

MASAN
GROUP



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ENGLISH TRANSLATION

2017 EARNINGS FORECAST

Dear valuable shareholders of Masan Group Corporation,

2016 marked the culmination of several years of strengthening Masan's consumer-centric business model and expanding our portfolio of brands and products to serve the daily basic needs of Vietnamese consumers. Our efforts were rewarded with a record financial performance in 2016 with net revenues and earnings after minority interest growing by 41.4% and 88.8%, respectively.

Within the meat value chain business, Masan has integrated and transformed Proconco and ANCO's animal feed businesses to become more "FMCG-like", resulting in VND24,423 billion in net sales for FY2016. Masan has since put together a feed-farm-food ("3F") platform to ultimately reach consumers with safe and affordable meat products. With the groundbreaking of its 10,000 sow Nghe An pig farm, and the strategic partnership with Vissan, Masan has put in place critical building blocks for developing an integrated meat value chain, which could transform the USD18 billion meat sector. In 2017, we expect Masan Nutri-Science to grow net revenues by approximately 20 to 30% and earnings to grow modestly as we invest to build brands and commit more resources to R&D. Validating our strategy, on 3 April 2017, KKR and Masan announced the signing of definitive agreements to invest a total of US\$250 million in Masan and our branded meat platform, Masan Nutri-Science.

Masan has also developed a fully fledged branded food and beverage franchise that has been delivering a steady stream of free cash flows for the last three years. Since developing market leading positions in key food categories such as seasonings and convenience foods, Masan has gone on to build a complimentary beverage business. Bottled beverages is now Masan's fastest growing category, with 69% growth in non-alcoholic bottled beverages and 47% growth in beer during FY2016. During October 2016, Masan launched its first seasonings brand in Thailand, Chin-su Yod Thong, to go broader regionally, and serve the 250 million consumers of In-land ASEAN. We expect our branded food and beverage division to deliver topline growth of 5 to 10% with flat earnings growth due to higher input costs and lower financial income (as a result of Masan Consumer plans to pay a VND2,341 billion cash dividend this year).

Masan Resources has emerged to become a globally significant tungsten chemicals company with approximately 36% market share outside of China, by delivering profitability and more than 50% growth in net revenues for FY2016 even in a depressed commodity price environment. For 2017, Masan Resources is expected to grow net revenues by 22 to 27% and earnings to grow by 36 to 164%, subject to commodity prices. Last year, Masan's bottom line got a significant boost from Techcombank's turnaround, which delivered nearly 2x growth in

profits, as the bank progressed significantly with its provisioning schedule and a growing retail franchise. In 2017, we expect the bank to continue with its provisioning efforts to emerge with one of the cleanest balance sheet in the banking sector.

Altogether, we expect this business momentum to carry into 2017 and beyond. On a conservative basis, Masan expects to achieve 15% to 20% growth for net sales and earnings after minority interests during FY2017.

Growth rates in comparison to 2016 will be challenged by expected higher soft commodities environment, in addition to Masan's effort during 1H to rebalance the inventory levels at its food and beverage distributors to better match market demand and supply, particularly in the food categories. This will enable Masan to deliver strong second half results and ensure sustainable growth in the medium term for our food and beverage business. In addition, this initiative will optimize SG&A and further drive profitability for our branded food and beverages business. First half results are also expected to be subdued as a result of the current low pig prices, which will impact our feed business. Techcombank will continue on its objective to fully provision its vintage NPL's to better position itself for medium term growth strategy, which may adversely impact Masan's earnings results in the first half of the year. Full year earnings may improve as Masan uses its cash to pay down expensive debt and increase its stakes in existing businesses to reduce interest and minority expenses.

We expect the above initiatives to be reflected in market leadership, better financial metrics and value creation over the next five years. We expect to generate VND3,200 billion to VND3,400 billion of net profit after tax post minority interest in 2017, under Vietnamese Accounting Standards.

Based on our current business operations, our current financial position and general market conditions, we believe the following information below reflects a fair estimation of our income statement for this year:

<i>(VND billion)</i>	Plan 2017		Actual 2016	Growth Rate	
	Low End	High End		Low End	High End
Net Sales	50,000	52,000	43,297	16%	20%
Net Profit after Tax and Minorities (VAS)	3,200	3,400	2,791	15%	22%

Plan for Capital Expenditure

Major planned investments in 2017 for fixed assets are expected to amount to around VND4,000 billion - VND4,200 billion, mainly due to our expected investments of nearly VND1,500 billion in building out a scale pig farm in Northern Vietnam. We believe the plan is conservative as Masan historically has not utilize its entire capital expenditure budget each year due to improved operational efficiencies and better procurement results. However, a conservatively high number has been provided in the event of unforeseen events or stronger than expected business performance which will require an increase in capacity. The plan of investment does not include possible M&A transactions, which are subject to market conditions and the availability of opportunities.

Yours faithfully,

Ho Chi Minh City, 14 April 2017.
CHIEF EXECUTIVE OFFICER
[signed and sealed]

DR. NGUYEN DANG QUANG

Forward Looking Statements

This communication contains information that may constitute “forward-looking statements”. Generally, the words “believe”, “expect”, “intend”, “aim”, “estimate”, “anticipate”, “project”, “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future – including statements relating to volume growth, share of sales and earnings per share growth, and statements expressing general views about future operating results – are forward-looking statements.

Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Masan Group Corporation undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause audited results to differ materially from our company’s historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described elsewhere in this report and those described from time to time in our future reports filed with the Ho Chi Minh City Stock Exchange.

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