

**Masan Group Corporation  
and its subsidiaries**

Consolidated quarterly financial statements for  
the period ended 30 September 2017

## Masan Group Corporation Corporate Information

**Business Registration Certificate No**      0303576603      31 August 2017

The Company's Business Registration Certificate has been amended several times, the most recent of which is dated 31 August 2017. The Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City. The initial Business Registration Certificate No. 4103002877 was dated 18 November 2004.

|                           |                                |               |
|---------------------------|--------------------------------|---------------|
| <b>Board of Directors</b> | Dr Nguyen Dang Quang           | Chairman      |
|                           | Mr Ho Hung Anh                 | Vice Chairman |
|                           | Ms Nguyen Hoang Yen            | Member        |
|                           | Mr Nguyen Thieu Nam            | Member        |
|                           | Mr Lars Kjaer                  | Member        |
|                           | Mr Dominic Edward Salter Price | Member        |

|                            |                        |  |
|----------------------------|------------------------|--|
| <b>Board of Management</b> | Dr Nguyen Dang Quang   | Chief Executive Officer  |
|                            | Mr Nguyen Thieu Nam    | Deputy Chief Executive Officer   |
|                            | Mr Michael Hung Nguyen | Deputy Chief Executive Officer   |
|                            | Mr Seokhee Won         | Deputy Chief Executive Officer   |
|                            | Mr Nguyen Anh Nguyen   | Deputy Chief Executive Officer   |
|                            | Mr Le Trung Thanh      | Deputy Chief Executive Officer<br>(from 15 February 2017<br>to 19 June 2017) |

|                             |                      |                                     |
|-----------------------------|----------------------|-------------------------------------|
| <b>Legal Representative</b> | Dr Nguyen Dang Quang | Chairman<br>Chief Executive Officer |
|-----------------------------|----------------------|-------------------------------------|

|                          |   |
|--------------------------|---|
| <b>Registered Office</b> | Suite 802, Central Plaza<br>17 Le Duan Street<br>Ben Nghe Ward, District 1<br>Ho Chi Minh City<br>Vietnam |
|--------------------------|---|

**Masan Group Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 September 2017**

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

|   | Code       | Note      | 30/9/2017<br>VND million | 1/1/2017<br>VND million |
|---|------------|-----------|--------------------------|-------------------------|
| <b>ASSETS</b>   |            |           |                          |                         |
| <b>Current assets</b><br><b>(100 = 110 + 120 + 130 + 140 + 150)</b> | <b>100</b> |           | <b>15,102,219</b>        | <b>22,876,206</b>       |
| <b>Cash and cash equivalents</b>                                    | <b>110</b> | <b>5</b>  | <b>4,765,527</b>         | <b>13,148,938</b>       |
| Cash  | 111        |           | 416,732                  | 941,318                 |
| Cash equivalents  | 112        |           | 4,348,795                | 12,207,620              |
| <b>Short-term financial investments</b>                             | <b>120</b> | <b>12</b> | <b>1,670,813</b>         | <b>1,771,012</b>        |
| Held to maturity investments  | 123        |           | 1,670,813                | 1,771,012               |
| <b>Accounts receivable</b>  | <b>130</b> | <b>6</b>  | <b>3,792,581</b>         | <b>2,277,055</b>        |
| Accounts receivable   | 131        |           | 1,244,407                | 1,295,848               |
| Prepayments to suppliers  | 132        |           | 401,359                  | 283,315                 |
| Receivables on short-term lending loans                             | 135        |           | 1,299,700                | -                       |
| Other receivables   | 136        |           | 895,121                  | 739,100                 |
| Allowance for doubtful debts  | 137        |           | (48,006)                 | (41,208)                |
| <b>Inventories</b>  | <b>140</b> | <b>7</b>  | <b>4,392,711</b>         | <b>5,389,531</b>        |
| Inventories   | 141        |           | 4,411,454                | 5,416,696               |
| Allowance for inventories   | 149        |           | (18,743)                 | (27,165)                |
| <b>Other current assets</b>   | <b>150</b> |           | <b>480,587</b>           | <b>289,670</b>          |
| Short-term prepayments  | 151        |           | 130,845                  | 106,482                 |
| Deductible value added tax  | 152        |           | 334,453                  | 171,398                 |
| Taxes and other receivables from State Treasury                     | 153        |           | 15,289                   | 11,790                  |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 September 2017 (continued)**

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

|   | Code       | Note      | 30/9/2017<br>VND million | 1/1/2017<br>VND million |
|---|------------|-----------|--------------------------|-------------------------|
| <b>Long-term assets</b><br><b>(200 = 210 + 220 + 240 + 250 + 260)</b> | <b>200</b> |           | <b>50,995,654</b>        | <b>50,162,832</b>       |
| <b>Accounts receivable – long-term</b>                                | <b>210</b> | <b>6</b>  | <b>1,732,045</b>         | <b>1,817,067</b>        |
| Receivables on long-term lending loans                                | 215        |           | 350,000                  | 369,700                 |
| Other long-term receivables   | 216        |           | 1,382,045                | 1,447,367               |
| <b>Fixed assets</b>   | <b>220</b> |           | <b>28,873,382</b>        | <b>29,821,492</b>       |
| Tangible fixed assets   | 221        | 8         | 22,726,460               | 23,317,266              |
| <i>Cost</i>   | 222        |           | 28,362,994               | 27,576,775              |
| <i>Accumulated depreciation</i>                                       | 223        |           | (5,636,534)              | (4,259,509)             |
| Finance lease tangible fixed assets                                   | 224        | 9         | 7,852                    | 17,947                  |
| <i>Cost</i>   | 225        |           | 67,300                   | 67,300                  |
| <i>Accumulated depreciation</i>                                       | 226        |           | (59,448)                 | (49,353)                |
| Intangible fixed assets   | 227        | 10        | 6,139,070                | 6,486,279               |
| <i>Cost</i>   | 228        |           | 8,055,421                | 7,989,536               |
| <i>Accumulated amortization</i>                                       | 229        |           | (1,916,351)              | (1,503,257)             |
| <b>Long-term assets in progress</b>                                   | <b>240</b> | <b>11</b> | <b>3,015,783</b>         | <b>2,356,227</b>        |
| Construction in progress  | 242        |           | 3,015,783                | 2,356,227               |
| <b>Long-term financial investments</b>                                | <b>250</b> | <b>12</b> | <b>13,461,529</b>        | <b>12,240,702</b>       |
| Investments in associates   | 252        |           | 13,444,845               | 12,219,056              |
| Investments in other entities   | 253        |           | 21,646                   | 21,646                  |
| Allowance for diminution in the value of long-term investments        | 254        |           | (4,962)                  | -                       |
| <b>Other long-term assets</b>   | <b>260</b> |           | <b>3,912,915</b>         | <b>3,927,344</b>        |
| Long-term prepayments   | 261        | 13        | 2,961,548                | 2,869,569               |
| Deferred tax assets   | 262        |           | 291,225                  | 313,272                 |
| Goodwill  | 269        | 14        | 660,142                  | 744,503                 |
| <b>TOTAL ASSETS (270 = 100 + 200)</b>                                 | <b>270</b> |           | <b>66,097,873</b>        | <b>73,039,038</b>       |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 September 2017 (continued)**

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

|   | Code       | Note | 30/9/2017<br>VND million | 1/1/2017<br>VND million |
|---|------------|------|--------------------------|-------------------------|
| <b>RESOURCES</b>                                    |            |      |                          |                         |
| <b>LIABILITIES (300 = 310 + 330)</b>                | <b>300</b> |      | <b>41,031,792</b>        | <b>52,726,413</b>       |
| <b>Current liabilities</b>                          | <b>310</b> |      | <b>12,451,541</b>        | <b>17,898,443</b>       |
| Accounts payable                                    | 311        |      | 2,059,245                | 2,427,338               |
| Advances from customers                             | 312        |      | 534,227                  | 86,812                  |
| Taxes payable to State Treasury                     | 313        | 15   | 348,697                  | 546,109                 |
| Payables to employees                               | 314        |      | 85,176                   | 204,231                 |
| Accrued expenses                                    | 315        | 16   | 2,565,128                | 3,456,392               |
| Other short-term payables                           | 319        | 17   | 79,026                   | 2,527,993               |
| Short-term borrowings and finance lease liabilities | 320        | 18   | 6,748,932                | 8,618,340               |
| Bonus and welfare funds                             | 322        |      | 31,110                   | 31,228                  |
| <b>Long-term borrowings and liabilities</b>         | <b>330</b> |      | <b>28,580,251</b>        | <b>34,827,970</b>       |
| Long-term account payables                          | 331        |      | 78,525                   | 88,335                  |
| Long-term accrued expenses                          | 333        |      | -                        | 37,164                  |
| Other long-term payables                            | 337        | 17   | 28,877                   | 30,935                  |
| Long-term borrowings and finance lease liabilities  | 338        | 19   | 26,399,183               | 32,472,398              |
| Deferred tax liabilities                            | 341        |      | 1,489,365                | 1,573,844               |
| Provisions – long-term                              | 342        |      | 584,301                  | 625,294                 |

*The accompanying notes are an integral part of these quarterly financial statements*

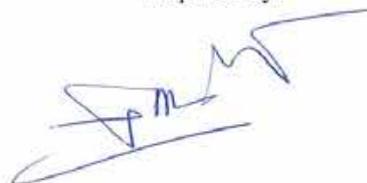
**Masan Group Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 September 2017 (continued)**

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

|  | Code        | Note      | 30/9/2017<br>VND million | 1/1/2017<br>VND million |
|--|-------------|-----------|--------------------------|-------------------------|
| <b>EQUITY (400 = 410)</b>                          | <b>400</b>  |           | <b>25,066,081</b>        | <b>20,312,625</b>       |
| <b>Owners' equity</b>                              | <b>410</b>  | <b>20</b> | <b>25,066,081</b>        | <b>20,312,625</b>       |
| Share capital                                      | 411         | 21        | 11,573,740               | 7,680,757               |
| Capital surplus                                    | 412         | 21        | 6,855,539                | 10,649,796              |
| Other capital                                      | 414         | 22        | (9,426,958)              | (9,426,958)             |
| Treasury shares                                    | 415         |           | (641,110)                | (641,110)               |
| Foreign exchange differences                       | 417         |           | 1,997                    | (1,874)                 |
| Undistributed profits                              | 421         |           | 10,725,601               | 7,015,545               |
| <i>Undistributed profit brought forward</i>        | <i>421a</i> |           | <i>7,015,545</i>         | <i>7,014,072</i>        |
| <i>Undistributed profit for the current period</i> | <i>421b</i> |           | <i>3,710,056</i>         | <i>1,473</i>            |
| Non-controlling interest                           | 429         | 20        | 5,977,272                | 5,036,469               |
| <b>TOTAL RESOURCES</b><br><b>(440 = 300 + 400)</b> | <b>440</b>  |           | <b>66,097,873</b>        | <b>73,039,038</b>       |

30 October 2017

Prepared by:



Doan Thi My Duyen  
*Chief Accountant*

Approved by:



Michael Hung Nguyen  
*Deputy Chief Executive Officer*  
*Chief Financial Officer*

Dr Nguyen Dang Quang  
*Chairman*  
*Chief Executive Officer*

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of income for the period ended 30 September 2017**

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

|  | Code      | Note      | From<br>1/7/2017 to<br>30/9/2017<br>VND million | From<br>1/7/2016 to<br>30/9/2016<br>VND million | From<br>1/1/2017 to<br>30/9/2017<br>VND million | From<br>1/1/2016 to<br>30/9/2016<br>VND million |
|--|-----------|-----------|---|---|---|---|
| <b>Total revenue</b>   | <b>01</b> | <b>23</b> | <b>9,691,656</b>                                | <b>11,443,435</b>                               | <b>28,442,352</b>                               | <b>31,471,688</b>                               |
| <b>Less sales deductions</b>   | <b>02</b> | <b>23</b> | <b>259,058</b>                                  | <b>436,703</b>                                  | <b>991,046</b>                                  | <b>1,323,610</b>                                |
| <b>Net sales (10 = 01 – 02)</b>  | <b>10</b> | <b>23</b> | <b>9,432,598</b>                                | <b>11,006,732</b>                               | <b>27,451,306</b>                               | <b>30,148,078</b>                               |
| <b>Cost of sales</b>   | <b>11</b> | <b>24</b> | <b>6,526,489</b>                                | <b>7,724,908</b>                                | <b>19,212,645</b>                               | <b>21,291,716</b>                               |
| <b>Gross profit (20 = 10 – 11)</b>                                       | <b>20</b> |           | <b>2,906,109</b>                                | <b>3,281,824</b>                                | <b>8,238,661</b>                                | <b>8,856,362</b>                                |
| Financial income   | 21        | 25        | 89,181  | 168,708   | 359,567   | 550,495   |
| Financial expenses   | 22        | 26        | 776,747   | 860,218   | 2,625,367                                       | 2,322,402                                       |
| <i>In which: Interest expense</i>  | 23        |           | <i>735,123</i>                                  | <i>842,244</i>                                  | <i>2,522,151</i>                                | <i>2,240,137</i>                                |
| Share of profit in associates  | 24        | 27        | 553,684   | 314,673   | 1,232,267                                       | 704,698   |
| Selling expenses   | 25        |           | 1,207,412                                       | 1,194,561                                       | 4,023,737                                       | 3,365,628                                       |
| General and administration expenses                                      | 26        |           | 462,358   | 476,922   | 1,362,258                                       | 1,373,821                                       |
| <b>Net operating profit<br/>{30 = 20 + (21 - 22) + 24 - (25 + 26)}</b>   | <b>30</b> |           | <b>1,102,457</b>                                | <b>1,233,504</b>                                | <b>1,819,133</b>                                | <b>3,049,704</b>                                |
| Other income   | 31        | 28        | 4,380   | 358   | 11,685  | 8,016   |
| Other expenses   | 32        | 29        | 14,660  | 6,616   | 33,991  | 38,367  |
| <b>Results of other activities<br/>(40 = 31 - 32)</b>                    | <b>40</b> |           | <b>(10,280)</b>                                 | <b>(6,258)</b>                                  | <b>(22,306)</b>                                 | <b>(30,351)</b>                                 |
| <b>Profit before tax<br/>(50 = 30 + 40)</b>                              | <b>50</b> |           | <b>1,092,177</b>                                | <b>1,227,246</b>                                | <b>1,796,827</b>                                | <b>3,019,353</b>                                |
| <b>Income tax expense – current</b>                                      | <b>51</b> |           | <b>151,806</b>                                  | <b>198,402</b>                                  | <b>393,056</b>                                  | <b>581,596</b>                                  |
| <b>Income tax benefit – deferred</b>                                     | <b>52</b> |           | <b>(8,094)</b>                                  | <b>(24,690)</b>                                 | <b>(62,432)</b>                                 | <b>(95,966)</b>                                 |
| <b>Net profit (60 = 50 - 51 - 52)<br/>(carried forward to next page)</b> | <b>60</b> |           | <b>948,465</b>                                  | <b>1,053,534</b>                                | <b>1,466,203</b>                                | <b>2,533,723</b>                                |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of income for the period ended 30 September 2017 (continued)**

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

| Code                      | Note  | From                                    | From                                    | From                                    | From                                    |                  |       |
|---------------------------|---|---|---|---|---|------------------|-------|
|                           |   | 1/7/2017 to<br>30/9/2017<br>VND million | 1/7/2016 to<br>30/9/2016<br>VND million | 1/1/2017 to<br>30/9/2017<br>VND million | 1/1/2016 to<br>30/9/2016<br>VND million |                  |       |
|                           | <b>Net profit (60 = 50 - 51 - 52)</b><br>(brought forward from previous page) | <b>60</b>                               | <b>948,465</b>                          | <b>1,053,534</b>                        | <b>1,466,203</b>                        | <b>2,533,723</b> |       |
| <b>Attributable to:</b>   |   |   |   |   |   |                  |       |
|                           | Equity holders of the Company   | 61                                      | 757,638                                 | 813,228                                 | 1,212,744                               | 1,847,558        |       |
|                           | Non-controlling interest  | 62                                      | 190,827                                 | 240,306                                 | 253,459                                 | 686,165          |       |
| <b>Earnings per share</b> |   |   |   |   |   |                  |       |
|                           | Basic earnings per share (VND)  | 70                                      | 30                                      | 655                                     | 709                                     | 1,051            | 1,621 |

30 October 2017

Prepared by:



Doan Thi My Duyen  
*Chief Accountant*

Approved by:



Michael Hung Nguyen  
*Deputy Chief Executive Officer*  
*Chief Financial Officer*

Dr Nguyen Dang Quang  
*Chairman*  
*Chief Executive Officer*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of income for the period ended 30 September 2017 (continued)**

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

|  | Code      | Pro forma <sup>(1)</sup>                        |   |   |   |
|--|-----------|---|---|---|---|
|  |           | From<br>1/7/2017 to<br>30/9/2017<br>VND million | From<br>1/7/2016 to<br>30/9/2016<br>VND million | From<br>1/1/2017 to<br>30/9/2017<br>VND million | From<br>1/1/2016 to<br>30/9/2016<br>VND million |
| Total revenue  | 01        | 9,691,656                                       | 11,443,435                                      | 28,442,352                                      | 31,471,688                                      |
| Less sales deductions  | 02        | 259,058   | 436,703   | 991,046   | 1,323,610                                       |
| <b>Net sales (10 = 01 – 02)</b>  | <b>10</b> | <b>9,432,598</b>                                | <b>11,006,732</b>                               | <b>27,451,306</b>                               | <b>30,148,078</b>                               |
| Cost of sales  | 11        | 6,473,355                                       | 7,673,689                                       | 19,062,647                                      | 21,145,817                                      |
| <b>Gross profit (20 = 10 – 11)</b>   | <b>20</b> | <b>2,959,243</b>                                | <b>3,333,043</b>                                | <b>8,388,659</b>                                | <b>9,002,261</b>                                |
| Financial income   | 21        | 89,181  | 168,708   | 359,567   | 550,495   |
| Financial expenses   | 22        | 776,747   | 860,218   | 2,625,367                                       | 2,322,402                                       |
| Share of profit in associates  | 24        | 553,684   | 314,673   | 1,232,267                                       | 704,698   |
| Selling expenses   | 25        | 1,207,412                                       | 1,194,561                                       | 4,023,737                                       | 3,365,628                                       |
| General and administration expenses  | 26        | 300,855   | 303,493   | 877,747   | 854,667   |
| <b>Net operating profit</b><br><b>{30 = 20 + (21 - 22) + 24 - (25 + 26)}</b>   | <b>30</b> | <b>1,317,094</b>                                | <b>1,458,152</b>                                | <b>2,453,642</b>                                | <b>3,714,757</b>                                |
| Other income   | 31        | 4,380   | 358   | 11,685  | 8,016   |
| Other expenses   | 32        | 14,660  | 6,616   | 33,991  | 38,367  |
| <b>Results of other activities</b><br><b>(40 = 31 - 32)</b>                    | <b>40</b> | <b>(10,280)</b>                                 | <b>(6,258)</b>                                  | <b>(22,306)</b>                                 | <b>(30,351)</b>                                 |
| <b>Profit before tax</b><br><b>(50 = 30 + 40)</b>                              | <b>50</b> | <b>1,306,814</b>                                | <b>1,451,894</b>                                | <b>2,431,336</b>                                | <b>3,684,406</b>                                |
| Income tax expense – current   | 51        | 151,806   | 198,402   | 393,056   | 581,596   |
| Income tax expense/(benefit) – deferred  | 52        | 20,490  | 4,985   | 22,047  | (8,388)   |
| <b>Net profit (60 = 50 - 51 - 52)</b><br><b>(carried forward to next page)</b> | <b>60</b> | <b>1,134,518</b>                                | <b>1,248,507</b>                                | <b>2,016,233</b>                                | <b>3,111,198</b>                                |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of income for the period ended 30 September 2017 (continued)**

**Form B 02a – DN/HN**

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

|   | Code | Pro forma <sup>(1)</sup>                        |   |   |   |
|---|------|---|---|---|---|
|   |      | From<br>1/7/2017 to<br>30/9/2017<br>VND million | From<br>1/7/2016 to<br>30/9/2016<br>VND million | From<br>1/1/2017 to<br>30/9/2017<br>VND million | From<br>1/1/2016 to<br>30/9/2016<br>VND million |
| <b>Net profit (60 = 50 - 51 - 52)</b><br>(brought forward from previous page) | 60   | 1,134,518                                       | 1,248,507                                       | 2,016,233                                       | 3,111,198                                       |
| <b>Attributable to:</b>   |      |   |   |   |   |
| Equity holders of the Company   | 61   | 918,421   | 967,371   | 1,688,308                                       | 2,291,237                                       |
| Non-controlling interest  | 62   | 216,097   | 281,136   | 327,925   | 819,961   |
| <b>Earnings per share</b>   |      |   |   |   |   |
| Basic earnings per share (VND)  | 70   | 794   | 844   | 1,463   | 2,010   |

<sup>(1)</sup> *Pro forma numbers, for each of the reporting periods and its respective comparative period, have been computed by reversing impact from the amortization of goodwill, tangible assets and intangible assets as a result of the Group's M&A transactions in the past.*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of cash flow for the period ended 30 September 2017**  
**(Indirect method)**

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

|   | Code      | Note | From 1/1/2017<br>to 30/9/2017<br>VND million | From 1/1/2016<br>to 30/9/2016<br>VND million |
|---|-----------|------|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |           |      |  |  |
| <b>Profit before tax</b>                                  | <b>01</b> |      | <b>1,796,827</b>                             | <b>3,019,353</b>                             |
| <b>Adjustments for</b>                                    |           |      |  |  |
| Depreciation and amortization                             | 02        |      | 1,921,770                                    | 1,731,773                                    |
| Allowances and provisions                                 | 03        |      | 74,784                                       | 71,294                                       |
| Net unrealised foreign exchange (gain)/loss               | 04        |      | (9,262)                                      | 2,750  |
| Gain from investing activities                            | 05        |      | (1,548,291)                                  | (1,214,753)                                  |
| Interest expenses   | 06        |      | 2,522,151                                    | 2,240,137                                    |
| <b>Operating profit before changes in working capital</b> | <b>08</b> |      | <b>4,757,979</b>                             | <b>5,850,554</b>                             |
| (Increase)/decrease in receivables and other assets       | 09        |      | (280,908)                                    | 264,188                                      |
| Decrease/(increase) in inventories                        | 10        |      | 977,525                                      | (1,005,911)                                  |
| Decrease in payables and other liabilities                | 11        |      | (1,251,498)                                  | (318,351)                                    |
| Increase in prepayment                                    | 12        |      | (80,013)                                     | (124,500)                                    |
|   |           |      | <b>4,123,085</b>                             | <b>4,665,980</b>                             |
| Interest paid   | 14        |      | (2,348,491)                                  | (1,869,142)                                  |
| Corporate income tax paid                                 | 15        |      | (446,046)                                    | (621,931)                                    |
| Other payments for operating activities                   | 17        |      | (118)  | (13,735)                                     |
| <b>Net cash flows from operating activities</b>           | <b>20</b> |      | <b>1,328,430</b>                             | <b>2,161,172</b>                             |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of cash flow for the period ended 30 September 2017**  
**(Indirect method - continued)**

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

|  | Code      | Note | From 1/1/2017<br>to 30/9/2017<br>VND million | From 1/1/2016<br>to 30/9/2016<br>VND million |
|--|-----------|------|--|--|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                  |           |      |  |  |
| Payments for additions to fixed assets and other long-term assets            | 21        |      | (1,656,188)                                  | (2,212,064)                                  |
| Proceeds from disposals of fixed assets and other long-term assets           | 22        |      | 8,410  | 7,385  |
| Payments for granting loan and term deposits at banks                        | 23        |      | (5,628,457)                                  | (67,928,216)                                 |
| Receipts from collecting loan and term deposits at banks                     | 24        |      | 4,448,656                                    | 73,406,678                                   |
| Payments for investment in subsidiaries, associates and other entities       | 25        |      | -  | (22,343,496)                                 |
| Collections on investments in other entities                                 | 26        |      | 7,568  | 206,218                                      |
| Receipts of interest, dividends and related income from investing activities | 27        |      | 302,833                                      | 929,232                                      |
| <b>Net cash flows from investing activities</b>                              | <b>30</b> |      | <b>(2,517,178)</b>                           | <b>(17,934,263)</b>                          |

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Consolidated statement of cash flow for the period ended 30 September 2017**  
**(Indirect method - continued)**

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

|   | Code      | Note     | From 1/1/2017<br>to 30/9/2017<br>VND million | From 1/1/2016<br>to 30/9/2016<br>VND million |
|---|-----------|----------|--|--|
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |           |          |  |  |
| Proceeds from issuance of shares and capital contribution in subsidiaries by non-controlling interest | 31        |          | 3,548,393                                    | 14,440,817                                   |
| Payments for equity instruments repurchased   | 32        |          | (247)  | (670,007)                                    |
| Proceeds from borrowings  | 33        |          | 17,510,350                                   | 21,011,994                                   |
| Payments to settle borrowings   | 34        |          | (25,563,647)                                 | (15,458,809)                                 |
| Payments to settle finance lease liabilities  | 35        |          | (11,988)                                     | (10,429)                                     |
| Payment of dividends  | 36        |          | (2,681,896)                                  | (143,266)                                    |
| <b>Net cash flows from financing activities</b>   | <b>40</b> |          | <b>(7,199,035)</b>                           | <b>19,170,300</b>                            |
| <b>Net cash flows during the period</b><br>(50 = 20 + 30 + 40)  | <b>50</b> |          | <b>(8,387,783)</b>                           | <b>3,397,209</b>                             |
| <b>Cash and cash equivalents at the beginning of the period</b>                                       | <b>60</b> |          | <b>13,148,938</b>                            | <b>8,324,476</b>                             |
| <b>Effect of exchange rate fluctuation on cash and cash equivalents</b>                               | <b>61</b> |          | <b>4,372</b>                                 | <b>1,322</b>                                 |
| <b>Cash and cash equivalents at the end of the period</b><br>(70 = 50 + 60 + 61)                      | <b>70</b> | <b>5</b> | <b>4,765,527</b>                             | <b>11,723,007</b>                            |

Prepared by:



Doan Thi My Duyen  
Chief Accountant

30 October 2017

Approved by:





Michael Hung Nguyen  
Deputy Chief Executive Officer  
Chief Financial Officer

Dr. Nguyen Dang Quang  
Chairman  
Chief Executive Officer

*The accompanying notes are an integral part of these quarterly financial statements*

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**

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

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

**1. Reporting entity**

Masan Group Corporation (“the Company”) is a joint stock company incorporated in Vietnam. The principal activity of the Company is in investment holding.

The consolidated financial statements comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

The principal activities of the subsidiaries and associates are described as follows:

**(a) Subsidiaries**

*Direct subsidiaries*

| Number | Name   | Principal activity | Percentage of economic interests at |          |
|--------|--|--------------------|-------------------------------------|----------|
|        |  |                    | 30/09/2017                          | 1/1/2017 |
| 1      | MasanConsumerHoldings Company Limited (“MCH”)                                      | Investment holding | 85.7%                               | 85.7%    |
| 2      | Masan Horizon Company Limited (formerly known as Masan Horizon Corporation) (“MH”) | Investment holding | 100.0%                              | 99.9%    |
| 3      | Masan Nutri-Science Corporation (“MNS”) (i)  | Investment holding | 82.4%                               | 89.4%    |

*Indirect subsidiaries*

| Number | Name   | Principal activity              | Percentage of economic interests at |          |
|--------|--|---------------------------------|-------------------------------------|----------|
|        |  |                                 | 30/9/2017                           | 1/1/2017 |
| 1      | Masan Brewery Company Limited (“MB”)                 | Investment holding              | 57.1%                               | 57.1%    |
| 2      | Masan Master Brewer Company Limited (“MMBr”)         | Beer and beverage trading       | 57.1%                               | 57.1%    |
| 3      | Masan Brewery PY One Member Company Limited (“MBPY”) | Beer and beverage manufacturing | 57.1%                               | 57.1%    |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

| Number | Name  | Principal activity                                       | Percentage of economic interests at |          |
|--------|---|--|-------------------------------------|----------|
|        |   |  | 30/9/2017                           | 1/1/2017 |
| 4      | Masan Brewery HG One Member Company Limited (“MBHG”)          | Beer and beverage trading                                | 57.1%                               | 57.1%    |
| 5      | Masan Brewery Distribution One Member Company Limited (“MBD”) | Beer and beverage trading                                | 57.1%                               | 57.1%    |
| 6      | Masan Consumer Corporation (“MSC”)                            | Trading and distribution                                 | 82.4%                               | 83.1%    |
| 7      | Masan Consumer (Thailand) Limited (“MTH”)                     | Trading and distribution                                 | 82.4%                               | 83.1%    |
| 8      | Masan Food Company Limited (“MSF”)                            | Trading and distribution                                 | 82.4%                               | 83.1%    |
| 9      | Masan Industrial One Member Company Limited (“MSI”)           | Seasonings, convenience food manufacturing and packaging | 82.4%                               | 83.1%    |
| 10     | Viet Tien Food Technology One member Company Limited (“VTF”)  | Seasonings manufacturing                                 | 82.4%                               | 83.1%    |
| 11     | Masan HD One member Company Limited (“MHD”)                   | Convenience food manufacturing                           | 82.4%                               | 83.1%    |
| 12     | Ma San PQ Corporation (“MPQ”)                                 | Seasonings manufacturing                                 | 82.4%                               | 83.1%    |
| 13     | Nam Ngu Phu Quoc One Member Company Limited (“NPQ”)           | Seasonings manufacturing                                 | 82.4%                               | 83.1%    |
| 14     | VinaCafé Bien Hoa Joint Stock Company (“VCF”)                 | Beverage manufacturing                                   | 56.4%                               | 56.9%    |
| 15     | CDN Production Trading Corporation (“CDN”)                    | Beverage trading and manufacturing                       | 47.9%                               | 48.4%    |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

| Number | Name  | Principal activity                                       | Percentage of economic interests at |          |
|--------|---|--|-------------------------------------|----------|
|        |   |  | 30/9/2017                           | 1/1/2017 |
| 16     | Vinh Hao Mineral Water Corporation (“VHC”)                  | Beverage manufacturing                                   | 72.9%                               | 73.6%    |
| 17     | Kronfa., JSC (“KRP”)  | Beverage manufacturing                                   | 72.9%                               | 73.6%    |
| 18     | Masan Beverage Company Limited (“MSB”)                      | Beverage trading and distribution                        | 82.4%                               | 83.1%    |
| 19     | Masan ĐN One Member Company Limited (“MDN”) (ii)            | Seasonings, convenience food manufacturing and packaging | -                                   | 83.1%    |
| 20     | Masan MB One Member Company Limited (“MMB”)                 | Seasonings, convenience food manufacturing and packaging | 82.4%                               | 83.1%    |
| 21     | Masan HG One Member Company Limited (“MHG”)                 | Convenience food manufacturing and packaging             | 82.4%                               | 83.1%    |
| 22     | Saigon Nutri Food Joint Stock Company (“SNF”)               | Convenience food manufacturing                           | 82.4%                               | 83.1%    |
| 23     | Quang Ninh Mineral Water Corporation (“QNW”)                | Beverage manufacturing and trading                       | 54.2%                               | 54.6%    |
| 24     | Mapleleaf Company Limited (“MPL”)                           | Investment holding                                       | 99.9%                               | 99.9%    |
| 25     | Masan Resources Corporation (“MR”)                          | Investment holding                                       | 93.8%                               | 93.8%    |
| 26     | Masan Thai Nguyen Resources Company Limited (“MRTN”)        | Investment holding                                       | 93.8%                               | 93.8%    |
| 27     | Thai Nguyen Trading and Investment Company Limited (“TNTI”) | Investment holding                                       | 93.8%                               | 93.8%    |
| 28     | Nui Phao Mining Company Limited (“NPM”)                     | Exploring and processing mineral                         | 93.8%                               | 93.8%    |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

| Number | Name   | Principal activity  | Percentage of economic interests at |          |
|--------|--|---|-------------------------------------|----------|
|        |  |   | 30/9/2017                           | 1/1/2017 |
| 29     | Nui Phao – H.C. Starck Tungsten Chemicals Manufacturing LLC (“NP - HC Starck”)                 | Deep processing of nonferrous metals and precious metals (tungsten) | 47.8%                               | 47.8%    |
| 30     | Kenji Company Limited (“Kenji”) (iv)   | Investment holding  | -                                   | 89.4%    |
| 31     | Shika Company Limited (“Shika”) (iv)   | Investment holding  | -                                   | 89.4%    |
| 32     | Meiji Corporation (“Meiji”) (iv)   | Investment holding  | -                                   | 89.4%    |
| 33     | Masan Nutri-Feed Company Limited (“MNS Feed”) (iii)  | Animal protein  | 82.4%                               | -        |
| 34     | Agro Nutrition International Joint Stock Company (“ANCO”)                                      | Animal protein  | 82.4%                               | 89.4%    |
| 35     | Aqua Nutrition International Joint Venture Co., Ltd (“ANCO Vinh Long”)                         | Animal protein  | 82.4%                               | 89.4%    |
| 36     | Agro Nutrition International Binh Dinh One Member Limited Company (“ANCO Binh Dinh”)           | Animal protein  | 82.4%                               | 89.4%    |
| 37     | Agro Nutrition International Thai Nguyen Limited Company (“ANCO Thai Nguyen”)                  | Animal protein  | 82.4%                               | 89.4%    |
| 38     | Agro Nutrition International Tien Giang One Member Limited Company (“ANCO Tien Giang”)         | Animal protein  | 82.4%                               | 89.4%    |
| 39     | Agro Nutrition International Nghe An Company Limited (“ANCO Nghe An”)                          | Animal protein  | 82.4%                               | 89.4%    |
| 40     | Agro Nutrition International Hau Giang One Member Limited Liability Company (“ANCO Hau Giang”) | Animal protein  | 82.4%                               | 89.4%    |
| 41     | Masan Nutri-Farm Limited Liability Company (“MNF”)   | Breeding swine  | 82.4%                               | 89.4%    |

**Masan Group Corporation and its subsidiaries**

**Notes to the consolidated financial statements for the period ended 30 September 2017  
(continued)**

**Form B 09a – DN/HN**

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

| Number | Name  | Principal activity | Percentage of economic interests at |          |
|--------|---|--------------------|-------------------------------------|----------|
|        |   |                    | 30/9/2017                           | 1/1/2017 |
| 42     | Masan Nutri-Farm (N.A) LL.C (“MNF N.A”)   | Breeding swine     | 82.4%                               | 89.4%    |
| 43     | MNS Meat Processing Company Limited (“MNS Meat”) (v)                              | Meat processing    | 82.4%                               | -        |
| 44     | MNS Meat Ha Nam Company Limited (“MNS Meat Ha Nam”) (v)                           | Meat processing    | 82.4%                               | -        |
| 45     | Vietnamese – French Cattle Feed Joint Stock Company (“Proconco”)                  | Animal protein     | 61.9%                               | 67.2%    |
| 46     | Proconco Can Tho Co., Ltd. (“Proconco Can Tho”)                                   | Animal protein     | 61.9%                               | 67.2%    |
| 47     | Con Co Binh Dinh Co., Ltd. (“Proconco Binh Dinh”)                                 | Animal protein     | 61.9%                               | 67.2%    |
| 48     | Proconco Hung Yen Manufacturing and Trading Company Limited (“Proconco Hung Yen”) | Animal protein     | 61.9%                               | 67.2%    |

- (i) In April 2017, KKR through its fund named VN Consumer Meat II Pte. Ltd. invested VND3,400 billion in cash in exchange for primary shares of MNS, representing an equity interest of 7.5%.

During the same period, the Company transferred 756,800 shares in MNS to non-controlling interests.

As a result of these transactions, equity interest of the Company in MNS decreased from 89.4% to 82.4%.

- (ii) In April 2017, MCH’s Board of Directors approved to dissolve one of its subsidiaries - Masan ĐN One Member Company Limited.
- (iii) In March 2017, the Department of Planning and Investment of Dong Nai Province issued the Business Registration Certificate No. 3603447499 approving the establishment of MNS Feed, a newly incorporated 99.9% owned subsidiary of MNS.
- (iv) In August 2017, MNS’s Board of Directors approved to merge Kenji, Shika and Meiji to MNS.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

- (v) In August 2017, the Department of Planning and Investment of Ho Chi Minh issued the Business Registration Certificate No. 0314547548 approving the establishment of MNS Meat, a newly incorporated 100% owned subsidiary of MNF, an indirect subsidiary of the Company through MNS and ANCO.

During the same period, the Department of Planning and Investment of Ha Nam issued the Business Registration Certificate No. 0700793788 approving the establishment of MNS Meat Ha Nam, a newly incorporated 100% owned subsidiary of MNS Meat, an indirect subsidiary of the Company through MNS, ANCO and MNF.

All the subsidiaries are incorporated in Vietnam, except for MTH, an indirect subsidiary of the Company through MCH and MSC, is incorporated in Thailand.

The percentage of economic interests represents the effective percentage of economic interests of the Group both directly and indirectly in the subsidiaries.

**(b) Associates**

*(i) Direct associate*

| Number | Name   | Principal activity | Percentage of economic interests at |          |
|--------|--|--------------------|-------------------------------------|----------|
|        |  |                    | 30/9/2017                           | 1/1/2017 |
| 1      | Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”)(*) | Banking            | 24.2%                               | 19.5%    |

- (\*) In August 2017, Techcombank repurchased 19.4% of the total number of its issued shares. As a result, the Group’s effective economic interest in Techcombank as of 30 September 2017 increased to 36.4% (1/1/2017: 30.4%). This effective economic interest includes 18.8% through direct and indirect equity interest (net of dilutive impact of convertible bonds on current equity interest of 24.2%, of which 5.6% is held by an indirect subsidiary of the Group, Mapleleaf Company Limited) and 17.6% through 10 year convertible bonds issued by Techcombank which the Company has agreed to irrevocably and mandatorily convert during the conversion period of the convertible bonds, subject to regulatory and other customary approvals.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(ii) Indirect associates**

| Number | Name  | Principal activity                   | Percentage of economic interests at |          |
|--------|---|--------------------------------------|-------------------------------------|----------|
|        |   |                                      | 30/9/2017                           | 1/1/2017 |
| 1      | Cholimex Food Joint Stock Company (“Cholimex”)                          | Food sauce manufacturing and trading | 32.8%                               | 32.8%    |
| 2      | Thuan Phat Packing Joint Stock Company (“Thuan Phat”)                   | Packaging manufacturing              | 25.0%                               | 25.0%    |
| 3      | Abattoir Long Binh Joint Stock Company (“Abattoir”)                     | Animal protein                       | 25.0%                               | 25.0%    |
| 4      | Dong Nai Producing, Trading and Service Joint Stock Company (“DN Manu”) | Animal protein                       | 21.3%                               | 21.3%    |
| 5      | Vissan Joint Stock Company (“Vissan”)                                   | Food manufacturing and trading       | 24.9%                               | 24.9%    |

The percentage of economic interests in indirect associates represents the percentage of economic interests of indirect subsidiaries in the associates.

**(c) Normal operating cycle**

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

**2. Basis of preparation**

**(a) Statement of compliance**

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

**(c) Annual accounting period**

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

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"). These financial statements are prepared and presented in millions of Vietnam Dong ("VND million").

**3. Summary of significant accounting policies**

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

**(a) Basis of consolidation**

**(i) Common-control business combination**

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 11 *Business Combination* and in selecting its accounting policy with respect to such transaction, the Group has considered Vietnamese Accounting Standard 01 *Framework* and Vietnamese Accounting Standard 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. Any difference between the cost of acquisition and net assets acquired is recorded directly in undistributed profits after tax under equity.

The consolidated statements of income, consolidated statement of cash flows and consolidated movement in owners' equity 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 period presented, for the period from the date of incorporation to the end of the relevant reporting periods.

**(ii) Non-common control business combination**

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 is 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.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

Under the purchase method, the assets and liabilities of the acquired entity are consolidated using their fair values. Cost of acquisition consists of the aggregate fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group. Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity. When the excess is negative, it is recognized immediately in consolidated statement of income.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations included any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to effect the combination. Transaction costs are capitalized into the cost of business combination. General administrative costs and other costs that cannot be directly attributed to the particular *combination* being accounted for are not included in the cost of the combination; they are recognized as an expense when incurred.

**(iii) *Subsidiaries***

Subsidiaries are entities controlled by 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, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**(iv) *Associate (equity accounted investees)***

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for in the consolidated financial statements using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of 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. 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 investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

**(v) *Non-controlling interest ("NCI")***

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. 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 undistributed profits after tax under equity, except where such difference arises from a transaction that is contractually linked to an issuance of shares or capital contribution at a premium or surplus in which case the difference is recorded in other capital.

**(vi) *Transactions eliminated on consolidation***

Intra-group 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.

**(b) **Foreign currency****

**(i) *Foreign currency transactions***

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

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

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

**(ii) *Translation of financial statements from the accounting currency to the presentation currency***

For the purpose of presenting the consolidated financial statements in VND, all assets and liabilities are translated to VND at the end of the accounting period quoted by the commercial bank where the Company most frequently conducts transactions. Capital and related items are translated at historical exchange rate(s). Accumulated losses are derived from the translated net losses from which they were appropriated. Expenses and cash flows during the period are translated at the exchange rates which approximate actual exchange rates ruling on the date of transactions.

Foreign exchange differences arising from the translation of financial statements from accounting currency to the presentation currency are included in "Foreign exchange differences" under equity (Code 417).

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(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 amount 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) *Held to maturity investments***

Held-to-maturity investments are those that the Group's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank, bonds and receivables on lending loans held to maturity. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Equity investments in other entity***

Equity investments in other entity are initially recognized at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investment are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Group's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognized.

**(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 selling expenses.

The Group apply the perpetual method of accounting for inventory.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(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 and location for its intended use, and the costs of dismantling and removing the asset and restoring the site on which it is located. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to income in the period in which the costs are 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 capitalized as an additional cost of tangible fixed assets.

Including in the cost of tangible assets of the Group, there are certain costs related to mining properties. They comprise mine rehabilitation assets and fair value of mineral reserves from business combination.

**(ii) Depreciation**

*Machinery and equipment and fair value of mineral reserves from business combination directly related to mining activities*

Machinery and equipment and fair value of mineral reserves from business combination which are directly related to the mining exploitation activities is depreciated over its mineral reserve on a unit-of-production basis. Mineral reserves are estimates of the amount of product that can be economically and legally extracted from the Group's mining properties.

*Others*

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

|                            |               |
|----------------------------|---------------|
| ▪ mining properties        | 15 - 20 years |
| ▪ buildings and structures | 4 - 30 years  |
| ▪ leasehold improvements   | 3 - 5 years   |
| ▪ office equipment         | 3 - 10 years  |
| ▪ machinery and equipment  | 3 - 25 years  |
| ▪ motor vehicles           | 3 - 10 years  |

**(h) Finance lease tangible fixed assets**

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

Depreciation on finance leased assets is computed on a straight-line basis over the estimated useful lives of items of the leased assets which is 5 years.

**(i) Intangible fixed assets**

**(i) Land use rights**

Land use rights comprise:

- those granted by the State for which land use payments are collected;
- those acquired in a legitimate transfer; and
- rights to use leased land obtained before the effective date of Land Law (2003) for which payments have been made in advance for more than 5 years and supported by land use right certificate issued by competent authority.

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

**(ii) Software**

Cost of acquisition of new software, which is not an integral part of the related hardware, is capitalized and treated as an intangible asset. Software is amortized on a straight-line basis over 4 and 10 years.

**(iii) Brand name**

Cost of acquisition of brand name is capitalized and treated as an intangible asset.

The fair value of brand name acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned. The fair value of brand name acquired in a business combination is recognized as an intangible asset and is amortized on a straight-line basis ranging from 10 to 20 years.

**(iv) Customer relationships**

Customer relationships that are acquired by the Group on the acquisition of subsidiary is capitalized and presented as an intangible 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

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

on all other assets that are part of creating the related cash flows. The fair value of customer relationship is amortized on a straight line basis ranging from 5 to 20 years.

**(v) *Mineral water resources***

Mineral water resources that are acquired by the Group in the acquisition of subsidiary are capitalized and presented as an intangible asset.

The fair values of mineral water resources acquired in a business combination are determined using either the direct comparison method or the multi-period excess earnings method. The direct comparison approach estimates the value of mineral resources by comparing recent asking/transacted price of similar interests located in a similar area. In the multi-period excess earnings method, 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 mineral water resources are amortized on a straight line basis over their useful lives ranging from 10 to 37 years.

**(vi) *Mining rights***

The mining rights is calculated based on the remaining exploitable reserves multiplied with the price as announced by the provincial authorities in accordance with Decree 203/2013/ND/CP dated 28 November 2013 which became effective from 20 January 2014. Cost of mining rights are stated at an amount equal to the present value of mining rights fee and is capitalized and treated as an intangible asset. Amortization of mining rights fees is computed on a straight-line basis over the period of the economic life of the mine reserves.

**(vii) *Technology***

Technology that are acquired by the Group in the acquisition of subsidiary are capitalized and presented as an intangible asset.

The fair value of technology 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 technology is amortized on a straight line basis over their useful lives ranging over 5 years.

**(viii) *Mineral water resources exploitation rights***

Expenditure on obtaining exploitation rights for mineral water resources is capitalized and treated as an intangible asset. Amortization is computed on a straight-line basis over their useful lives ranging from 9 to 30 years.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(j) Construction in progress**

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed and mineral assets under development. No depreciation is provided for construction in progress during the period of construction, installation and commissioning stages.

Mineral assets under development comprise mineral reserve and related development costs acquired in a business combination and subsequent development expenditure. These assets are qualified for capitalisation when the mineral reserve to which they relate is proven to be commercially and technically viable. They are initially recognized at their fair values as part of business combination accounting and subsequent development expenditures are capitalized net of proceeds from the sale of ore extracted during the development phase. On completion of development, defined as the time when saleable materials begin to be extracted from the mine, all assets are reclassified to either “machinery or equipment” or “mining properties” in tangible fixed assets or in long-term prepaid expenses.

**(k) Long-term prepayments**

**(i) Mining properties**

In accordance with the letter No. 12727/BTC-TCDN dated 14 September 2015 from the Ministry of Finance which provides guidance that mining related costs could be recognized as long-term prepaid expenses under non-current assets.

Other mining costs comprise:

- Exploration, evaluation and development expenditure (including development stripping); and
- Production stripping (as described below in ‘Deferred stripping costs’).

*Deferred stripping costs*

In open pit mining operations, it is necessary to remove overburden and other waste materials to access ore body. Stripping costs incurred in the development phase of a mine (development stripping costs) are capitalized as part of the cost of mine under construction. All capitalized development stripping included in assets under construction is transferred to mining properties.

The costs of removal of the waste material during a mine’s production phase (production stripping costs) are deferred where they give rise to future benefits:

- a) It is probable that the future economic benefits will flow to the Group;
- b) The component of the ore body for which access has been improved can be identified; and
- c) The costs incurred can be measured reliably.

Production stripping costs are allocated between the inventory produced and the production stripping asset with reference to the average life of mine strip ratio.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

The average life of mine strip ratio represents the ratio of the estimated total volume of waste, to the estimated total quantity of economically recoverable ore, over the life of the mine. These costs are capitalized to the production stripping assets where the current period actual stripping ratio is higher than the average life of mine strip ratio.

The development and production stripping assets are amortized over the life of the proven and probable reserves of the relevant components on a systematic basis.

**(ii) *Pre-operating expenses***

Pre-operating expenses are recorded in the statement of income, except for establishment costs and expenditures on training, advertising and promotional activities incurred from the incorporation date to the commercial operation date. These expenses are recognized as long-term prepayments, initially stated at cost, and are amortized on a straight line basis over 3 years starting from the date of commercial operation.

**(iii) *Prepaid land costs***

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 Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognized in the consolidated statement of income on a straight-line basis over the term of the lease from 42 to 50 years.

**(iv) *Land compensation cost***

Land compensation costs comprise costs incurred in conjunction with securing the use of leased land. These costs are recognized in the statement of income on a straight-line basis over the term of the lease of 20 years.

**(v) *Printing axles and tools and supplies***

Printing axles and tools and supplies are initially stated at cost and amortized over their useful lives of 1 to 3 years.

Tools and instruments include assets held for use by the Company 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 Circular 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets. Cost of tools and instruments are amortized on a straight-line basis not more than 3 years.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(vi) Goodwill from equitization**

Goodwill generated from the state-owned enterprise equitization is recognized as long-term prepayments. Goodwill generated from the state-owned enterprise equitization 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). 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 generated from the state-owned enterprise equitization is amortized on a straight-line basis over ten years starting from the date of conversion from a state-owned enterprise into a joint stock company (date of first business registration certificate for a joint stock company).

**(l) Goodwill**

Goodwill arises on acquisition of subsidiaries in non-common control acquisition.

Goodwill is measured at cost less accumulated amortization. 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. When the excess is negative (gain from bargain purchase), it is recognized immediately in the consolidated statement of income.

Goodwill arising on acquisition of a subsidiary is amortized on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition 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 amortized.

**(m) Trade and other payables**

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

**(n) Provisions**

A provision is recognized 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.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(i) Mining rights**

In accordance with the Law on Minerals 2010, a subsidiary of the Company has an obligation to pay the government fees for mining rights grant. The mining rights fees is calculated based on the remaining exploitable reserves multiplied with the price as announced by the provincial authorities in accordance with Decree 203/2013/ND/CP dated 28 November 2013 which became effective from 20 January 2014. Mining rights grant fees are recognized as intangible fixed assets.

**(ii) Mine rehabilitation**

The mining, extraction and processing activities of the Group give rise to obligations for site closure or rehabilitation. Closure and rehabilitation works can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation. The extent of work required and the associated costs are dependent on the requirements of the Ministry of Natural Resources and Environment (“MONRE”) and the Group’s environmental policies based on the Environment Impact Report. The timing of the actual closure and rehabilitation expenditure is dependent on the life and nature of the mine.

When provisions for closure and rehabilitation are initially recognized, the corresponding cost is capitalized as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and rehabilitation activities is recognized in mining properties and depreciated accordingly. The value of the provision is progressively increased over time as the effect of the discounting unwinds, creating an expense recognized in financial expenses.

Closure and rehabilitation provisions are also adjusted for changes in estimates. These adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in the provision is greater than the under-depreciated capitalized cost of the related assets, in which the capitalized cost is reduced to nil and the remaining adjustment is recognized in the statement of income.

**(iii) Severance allowance**

Under the Vietnamese Labour Code, when employees who have worked for 12 months or more (“eligible employees”) voluntarily terminates their labour contracts, the employer is required to pay the eligible employees severance allowance calculated based on years of service and employees’ compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their current salary level.

Provision for severance allowance to be paid to the existing eligible employees as of 30 September 2017 has been made based on the eligible employees’ years of service, being the total employees’ years of service less the number of years for which the employees 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 Company, if any, and their average salary for the six-month period prior to the end of the accounting period.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(o) Bonds issued**

***Straight bonds***

At initial recognition, straight bonds are measured at cost which comprises proceed from issuance net of issuance costs. Any discount, premium or issuance costs are amortized on a straight-line basis over the term of the bond.

**(p) Taxation**

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

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

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

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset 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) Equity**

**(i) *Share capital and capital surplus***

Ordinary share capital is classified as equity. The excess of proceeds contributed over the par value of shares issued is recorded as capital surplus. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from capital surplus.

**(ii) *Other capital***

Agreements to issue a fixed number of shares in the future are recognized based on their fair values at the dates of the agreements under other capital if there are no other settlement alternatives.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

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

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized 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.

**(r) *Revenue***

***Goods sold***

Revenue from the sale of goods is recognized in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. For sales of minerals, the sales price is usually determined on a provisional basis at the date revenue recognition and adjustments to the sales price subsequently occurs based on movements in quoted market or contractual prices up to the date of final pricing. The period between provisional invoicing and final pricing is typically between 30 and 60 days, but in some cases can be as long as 90 days. Revenue on provisionally priced sales is recognized based on the estimated fair value of the total consideration receivable. In cases where the terms of the executed contractual sales agreement allow for an adjustment to the sales price based on a survey of the goods by the customer, assay results issued by a third party are preferable, unless customer's survey is within executed contractual tolerance, then sales is based on the most recently determined of product specifications.

No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognized at the net amount after deducting sales discounts stated on the invoice.

**(s) *Financial income and financial expenses***

**(i) *Financial income***

Financial income comprises dividend income, interest income from deposits and loans, foreign exchange gains and realised gains from derivative financial instruments. Dividend income is recognized when the right to receive dividend is established. Interest income is recognized as it accrues in the statement of income.

**(ii) *Financial expenses***

Financial expenses comprise interest expenses on borrowings, interest costs, foreign exchange losses and realised losses from derivative financial instruments. Borrowing costs are recognized 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 tangible fixed assets, in which case the borrowing costs incurred during the period of construction are capitalized as part of the cost of the fixed assets concerned.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(t) Operating lease payments**

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

**(u) Earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

**(v) 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 segments. The Group's primary format for segment reporting is based on business segments.

**(w) 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.

Related companies refer to the investors and their subsidiaries and associates.

**4. Segment reporting**

The Group has three (3) reportable segments, as described below, which are the Group's strategic businesses. The strategic businesses offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic businesses, the Group's Board of Management reviews internal management reports on a periodic basis.

The Group holds the following business segments through separate subsidiary groups:

- Food and beverage
- Consumer-Agri: breeding swine, meat processing, animal protein and food manufacturing; and retailing
- Others: mining and processing, financial services

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

**Form B 09a – DN/HN**  
*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

| (a) Business segments    | Food and beverage<br>From 1/1/2017 to 30/9/2017<br>VND million | Consumer-Agri<br>From 1/1/2017 to 30/9/2016<br>VND million | Others<br>From 1/1/2017 to 30/9/2016<br>VND million | Total<br>From 1/1/2017 to 30/9/2016<br>VND million |
|--------------------------|--|--|---|--|
| Segment revenue          | 8,933,900  | 14,589,605   | 3,927,801   | 27,451,306   |
| Segment gross margin     | 3,825,347  | 3,212,399  | 1,200,915   | 8,238,661  |
| Segment results          | 821,889  | 674,145  | 1,421,178   | 2,917,212  |
| Net unallocated expenses |  |  |   | (1,451,009)  |
| Net profit               |  |  |   | 1,466,203  |

In the Others segment, Segment Revenue and Segment Gross Margin arise from Mining and Related Processing activities. Other than Mining and Related Processing activities, included in Segment Results of the Others segment is Financial Services income from share of profit of Techcombank as disclosed in Note 12.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

**Form B 09a – DN/HN**  
*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

|                                 | Food and beverage                                 |   | Consumer-Agri                                     |   | Others  |   | Total   |   |
|---------------------------------|---|---|---|---|---|---|---|---|
|                                 | 30/9/2017<br>VND million                          | 1/1/2017<br>VND million                           |
| Segment assets                  | 12,781,174  | 18,198,152  | 13,905,209  | 18,168,377  | 36,496,888  | 35,231,122  | 63,183,271  | 71,597,651  |
| Unallocated assets              |   |   |   |   |   |   | 2,914,602   | 1,441,387   |
| <b>Total assets</b>             |   |   |   |   |   |   | <b>66,097,873</b>                                 | <b>73,039,038</b>                                 |
| Segment liabilities             | 4,940,337   | 5,703,114   | 6,110,686   | 12,581,924  | 13,654,937  | 13,451,049  | 24,705,960  | 31,736,087  |
| Unallocated liabilities         |   |   |   |   |   |   | 16,325,832  | 20,990,326  |
| <b>Total liabilities</b>        |   |   |   |   |   |   | <b>41,031,792</b>                                 | <b>52,726,413</b>                                 |
|                                 | <b>From 1/1/2017 to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016 to 30/9/2016<br/>VND million</b> | <b>From 1/1/2017 to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016 to 30/9/2016<br/>VND million</b> | <b>From 1/1/2017 to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016 to 30/9/2016<br/>VND million</b> | <b>From 1/1/2017 to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016 to 30/9/2016<br/>VND million</b> |
| Capital expenditure             | 397,199   | 760,041   | 507,918   | 464,894   | 750,867   | 980,761   | 1,655,984   | 2,205,696   |
| Unallocated capital expenditure |   |   |   |   |   |   | 204   | 6,368   |
| Depreciation                    | 429,871   | 372,158   | 199,336   | 161,541   | 792,961   | 668,890   | 1,422,168   | 1,202,589   |
| Unallocated depreciation        |   |   |   |   |   |   | 1,377   | 2,001   |
| Amortization                    | 227,282   | 254,776   | 313,828   | 300,571   | 156,277   | 124,977   | 697,387   | 680,324   |
| Unallocated amortization        |   |   |   |   |   |   | 35,075  | 36,085  |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**5. Cash and cash equivalents**

|                  | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|------------------|---------------------------------|--------------------------------|
| Cash on hand     | 20,830                          | 3,712                          |
| Cash in bank     | 389,933                         | 937,228                        |
| Cash in transit  | 5,969                           | 378                            |
| Cash equivalents | 4,348,795                       | 12,207,620                     |
|                  | <hr/> 4,765,527                 | <hr/> 13,148,938               |

**6. Accounts receivable**

Other receivables comprised:

|  | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|--|---------------------------------|--------------------------------|
| <b>Receivables on short-term lending loans</b>       |                                 |                                |
| Receivables from other loan investing activities (*) | 1,299,700                       | -                              |
|  | <hr/>                           | <hr/>                          |
| <b>Receivables on long-term lending loans</b>        |                                 |                                |
| Receivables from other loan investing activities (*) | 350,000                         | 369,700                        |
|  | <hr/>                           | <hr/>                          |
| <b>Other short-term receivables</b>                  |                                 |                                |
| Receivables on reimbursement of insurance claims     | 616,377                         | 503,533                        |
| Non-trade receivables from a related company (**)    | 142,244                         | 142,244                        |
| Accrued interest receivable                          | 53,160                          | 33,837                         |
| Advances   | 7,239                           | 6,523                          |
| Short-term deposits                                  | 34,178                          | 13,623                         |
| Services receivable                                  | -                               | 11,547                         |
| Others   | 41,923                          | 27,793                         |
|  | <hr/> 895,121                   | <hr/> 739,100                  |

**Masan Group Corporation and its subsidiaries****Notes to the consolidated financial statements for the period ended 30 September 2017  
(continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

|  | 30/9/2017<br>VND million | 1/1/2017<br>VND million |
|--|--------------------------|-------------------------|
| <b>Other long-term receivables</b>                               |                          |                         |
| Long-term deposit  | 36,117                   | 51,794                  |
| Other long-term receivables from other loan investing activities | 36,309                   | 38,590                  |
| Other (***)  | 1,309,619                | 1,356,983               |
|  | 1,382,045                | 1,447,367               |

(\*) The receivables on short-term and long-term lending loans were a result of the Group's cash management operations to maximise its financial interest income on its more liquid assets.

(\*\*) The short-term non-trade amounts of the Group due from Masan Corporation were unsecured, interest-free and are receivable in demand.

(\*\*\*) Other represents receivables from the State Treasury for the land compensation cost of the Nui Phao Mining Project at Ha Thuong Commune, Dai Tu District, Thai Nguyen Province. The amount can be net off against the annual land rental fee.

Movement of allowance for doubtful debts during the period was as follows:

|  | From 1/1/2017<br>to 30/9/2017<br>VND million | From 1/1/2016<br>to 30/9/2016<br>VND million |
|--|--|--|
| Opening balance                          | 41,208                                       | 28,589                                       |
| Increase in allowance during the period  | 19,509                                       | 5,893  |
| Allowance utilised during the period     | (11,408)                                     | -  |
| Allowance written back during the period | (1,303)                                      | (1,076)                                      |
|  | 48,006                                       | 33,406                                       |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**7. Inventories**

|                           | <b>30/9/2017</b> | <b>1/1/2017</b> |
|---------------------------|------------------|-----------------|
|                           | VND million      | VND million     |
| Goods in transit          | 392,264          | 998,780         |
| Raw materials             | 2,280,720        | 2,800,811       |
| Tools and supplies        | 671,349          | 640,308         |
| Work in progress          | 160,613          | 152,539         |
| Finished goods            | 827,646          | 761,800         |
| Merchandise inventories   | 16,221           | 17,123          |
| Goods on consignment      | 62,641           | 45,335          |
|                           | <hr/>            | <hr/>           |
|                           | 4,411,454        | 5,416,696       |
| Allowance for inventories | (18,743)         | (27,165)        |
|                           | <hr/>            | <hr/>           |
|                           | 4,392,711        | 5,389,531       |
|                           | <hr/>            | <hr/>           |

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

|  | <b>From 1/1/2017</b> | <b>From 1/1/2016</b> |
|--|----------------------|----------------------|
|  | <b>to 30/9/2017</b>  | <b>to 30/9/2016</b>  |
|  | VND million          | VND million          |
| Opening balance                          | 27,165               | 16,623               |
| Increase in allowance during the period  | 26,286               | 37,134               |
| Allowance utilised during the period     | (27,717)             | (34,087)             |
| Allowance written back during the period | (6,991)              | (4,648)              |
|  | <hr/>                | <hr/>                |
| Closing balance                          | 18,743               | 15,022               |
|  | <hr/>                | <hr/>                |

**Masan Group Corporation and its subsidiaries**

**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

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

**8. Tangible fixed assets**

|   | Buildings and structures<br>VND million | Mining Properties<br>VND million | Leasehold improvements<br>VND million | Office equipment<br>VND million | Machinery and equipment<br>VND million | Motor vehicles<br>VND million | Total<br>VND million |
|---|---|----------------------------------|---------------------------------------|---------------------------------|--|-------------------------------|----------------------|
| <b>Cost</b>                             |   |                                  |                                       |                                 |  |                               |                      |
| Opening balance                         | 6,002,965                               | 5,026,292                        | 84,245                                | 129,913                         | 16,202,947                             | 130,413                       | 27,576,775           |
| Additions                               | 4,010                                   | -                                | -                                     | 1,116                           | 22,597                                 | 5,143                         | 32,866               |
| Transfers from construction in progress | 301,128                                 | -                                | -                                     | 10,068                          | 487,106                                | 185                           | 798,487              |
| Transfers to short-term prepayments     | (2,696)                                 | -                                | -                                     | -                               | -                                      | -                             | (2,696)              |
| Disposals                               | (5,339)                                 | -                                | -                                     | (3,081)                         | (19,029)                               | (14,989)                      | (42,438)             |
| Reclassifications                       | 10,797                                  | -                                | (54)                                  | 2,765                           | (14,074)                               | 566                           | -                    |
| Closing balance                         | 6,310,865                               | 5,026,292                        | 84,191                                | 140,781                         | 16,679,547                             | 121,318                       | 28,362,994           |
| <b>Accumulated depreciation</b>         |   |                                  |                                       |                                 |  |                               |                      |
| Opening balance                         | 685,874                                 | 508,422                          | 36,075                                | 66,718                          | 2,915,172                              | 47,248                        | 4,259,509            |
| Charge for the period                   | 286,265                                 | 155,030                          | 8,778                                 | 11,993                          | 933,648                                | 18,003                        | 1,413,717            |
| Disposals                               | (4,568)                                 | -                                | -                                     | (3,062)                         | (15,838)                               | (13,224)                      | (36,692)             |
| Reclassifications                       | 5,166                                   | -                                | (825)                                 | 611                             | (4,878)                                | (74)                          | -                    |
| Closing balance                         | 972,737                                 | 663,452                          | 44,028                                | 76,260                          | 3,828,104                              | 51,953                        | 5,636,534            |
| <b>Net book value</b>                   |   |                                  |                                       |                                 |  |                               |                      |
| Opening balance                         | 5,317,091                               | 4,517,870                        | 48,170                                | 63,195                          | 13,287,775                             | 83,165                        | 23,317,266           |
| Closing balance                         | 5,338,128                               | 4,362,840                        | 40,163                                | 64,521                          | 12,851,443                             | 69,365                        | 22,726,460           |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**9. Finance lease tangible fixed assets**

|                                 | <b>Machinery and<br/>equipment<br/>VND million</b> |
|---------------------------------|--|
| <b>Cost</b>                     |  |
| Opening balance/closing balance | 67,300   |
| <b>Accumulated depreciation</b> |  |
| Opening balance                 | 49,353   |
| Charge for the period           | 10,095   |
|                                 | 59,448   |
| <b>Closing balance</b>          |  |
|                                 | 59,448   |
| <b>Net book value</b>           |  |
| Opening balance                 | 17,947   |
| Closing balance                 | 7,852  |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

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

**10. Intangible fixed assets**

|  | Land use rights |             | Software  | Brand name | Customer relationships | Mineral water resources |             | Mining rights | Technology | Exploitation rights |             | Total |
|--|-----------------|-------------|-----------|------------|------------------------|-------------------------|-------------|---------------|------------|---------------------|-------------|-------|
|  | VND million     | VND million |           |            |                        | VND million             | VND million |               |            | VND million         | VND million |       |
| <b>Cost</b>                            |                 |             |           |            |                        |                         |             |               |            |                     |             |       |
| Opening balance                        | 332,769         | 380,790     | 2,413,459 | 3,074,214  | 412,698                | 588,373                 | 669,433     | 117,800       | 7,989,536  |                     |             |       |
| Transfer from construction in progress | -               | 63,761      | -         | -          | -                      | -                       | -           | 145           | 63,906     |                     |             |       |
| Additions                              | -               | 2,786       | -         | -          | -                      | -                       | -           | -             | 2,786      |                     |             |       |
| Written-off                            | -               | (807)       | -         | -          | -                      | -                       | -           | -             | (807)      |                     |             |       |
| Closing balance                        | 332,769         | 446,530     | 2,413,459 | 3,074,214  | 412,698                | 588,373                 | 669,433     | 117,945       | 8,055,421  |                     |             |       |
| <b>Accumulated amortization</b>        |                 |             |           |            |                        |                         |             |               |            |                     |             |       |
| Opening balance                        | 35,902          | 102,462     | 459,889   | 570,950    | 29,528                 | 66,469                  | 230,239     | 7,818         | 1,503,257  |                     |             |       |
| Amortization for the period            | 7,598           | 37,308      | 113,551   | 107,879    | 16,451                 | 22,913                  | 103,607     | 4,553         | 413,860    |                     |             |       |
| Written-off                            | -               | (766)       | -         | -          | -                      | -                       | -           | -             | (766)      |                     |             |       |
| Closing balance                        | 43,500          | 139,004     | 573,440   | 678,829    | 45,979                 | 89,382                  | 333,846     | 12,371        | 1,916,351  |                     |             |       |
| <b>Net book value</b>                  |                 |             |           |            |                        |                         |             |               |            |                     |             |       |
| Opening balance                        | 296,867         | 278,328     | 1,953,570 | 2,503,264  | 383,170                | 521,904                 | 439,194     | 109,982       | 6,486,279  |                     |             |       |
| Closing balance                        | 289,269         | 307,526     | 1,840,019 | 2,395,385  | 366,719                | 498,991                 | 335,587     | 105,574       | 6,139,070  |                     |             |       |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**11. Construction in progress**

|                                      | <b>From 1/1/2017<br/>to 30/9/2017</b> | <b>From 1/1/2016<br/>to 31/12/2016</b> |
|--------------------------------------|---------------------------------------|--|
|                                      | VND million                           | VND million                            |
| Opening balance                      | 2,356,227                             | 5,480,035                              |
| Addition on business combination     | -                                     | 513                                    |
| Addition during the period           | 1,564,317                             | 2,660,537                              |
| Transfers to tangible fixed assets   | (798,487)                             | (4,967,746)                            |
| Transfers to intangible fixed assets | (63,906)                              | (28,826)                               |
| Transfers to long-term prepayments   | (34,688)                              | (769,143)                              |
| Transfers to short-term prepayments  | (7,680)                               | (14,494)                               |
| Disposals                            | -                                     | (4,583)                                |
| Written off                          | -                                     | (66)                                   |
|                                      | <hr/>                                 | <hr/>                                  |
| Closing balance                      | 3,015,783                             | 2,356,227                              |
|                                      | <hr/>                                 | <hr/>                                  |

**12. Investments**

|  | <b>30/9/2017</b> | <b>1/1/2017</b> |
|--|------------------|-----------------|
|  | VND million      | VND million     |
| <b>Long-term financial investments</b>                         |                  |                 |
| Investment in associates (a)                                   | 13,444,845       | 12,219,056      |
| Investments in other entities (c)                              | 21,646           | 21,646          |
| Allowance for diminution in the value of long-term investments | (4,962)          | -               |
|  | <hr/>            | <hr/>           |
|  | 13,461,529       | 12,240,702      |
|  | <hr/>            | <hr/>           |
| <b>Short-term financial investments (b)</b>                    | 1,670,813        | 1,771,012       |
|  | <hr/>            | <hr/>           |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

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

**(a) Investment in associates**

|   | 30/9/2017         |                    |  | 1/1/2017                                      |                   |                    |  |   |                        |
|---|-------------------|--------------------|--|---|-------------------|--------------------|--|---|------------------------|
|   | % of equity owned | % of voting rights | Carrying value at equity accounted VND million | Allowance for diminution in value VND million | % of equity owned | % of voting rights | Carrying value at equity accounted VND million | Allowance for diminution in value VND million | Fair value VND million |
| Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”) (*)       | 24.2%             | 24.2%              | 11,033,113                                     | -   | (*****)           | 19.5%              | 9,807,843                                      | -   | (*****)                |
| Cholimex Food Joint Stock Company (“Cholimex”) (**)                             | 32.8%             | 32.8%              | 249,392  | -   | (*****)           | 32.8%              | 249,392  | -   | (*****)                |
| Thuan Phat Packing Joint Stock Company (“Thuan Phat”) (***)                     | 25.0%             | 25.0%              | 9,750  | -   | (*****)           | 25.0%              | 9,299  | -   | (*****)                |
| Abattoir Long Binh Joint Stock Company (“Abattoir”) (***)                       | 25.0%             | 25.0%              | 7,297  | -   | (*****)           | 25.0%              | 7,545  | -   | (*****)                |
| Dong Nai Manufacture, Service and Trading Joint Stock Company (“DN Manu”) (***) | 21.3%             | 21.3%              | 9,803  | -   | (*****)           | 21.3%              | 9,487  | -   | (*****)                |
| Vissan Joint Stock Company (“Vissan”) (*****)                                   | 24.9%             | 24.9%              | 2,135,490                                      | -   | (*****)           | 24.9%              | 2,135,490                                      | -   | (*****)                |
|   |                   |                    | <u>13,444,845</u>                              | <u>-</u>                                      | <u>(*****)</u>    |                    | <u>12,219,056</u>                              | <u>-</u>                                      | <u>(*****)</u>         |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

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

Movements of investment in associates during the period were as follows:

|  | <b>Techcombank</b><br>VND million | <b>Cholimex</b><br>VND million | <b>Thuan Phat</b><br>VND million | <b>Abattoir</b><br>VND million | <b>DN Manu</b><br>VND million | <b>Vissan</b><br>VND million | <b>Total</b><br>VND million |
|--|-----------------------------------|--------------------------------|----------------------------------|--------------------------------|-------------------------------|------------------------------|-----------------------------|
| Opening balance  | 9,807,843                         | 249,392                        | 9,299                            | 7,545                          | 9,487                         | 2,135,490                    | 12,219,056                  |
| Share in post-acquisition profit of associates during the period | 1,225,270                         | 5,318                          | 451                              | 252                            | 976                           | -                            | 1,232,267                   |
| Dividend declared  | -                                 | (5,318)                        | -                                | (500)                          | (660)                         | -                            | (6,478)                     |
| Closing balance  | 11,033,113                        | 249,392                        | 9,750                            | 7,297                          | 9,803                         | 2,135,490                    | 13,444,845                  |

- (\*) In August 2017, Techcombank repurchased 19.4% of the total number of its issued shares. As a result, the Group's effective economic interest in Techcombank as of 30 September 2017 increased to 36.4% (1/1/2017: 30.4%). The Group's effective economic interest includes 18.8% through direct and indirect equity interest (net of dilutive impact of convertible bonds on current equity interest of 24.2%) and 17.6% through 10 year convertible bonds issued by Techcombank which the Company has agreed to irrevocably and mandatorily convert during the conversion period of the convertible bonds, subject to regulatory and other customary approvals.
- (\*\*) MSC holds 32.8% equity interest in Cholimex.
- (\*\*\*) Proconco holds 25.0% equity interest in Thuan Phat, 25.0% equity interest in Abattoir and 21.3% equity interest in DN Manu.
- (\*\*\*\*) ANCO holds 24.9% equity interest in Vissan.
- (\*\*\*\*\*) At the reporting date, fair value of these investments was not available.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

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

**(b) Short-term financial investments**

Short-term financial investments includes term deposits in VND in banks with original terms to maturity of more than three months and less than 12 months from their transaction dates and interest bearing financial investments.

**(c) Equity investments in other entity**

Details of the Group's cost of equity investments in other entity were as follows:

|                           | 30/9/2017         |                    |   | 1/1/2017          |                    |   |
|---------------------------|-------------------|--------------------|---|-------------------|--------------------|---|
|                           | % of equity owned | % of voting rights | Allowance for diminution in value VND million | % of equity owned | % of voting rights | Allowance for diminution in value VND million |
| PTSC Dinh Vu Port Company | 5.9%              | 5.9%               | 21,646  | 5.9%              | 5.9%               | 21,646  |
|                           |                   |                    | (4,962)                                       | (*)               | -                  | (*)   |

(\*) At the reporting date, fair value of these investments was not available.

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)

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

**13. Long-term prepayments**

|  | Mining properties<br>VND million | Pre-operating expenses<br>VND million | Prepaid land costs<br>VND million | Land compensation costs<br>VND million | Printing supplies<br>VND million | axles, tools and Goodwill from<br>equitization<br>VND million | Others<br>VND million | Total<br>VND million |
|--|----------------------------------|---------------------------------------|-----------------------------------|--|----------------------------------|---|-----------------------|----------------------|
| Opening balance                        | 1,150,909                        | 25,819                                | 326,076                           | 1,120,617                              | 112,828                          | 28,210  | 105,110               | 2,869,569            |
| Additions                              | 107,434                          | -                                     | 78,528                            | 47,403                                 | 24,724                           | -   | 33,428                | 291,517              |
| Transfer from construction in progress | 10,030                           | -                                     | 2,513                             | (9,003)                                | 15,765                           | -   | 15,383                | 34,688               |
| Amortization for the period            | (67,510)                         | (16,294)                              | (7,474)                           | (51,585)                               | (39,244)                         | (2,351)   | (49,779)              | (234,237)            |
| Forex exchange translation             | -                                | -                                     | -                                 | -                                      | 45                               | -   | -                     | 45                   |
| Disposals                              | -                                | -                                     | -                                 | -                                      | (34)                             | -   | -                     | (34)                 |
| Reclassifications                      | -                                | -                                     | -                                 | -                                      | (628)                            | -   | 628                   | -                    |
| Closing balance                        | 1,200,863                        | 9,525                                 | 399,643                           | 1,107,432                              | 113,456                          | 25,859  | 104,770               | 2,961,548            |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**14. Goodwill**

|                                 | <b>VND million</b> |
|---------------------------------|--------------------|
| <b>Cost</b>                     |                    |
| Opening balance/closing balance | 1,115,851          |
| <b>Accumulated amortization</b> |                    |
| Opening balance                 | 371,348            |
| Amortization for the period     | 84,361             |
| Closing balance                 | 455,709            |
| <b>Net book value</b>           |                    |
| Opening balance                 | 744,503            |
| Closing balance                 | 660,142            |

**15. Taxes payable to State Treasury**

|                         | <b>30/9/2017</b>   | <b>1/1/2017</b>    |
|-------------------------|--------------------|--------------------|
|                         | <b>VND million</b> | <b>VND million</b> |
| Corporate income tax    | 235,044            | 284,519            |
| Value added tax         | 57,749             | 161,055            |
| Personal income tax     | 34,081             | 41,996             |
| Special consumption tax | 17,095             | 52,489             |
| Other taxes             | 4,728              | 6,050              |
|                         | 348,697            | 546,109            |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**16. Accrued expenses**

|   | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|---|---------------------------------|--------------------------------|
| Accrued interest expense                    | 598,519                         | 571,195                        |
| Advertising and promotion expenses          | 811,526                         | 842,533                        |
| Sales discount                              | 327,901                         | 973,440                        |
| Transportation expenses                     | 89,658                          | 108,590                        |
| Accruals for inventories purchased          | 101,776                         | 36,370                         |
| Accrual for construction work               | 82,094                          | 136,537                        |
| Consultant fee                              | 7,664                           | 35,737                         |
| Bonus and 13 <sup>th</sup> month salary     | 181,633                         | 239,235                        |
| Exhibition and market research expenses     | 55,066                          | 47,024                         |
| Natural resources taxes and fees            | 25,054                          | 230,261                        |
| Accrued information and technology expenses | 33,648                          | 17,931                         |
| Accrued withholding tax                     | 1,146                           | 1,917                          |
| Others                                      | 249,443                         | 215,622                        |
|   | 2,565,128                       | 3,456,392                      |

**17. Other payables**

|   | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|---|---------------------------------|--------------------------------|
| <b>Other short-term payables</b>              |                                 |                                |
| Trade union fees, social and health insurance | 22,070                          | 13,564                         |
| Short-term deposits from customers            | 5,020                           | 7,433                          |
| Dividend payables                             | 6,862                           | 2,453,263                      |
| Others  | 45,074                          | 53,733                         |
|   | 79,026                          | 2,527,993                      |
| <b>Other long-term payables</b>               |                                 |                                |
| Long-term payables                            | 2,465                           | 2,465                          |
| Long-term deposits                            | 26,412                          | 28,470                         |
|   | 28,877                          | 30,935                         |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**18. Short-term borrowings and finance lease liabilities**

|   | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|---|---------------------------------|--------------------------------|
| Short-term borrowings                             | 6,112,807                       | 7,947,513                      |
| Current portion of long-term borrowings (Note 19) | 636,125                         | 670,827                        |
|   | <u>6,748,932</u>                | <u>8,618,340</u>               |

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

|                  | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|------------------|---------------------------------|--------------------------------|
| Bank borrowings: |                                 |                                |
| VND denominated  | 3,893,097                       | 6,380,019                      |
| USD denominated  | 2,219,710                       | 1,567,494                      |
|                  | <u>6,112,807</u>                | <u>7,947,513</u>               |

**19. Long-term borrowings and finance lease liabilities**

|  | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|--|---------------------------------|--------------------------------|
| Long-term borrowings (a)                 | 1,054,850                       | 1,091,862                      |
| Convertible loan                         | 567,960                         | 567,960                        |
| Secured bonds                            | 25,399,189                      | 31,458,105                     |
| Finance lease liabilities                | 13,309                          | 25,298                         |
|  | <u>27,035,308</u>               | <u>33,143,225</u>              |
| Repayable within twelve months (Note 18) | (636,125)                       | (670,827)                      |
| Repayable after twelve months            | <u>26,399,183</u>               | <u>32,472,398</u>              |

**(a) Long-term borrowings**

|                  | <b>30/9/2017</b><br>VND million | <b>1/1/2017</b><br>VND million |
|------------------|---------------------------------|--------------------------------|
| Bank borrowings: |                                 |                                |
| VND denominated  | 257,900                         | 293,512                        |
| USD denominated  | 796,950                         | 798,350                        |
|                  | <u>1,054,850</u>                | <u>1,091,862</u>               |

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance)

20. Changes in owners' equity

|   | Share capital<br>VND million | Capital surplus<br>VND million | Other capital<br>VND million | Treasury shares<br>VND million | Foreign exchange differences<br>VND million | Undistributed profits<br>VND million | Equity attributable to equity holders of the Group<br>VND million | Non-controlling interest<br>VND million | Total<br>VND million |
|---|------------------------------|--------------------------------|------------------------------|--------------------------------|---|--------------------------------------|---|---|----------------------|
| <b>Balance at 1 January 2016</b>                          | 7,467,179                    | 9,631,106                      | (9,045,049)                  | -                              | -   | 8,561,380                            | 16,614,616  | 10,494,430                              | 27,109,046           |
| Issuance of new shares                                    | 213,578                      | 1,018,690                      | -                            | -                              | -   | -                                    | 1,232,268   | -                                       | 1,232,268            |
| Business combination                                      | -                            | -                              | -                            | -                              | -   | -                                    | -   | 1,381                                   | 1,381                |
| Transaction with non-controlling interest in subsidiaries | -                            | -                              | -                            | -                              | -   | (2,060,328)                          | (2,060,328)   | (6,165,737)                             | (8,226,065)          |
| Equity instruments repurchased                            | -                            | -                              | (381,909)                    | -                              | -   | -                                    | (381,909)   | -                                       | (381,909)            |
| Repurchase of treasury shares                             | -                            | -                              | -                            | (641,110)                      | -   | -                                    | (641,110)   | -                                       | (641,110)            |
| Currency translation differences                          | -                            | -                              | -                            | -                              | (1,874)                                     | -                                    | (1,874)   | (380)                                   | (2,254)              |
| Net profit for the year                                   | -                            | -                              | -                            | -                              | -   | 2,791,444                            | 2,791,444   | 981,053                                 | 3,772,497            |
| Dividends declared  | -                            | -                              | -                            | -                              | -   | (2,276,524)                          | (2,276,524)   | -                                       | (2,276,524)          |
| Dividends declared by subsidiaries                        | -                            | -                              | -                            | -                              | -   | -                                    | -   | (273,124)                               | (273,124)            |
| Board of Directors' fees of subsidiaries                  | -                            | -                              | -                            | -                              | -   | (427)                                | (427)   | (1,154)                                 | (1,581)              |
| <b>Balance at 31 December 2016</b>                        | 7,680,757                    | 10,649,796                     | (9,426,958)                  | (641,110)                      | (1,874)                                     | 7,015,545                            | 15,276,156  | 5,036,469                               | 20,312,625           |

**Masan Group Corporation and its subsidiaries**

**Notes to the consolidated financial statements for the period ended 30 September 2017 (continued)**

**Form B 09a – DN/HN**

*(Issued under Circular No. 202/2014/TT-BTC*

*dated 22 December 2014 of the Ministry of Finance)*

|   | Share capital<br>VND million | Capital surplus<br>VND million | Other capital<br>VND million | Treasury shares<br>VND million | Foreign exchange differences<br>VND million | Undistributed profits<br>VND million | Equity attributable to equity holders of the Group<br>VND million | Non-controlling interest<br>VND million | Total<br>VND million |
|---|------------------------------|--------------------------------|------------------------------|--------------------------------|---|--------------------------------------|---|---|----------------------|
| <b>Balance at 1 January 2017</b>                          | 7,680,757                    | 10,649,796                     | (9,426,958)                  | (641,110)                      | (1,874)                                     | 7,015,545                            | 15,276,156  | 5,036,469                               | 20,312,625           |
| Net profit for the period                                 | -                            | -                              | -                            | -                              | -   | 1,212,744                            | 1,212,744   | 253,459                                 | 1,466,203            |
| Issuance of bonus shares                                  | 3,794,207                    | (3,794,207)                    | -                            | -                              | -   | -                                    | -   | -                                       | -                    |
| Issuance of new shares                                    | 98,776                       | (50)                           | -                            | -                              | -   | -                                    | 98,726  | -                                       | 98,726               |
| Currency translation differences                          | -                            | -                              | -                            | -                              | 3,871                                       | -                                    | 3,871   | 807                                     | 4,678                |
| Transaction with non-controlling interest in subsidiaries | -                            | -                              | -                            | -                              | -   | 2,497,312                            | 2,497,312   | 922,034                                 | 3,419,346            |
| Dividends declared by subsidiaries                        | -                            | -                              | -                            | -                              | -   | -                                    | -   | (235,497)                               | (235,497)            |
| <b>Balance at 30 September 2017</b>                       | <b>11,573,740</b>            | <b>6,855,539</b>               | <b>(9,426,958)</b>           | <b>(641,110)</b>               | <b>1,997</b>                                | <b>10,725,601</b>                    | <b>19,088,809</b>   | <b>5,977,272</b>                        | <b>25,066,081</b>    |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

## 21. Share capital and capital surplus

The Company's authorised and issued share capital comprises:

|                                 | 30/9/2017        |             | 1/1/2017         |             |
|---------------------------------|------------------|-------------|------------------|-------------|
|                                 | Number of shares | VND million | Number of shares | VND million |
| <b>Authorised share capital</b> | 1,157,373,974    | 11,573,740  | 768,075,674      | 7,680,757   |
| <b>Issued share capital</b>     |                  |             |                  |             |
| Ordinary shares                 | 1,157,373,974    | 11,573,740  | 768,075,674      | 7,680,757   |
| <b>Treasury shares</b>          |                  |             |                  |             |
| Ordinary shares                 | (9,234,210)      | (641,110)   | (9,234,210)      | (641,110)   |
| <b>Shares in circulation</b>    |                  |             |                  |             |
| Ordinary shares                 | 1,148,139,764    | 10,932,630  | 758,841,464      | 7,039,647   |
| <b>Capital surplus</b>          | -                | 6,855,539   | -                | 10,649,796  |

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. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Capital surplus represents the excess of the proceeds on issuance of shares over the par value.

Movements in share capital during the period were as follows:

|   | From 1/1/2017<br>to 30/9/2017 |                       | From 1/1/2016<br>to 31/12/2016 |                       |
|---|-------------------------------|-----------------------|--------------------------------|-----------------------|
|   | Number of shares              | Par value VND million | Number of shares               | Par value VND million |
| Balance at beginning of the period/year | 768,075,674                   | 7,680,757             | 746,717,861                    | 7,467,179             |
| Issuance of new shares                  | 9,877,600                     | 98,776                | 21,357,813                     | 213,578               |
| Issuance of bonus shares (*)            | 379,420,700                   | 3,794,207             | -                              | -                     |
| Balance at the end of the period/year   | 1,157,373,974                 | 11,573,740            | 768,075,674                    | 7,680,757             |

(\*) In February 2017, there were 379,420,700 bonus shares (2016: nil) issued to existing shareholders at the ratio of 50% of par value.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**22. Other capital**

Agreements to issue a fixed number of shares in the future are recognized based on their fair values at the dates of the agreements under other capital if there are no other settlement alternatives.

**23. Total revenue**

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

Net sales comprised:

|                           | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|---------------------------|---|---|
| Total revenue             |   |   |
| ▪ Sales of finished goods | 28,442,352  | 31,471,688  |
| Less sales deductions     |   |   |
| ▪ Sales discounts         | (775,392)   | (1,281,183)   |
| ▪ Sales returns           | (215,654)   | (42,427)  |
| Net sales                 | 27,451,306  | 30,148,078  |

**24. Cost of sales**

|                             | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|-----------------------------|---|---|
| Total cost of sales         |   |   |
| ▪ Finished goods sold       | 19,193,350  | 21,259,556  |
| ▪ Allowance for inventories | 19,295  | 32,160  |
|                             | 19,212,645  | 21,291,716  |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**25. Financial income**

|                                   | <b>From 1/1/2017<br/>to 30/9/2017</b> | <b>From 1/1/2016<br/>to 30/9/2016</b> |
|-----------------------------------|---------------------------------------|---------------------------------------|
|                                   | VND million                           | VND million                           |
| Interest income from:             |                                       |                                       |
| ▪ Deposits                        | 273,733                               | 409,355                               |
| ▪ Other loan investing activities | 39,667                                | 115,318                               |
| Foreign exchange gains            | 43,418                                | 23,204                                |
| Others                            | 2,749                                 | 2,618                                 |
|                                   | 359,567                               | 550,495                               |

**26. Financial expenses**

|                               | <b>From 1/1/2017<br/>to 30/9/2017</b> | <b>From 1/1/2016<br/>to 30/9/2016</b> |
|-------------------------------|---------------------------------------|---------------------------------------|
|                               | VND million                           | VND million                           |
| Interest expenses payable to: |                                       |                                       |
| ▪ Banks                       | 241,154                               | 234,327                               |
| ▪ Bondholders and others      | 2,280,997                             | 2,005,810                             |
| Foreign exchange losses       | 39,132                                | 20,754                                |
| Other financial expenses      | 64,084                                | 61,511                                |
|                               | 2,625,367                             | 2,322,402                             |

**27. Share of profit in associates**

|                               | <b>From 1/1/2017<br/>to 30/9/2017</b> | <b>From 1/1/2016<br/>to 30/9/2016</b> |
|-------------------------------|---------------------------------------|---------------------------------------|
|                               | VND million                           | VND million                           |
| Share of profit in associates | 1,232,267                             | 704,698                               |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**28. Other income**

|   | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|---|---|---|
| Gain on disposal of fixed assets and long-term assets | 5,528   | 3,038   |
| Others  | 6,157   | 4,978   |
|   | 11,685  | 8,016   |

**29. Other expenses**

|   | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|---|---|---|
| Loss from disposal of fixed assets and long-term assets | 2,905   | 2,870   |
| Others  | 31,086  | 35,497  |
|   | 33,991  | 38,367  |

**30. Earnings per share**

The calculation of basic earnings per share at 30 September 2017 was based on the profit attributable to ordinary shareholders of VND1,212,744 million (30/9/2016: VND1,847,558 million) of the Group and a weighted average number of ordinary shares outstanding of 1,153,612,422 shares during the period (30/9/2016: 1,139,944,439 shares), calculated as follows:

*(i) Net profit attributable to ordinary shareholders*

|  | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|--|---|---|
| Net profit attributable to ordinary shareholders | 1,212,744   | 1,847,558   |

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**(ii) Weighted average number of ordinary shares**

|  | <b>From 1/1/2017<br/>to 30/9/2017</b> | <b>From 1/1/2016<br/>to 30/9/2016</b> |
|--|---------------------------------------|---------------------------------------|
| Issued ordinary shares at the beginning of the period                          | 758,841,464                           | 746,717,861                           |
| Effect of bonus shares issued during the period                                | 379,420,700                           | -                                     |
| Effect of shares to be issued solely after the passage of time                 | 13,685,900                            | 9,724,374                             |
| Effect of ESOP shares to be issued   | -                                     | 3,688,481                             |
| Effect of shares issued for cash   | 1,664,358                             | -                                     |
| Effect of purchase of treasury shares during the period                        | -                                     | (291,690)                             |
| Weighted average number of ordinary shares at the end of the period            | 1,153,612,422                         | 759,839,026                           |
| Effect of retrospective adjustments in relation to bonus shares issued in 2017 | -                                     | 380,105,413                           |
| Weighted average number of ordinary shares at the end of the period (adjusted) | 1,153,612,422                         | 1,139,944,439                         |

**31. Significant transactions with related parties**

In addition to related party balances and transactions disclosed in other notes to these financial statements, the Group has the following transactions with related parties in accordance with Vietnamese Accounting Standards during the period:

| <b>Related Party</b>            | <b>Nature of transaction</b>            | <b>From 1/1/2017<br/>to 30/9/2017<br/>VND million</b> | <b>From 1/1/2016<br/>to 30/9/2016<br/>VND million</b> |
|---------------------------------|---|---|---|
| <b>Associate</b>                |   |   |   |
| Techcombank                     | Loan received                           | 1,165,949   | 2,017,654   |
|                                 | Loan paid                               | 745,763   | 1,780,171   |
|                                 | Interest expense on loans received      | 147,335   | 126,528   |
| <b>Key management personnel</b> | Remuneration to Board of Management (*) | 91,133  | 80,086  |

(\*) No board fees were paid to Board of Directors members in the period ended 30 September 2017 and 30 September 2016.

**Masan Group Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the period ended 30 September 2017**  
**(continued)**

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

**32. Subsequent events**

The Company is in the progress of repurchasing up to 10% of the total number of outstanding shares of the Company, subject to market conditions.

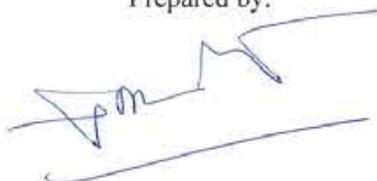
The Company completed the issuance of bonds amounting VND1,500 billion.

**33. Explanation of the net profit movement**

The Group net profit after tax during 3Q2017 was VND948 billion (after amortization related to past M&A transactions) compared to VND1,054 billion during similar period last year. The key drivers for this movement were:

- The higher selling expenses due to management's strategic decision to rebalance distributor inventory levels to ensure sustainable growth for branded food and beverage;
- The overall pig feed market volume declined due to an oversupply of livestock.

Prepared by:



Doan Thi My Duyen  
*Chief Accountant*

30 October 2017

Approved by:



Michael Hung Nguyen  
*Deputy Chief Executive Officer*  
*Chief Financial Officer*



Dr. Nguyen Dang Quang  
*Chairman*  
*Chief Executive Officer*