliers	375,966,761,609	241,595,769,403
Advances from customers	108,633,849,041	25,947,739,882
Taxes payable to State Treasury	345,264,391,415	535,270,102,534
Accrued expenses	952,033,223,417	691,852,007,440
Other short-term payables	21,272,183,034	11,550,745,860
Short-term borrowings	7,445,112,961,981	6,660,448,654,909
Long-term borrowings	1,063,617,618,895	787,689,223,375
Deferred tax liabilities	181,875,776,881	199,223,889,416
Unallocated liabilities	10,493,776,766,273	9,153,578,132,819

(b) Geographical segments

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

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5. INCREASE OF ECONOMIC INTERESTS IN SUBSIDIARIES

(a) Increase of economic interests in Café De Nam Joint Stock Company

During the year, Café De Nam Joint Stock Company (“CDN”), an indirectly owned subsidiary of the Company through VinaCafé Bien Hoa Joint Stock Company (“VCF”), issued 17,000,000 new shares at par value of VND10,000 per share which were fully subscribed by VCF. As a result of this transaction, the Company’s economic interests in CDN increased from 83.97% to 96.59% and the difference recorded as a decrease in undistributed profits after tax amounting to VND15,279,085,611 (Note 24).

(b) Increase of economic interests in KronFa., JSC

During the year, KronFa., JSC (“KRP”), an indirectly owned subsidiary of the Company through Vinh Hao Mineral Water Corporation (“VHM”), issued 3,000,000 new shares at par value of VND10,000 per share which were fully subscribed by VHM. As a result of this transaction, the Company’s economic interests in KRP increased from 90.17% to 90.18% and the difference recorded as a decrease in undistributed profits after tax amounting to VND316,458 (Note 24).

6. CASH AND CASH EQUIVALENTS

	31/12/2021 VND	1/1/2021 VND
Cash on hand	1,062,071,013	1,105,798,725
Cash at banks	106,263,891,645	145,788,511,227
Cash equivalents	12,905,800,000,000	3,671,600,000,000
Cash and cash equivalents in the consolidated statement of cash flows	13,013,125,962,658	3,818,494,309,952

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

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7. FINANCIAL INVESTMENTS

	31/12/2021 VND	1/1/2021 VND
Short-term financial investments		
Held-to-maturity investments (a)	169,375,000,000	212,300,000,000
Long-term financial investments		
Investment in an associate (b)	249,391,858,906	249,391,858,906

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

	31/12/2021 VND	1/1/2021 VND
Term deposits at banks	169,375,000,000	212,300,000,000

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.

(b) Investment in an associate

	31/12/2021			1/1/2021		
	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 amount.

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

Movements of carrying value of investment in an associate of the Group during the 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 in an associate during the year	13,296,085,000
Post-acquisition dividends receivable from an associate	(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

	31/12/2021 VND	1/1/2021 VND
Receivable from related parties	281,512,098,593	139,823,005,666
Receivable from third parties	319,443,276,934	259,334,909,225
	600,955,375,527	399,157,914,891

Please see Note 36 for detailed balances with the related parties. The trade related amounts due from related parties were unsecured, interest free and are receivable within 30 to 180 days from invoice date.

9. LOANS RECEIVABLE

(a) Short-term loans receivable

	31/12/2021 VND	1/1/2021 VND
Long-term loans receivable within 12 months from a related party	4,086,581,871,592	-

(b) Long-term loans receivable

	31/12/2021 VND	1/1/2021 VND
Long-term loans receivable from a related party	4,086,581,871,592	6,927,734,374,092
Receivable within 12 months	(4,086,581,871,592)	-
Receivable after 12 months	-	6,927,734,374,092

The long-term loans receivable from a related party were unsecured and earned annual interest at 6.5% (2020: 6.5% per annum) during the year. These loans mature in 2022. Interest is receivable on the maturity date of loan agreements.

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10. OTHER RECEIVABLES

(a) Other short-term receivables

	31/12/2021 VND	1/1/2021 VND
Accrued long-term interest receivable within 12 months (*)	2,170,989,684,747	-
Other receivables from related parties (**)	3,881,928,929	2,123,755,382
Short-term deposits for other investments	-	2,750,000,000,000
Accrued interest receivable from other investing activities	-	68,347,945,202
Accrued interest receivable from deposits at banks	20,810,987,613	7,869,546,301
Short-term deposits	8,854,769,665	8,281,518,560
Others	10,393,292,663	26,553,395,964
	2,214,930,663,617	2,863,176,161,409

(b) Other long-term receivables

	31/12/2021 VND	1/1/2021 VND
Accrued interest receivable from a related party (*)	-	1,825,025,926,859
Receivable from a business cooperation contract (***)	178,300,000,000	-
Long-term deposits	36,803,634,496	32,676,500,956
	215,103,634,496	1,857,702,427,815

(*) This represented interest income receivable from loans provided to a related party. Please see Note 9 and Note 36 for further information.

Accrued interest receivable from a related party comprised of:

	31/12/2021 VND	1/1/2021 VND
Accrued long-term interest receivable from a related party	2,170,989,684,747	1,825,025,926,859
Receivable within 12 months	(2,170,989,684,747)	-
Receivable after 12 months	-	1,825,025,926,859

(**) Other receivables from related parties were unsecured, interest free and are receivable on demand.

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(***) During the year, 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.

During the year, another subsidiary indirectly owned by the Company also entered into a business cooperation contract (“the BCC”) with a related party to cooperate in manufacturing of processed meat for a period of 10 years. In which, this subsidiary will contribute to the BCC by cash for capital expenditure and working capital purposes. The related party will contribute the rights to use all of its lands and related infrastructures. This subsidiary and the related party will share profits of the BCC according to the agreed ratio between the parties in the BCC, and the related party is guaranteed to receive a minimum profit sharing annually. As at the end of the annual accounting period, this subsidiary has yet to contribute any capital to this BCC.

11. INVENTORIES

	31/12/2021		1/1/2021	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	114,697,400,084	-	84,844,813,671	-
Raw materials	1,106,109,126,231	(9,029,744,993)	850,755,021,672	(6,291,797,300)
Tools and supplies	94,383,205,147	(6,666,874,874)	80,264,113,937	(7,192,136,285)
Work in progress	212,766,270,021	-	270,156,261,907	-
Finished goods	703,560,948,856	(21,957,636,542)	539,114,185,062	(18,129,867,683)
Merchandise inventories	49,905,358,456	-	48,106,216,715	-
Goods on consignment	11,125,234,882	-	-	-
	2,292,547,543,677	(37,654,256,409)	1,873,240,612,964	(31,613,801,268)

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

	2021 VND	2020 VND
Opening balance	31,613,801,268	45,040,532,163
Increase in allowance during the year	96,927,983,681	71,880,679,097
Allowance utilised during the year	(79,241,695,229)	(66,234,248,195)
Written back	(11,645,833,311)	(19,073,161,797)
Closing balance	37,654,256,409	31,613,801,268

Included in inventories of the Group as at 31 December 2021 was VND37,654 million (1/1/2021: VND31,614 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	2,186,902,214,064	59,609,724,541	5,186,357,112,818	89,366,588,848	20,547,023,503	7,542,782,663,774
Additions during the year	-	-	48,843,556,545	613,415,451	1,137,331,818	50,594,303,814
Transfer from construction in progress	406,897,375,608	-	572,526,470,604	13,811,675,607	5,800,468,036	999,035,989,855
Transfer to short-term prepaid expenses	-	-	-	-	(143,420,334)	(143,420,334)
Disposals	(3,001,002,809)	-	(17,307,436,807)	(18,711,000)	(1,252,141,414)	(21,579,292,030)
Written off	(2,616,793,966)	(248,492,875)	(1,631,479,474)	(381,646,295)	(75,821,200)	(4,954,233,810)
Reclassifications	(2,590,141,364)	-	2,590,141,364	-	-	-
Closing 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
Accumulated depreciation						
Opening balance	534,807,366,328	58,109,696,368	2,670,886,594,946	55,991,787,091	11,691,479,164	3,331,486,923,897
Charge for the year	109,731,938,549	1,500,028,173	485,309,122,642	9,590,379,316	2,590,120,257	608,721,588,937
Disposals	(1,091,264,835)	-	(14,981,666,234)	(18,711,000)	(1,252,141,414)	(17,343,783,483)
Written off	(1,991,451,725)	(248,492,875)	(1,631,479,474)	(381,646,295)	(75,821,200)	(4,328,891,569)
Reclassifications	(339,185,176)	-	339,185,176	-	-	-
Closing 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
Net book value						
Opening balance	1,652,094,847,736	1,500,028,173	2,515,470,517,872	33,374,801,757	8,855,544,339	4,211,295,739,877
Closing balance	1,944,474,248,392	-	2,651,456,607,994	38,209,513,499	13,059,803,602	4,647,200,173,487

Included in tangible fixed assets of the Group were assets costing VND1,172,193 million which were fully depreciated as of 31 December 2021 (1/1/2021: VND1,007,990 million), but which are still in active use.

As at 31 December 2021 and 1 January 2021, 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	294,035,987,634	72,124,057,348	1,099,626,396,615	423,797,765,850	412,697,763,511	2,421,367,789,360
Additions during the year	-	214,325,000	888,129,000	-	-	-	1,102,454,000
Transfer from construction in progress	-	10,227,110,017	-	-	-	-	10,227,110,017
Written off	-	(408,329,000)	-	-	-	-	(408,329,000)
Closing 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
Accumulated amortisation							
Opening balance	41,055,176,069	202,736,886,854	23,973,340,392	595,387,114,051	378,433,959,961	117,267,123,660	1,358,853,600,987
Charge for the year	2,953,213,512	35,608,150,751	3,321,296,672	69,205,267,468	9,451,031,520	21,934,668,276	142,473,628,199
Written off	-	(408,329,000)	-	-	-	-	(408,329,000)
Closing 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
Net book value							
Opening balance	78,030,642,333	91,299,100,780	48,150,716,956	504,239,282,564	45,363,805,889	295,430,639,851	1,062,514,188,373
Closing 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

Included in intangible fixed assets of the Group were assets costing VND15,790 million which were fully amortised as of 31 December 2021 (1/1/2021: VND14,881 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	4,049,295,700	60,877,658	4,110,173,358
Charge for the year	4,944,669,984	62,726,508	5,007,396,492
Closing balance	8,993,965,684	123,604,166	9,117,569,850
Net book value			
Opening balance	13,966,987,393	550,813,167	14,517,800,560
Closing balance	9,022,317,409	488,086,659	9,510,404,068

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

15. CONSTRUCTION IN PROGRESS

	VND
Opening balance	441,990,679,037
Additions during the year	940,259,478,545
Transfer to tangible fixed assets	(999,035,989,855)
Transfer to intangible fixed assets	(10,227,110,017)
Transfer to long-term prepaid expenses	(33,862,109,983)
Disposals	(3,320,000,000)
Closing balance	335,804,947,727

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

	31/12/2021 VND	1/1/2021 VND
Buildings and structures	73,435,772,954	146,435,571,443
Machinery and equipment	243,285,141,722	263,801,619,238
Others	19,084,033,051	31,753,488,356
	335,804,947,727	441,990,679,037

As at 31 December 2021 and 1 January 2021, certain of the Group's construction in progress were pledged with banks as security for loans granted to the Group (Note 23).

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	595,419,158,807	15,671,855,771	83,369,540,559	11,053,750,003	705,514,305,140
Additions during the year	-	-	12,675,276,438	10,665,000,000	23,340,276,438
Transfer from construction in progress	-	-	33,862,109,983	-	33,862,109,983
Amortisation for the year	(13,761,808,749)	(3,134,371,155)	(47,546,986,671)	(4,551,111,125)	(68,994,277,700)
Currency translation differences	-	-	(478,619)	-	(478,619)
Closing balance	581,657,350,058	12,537,484,616	82,359,461,690	17,167,638,878	693,721,935,242

As at 31 December 2021 and 1 January 2021, 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

	31/12/2021		1/1/2021	
	Deferred tax assets VND	Deferred tax liabilities VND	Deferred tax assets VND	Deferred tax liabilities VND
Accrued advertising, promotion and sale support expenses	180,862,498,139	-	126,810,376,489	-
Accrued logistic expenses	44,210,972,873	-	28,611,176,281	-
Accrued sale discounts	8,179,375,186	-	17,789,645,144	-
Other accruals	45,188,166,530	(2,389,920,606)	38,254,962,506	-
Unrealised profits	29,393,981,753	-	18,932,257,979	-
Investment property	-	(114,232,802)	-	(799,629,611)
Tangible fixed assets	-	(8,307,043,765)	-	(8,836,148,725)
Intangible fixed assets	-	(171,064,579,708)	-	(189,588,111,080)
	307,834,994,481	(181,875,776,881)	230,398,418,399	(199,223,889,416)

18. GOODWILL

	VND
Cost	
Opening balance and closing balance	882,432,759,448
Accumulated amortisation	
Opening balance	560,334,112,519
Charge for the year	83,001,649,350
Closing balance	643,335,761,869
Net book value	
Opening balance	322,098,646,929
Closing balance	239,096,997,579

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19. ACCOUNTS PAYABLE TO SUPPLIERS

	31/12/2021	1/1/2021
	Cost/Amount within payment capacity VND	Cost/Amount within payment capacity VND
Payable to third parties	1,584,541,695,493	1,182,257,290,844
Payable to related parties	13,866,237,901	10,249,421,831
	1,598,407,933,394	1,192,506,712,675
In which:		
- Short-term	1,573,394,388,394	1,164,838,936,675
- Long-term	25,013,545,000	27,667,776,000
	1,598,407,933,394	1,192,506,712,675

Please see Note 36 for detailed balances with the related parties. The trade related amounts due to related parties were unsecured, interest free and are payable within 90 days from invoice date.

20. TAXES PAYABLE TO STATE TREASURY

	1/1/2021 VND	Incurred VND	Paid VND	Deducted/Refunded VND	Reclassified VND	31/12/2021 VND
Value added tax	146,227,070,869	4,990,296,233,850	(982,332,198,466)	(4,025,767,921,948)	-	128,423,184,305
Import-export tax	-	19,338,520,682	(19,338,520,682)	-	-	-
Corporate income tax	459,584,059,887	979,174,066,988	(1,140,974,863,110)	-	1,311,247,984	299,094,511,749
Personal income tax	6,078,404,141	147,210,557,919	(141,731,369,134)	(5,116,209,948)	-	6,441,382,978
Others	1,355,120,623	146,575,161,739	(146,084,232,696)	-	-	1,846,049,666
	613,244,655,520	6,282,594,541,178	(2,430,461,184,088)	(4,030,884,131,896)	1,311,247,984	435,805,128,698

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21. ACCRUED EXPENSES

	31/12/2021 VND	1/1/2021 VND
Advertising, promotion and sale support expenses	970,882,886,772	658,949,341,246
Bonus and 13th month salary	346,187,672,006	321,075,122,257
Purchases not yet received invoices	302,283,867,154	157,372,988,185
Logistic expenses	227,570,445,613	147,682,976,585
Exhibition expenses	55,083,462,548	52,874,347,636
Accrued information and technology expenses	44,463,680,096	15,006,398,136
Sale discounts	40,896,875,933	91,373,666,721
Construction in progress	37,264,002,911	58,214,183,351
Accrued interest expense	19,104,815,092	17,262,650,926
Market research expense	6,449,000,000	10,980,889,362
Others	155,551,714,275	101,572,296,445
	2,205,738,422,400	1,632,364,860,850

22. OTHER PAYABLES

(a) Other short-term payables

	31/12/2021 VND	1/1/2021 VND
Dividends payable	28,869,169,100	11,346,805,100
Trade union fee, social, health and unemployment insurances	12,163,836,136	11,425,954,483
Short-term deposits received	3,087,444,442	1,970,782,500
Others	9,019,223,776	14,726,349,185
	53,139,673,454	39,469,891,268

(b) Other long-term payables

	31/12/2021 VND	1/1/2021 VND
Long-term deposits received	32,854,954,310	25,234,542,936

23. BORROWINGS

(a) Short-term borrowings

	1/1/2021		Movements during the year			31/12/2021
	Carrying amount/ Amount within repayment capacity VND		Addition VND	Decrease VND	Revaluation VND	Carrying amount/ Amount within repayment capacity VND
Short-term borrowings	6,540,133,877,331	23,105,258,496,459	(22,622,049,654,477)	6,751,125,305	7,030,093,844,618	
Current portion of long-term borrowings	120,314,777,578	415,019,117,363	(120,314,777,578)	-	415,019,117,363	
	6,660,448,654,909	23,520,277,613,822	(22,742,364,432,055)	6,751,125,305	7,445,112,961,981	

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

	Currency	Annual interest rate	31/12/2021 VND	1/1/2021 VND
Short-term borrowings				
● Secured bank loans (*)	VND	3.35%	66,008,519,318	157,993,266,380
● Unsecured bank loans	VND	2.35% - 4.20%	5,430,728,735,864	5,809,785,415,271
● Unsecured bank loans	USD	1.05% - 2.00%	1,533,356,589,436	572,355,195,680
			7,030,093,844,618	6,540,133,877,331

(*) As at 31 December 2021 and 1 January 2021, the secured bank loans – short-term of the subsidiaries of the Group were guaranteed by the Company.

(b) Long-term borrowings

	31/12/2021 VND	1/1/2021 VND
Long-term borrowings	1,478,636,736,258	908,004,000,953
Repayable within 12 months	(415,019,117,363)	(120,314,777,578)
Repayable after 12 months	1,063,617,618,895	787,689,223,375

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

	Currency	Annual interest rate	Year of maturity	31/12/2021 VND	1/1/2021 VND
Long-term borrowings					
● Secured bank loans	VND	4.50% - 7.13%	2022 - 2025	1,478,636,736,258	908,004,000,953

The secured bank loans – long-term of the Group were secured over tangible fixed assets, construction in progress and long-term prepaid expenses of the Group with carrying amounts of VND852,747 million, VND32,939 million and VND36,807 million, respectively (1/1/2021: tangible fixed assets, construction in progress and long-term prepaid expenses of the Group with carrying amounts of VND569,415 million, VND59,288 million and VND37,648 million, respectively).

As at 31 December 2021 and 1 January 2021, 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 2021 and 1 January 2021, 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 share VND	Foreign exchange differences VND	Investment and development fund VND	Undistributed profits after tax VND	Non-controlling interests ("NCI") VND	Total VND
Balance as at 1 January 2020	7,229,246,040,000	3,555,999,144,992	(265,775,657,006)	(1,640,252,631,255)	13,597,433,276	22,731,972,844	3,244,394,137,086	247,026,608,088	12,406,967,048,025
Share capital issued (Note 25)	38,692,140,000	154,768,560,000	-	-	-	-	-	-	193,460,700,000
Net profit for the year	-	-	-	-	-	-	4,520,298,845,178	77,272,410,164	4,597,571,255,342
Business combination	-	-	-	-	-	-	-	344,140,974,324	344,140,974,324
Dividends (Note 26)	-	-	-	-	-	-	(3,172,160,718,000)	-	(3,172,160,718,000)
Dividends declared by subsidiaries	-	-	-	-	-	-	-	(56,255,650,600)	(56,255,650,600)
Appropriation to bonus and welfare funds	-	-	-	-	-	-	(952,034,012)	(869,965,988)	(1,822,000,000)
Acquisition of NCI	-	-	-	-	-	-	(7,722,368,657)	(21,092,803,718)	(28,815,172,375)
Currency translation differences	-	-	-	-	(101,678,344)	-	-	1,240	(101,677,104)
Balance as at 31 December 2020	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
	Share capital VND	Share premium VND	Other capital VND	Treasury shares VND	Foreign exchange differences VND	Investment and development fund VND	Undistributed profits after tax VND	Non-controlling interests ("NCI") VND	Total VND
Balance as at 1 January 2021	7,267,938,180,000	3,710,767,704,992	(265,775,657,006)	(1,640,252,631,255)	13,495,754,932	22,731,972,844	4,583,857,861,595	590,221,573,510	14,282,984,759,612
Treasury shares reissued (Note 25)	-	(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 (Note 26)	-	-	-	-	-	-	(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 (Note 5)	-	-	-	-	-	-	(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

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25. SHARE CAPITAL, TREASURY SHARES AND SHARE PREMIUM

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

	31/12/2021		1/1/2021	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	726,793,818	7,267,938,180,000	726,793,818	7,267,938,180,000
Treasury shares				
Ordinary shares	10,915,388	994,666,327,121	18,000,000	1,640,252,631,255
Shares currently in circulation				
Ordinary shares	715,878,430	7,158,784,300,000	708,793,818	7,087,938,180,000
Share premium		3,560,554,240,858		3,710,767,704,992

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:

	2021		2020	
	Number of shares	Par value VND	Number of shares	Par value VND
Balance at beginning of the year – currently in circulation	708,793,818	7,087,938,180,000	704,924,604	7,049,246,040,000
Issuance of new shares by cash	-	-	3,869,214	38,692,140,000
Reissuance of treasury shares by cash	7,084,612	70,846,120,000	-	-
Balance at end of the year – currently in circulation	715,878,430	7,158,784,300,000	708,793,818	7,087,938,180,000

26. DIVIDENDS

The Annual General Meeting of Shareholders of the Company on 1 April 2021 resolved to distribute dividends by cash amounting to VND3,189,572 million (2020: VND3,172,161 million).

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27. OFF BALANCE SHEET ITEMS

(a) Lease commitments

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

	31/12/2021 VND	1/1/2021 VND
Within 1 year	161,732,899,181	143,914,610,131
Within 2 to 5 years	96,279,675,413	141,907,277,809
More than 5 years	289,982,680,106	63,872,463,134
	547,995,254,700	349,694,351,074

(b) Foreign currencies

	31/12/2021		1/1/2021	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	221,857	5,025,075,872	369,579	8,494,776,723
EUR	213	5,597,207	-	-
THB	47,731,914	31,741,718,594	77,731,377	58,298,532,050
		36,772,391,673		66,793,308,773

(c) Capital expenditure commitments

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

	31/12/2021 VND	1/1/2021 VND
Approved and contracted	546,592,450,245	597,748,937,755
Approved but not contracted	730,449,369,103	626,786,780,685
	1,277,041,819,348	1,224,535,718,440

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(d) Foreign exchange contracts

As at 31 December 2021, the Company had the commitments to buy USD32 million equivalent to VND733,000 million under the foreign exchange contracts which were presented as an off balance sheet item (1/1/2021: nil).

28. 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:

	2021 VND	2020 VND
Total revenue		
● Sale of goods	27,999,230,928,349	23,911,868,769,322
● Other sales	99,654,156,577	76,189,779,083
	28,098,885,084,926	23,988,058,548,405
Less revenue deductions		
● Sale discounts	244,667,387,063	581,111,282,281
● Sale returns	80,582,480,130	64,212,784,727
	325,249,867,193	645,324,067,008
Net revenue	27,773,635,217,733	23,342,734,481,397

29. COST OF SALES AND SERVICES

	2021 VND	2020 VND
Total cost of sales and services		
● Goods sold	15,813,601,098,017	13,292,046,150,297
● Other cost of sales	83,812,455,381	78,666,673,449
● Allowance for inventories	85,282,150,370	52,807,517,300
	15,982,695,703,768	13,423,520,341,046

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30. FINANCIAL INCOME

	2021 VND	2020 VND
Interest income from loans provided to a related party	345,963,757,888	564,359,499,584
Interest income from deposits at banks and other investments	357,464,427,751	173,790,852,197
Foreign exchange gains	16,643,388,222	16,644,346,561
Others	-	13,725,100
	720,071,573,861	754,808,423,442

31. FINANCIAL EXPENSES

	2021 VND	2020 VND
Interest expense on borrowings from banks	226,159,178,618	286,495,734,730
Foreign exchange losses	21,614,401,833	18,025,238,148
Borrowing costs	2,786,573,332	457,397,827
Others	7,451,276,519	10,454,876,891
	258,011,430,302	315,433,247,596

32. SELLING EXPENSES

	2021 VND	2020 VND
Advertising, promotion and sale support expenses	3,205,403,255,800	2,563,900,793,810
Logistic expenses	874,184,868,727	711,535,804,567
Staff costs	479,176,976,563	451,482,981,896
Exhibition expenses	125,478,343,563	220,334,654,390
Leased line system and information technology services	37,670,191,141	47,545,066,849
Marketing research expenses	20,122,936,911	40,271,786,429
Others	38,108,309,950	36,020,911,493
	4,780,144,882,655	4,071,091,999,434

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33. GENERAL AND ADMINISTRATION EXPENSES

	2021 VND	2020 VND
Staff costs	440,359,941,893	397,034,844,566
Amortisation of fair value uplift of fixed assets, long-term prepaid expenses and investment property arising in business combination	110,261,415,873	118,396,239,116
Amortisation of goodwill	83,001,649,350	84,506,698,388
Leased line system and information technology services	105,244,799,899	73,947,994,621
Office rental	67,646,874,314	58,993,434,376
Depreciation and amortisation of fixed assets	44,929,195,775	50,426,153,153
Research and development expenses	50,170,764,759	44,054,977,317
Others	171,292,152,328	66,521,534,367
	1,072,906,794,191	893,881,875,904

34. INCOME TAX

(a) Recognised in the consolidated statement of income

	2021 VND	2020 VND
Current tax expense		
Current year	978,856,624,779	885,025,450,747
Under/(Over) provision in prior years	317,442,209	(7,478,607,818)
	979,174,066,988	877,546,842,929
Deferred tax benefit		
Origination and reversal of temporary differences	(101,784,688,617)	(84,090,312,176)
Other changes in deferred tax assets	7,000,000,000	-
	(94,784,688,617)	(84,090,312,176)
Income tax expense	884,389,378,371	793,456,530,753

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(b) Reconciliation of effective tax rate

	2021 VND	2020 VND
Accounting profit before tax	6,410,566,376,886	5,391,027,786,095
Tax at the Company's income tax rate	1,282,113,275,377	1,078,205,557,219
Tax loss utilised	(345,921,523)	-
Effect of incentive tax rates in subsidiaries	(426,399,510,660)	(299,577,610,070)
Effect of share of profit in an associate	(2,659,217,000)	(2,659,217,000)
Non-deductible expenses	5,774,170,250	7,487,273,999
Under/(Over) provision in prior years	317,442,209	(7,478,607,818)
Effect of amortisation of goodwill	16,600,329,870	16,901,339,678
Change in unrecognised deferred tax assets (*)	1,988,809,848	577,794,745
Other changes in deferred tax assets	7,000,000,000	-
	884,389,378,371	793,456,530,753

(*) 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%.

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

(d) Tax contingencies

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

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35. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2021 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 VND5,442,135 million (2020: VND4,520,299 million) and a weighted average number of ordinary shares outstanding of 710,715,398 (2020: 705,981,766 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2021 VND	2020 VND
Net profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds	5,442,134,889,474	4,520,298,845,178

(ii) Weighted average number of ordinary shares

	2021	2020
Issued ordinary shares at beginning of the year – currently in circulation	708,793,818	704,924,604
Effect of shares issued during the year	-	1,057,162
Effect of treasury shares reissued during the year	1,921,580	-
Weighted average number of ordinary shares at end of the year – currently in circulation	710,715,398	705,981,766

(iii) Basic earnings per share

	2021 VND	2020 VND
Basic earnings per share	7,657	6,403

(b) Diluted earnings per share

As at 31 December 2021 and 1 January 2021, the Company did not have any potential ordinary shares, therefore the presentation of diluted earnings per share is not applicable.

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36. 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	
		2021 VND	2020 VND	31/12/2021 VND	1/1/2021 VND
Parent company					
MasanConsumerHoldings Company Limited	Loans provided	180,000,000,000	4,085,000,000,000	4,086,581,871,592	6,927,734,374,092
	Collection of loans by cash	18,170,000,000	3,615,000,000,000	-	-
	Collection of loans through net-off with dividends payable	3,002,982,502,500	3,002,982,502,500	-	-
	Interest income receivable from loans	345,963,757,888	564,359,499,584	2,170,989,684,747	1,825,025,926,859
	Dividends declared	3,021,089,152,500	3,021,089,152,500	-	-
	Dividends paid by cash	18,106,650,000	18,106,650,000	-	-
Associate					
Cholimex Food Joint Stock Company	Post-acquisition dividends received	13,296,085,000	13,296,085,000	-	-
Other related parties					
Masan Master Brewer Company Limited	Sale of goods	947,232	2,567,365	-	-
Masan Brewery PY One Member Company Limited	Sale of goods	21,250,239	70,539,287	-	-
Masan Brewery Distribution One Member Company Limited	Sale of goods	293,746,266	1,942,759,878	-	-
	Purchase of goods	10,493,923,889	14,053,884,692	-	-
	Management fee	31,836,087,648	25,552,551,615	25,645,053,000	25,103,111,299

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Relationship	Nature of transactions	Transaction value		Receivable/(Payable) as at	
		2021 VND	2020 VND	31/12/2021 VND	1/1/2021 VND
Masan Brewery HG One Member Company Limited	Sale of goods	21,002,393	68,168,660	-	-
	Purchase of goods and services	2,825,257,000	96,100,000	(300,217,500)	(82,995,000)
	Management fee	2,607,980,855	4,181,202,965	2,868,778,941	4,566,907,528
MML Farm Nghe An Company Limited (formerly known as "MNS Farm Nghe An Company Limited")	Sale of goods	75,792,465	352,358,457	-	-
	Management fee	2,600,920,637	5,174,364,010	1,600,876,379	2,778,795,592
Agro Nutrition International Joint Stock Company (*)	Sale of goods	113,105,734	98,618,185	-	5,480,000
	Management fee	1,715,889,467	1,874,054,697	-	968,269,483
MNS Feed Tien Giang Company Limited (*)	Sale of goods	5,112,473	12,909,091	-	-
	Management fee	846,324,954	1,016,708,669	-	525,670,141
MNS Feed Thai Nguyen Company Limited (*)	Sale of goods	51,368,326	48,218,180	-	-
	Management fee	1,082,502,233	1,058,214,817	-	547,134,612
MNS Feed Vinh Long Company Limited (*)	Sale of goods	-	2,727,273	-	-
	Management fee	350,471,478	305,774,592	-	158,544,470
MNS Feed Hau Giang Company Limited (*)	Sale of goods	5,112,473	13,818,182	-	-
	Management fee	926,480,372	783,660,463	-	403,572,318
MNS Feed Nghe An Company Limited (*)	Sale of goods	61,777,682	81,883,635	-	-
	Management fee	1,336,358,229	1,066,209,157	-	550,479,112
Vietnamese – French Cattle Feed Joint Stock Company (*)	Sale of goods	382,916,563	246,514,367	-	5,280,001
	Management fee	5,128,778,050	5,113,037,786	-	2,636,848,112

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (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	
		2021 VND	2020 VND	31/12/2021 VND	1/1/2021 VND
Proconco Can Tho One Member Company Limited (*)	Sale of goods	752,529,780	63,090,908	-	-
	Management fee	1,925,292,913	2,218,852,516	-	1,143,397,827
Conco Binh Dinh Co., Ltd (*)	Sale of goods	9,643,263	19,636,363	-	-
	Management fee	1,318,958,768	1,273,739,897	-	657,801,465
Proconco Hung Yen Manufacturing and Trading Company Limited (*)	Sale of goods	11,460,909	8,043,454	-	-
	Management fee	266,827,937	264,268,445	-	137,079,999
Masan MEATLife Corporation	Sale of goods	76,855,801	168,500,010	2,800,001	1,800,002
	Management fee	8,607,773,646	8,634,102,192	3,460,908,168	4,562,023,846
MEATDeli HN Company Limited (formerly known as "MNS Meat Ha Nam Company Limited")	Sale of goods and services	1,961,801,584	1,946,570,540	510,203,536	22,632,600
	Prepayment for purchase of goods	-	498,592,776	-	498,592,776
	Purchase of goods and services	18,474,017,663	52,469,330,268	(3,541,747,791)	(7,296,009,304)
	Purchase of fixed assets	-	7,542,750,000	-	-
MEATDeli Saigon Company Limited	Management fee	7,822,891,631	13,624,058,876	5,377,861,008	7,564,922,630
	Sale of goods and services	794,967,983	22,816,576	114,244,571	25,098,232
3F VIET Food Company Limited	Purchase of goods	40,470,776,427	1,678,297,842	(3,300,454,639)	(949,631,340)
	Management fee	4,892,782,698	-	3,575,300,853	-
3F VIET Food Company Limited	Sale of goods and services	2,295,297,104	120,288,000	1,284,042,751	209,501,600
	Purchase of goods	35,082,724,115	2,097,500,000	(5,747,520,000)	(1,799,500,000)
3F VIET Joint Stock Company	Sale of goods	24,399,003	-	-	-
Nui Phao Mining Company Limited	Sale of goods	1,180,851,176	1,364,967,124	80,359,849	86,774,470
	Management fee	786,572,799	1,273,608,625	865,230,079	4,439,840,974

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (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	
		2021 VND	2020 VND	31/12/2021 VND	1/1/2021 VND
Masan Blue Corporation	Sale of goods	-	122,360,755	-	-
Jinju Ham Company Limited	Purchase of goods and services	-	226,085,500	-	(121,286,187)
Wincommerce General Commercial Services Joint Stock Company (formerly known as "Vincommerce General Commercial Services Joint Stock Company")	Sale of goods	1,399,516,804,928	721,022,283,588	236,713,736,562	80,215,427,452
	Purchase of goods and services	272,867,386,250	136,191,481,363	(833,797,971)	-
	Purchase of fixed assets	1,218,665,532	-	-	-
	Office rental support fee	17,550,000,000	12,406,997,483	-	1,231,116,341
	Settlement discount and other sale support payable	10,106,180,275	3,566,107,138	-	-
	Other receivables	-	-	124,280,000	31,628,964
Wineco Agricultural Investment Development and Production Limited Liability Company (formerly known as "Vineco Agricultural Investment Development and Production Limited Liability Company")	Sale of goods	1,952,273	117,056,817	-	-
	Purchase of goods	6,858,914,000	511,661,682	(142,500,000)	-
	Advance from customer	-	168,474,203	-	(168,474,203)
	Office rental support fee	450,000,000	1,054,215,907	-	-
Masan Group Corporation	Sale of goods	84,243,994	4,459,510,376	5,739,999	-
	Management fee	2,209,168,281	3,061,474,525	2,430,085,109	3,367,621,978
Phuc Long Heritage Joint Stock Company	Sale of goods	1,468,423,379	-	858,806,716	-
	Purchase of goods	521,126,917	-	-	-
Key management personnel	Remuneration to key management personnel	77,591,062,765	52,129,176,094	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

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

As at 31 December 2021 and 1 January 2021, the Group had current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank, a related party, at normal commercial terms.

(*) As at 1 December 2021, there was the change in control which resulted in these companies were not the related parties of the Group from 1 December 2021. Transaction value represented amounts incurred with these companies for the period from 1 January 2021 to 30 November 2021.

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	2021 VND	2020 VND
Board of Directors			
<i>Fee and bonus</i>			
Mr Danny Le	Chairman	-	-
Mr Truong Cong Thang	Member	-	-
Dr Nguyen Dang Quang	Member (until 1 September 2021)	-	-
Ms Nguyen Hoang Yen	Member	-	-
Mr Nguyen Thieu Quang	Member	-	-
Ms Nguyen Thi Thu Ha	Member (from 1 April 2021)	-	-
Ms Nguyen Thu Hien	Member (from 1 April 2021)	-	-
Board of Management			
<i>Salary, bonus and other benefits</i>			
Mr Truong Cong Thang	Chief Executive Officer	17,767,338,616	-

37. 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.

8 March 2022

Prepared by: 

Approved by:   

Phan Thi Thuy Hoa
Chief Accountant

Huynh Viet Thang
Chief Financial Officer

Nguyen Hoang Yen
Authorised Representative

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.

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

CORPORATE HISTORY (continued)

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.

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

In February 2020: Masan HPC launched a tender offer which resulted in the purchase of 52.25% of NETCO shares. The transaction supports our 5-year strategic game plan to broaden its product portfolio to better serve 100 million Vietnamese consumers.

In July 2020: Masan Beverage Company Limited increased its direct ownership in Vinacafé to 98.79% and in Vinh Hao Mineral Water Corporation to 90.18%.

On 12 October 2020: the Company increased its charter capital to VND7,267,938,180,000

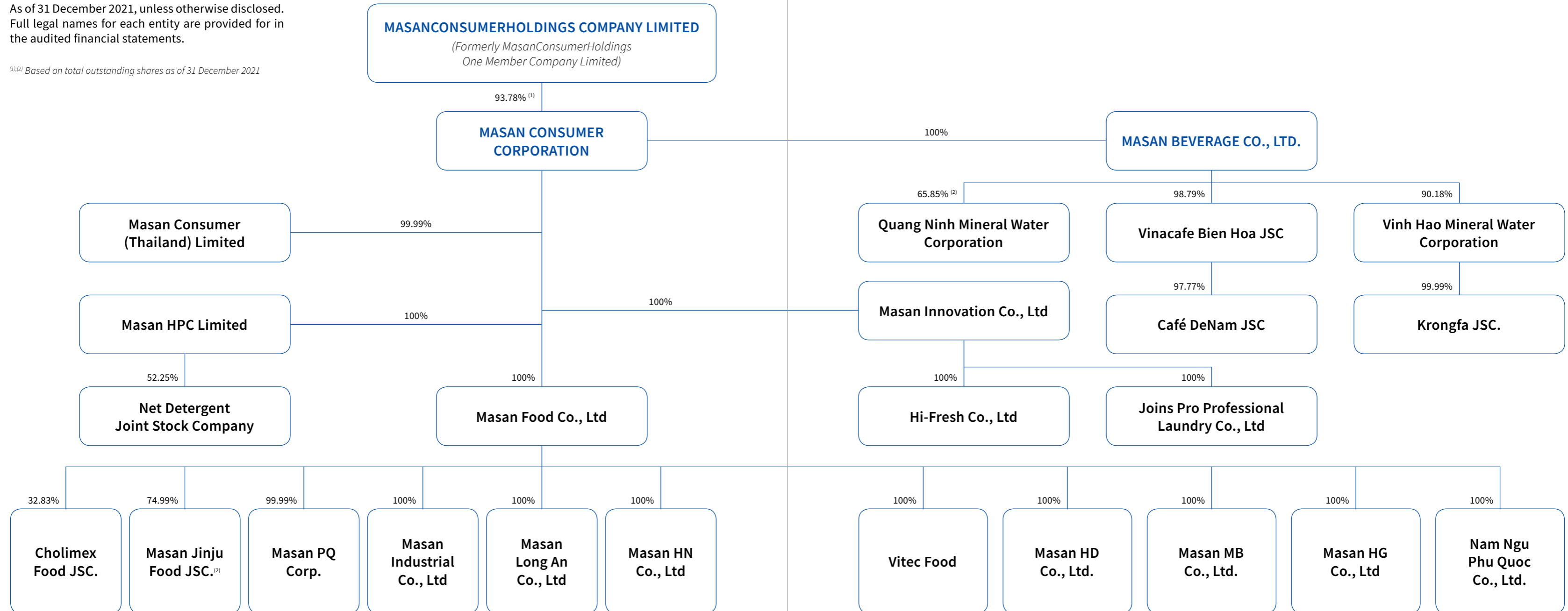
December 2020: the Company established Masan Innovation Co., Ltd. and Hi-Fresh Co., Ltd. with operations in the retail sector, selling consumer products in specialty stores.

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

GROUP STRUCTURE

As of 31 December 2021, unless otherwise disclosed. Full legal names for each entity are provided for in the audited financial statements.

^{(1),(2)} Based on total outstanding shares as of 31 December 2021



ORGANIZATION AND HUMAN RESOURCES

ORGANIZATION

BOARD OF DIRECTORS

Chairman

Danny Le

Gender : Male

Year of birth : 1984

Qualification : University graduate

Member

Truong Cong Thang

Gender : Male

Year of birth : 1973

Qualification : University graduate

Nguyen Dang Quang

Gender : Male

Year of birth : 1963

Qualification : Doctorate

Nguyen Thieu Quang

Gender : Male

Year of birth : 1959

Qualification : University graduate

Nguyen Hoang Yen

Gender : Female

Year of birth : 1963

Qualification : University graduate

Nguyen Thu Hien

Gender : Female

Year of birth : 1978

Qualification : Master's Degree

Nguyen Thi Thu Ha

Gender : Female

Year of birth : 1974

Qualification : University graduate

SUPERVISORY BOARD (as of 31 March 2021)

Head of the Supervisory Board

Nguyen Quynh Lam

Gender : Male

Year of birth : 1965

Qualification : University graduate

Member

Do Thi Hoang Yen

Gender : Female

Year of birth : 1983

Qualification : University graduate

Doan Thi My Duyen

Gender : Female

Year of birth : 1985

Qualification : Master's Degree

MANAGEMENT BOARD

Chief Executive Officer

Mr. Truong Cong Thang

AUDIT COMMITTEE (from 1 April 2021)

Chairman of Audit Committee

Nguyen Thu Hien

Gender : Female

Year of birth : 1978

Qualification : Master's Degree

Member of Audit Committee

Nguyen Thieu Quang

Gender : Male

Year of birth : 1959

Qualification : University graduate

Deputy Chief Executive Officer

Ms. Nguyen Hoang Yen

Mr. Pham Hong Son

BOARD OF DIRECTORS

Name of members	Position	Number of share	Shareholding ⁽¹⁾ (%)
Danny Le	Chairman	-	-
Truong Cong Thang	Member	30,417	0.004%
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	-	-

⁽¹⁾ Based on total outstanding shares as at 31 December 2021.

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 2021, the Board of Directors has 7 members; as of 1 September 2021, one member has resigned.

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 2021, there were no transactions between Masan Consumer Corporation and members of the Board of Directors of the Company.

In 2021, 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.

In 2021, 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.

AUDIT COMMITTEE

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

ACTIVITIES OF AUDIT COMMITTEE IN 2021

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 2021

In 2021, the Supervisory Board:

- Ensured the overseeing activities of the Board of Directors and the Management Board in compliance with the Company's Charter and relevant laws; assessed the appropriateness of

decisions made by Board of Directors and CEO;

- Reviewed and supervised the execution of the Company's business plan in 2021; supervised the execution of Annual General Meetings' resolutions;

- 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;

- Monitored to ensure that the Company complies with the provisions of the laws, the requirements of regulatory authorities and other internal regulations of the Company.

- In 2021, the Supervisory Board met 2 times to discuss the issues within their responsibilities.

- In 2021, the Supervisory Board received no compensation.

SHAREHOLDER INFORMATION

Total shares

as at 31 December 2021

726,793,818

SHARES

Total outstanding shares

as at 31 December 2021

715,878,430

SHARES

Total treasury shares

as at 31 December 2021

10,915,388

SHARES

DOMESTIC SHAREHOLDERS

Domestic shareholder ownership: 98.19%⁽¹⁾

DETAILED INFORMATION ABOUT MAJOR SHAREHOLDERS

Name of shareholder	Place of permanent residence/head office	Occupation/business lines	Number of shares	Percent % ⁽²⁾
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	93.78%

FOREIGN SHAREHOLDERS

Foreign shareholder ownership: 1.81%⁽¹⁾

There are no major foreign shareholders.

⁽¹⁾ Based on latest shareholder list as at 02 June 2021 and total outstanding shares as at 31 December 2021.

⁽²⁾ Based on total outstanding shares as at 31 December 2021.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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	:	12 th floor, MPlaza Saigon, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Tel	:	+84 902 662 660
Web	:	www.masanconsumer.com
Tax code	:	0302017440
Charter capital	:	VND 7,267,938,180,000 (Seven thousand two hundred sixty-seven billion, nine hundred thirty-eight million, one hundred and eighty 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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